

HB0637/623126/1

BY: Senator Pinsky

AMENDMENTS TO HOUSE BILL 637
(Third Reading File Bill)

AMENDMENT NO. 1

On pages 1 and 2, strike beginning with “Compensation” in line 2 on page 1 down through “2007.” in line 13 on page 2 and substitute:

“Public Campaign Financing Act for Candidates for the General Assembly

FOR the purpose of establishing a system of public financing of campaigns for certain candidates for the General Assembly; establishing an Election Financing Commission to administer the system of public financing of campaigns; providing for the membership of the Commission and specifying its powers and duties; creating the Public Election Fund and providing for the inclusion of certain money in the Fund; defining certain terms; requiring the Comptroller to distribute certain proceeds from the sale of abandoned property to the Public Election Fund for certain purposes; specifying certain procedures, requirements, and conditions participating candidates must meet to receive a distribution from the Fund; requiring that participating candidates adhere to certain campaign expenditure limits, subject to certain exceptions; requiring the Comptroller to perform certain duties in connection with the establishment, maintenance, and administration of the Fund; regulating contributions and expenditures made by political parties on behalf of participating candidates; regulating coordinated expenditures made by or on behalf of participating candidates; specifying certain additional campaign finance reporting requirements for certain candidates and political organizations; authorizing a citizen to bring civil action in court against certain candidates under certain circumstances; providing for judicial review of certain actions by the Commission; providing for certain penalties; specifying the terms of the initial members of the Commission; providing that certain catchlines are not law and

(Over)

may not be considered to have been enacted as part of this Act; requiring the Commission to request a certain determination from the State Comptroller on or before a certain date; requiring the Commission to adopt certain regulations; making provisions of this Act severable; requiring the Election Financing Commission to report to the General Assembly on or before a certain date; providing for a delayed effective date; making this Act subject to a certain contingency; and generally relating to the Public Campaign Financing Act for Candidates for the General Assembly.

BY repealing and reenacting, with amendments,

Article – Commercial Law
Section 17–317
Annotated Code of Maryland
(2005 Replacement Volume and 2006 Supplement)

BY repealing and reenacting, with amendments,

Article – Election Law
Section 13–235(d)
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

BY adding to

Article – Election Law
Section 15.5–101 through 15.5–121 to be under the new title “Title 15.5. Public Campaign Financing Act for Candidates for the General Assembly”
Annotated Code of Maryland
(2003 Volume and 2006 Supplement)

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

Article – Commercial Law

17-317.

(a) (1) All funds received under this title, including the proceeds of the sale of abandoned property under § 17-316 of this subtitle, shall be credited by the Administrator to a special fund. The Administrator shall retain in the special fund at the end of each fiscal year, from the proceeds received, an amount not to exceed \$50,000, from which sum the Administrator shall pay any claim allowed under this title.

(2) After deducting all costs incurred in administering this title from the remaining net funds the Administrator shall distribute:

(I) \$500,000 to the Maryland Legal Services Corporation to support the activities of the corporation; AND

(II) \$7,500,000 TO THE PUBLIC ELECTION FUND TO SUPPORT THE PUBLIC FINANCING OF CAMPAIGNS FOR THE GENERAL ASSEMBLY, AS PROVIDED IN TITLE 15.5 OF THE ELECTION LAW ARTICLE.

(3) After making the distribution required under paragraph (2) of this subsection, the Administrator shall distribute the remaining net funds not retained under paragraph (1) of this subsection to the General Fund of the State.

(b) Before making the distribution, the Administrator shall record the name and last known address, if any, of the owners of funds so distributed and the type of property which the funds distributed represent. The record shall be available for public inspection during reasonable business hours by any person who claims a legal interest in any property held by the Administrator, provided that the person gives prior notice to the Administrator.

Article – Election Law

(Over)

13-235.

(d) (1) Under the Public Financing Act, a gubernatorial ticket, during the year of the election only, may accept eligible private contributions and any disbursement of funds by the State Board that is based on the eligible private contributions.

