

HOUSE BILL 778

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2001 Regular Session
1r2227
CF 1r2253

By: **Delegates Wood, McIntosh, Arnick, Benson, Bobo, Clagett, DeCarlo,
Malone, Riley, Snodgrass, Sophocleus, Swain, Paige, Dobson, Bronrott,
and Parrott**

Introduced and read first time: February 8, 2001
Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law - Political Action Committees - Contributions**

3 FOR the purpose of authorizing a political action committee sponsored by or affiliated
4 with another entity or group to collect contributions paid voluntarily by
5 members when the member makes payment for membership dues or makes
6 payment for contributions to a political action committee established under
7 federal law; authorizing a political action committee that is sponsored by or
8 affiliated with an entity or group to collect contributions that are paid
9 voluntarily by its members by means of payroll deductions, together with the
10 payroll withholdings from the employee that are made for the payment of dues
11 by the members to the affiliated entity or group; requiring certain political
12 action committees to keep certain records relating to certain contributions that
13 are made by payroll deduction; prohibiting certain practices; and generally
14 relating to certain contributions to political action committees.

15 BY repealing and reenacting, with amendments,
16 Article 33 - Election Code
17 Section 13-210 and 13-211
18 Annotated Code of Maryland
19 (1997 Replacement Volume and 2000 Supplement)

20 BY adding to
21 Article 33 - Election Code
22 Section 13-211.1
23 Annotated Code of Maryland
24 (1997 Replacement Volume and 2000 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

1

Article 33 - Election Code

2 13-210.

3 (a) Except as provided in [§ 13-211] §§ 13-211 AND 13-211.1 of this subtitle and
4 subsection (b) of this section, no person other than a candidate shall, to aid or promote
5 the success or defeat of any political party or principle or of any proposition submitted
6 to vote at any public election, or of any candidate for nomination for, or election to
7 public or party office, make a payment or contribution of money or property or incur
8 any liability or promise any valuable thing to any person other than to the treasurer
9 or subtreasurer of a candidate or [treasurer of a] political committee, INCLUDING A
10 POLITICAL ACTION COMMITTEE, in their official capacity.

11 (b) (1) A contribution may be made directly to a candidate provided the
12 candidate shall report the contribution to the candidate's treasurer.

13 (2) Nothing contained in this subtitle shall limit or affect the right of any
14 person to volunteer the time or personal vehicle of the person for transportation
15 incident to any election or to expend money for proper legal expenses in maintaining
16 or contesting the results of any election.

17 13-211.

18 (a) (1) [An] WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A
19 CANDIDATE OR POLITICAL COMMITTEE, INCLUDING A POLITICAL ACTION
20 COMMITTEE AFFILIATED WITH THE EMPLOYER, THE employer may accumulate in a
21 separate, segregated account the combined, voluntary, and periodic contributions of
22 employees made by payroll deduction.

23 (2) WHEN EMPLOYEE CONTRIBUTIONS ARE MADE FOR A POLITICAL
24 ACTION COMMITTEE AFFILIATED WITH AN ENTITY IN WHICH THE EMPLOYEE IS A
25 MEMBER AND FOR WHICH THE EMPLOYER WITHHOLDS BY MEANS OF PAYROLL
26 DEDUCTIONS PERIODIC PAYMENTS OF DUES BY THE EMPLOYEES TO THE
27 AFFILIATED ENTITY, THE EMPLOYER MAY ALSO COLLECT FROM THE EMPLOYEE, IN
28 CONJUNCTION WITH THE PAYROLL DEDUCTION OF DUES, THE COMBINED,
29 VOLUNTARY, AND PERIODIC CONTRIBUTIONS OF EMPLOYEES MADE BY PAYROLL
30 DEDUCTION.

31 (b) (1) An employer shall keep and maintain detailed, full, and accurate
32 records of all payroll deductions made under subsection [(a)] (A)(1) of this section,
33 including:

34 [(1)] (I) The names of the individual contributors;

35 [(2)] (II) The day on which each contribution is withheld;

36 [(3)] (III) The amount of each contribution withheld from an employee's
37 paycheck; and

38 [(4)] (IV) The disposition of the amounts withheld.

