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By: **Delegates Barkley and Bates**

Introduced and read first time: February 7, 2005

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2                   **Election Law - Campaign Finance Organization and Reporting**  
3                   **Requirements - Revisions**

4 FOR the purpose of altering the types of campaign finance entities that certain  
5 individuals may establish; abolishing the personal treasurer as a type of  
6 campaign finance entity and repealing certain provisions relating thereto;  
7 requiring a political committee to specify, when it is established, the elections for  
8 which it was formed to participate; repealing certain provisions relating to  
9 continuing political committees; requiring the treasurer appointed by a  
10 campaign finance entity to undertake certain training; altering campaign  
11 finance report filing requirements for certain campaign finance entities;  
12 establishing penalties for a campaign finance entity that participates in an  
13 election for which it did not declare its intent to participate; altering the location  
14 at which certain campaign finance entities are required to file certain campaign  
15 finance reports; authorizing certain prosecuting authorities to refer certain  
16 matters for action to the Central Collection Unit of the State under certain  
17 circumstances; repealing the requirement that certain fees be paid to a local  
18 board of elections; prohibiting an individual from signing the name of any other  
19 individual on certain forms or other documents; altering certain definitions; and  
20 generally relating to revisions to campaign finance organization and reporting  
21 requirements.

22 BY repealing and reenacting, with amendments,  
23 Article - Election Law  
24 Section 1-101(h) and (nn), 13-202, 13-208, 13-215, 13-305, 13-309, 13-316,  
25 13-335, 13-340, and 13-602  
26 Annotated Code of Maryland  
27 (2003 Volume and 2004 Supplement)

28 BY repealing  
29 Article - Election Law  
30 Section 13-206  
31 Annotated Code of Maryland  
32 (2003 Volume and 2004 Supplement)

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

3 **Article - Election Law**

4 1-101.

5 (h) "Campaign finance entity" means[:

6 (1) a personal treasurer established under Title 13 of this article; or

7 (2)] a political committee established under Title 13 of this article.

8 (nn) "Responsible officers" means:

9 (1) [with respect to a personal treasurer, the candidate] FOR A  
10 CANDIDATE'S AUTHORIZED POLITICAL COMMITTEE, THE CANDIDATE, CHAIRMAN,  
11 and treasurer; and

12 (2) [with respect to] FOR a political committee NOT AUTHORIZED BY A  
13 CANDIDATE, the chairman and treasurer.

14 13-202.

15 (a) Unless otherwise expressly authorized by law, all campaign finance  
16 activity for an election under this article shall be conducted through a campaign  
17 finance entity.

18 (b) [(1) Subject to paragraph (2) of this subsection, an] AN individual may  
19 not file a certificate of candidacy until the individual establishes, or causes to be  
20 established, [a campaign finance entity] AN AUTHORIZED POLITICAL COMMITTEE.

21 [(2) The campaign finance entity required by paragraph (1) of this  
22 subsection may be either:

23 (i) a personal treasurer; or

24 (ii) a political committee that is an authorized candidate campaign  
25 committee.]

26 [13-206.

27 (a) This section applies only to a candidate who elects to use a personal  
28 treasurer to conduct campaign finance activity.

29 (b) A candidate may not receive or disburse money or any other thing of value  
30 through a personal treasurer unless the candidate establishes a personal treasurer in  
31 accordance with the requirements of this section.

32 (c) To establish a personal treasurer, an individual shall:

1 (1) appoint a treasurer on a form that the State Board prescribes and  
2 that includes the treasurer's name and address; and

3 (2) subject to subsection (d) of this section, file the form with the board  
4 where the individual is required to file a certificate of candidacy.

5 (d) An individual may not file a form appointing a treasurer, and the  
6 appointee may not act as treasurer, until:

7 (1) the appointee accepts the appointment in writing on a form that the  
8 State Board prescribes; and

9 (2) the acceptance form is filed with the board where the individual is  
10 required to file a certificate of candidacy.