(2) UNDER THE PUBLIC CAMPAIGN FINANCING ACT FOR CANDIDATES FOR THE GENERAL ASSEMBLY, A PARTICIPATING CANDIDATE, DURING THE YEAR OF THE ELECTION ONLY, MAY ACCEPT SEED MONEY, QUALIFYING CONTRIBUTIONS, AND ANY DISBURSEMENT OF FUNDS BY THE ELECTION FINANCING COMMISSION THAT IS BASED ON THE SEED MONEY OR QUALIFYING CONTRIBUTIONS.

TITLE 15.5. PUBLIC CAMPAIGN FINANCING ACT FOR CANDIDATES FOR THE GENERAL ASSEMBLY.

15.5-101. DEFINITIONS.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED UNLESS OTHERWISE PROVIDED.

(B) "COMMISSION" MEANS THE ELECTION FINANCING COMMISSION.

(C) "COMPTROLLER" MEANS THE STATE COMPTROLLER OF THE TREASURY.

(D) "ELECTIONEERING COMMUNICATIONS" MEANS CAMPAIGN MATERIAL THAT INCLUDES THE NAME OF A CANDIDATE BUT THAT DOES NOT EXPRESSLY ADVOCATE A VOTE FOR OR AGAINST THE CANDIDATE.

(E) (1) “EXPRESS ADVOCACY INDEPENDENT EXPENDITURE” MEANS ANY INDEPENDENT EXPENDITURE THAT EXPRESSLY ADVOCATES THE ELECTION OR DEFEAT OF ANY CANDIDATE FOR A STATE LEGISLATIVE OFFICE MADE:

(I) TO THE PUBLIC; AND

(II) WITH A CUMULATIVE VALUE OF \$250.

(2) “EXPRESS ADVOCACY INDEPENDENT EXPENDITURE” DOES NOT INCLUDE AN EXPENDITURE FOR AN ELECTIONEERING MESSAGE DISTRIBUTED BY AN ORGANIZATION TO ITS OWN MEMBERS ALONE.

(F) “FUND” MEANS THE PUBLIC ELECTION FUND.

(G) “PARTICIPATING CANDIDATE” MEANS A CANDIDATE WHO QUALIFIES TO RECEIVE A PUBLIC CONTRIBUTION UNDER THIS TITLE FOR ELECTION AS A MEMBER OF THE GENERAL ASSEMBLY.

(H) “PUBLIC CONTRIBUTION” MEANS A SUM DISBURSED FROM THE FUND TO A PARTICIPATING CANDIDATE IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE.

(I) “QUALIFYING CONTRIBUTION” MEANS A CONTRIBUTION:

(1) FROM A REGISTERED VOTER WHO RESIDES IN THE LEGISLATIVE DISTRICT OR SUBDISTRICT OF THE CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY; AND

(2) THAT IS AT LEAST \$5.

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(J) "SEED MONEY" MEANS A SUM OF LAWFULLY RAISED ELIGIBLE PRIVATE CONTRIBUTIONS THAT:

(1) IS RAISED BY A CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY;

(2) IS NOT MORE THAN \$250 FOR EACH DONOR; AND

(3) IS RECEIVED NO EARLIER THAN THE COMMENCEMENT OF THE ELECTION CYCLE FOR THE ELECTION IN WHICH THE INDIVIDUAL PROPOSES TO BE A CANDIDATE AND NO LATER THAN THE MAY 1 IMMEDIATELY PRECEDING THE PRIMARY ELECTION FOR THAT OFFICE.

15.5-102. COMMISSION - IN GENERAL.

(A) THERE IS AN ELECTION FINANCING COMMISSION CONSISTING OF FIVE MEMBERS.

(B) (1) THE COMMISSION SHALL MAINTAIN ITS PRINCIPAL OFFICE IN ANNAPOLIS AND HAVE STAFF, SUBJECT TO THE STATE PERSONNEL AND PENSIONS ARTICLE, AS PROVIDED IN THE STATE BUDGET.

(2) THE COMMISSION SHALL MEET AT LEAST ONCE EACH QUARTER.