1 (2) A POLITICAL ACTION COMMITTEE, IN CONJUNCTION WITH THE
2 AFFILIATED ENTITY AND THE EMPLOYER, SHALL KEEP AND MAINTAIN DETAILED,
3 FULL, AND ACCURATE RECORDS OF ALL PAYROLL DEDUCTIONS MADE UNDER
4 SUBSECTION (A)(2) OF THIS SECTION, INCLUDING:

5 (I) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;

6 (II) THE DAY ON WHICH THE PAYROLL DEDUCTION WAS MADE;

7 (III) THE AMOUNT OF EACH DEDUCTION THAT CONSTITUTES THE
8 CONTRIBUTION TO THE POLITICAL ACTION COMMITTEE;

9 (IV) THE DAY ON WHICH THE COMBINED, VOLUNTARY, AND
10 PERIODIC CONTRIBUTIONS WITHHELD BY THE EMPLOYER WERE RECEIVED BY THE
11 AFFILIATED ENTITY OR THE POLITICAL ACTION COMMITTEE, OR BOTH;

12 (V) THE AMOUNT OF EACH CONTRIBUTION WITHHELD FROM AN
13 EMPLOYEE MEMBER'S PAYROLL CHECK; AND

14 (VI) THE DISPOSITION OF THE AMOUNTS WITHHELD.

15 (c) (1) An employer may not accumulate the contributions withheld in
16 accordance with [this] subsection (A)(1) OF THIS SECTION for more than 3 months
17 before the employer shall transfer the accumulated contributions to a treasurer or
18 subtreasurer, in their official capacity, of a candidate or a political committee,
19 INCLUDING A POLITICAL ACTION COMMITTEE AFFILIATED WITH THE EMPLOYER,
20 together with the information recorded in accordance with the provisions of
21 subsection [(b)] (B)(2) of this section.

22 (2) (I) AN EMPLOYER MAY NOT ACCUMULATE THE CONTRIBUTIONS
23 WITHHELD IN ACCORDANCE WITH SUBSECTION (A)(2) OF THIS SECTION FOR MORE
24 THAN 3 MONTHS BEFORE THE EMPLOYER SHALL TRANSFER THE ACCUMULATED
25 CONTRIBUTIONS TO EITHER THE TREASURER OR THE SUBTREASURER, IN THEIR
26 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, OR TO THE AFFILIATED
27 ENTITY, TOGETHER WITH:

28 1. THE INFORMATION RECORDED IN ACCORDANCE WITH
29 THE PROVISIONS OF SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

30 2. AT THE EMPLOYER'S DISCRETION, THE INFORMATION
31 RECORDED IN ACCORDANCE WITH THE PROVISIONS OF SUBSECTION (B)(2)(III)
32 THROUGH (V) OF THIS SECTION.

33 (II) AN AFFILIATED ENTITY THAT RECEIVES THE ACCUMULATED
34 CONTRIBUTIONS OF EMPLOYEES FROM AN EMPLOYER UNDER THIS SUBSECTION
35 MAY NOT HOLD THE CONTRIBUTIONS FOR MORE THAN 30 DAYS BEFORE THE
36 AFFILIATED ENTITY TRANSFERS THE ACCUMULATED CONTRIBUTIONS TO THE
37 TREASURER OR SUBTREASURER OF THE POLITICAL ACTION COMMITTEE, TOGETHER
38 WITH:

1 1. THE INFORMATION RECORDED BY AND RECEIVED FROM
2 THE EMPLOYER UNDER SUBSECTION (B)(2)(I) AND (II) OF THIS SECTION; AND

3 2. THE INFORMATION RECORDED IN ACCORDANCE WITH
4 THE PROVISIONS OF SUBSECTION (B)(2)(III) THROUGH (V) OF THIS SECTION.

5 (III) A POLITICAL ACTION COMMITTEE THAT RECEIVES
6 ACCUMULATED CONTRIBUTIONS THAT WERE MADE UNDER SUBSECTION (A)(2) OF
7 THIS SECTION SHALL KEEP AND MAINTAIN DETAILED, FULL, AND ACCURATE
8 RECORDS OF THE INFORMATION RECEIVED FROM THE EMPLOYER OR ITS
9 AFFILIATED ENTITY, OR BOTH, TOGETHER WITH THE INFORMATION RECORDED BY
10 THE POLITICAL ACTION COMMITTEE IN ACCORDANCE WITH THE PROVISIONS OF
11 SUBSECTION (B)(2) OF THIS SECTION.

12 (d) In soliciting an employee for any contribution by means of a payroll
13 deduction, an employer OR A POLITICAL COMMITTEE, INCLUDING A POLITICAL
14 ACTION COMMITTEE, shall inform the employee:

15 (1) Of the political purposes of the account OR POLITICAL ACTION
16 COMMITTEE; and

17 (2) Of the employee's right to refuse to contribute to the account OR
18 POLITICAL ACTION COMMITTEE without reprisal.