11 (e) (1) A treasurer may resign by completing a resignation form that the  
12 State Board prescribes and filing the form with the board where the personal  
13 treasurer was established.

14 (2) If a vacancy occurs in the office of treasurer, the candidate promptly  
15 shall appoint a new treasurer in accordance with this section.]

16 13-208.

17 (a) This section applies to a political committee other than a political club.

18 (b) A political committee shall provide, with the filing required by § 13-207(c)  
19 of this subtitle, a statement of organization that includes its name and a statement of  
20 purpose.

21 (c) The statement of purpose shall specify:

22 (1) each candidate or ballot question, if any, that the political committee  
23 was formed to promote or defeat; [and]

24 (2) the identity of each special interest, including any business or  
25 occupation, that the organizers of or contributors to the political committee have in  
26 common; AND

27 (3) **WHETHER THE POLITICAL COMMITTEE WILL PARTICIPATE IN**  
28 **PRESIDENTIAL, GUBERNATORIAL, BALTIMORE CITY, OR MULTIPLE ELECTIONS.**

29 (d) (1) A political committee may not use a name that is intended or  
30 operates to deceive people as to the political committee's true nature or character.

31 (2) A political committee established by and for a single candidate shall  
32 disclose within the political committee's name the name of the candidate.

33 (3) A political committee sponsored by or affiliated with another entity or  
34 group shall identify within the political committee's name the other entity or group.

1 (e) A change in the information reported under this section shall be disclosed  
2 in the campaign finance report next filed by the political committee.

3 13-215.

4 (a) Each chairman, treasurer, subtreasurer, and campaign manager shall be a  
5 registered voter of the State.

6 (b) (1) Subject to paragraph (2) of this subsection, a candidate may not act:

7 (i) as the treasurer or subtreasurer of a campaign finance entity of  
8 the candidate; or

9 (ii) with respect to any other campaign finance entity:

10 1. as the campaign manager, treasurer, or subtreasurer; or

11 2. in any other position that exercises general overall  
12 responsibility for the conduct of the entity.

13 (2) (i) An incumbent member of a central committee who is a  
14 candidate for election to party office may act as the treasurer of that central  
15 committee.

16 (ii) With respect to any campaign finance entity other than the  
17 candidate's own campaign finance entity, a candidate for delegate to the Democratic  
18 National Convention or a candidate for delegate to the Republican National  
19 Convention may act:

20 1. as the campaign manager, treasurer, or subtreasurer; or

21 2. in any other position that exercises general overall  
22 responsibility for the conduct of the entity.

23 (c) Subject to subsection (b) of this section, the chairman, treasurer,  
24 subtreasurer, or campaign manager of a campaign finance entity may serve as the  
25 chairman, treasurer, subtreasurer, or campaign manager of another campaign  
26 finance entity.

27 (D) (1) WITHIN 90 DAYS OF APPOINTMENT AS A TREASURER BY A CAMPAIGN  
28 FINANCE ENTITY, THE TREASURER SHALL COMPLETE A TRAINING COURSE ON THE  
29 DUTIES AND RESPONSIBILITIES OF TREASURERS CONDUCTED BY THE STATE BOARD.

30 (2) IF DIRECTED BY THE STATE BOARD TO DO SO FOR GOOD CAUSE, A  
31 TREASURER SHALL COMPLETE A REFRESHER COURSE AT A TIME SPECIFIED BY THE  
32 STATE BOARD.

33 13-305.

34 (a) [(1)] Subject to [paragraph (2) of this] subsection (B) OF THIS SECTION, a  
35 [campaign finance entity that is a personal treasurer] CANDIDATE'S AUTHORIZED

1 POLITICAL COMMITTEE is not required to file the campaign finance reports  
2 prescribed by § 13-304 of this subtitle if the responsible officers file an affidavit:

3                                [(i)]    (1)    on or before the day when the first campaign finance  
4 report is due; and

5                                [(ii)]    (2)    stating that the [personal treasurer] CAMPAIGN FINANCE  
6 ENTITY does not intend either to raise contributions in the cumulative amount of  
7 \$1,000 or more or, exclusive of the filing fee, make expenditures in the cumulative  
8 amount of \$1,000 or more.