(C) EACH MEMBER OF THE COMMISSION:

(1) SHALL BE A REGISTERED VOTER IN THE STATE FOR THE 2 YEARS IMMEDIATELY PRECEDING THE APPOINTMENT;

(2) SUBJECT TO SUBSECTION (G)(2) OF THIS SECTION, SHALL BE ELIGIBLE FOR REAPPOINTMENT;

(3) SHALL CONFORM TO THE RESTRICTIONS UNDER § 2-301 OF THIS ARTICLE;

(4) SHALL BE SUBJECT TO REMOVAL BY THE GOVERNOR FOR INCOMPETENCE, MISCONDUCT, OR OTHER GOOD CAUSE, ON WRITTEN CHARGES FILED BY THE GOVERNOR WITH THE COMMISSION AND AFTER HAVING BEEN AFFORDED AMPLE OPPORTUNITY TO BE HEARD; AND

(5) MAY NOT BE:

(I) A REGULATED LOBBYIST WHO IS REQUIRED TO REGISTER WITH THE STATE ETHICS COMMISSION UNDER TITLE 15, SUBTITLE 7 OF THE STATE GOVERNMENT ARTICLE;

(II) EMPLOYED BY A REGULATED LOBBYIST;

(III) A MEMBER OF THE GENERAL ASSEMBLY;

(IV) AN OFFICER OF A POLITICAL PARTY; OR

(V) A CURRENT OFFICER OR STAFF MEMBER OF A POLITICAL CAMPAIGN.

(D) SUBJECT TO SUBSECTION (G)(2) OF THIS SECTION, FOUR MEMBERS OF THE COMMISSION SHALL BE APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE, WHO SHALL THEN ELECT THE FIFTH MEMBER.

(Over)

(E) AT LEAST TWO MEMBERS OF THE COMMISSION SHALL BE OF THE MAJORITY PARTY, AND AT LEAST TWO MEMBERS OF THE COMMISSION SHALL BE OF THE PRINCIPAL MINORITY PARTY.

(F) BEFORE TAKING OFFICE, EACH APPOINTEE SHALL TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE MARYLAND CONSTITUTION.

(G) (1) THE TERM OF A MEMBER IS 4 YEARS AND BEGINS ON JULY 1.

(2) A MEMBER MAY NOT SERVE MORE THAN THREE CONSECUTIVE TERMS.

(3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(H) (1) IF A VACANCY OCCURS ON THE COMMISSION, IT SHALL BE FILLED FOR THE REMAINDER OF THE UNEXPIRED TERM AND UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

(2) AN APPOINTMENT MADE WHILE THE SENATE OF MARYLAND IS NOT IN SESSION SHALL BE CONSIDERED TEMPORARY UNTIL THE APPOINTEE IS CONFIRMED BY THE SENATE.

(I) NOT LATER THAN AUGUST 1 EACH YEAR, THE COMMISSION SHALL ELECT ONE OF ITS MEMBERS AS CHAIR.

(J) EACH MEMBER SHALL RECEIVE PER DIEM COMPENSATION OF \$100 FOR ATTENDANCE AT:

(1) EACH REGULARLY SCHEDULED QUARTERLY MEETING; AND

(2) EACH ADDITIONAL MEETING, TO A MAXIMUM OF THREE, CALLED BY THE CHAIR DURING A CALENDAR YEAR.

15.5-103. SAME - DUTIES.

(A) THE COMMISSION SHALL MANAGE AND SUPERVISE THE SYSTEM OF PUBLIC FUNDING OF ELECTIONS ESTABLISHED UNDER THIS TITLE.

(B) IN EXERCISING ITS AUTHORITY, THE COMMISSION SHALL:

(1) DEVELOP AND ADOPT REGULATIONS THAT:

(I) ESTABLISH AN INITIAL LIMIT ON THE NUMBER OF PARTICIPATING CANDIDATES DURING AN ELECTION CYCLE; AND

(II) ALLOW FOR AN INCREASE OR DECREASE IN THE NUMBER OF PARTICIPATING CANDIDATES DURING THE ELECTION CYCLE IN CORRELATION TO THE AMOUNT OF MONEY IN THE FUND;

(2) DEVELOP AN ELECTRONIC DATABASE THAT IS ACCESSIBLE TO THE PUBLIC ON THE INTERNET AND THAT CONTAINS THE INFORMATION NECESSARY FOR THE PROPER ADMINISTRATION OF THIS TITLE, INCLUDING:

(I) CONTRIBUTIONS TO AND EXPENDITURES BY PARTICIPATING CANDIDATES AND OTHER CANDIDATES AND THEIR AUTHORIZED CAMPAIGN FINANCE ENTITIES; AND