19 (e) For purposes of a payroll deduction for any contribution, an employer may
20 not receive, accumulate, transfer, or utilize money or anything of value secured by:

21 (1) Physical force;

22 (2) Job discrimination;

23 (3) Financial reprisals;

24 (4) The threat of force, job discrimination, or financial reprisal;

25 (5) Money obtained in any commercial transaction; or

26 (6) Dues, fees, or other money required as a condition of:

27 (i) Membership in a labor organization; or

28 (ii) Employment.

29 13-211.1.

30 (A) A POLITICAL ACTION COMMITTEE MAY HAVE THE COMBINED VOLUNTARY
31 CONTRIBUTIONS BY MEMBERS OF AN AFFILIATED ENTITY OR GROUP COLLECTED
32 AND ACCUMULATED BY THE AFFILIATED ENTITY OR GROUP IN CONJUNCTION WITH:

33 (1) THE RECEIPT OF MEMBERSHIP DUES INVOICED AND COLLECTED BY
34 THE AFFILIATED ENTITY OR GROUP ON A PERIODIC BASIS; OR

1 (2) VOLUNTARY CONTRIBUTIONS MADE TO A POLITICAL ACTION
2 COMMITTEE ESTABLISHED PURSUANT TO FEDERAL LAW, IF THAT POLITICAL ACTION
3 COMMITTEE IS ALSO AFFILIATED WITH THE ENTITY OR GROUP COLLECTING AND
4 ACCUMULATING THE CONTRIBUTIONS.

5 (B) AN AFFILIATED ENTITY OR GROUP SHALL KEEP AND MAINTAIN
6 DETAILED, FULL, AND ACCURATE RECORDS OF ALL CONTRIBUTIONS MADE UNDER
7 SUBSECTION (A) OF THIS SECTION, INCLUDING:

8 (1) THE NAMES OF THE INDIVIDUAL CONTRIBUTORS;

9 (2) THE DAY ON WHICH EACH CONTRIBUTION WAS RECEIVED;

10 (3) THE AMOUNT OF EACH CONTRIBUTION RECEIVED; AND

11 (4) THE DISPOSITION OF THE AMOUNTS HELD.

12 (C) AN AFFILIATED ENTITY OR GROUP MAY NOT ACCUMULATE THE
13 CONTRIBUTIONS RECEIVED IN ACCORDANCE WITH THIS SECTION FOR MORE THAN
14 30 DAYS BEFORE THE AFFILIATED ENTITY OR GROUP SHALL TRANSFER THE
15 ACCUMULATED CONTRIBUTIONS TO A TREASURER OR SUBTREASURER, IN THEIR
16 OFFICIAL CAPACITY, OF THE POLITICAL ACTION COMMITTEE, TOGETHER WITH THE
17 INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.

18 (D) IN SOLICITING A MEMBER FOR A CONTRIBUTION BY MEANS OF A JOINT
19 INVOICE FOR MEMBERSHIP DUES, OR FOR CONTRIBUTIONS TO A POLITICAL ACTION
20 COMMITTEE ESTABLISHED UNDER FEDERAL LAW, AN AFFILIATED ENTITY OR GROUP
21 SHALL INFORM THE MEMBER:

22 (1) OF THE POLITICAL PURPOSES OF THE POLITICAL ACTION
23 COMMITTEE; AND

24 (2) OF THE MEMBER'S RIGHT TO REFUSE TO CONTRIBUTE TO THE
25 ACCOUNT WITHOUT REPRISAL.

26 (E) A POLITICAL ACTION COMMITTEE AND AN AFFILIATED ENTITY OR GROUP
27 MAY NOT RECEIVE, ACCUMULATE, TRANSFER, OR UTILIZE MONEY OR ANYTHING OF
28 VALUE SECURED BY:

29 (1) PHYSICAL FORCE;

30 (2) MEMBERSHIP DISCRIMINATION;

31 (3) FINANCIAL OR PROFESSIONAL REPRISALS;

32 (4) THE THREAT OF FORCE, MEMBERSHIP DISCRIMINATION, OR
33 FINANCIAL OR PROFESSIONAL REPRISALS; OR

34 (5) DUES, FEES, OR OTHER MONEY REQUIRED AS A CONDITION OF
35 MEMBERSHIP.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2001.