9                                [(2)]    (B)    If the [personal treasurer] CAMPAIGN FINANCE ENTITY  
10 receives cumulative contributions of \$1,000 or more or makes cumulative  
11 expenditures of \$1,000 or more, the [personal treasurer] CAMPAIGN FINANCE  
12 ENTITY shall file all subsequent campaign finance reports prescribed by this subtitle.

13                               [(3)]    (C)    A violation of [paragraph (2) of this] subsection (B) OF THIS  
14 SECTION constitutes a failure to file by the campaign finance entity, and the  
15 responsible officers are guilty of a misdemeanor and on conviction are subject to the  
16 penalties prescribed under Part VII of this title.

17                               [(b)]    (1)    Subject to paragraph (2) of this subsection, in an election year a  
18 continuing political committee is not required to file the campaign finance reports  
19 required under § 13-309(a) of this subtitle if the responsible officers file an affidavit:

20                                (i)    on or before the day when the first campaign finance report is  
21 due; and

22                                (ii)    stating that the continuing political committee, with respect to  
23 each election to be held in that year:

24    1.    has not received contributions or made expenditures since  
25 the closing date of its last campaign finance report; and

26    2.    does not intend to receive contributions or make  
27 expenditures.

28                                (2)    If the continuing political committee receives contributions or makes  
29 expenditures in connection with an election in that year, the continuing political  
30 committee shall:

31                                (i)    notify the State Board in writing within 14 days; and

32                                (ii)    file all subsequent campaign finance reports prescribed by this  
33 subtitle.

34                                (3)    A violation of paragraph (2) of this subsection is a failure to file by the  
35 campaign finance entity, and the responsible officers are guilty of a misdemeanor and  
36 on conviction are subject to the penalties prescribed under Part VII of this subtitle.]

1 13-309.

2 (a) Subject to other provisions of this subtitle, a campaign finance entity shall  
3 file campaign finance reports as follows:

4 (1) except for a ballot issue committee, on or before the fourth Tuesday  
5 immediately preceding a primary election;

6 (2) except for a ballot issue committee, on or before the second Friday  
7 immediately preceding [an] A PRIMARY election; [and]

8 (3) ON OR BEFORE THE SECOND FRIDAY IMMEDIATELY PRECEDING A  
9 GENERAL ELECTION; AND

10 [(3)] (4) on or before the third Tuesday after a general election.

11 (b) (1) [This subsection does not apply to a continuing political committee.

12 (2)] A campaign finance entity is subject to subsection (a) of this section  
13 and this subsection only as to the election for which the entity [was formed]  
14 DESIGNATES THAT IT WILL PARTICIPATE.

15 [(3)] (2) In addition to the campaign finance reports required under  
16 subsection (a) of this section, but subject to paragraph (4) of this subsection, a  
17 campaign finance entity shall file A campaign finance [reports] REPORT on the third  
18 Wednesday in January.

19 (3) (I) IF, SUBSEQUENT TO THE FILING OF ITS DECLARATION UNDER §  
20 13-208(C)(3) OF THIS TITLE, A CAMPAIGN FINANCE ENTITY PARTICIPATES IN AN  
21 ELECTION FOR WHICH IT WAS NOT FORMED TO PARTICIPATE, THE CAMPAIGN  
22 FINANCE ENTITY SHALL FILE ALL CAMPAIGN REPORTS PRESCRIBED UNDER  
23 SUBSECTION (A) OF THIS SECTION FOR THAT ELECTION.