(II) PUBLIC CONTRIBUTIONS FROM THE FUND THAT ARE DISBURSED TO PARTICIPATING CANDIDATES;

(3) DEVELOP AN EDUCATION PROGRAM THAT INCLUDES INFORMATIONAL MATERIALS AND COMPLIANCE MANUALS TO INFORM CANDIDATES AND THE PUBLIC ABOUT THE PURPOSE AND EFFECT OF THIS ACT;

(4) PROVIDE A WRITTEN REPORT TO THE GENERAL ASSEMBLY AFTER EACH ELECTION CYCLE THAT INCLUDES:

(I) AN EVALUATION OF THIS TITLE AND ITS EFFECT ON PARTICIPATING CANDIDATES;

(II) ANY RECOMMENDATIONS TO IMPROVE THIS TITLE;

(III) A DETAILED SUMMARY REGARDING SEED MONEY, QUALIFYING CONTRIBUTIONS, AND ANY BENEFITS RECEIVED OR EXPERIENCED BY PARTICIPATING CANDIDATES;

(IV) EXPENDITURES MADE BY PARTICIPATING AND NONPARTICIPATING CANDIDATES; AND

(V) ANY OTHER INFORMATION THE COMMISSION DETERMINES TO BE APPROPRIATE;

(5) HAVE ITS BOOKS AND ACTIVITIES AUDITED AT LEAST ONCE EACH YEAR BY A CERTIFIED PUBLIC ACCOUNTANT; AND

(6) DEVELOP AN OFFICIAL SEAL, LOGO, OR OTHER DESIGNATION THAT A PARTICIPATING CANDIDATE MAY USE VOLUNTARILY ON CAMPAIGN MATERIAL.

15.5-104. SAME - DISCRETIONARY POWERS.

THE COMMISSION MAY:

(1) EMPLOY STAFF, INCLUDING AN EXECUTIVE DIRECTOR AND LEGAL COUNSEL, SUFFICIENT TO PERFORM ITS FUNCTIONS;

(2) INVESTIGATE MATTERS RELATING TO THE PERFORMANCE OF ITS FUNCTIONS AND ANY OTHER MATTER CONCERNING THE ENFORCEMENT OF THIS TITLE;

(3) PUBLICIZE THE NAMES OF CANDIDATES FOR NOMINATION OR ELECTION TO A LEGISLATIVE OFFICE WHO VIOLATE THIS TITLE;

(4) ON WRITTEN REQUEST OF A CANDIDATE, A CAMPAIGN FINANCE ENTITY, OR THE PUBLIC, RENDER A WRITTEN PUBLIC ADVISORY OPINION REGARDING QUESTIONS THAT ARISE UNDER THIS TITLE;

(5) ADOPT REGULATIONS AND PROVIDE FORMS AND ELECTRONIC SOFTWARE AS NECESSARY TO ENSURE COMPLIANCE WITH THIS TITLE;

(6) CONDUCT RANDOM AUDITS OF PARTICIPATING CANDIDATES TO ENSURE COMPLIANCE WITH THIS TITLE;

(7) SUBPOENA DOCUMENTS FROM ANY CANDIDATE OR CAMPAIGN FINANCE ENTITY SUBJECT TO THIS ARTICLE;

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(8) LEVY FINES FOR CIVIL INFRACTIONS IN ACCORDANCE WITH THIS TITLE;

(9) IMPLEMENT A DEBIT CARD SYSTEM TO ALLOW A PARTICIPATING CANDIDATE TO ACCESS THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT THAT IS ESTABLISHED UNDER THIS TITLE;

(10) BE A PARTY TO OR OTHERWISE PARTICIPATE IN ANY CIVIL OR CRIMINAL ACTION FILED FOR A VIOLATION OF THIS TITLE; AND

(11) SEEK AN INJUNCTION IN AN APPROPRIATE COURT IF:

(I) THERE IS A SUBSTANTIAL LIKELIHOOD THAT A VIOLATION OF THIS TITLE IS OCCURRING OR IS ABOUT TO OCCUR;

(II) FAILURE TO ACT IN AN EXPEDITIOUS MANNER WILL RESULT IN IRREPARABLE HARM TO A PARTY AFFECTED BY THE POTENTIAL VIOLATION;

(III) EXPEDITIOUS ACTION WILL NOT CAUSE UNDUE HARM OR PREJUDICE TO THE INTEREST OF ANY OTHER PERSON; AND

(IV) THE PUBLIC INTEREST WILL BE BEST SERVED BY THE ISSUANCE OF THE INJUNCTION.