24 (II) A VIOLATION OF SUBPARAGRAPH (I) OF THIS PARAGRAPH  
25 CONSTITUTES A FAILURE TO FILE BY THE CAMPAIGN FINANCE ENTITY, AND THE  
26 RESPONSIBLE OFFICERS ARE GUILTY OF A MISDEMEANOR AND ON CONVICTION ARE  
27 SUBJECT TO THE PENALTIES PRESCRIBED UNDER PART VII OF THIS SUBTITLE.

28 (4) If a campaign finance entity has neither a cash balance nor an  
29 outstanding obligation at the end of a reporting period, a campaign finance report for  
30 that period, clearly marked as "final", shall be filed on or before the due date, and no  
31 further report is required.

32 (c) In addition to the campaign reports required under subsection (a) of this  
33 section, a continuing political committee shall file a campaign finance report on the  
34 third Wednesday in January of each year the committee is in existence.

1 13-316.

2 A campaign finance report required by § 13-304 of this subtitle shall be filed  
3 with [one or more boards, as follows:

4 (1) for a personal treasurer, with the board where the certificate of  
5 candidacy of the candidate is filed;

6 (2) for a continuing political committee, with the State Board; and

7 (3) for each political committee other than a continuing political  
8 committee, with:

9 (i) the State Board, if the political committee has supported or  
10 opposed a candidate whose certificate of candidacy is filed with the State Board;

11 (ii) the State Board, if the political committee has promoted the  
12 success or defeat of a political party or any question to be submitted to a vote at an  
13 election in all or part of more than one county;

14 (iii) the local board of a county, if the political committee has  
15 supported or opposed a candidate whose certificate of candidacy is filed with that  
16 board; and

17 (iv) the local board of a county, if the political committee has  
18 promoted the success or defeat of a question to be submitted to a vote at an election  
19 only in that county] THE STATE BOARD.

20 13-335.

21 (a) (1) If the State Board determines that there has been, for more than 30  
22 days, a failure to file a campaign finance report within the meaning of § 13-327 of  
23 this subtitle, the State Board shall issue the notice prescribed in paragraph (2) of this  
24 subsection to the responsible officers of the campaign finance entity in violation.

25 (2) The notice shall demand that, within 30 days after service of the  
26 notice, either:

27 (i) the failure to file be rectified and any late filing fee due be paid;  
28 or

29 (ii) the responsible officers show cause why the State Board should  
30 not ask the appropriate prosecuting authority to prosecute the responsible officers for  
31 a violation of this subtitle.

32 (3) IN ITS DISCRETION, THE APPROPRIATE PROSECUTING AUTHORITY  
33 MAY REFER THE MATTER FOR ACTION TO THE CENTRAL COLLECTION UNIT WITHIN  
34 THE DEPARTMENT OF BUDGET AND MANAGEMENT.

35 (b) A responsible officer who fails, without cause, to file the campaign finance  
36 report and pay the late fee within 30 days after service of the notice prescribed in

1 subsection (a)(2) of this section is guilty of a misdemeanor and on conviction is subject  
2 to the penalties prescribed in § 13-603 of this title.

3 13-340.

4 (a) All late filing fees shall be treated as a special fund and distributed as  
5 provided in this section.

6 (b) (1) Fees relating to campaign finance reports required to be filed with  
7 the State Board shall be paid to the State Board and be applied to pay the expenses of  
8 collection and of any audits of campaign finance reports performed at the direction of  
9 the State Administrator.

10 (2) At the end of each fiscal year, any balance shall be transferred to the  
11 General Fund of the State.

12 [(c) Fees relating to campaign finance reports required to be filed only with a  
13 local board shall be paid to the local board for transfer to the county.]

14 13-602.

15 (a) (1) A person may not directly or indirectly give, offer, or promise money,  
16 aid, a gift, an advantage, a preferment, an emolument, or any other valuable thing to  
17 another person for the purpose of inducing or procuring that person to vote or refrain  
18 from voting for or against:

19 (i) an individual, question, or measure at an election or political  
20 convention; or

21 (ii) the election of an officer by the General Assembly.