15.5-105. THE FUND.

(A) (1) THERE IS A PUBLIC ELECTION FUND.

(2) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(3) THE FUND SHALL BE USED TO:

(I) PROVIDE, BEGINNING WITH THE ELECTION CYCLE THAT BEGINS ON JANUARY 1, 2007, PUBLIC FINANCING FOR THE ELECTION CAMPAIGNS OF CERTIFIED PARTICIPATING CANDIDATES IN A PRIMARY ELECTION OR GENERAL ELECTION AS CERTIFIED BY THE COMMISSION UNDER THIS TITLE; AND

(II) PAY FOR THE ADMINISTRATIVE AND ENFORCEMENT COSTS OF THE COMMISSION RELATED TO THIS TITLE.

(4) THE COMPTROLLER SHALL:

(I) ADMINISTER THE FUND IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE; AND

(II) CREDIT TO THE FUND ALL MONEY COLLECTED IN ACCORDANCE WITH THIS TITLE.

(B) (1) FOR EVERY INDIVIDUAL, OTHER THAN A NONRESIDENT ALIEN, FILING A PERSONAL STATE INCOME TAX RETURN, THE COMPTROLLER SHALL ESTABLISH, FOR EACH TAXABLE YEAR, A TAX CHECK-OFF SYSTEM THAT ALLOWS THE TAXPAYER TO DIRECT ON THE INDIVIDUAL'S INCOME TAX RETURN FORM THAT \$5 OF THE TAXPAYER'S TAX LIABILITY BE DIRECTED TO THE PUBLIC ELECTION FUND.

(2) THE COMPTROLLER SHALL INCLUDE WITH EACH INDIVIDUAL INCOME TAX RETURN PACKAGE A DESCRIPTION OF THE PURPOSES FOR WHICH THE FUND WAS ESTABLISHED AND FOR WHICH THE FUND MAY BE USED.

(C) IN ADDITION TO THE MONEY DERIVED FROM THE TAX CHECK-OFF SYSTEM UNDER SUBSECTION (B) OF THIS SECTION, AND THE APPROPRIATION UNDER SUBSECTION (D) OF THIS SECTION, THE FUND SHALL CONSIST OF THE FOLLOWING MONEY:

(1) QUALIFYING CONTRIBUTIONS REQUIRED OF CANDIDATES WHO SEEK TO BECOME CERTIFIED AS PARTICIPATING CANDIDATES UNDER THIS TITLE;

(2) EXCESS QUALIFYING CONTRIBUTIONS RAISED BY CANDIDATES WHO SEEK TO BECOME CERTIFIED AS PARTICIPATING CANDIDATES UNDER THIS TITLE;

(3) EXCESS SEED MONEY CONTRIBUTIONS OF CANDIDATES WHO SEEK TO BECOME CERTIFIED AS PARTICIPATING CANDIDATES UNDER THIS TITLE;

(4) UNSPENT MONEY THAT:

(I) IS DISTRIBUTED TO A PARTICIPATING CANDIDATE WHO DOES NOT REMAIN A CANDIDATE UNTIL THE PRIMARY OR GENERAL ELECTION FOR WHICH THE MONEY WAS DISBURSED; OR

(II) IS RETAINED BY A PARTICIPATING CANDIDATE AFTER THE PRIMARY OR GENERAL ELECTION FOR WHICH THE MONEY WAS DISBURSED;

(5) FINES LEVIED BY THE COMMISSION AGAINST CANDIDATES FOR VIOLATIONS OF THE ELECTION LAW;

(6) VOLUNTARY DONATIONS MADE DIRECTLY TO THE FUND;

(7) INTEREST GENERATED BY THE FUND;

(8) AT LEAST \$7,500,000 EACH FISCAL YEAR FROM THE DISPOSITION OF ABANDONED PROPERTY IN THE STATE AS PROVIDED UNDER TITLE 17 OF THE COMMERCIAL LAW ARTICLE; AND

(9) ANY OTHER SOURCES OF REVENUE AUTHORIZED BY THE GENERAL ASSEMBLY.