22 (2) A person may not directly or indirectly receive, accept, request, or  
23 solicit money, aid, a gift, an advantage, a preferment, an emolument, or any other  
24 valuable thing from another person for the purpose of inducing or procuring a third  
25 person to vote or refrain from voting for or against an individual, question, or  
26 measure at an election or political convention.

27 (3) A person may not vote or refrain from voting for or against an  
28 individual, question, or measure at an election or a political convention, in  
29 consideration of money, aid, a gift, an advantage, a preferment, an emolument, or any  
30 other valuable thing paid, received, accepted, or promised to the advantage of that  
31 person or of another person.

32 (4) (i) A person, to defray the costs of a campaign finance entity, may  
33 not directly or indirectly pay, give, or promise money or any other valuable thing to  
34 any person other than a campaign finance entity.

35 (ii) Subparagraph (i) of this paragraph does not apply to:



1                                   1.       dues regularly paid for membership in a political club if all  
2 of the money that is spent by that political club in connection with any campaign  
3 finance activity is paid through a treasurer as provided in this title;

4                                   2.       an individual volunteering the individual's time or  
5 personal vehicle in accordance with § 13-232 of this title;

6                                   3.       an employer's accumulation of employee contributions in  
7 accordance with § 13-242 of this title; or

8                                   4.       advertising costs or other expenses incident to the  
9 expression of personal views in accordance with § 13-102 of this title.

10                   (5)       A person may not directly or indirectly pay or promise to pay a  
11 campaign finance entity in a name other than the person's name.

12                   (6)       A responsible officer of a campaign finance entity may not knowingly  
13 receive a payment or promise of payment and enter it or cause it to be entered in an  
14 account book in a name that the responsible officer knows is not the name of the  
15 person that made the payment or the promise to pay.

16                   (7)       An employer who pays employees in envelopes may not mark on or  
17 enclose in the envelopes a political motto, device, or argument that contains express  
18 or implied threats intended to influence the political opinions or actions of those  
19 employees.

20                   (8)       During the 90 days before an election, an employer may not exhibit in  
21 the employer's workplace:

22                                   (i)       a threat, a notice, or information that, on the election or defeat  
23 of a particular ticket or candidate:

24   1.       work will cease, wholly or partly;

25   2.       the workplace will close; or

26   3.       employees' wages will be reduced; or

27                                   (ii)       any other threat, expressed or implied, intended to influence  
28 the political opinions or actions of the employer's employees.

29                   (9)       A person may not publish or distribute, or cause to be published or  
30 distributed, campaign material that violates § 13-401 of this title.

31                   (10)       A candidate may not make a payment, contribution, or expenditure,  
32 or incur a liability to pay, contribute, or expend, from the candidate's personal funds  
33 any money or valuable thing in a manner not authorized by § 13-230 of this title.

34                   (11)       AN INDIVIDUAL MAY NOT SIGN THE NAME OF ANY OTHER  
35 INDIVIDUAL ON ANY FORM OR OTHER DOCUMENT UNDER THIS TITLE, WITH OR  
36 WITHOUT THE AUTHORITY OF THE INDIVIDUAL WHOSE NAME IS SIGNED.

1 (b) A person who violates this section is guilty of a misdemeanor and on  
2 conviction is:

3 (1) subject to a fine not exceeding \$1,000 or imprisonment not exceeding  
4 1 year or both; and

5 (2) ineligible to hold any public or party office for 4 years after the date  
6 of the offense.

7 (c) (1) The State Prosecutor may prosecute, in any jurisdiction of the State,  
8 a person that the State Prosecutor believes to be guilty of a willful violation of this  
9 section.

10 (2) A State's Attorney may prosecute a person that the State's Attorney  
11 believes to be guilty of a willful violation of this section in the county in which the  
12 State's Attorney serves.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 2005.