(D) (1) THE GOVERNOR MAY INCLUDE IN THE ANNUAL STATE BUDGET, AND THE GENERAL ASSEMBLY MAY APPROPRIATE, MONEY TO THE FUND TO HELP CARRY OUT THIS TITLE.

(2) IF THE FUND DOES NOT ACCUMULATE SUFFICIENT MONEY BY JUNE 1, 2008, TO CARRY OUT THE REQUIREMENTS OF THIS TITLE, THE GOVERNOR SHALL INCLUDE AN AMOUNT IN THE FISCAL 2009 BUDGET THAT, WHEN COMBINED WITH THE MONEY IN THE FUND, WILL BE SUFFICIENT TO CARRY OUT THIS TITLE.

15.5-106. PARTICIPATING CANDIDATES FOR ELECTION TO THE GENERAL ASSEMBLY - ALLOWABLE CONTRIBUTIONS.

(A) A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY ACCEPT PRIVATE CONTRIBUTIONS FROM A PERSON ONLY AS SPECIFIED IN THIS SECTION, INCLUDING:

(Over)

(1) SEED MONEY OF NO MORE THAN:

(I) \$3,500 FOR A CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND; OR

(II) \$2,500 FOR A CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES;

(2) PERSONAL CONTRIBUTIONS FROM THE CANDIDATE AND FROM THE CANDIDATE'S SPOUSE OF NO MORE THAN \$500 EACH, WHETHER CONTRIBUTED AS SEED MONEY OR AS A QUALIFYING CONTRIBUTION; AND

(3) CONTRIBUTIONS OF MONEY OR IN-KIND CONTRIBUTIONS FROM A STATE OR LOCAL CENTRAL COMMITTEE, NOT TO EXCEED 2.5% OF THE PUBLIC CONTRIBUTION AMOUNT AUTHORIZED FOR THAT CONTEST UNDER THIS TITLE.

(B) A PARTICIPATING CANDIDATE MAY RETAIN ANY PRIVATE CONTRIBUTIONS, BUT MAY NOT SPEND PRIVATE MONEY DURING THE PRIMARY ELECTION PERIOD OR THE GENERAL ELECTION PERIOD EXCEPT ALLOWABLE PARTY CONTRIBUTIONS AND THE ALLOWABLE PRO RATA SLATE CONTRIBUTION UNDER §§ 15.5-114(A) AND 15.5-115(F) OF THIS TITLE.

(C) A PARTICIPATING CANDIDATE MAY NOT RECEIVE CONTRIBUTIONS OR ESTABLISH A CAMPAIGN ACCOUNT OTHER THAN THE PUBLICLY FUNDED CAMPAIGN ACCOUNT REQUIRED UNDER THIS TITLE.

15.5-107. SAME - RESTRICTIONS ON SPENDING OF CONTRIBUTIONS RECEIVED.

(A) A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY:

(1) MAY SPEND SEED MONEY, TO THE LIMIT ALLOWED UNDER § 15.5-106 OF THIS TITLE, ONLY FOR THE PURPOSE OF OBTAINING QUALIFYING CONTRIBUTIONS DURING THE QUALIFYING CONTRIBUTION PERIOD; AND

(2) SHALL DELIVER EACH QUALIFYING CONTRIBUTION RECEIVED TO THE COMMISSION FOR DEPOSIT IN THE FUND.

(B) EXCEPT FOR A DISBURSEMENT FROM A PETTY CASH FUND IN ACCORDANCE WITH § 15.5-109(C) OF THIS TITLE, A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY CAUSE AN EXPENDITURE TO BE MADE DURING THE PRIMARY ELECTION DISBURSEMENT PERIOD OR THE GENERAL ELECTION DISBURSEMENT PERIOD ONLY FROM THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

15.5-108. QUALIFYING CONTRIBUTIONS FOR GENERAL ASSEMBLY CANDIDATES.

(A) TO QUALIFY AS A PARTICIPATING CANDIDATE AND BE ELIGIBLE FOR A PUBLIC CONTRIBUTION FROM THE FUND:

(1) A CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND SHALL SUBMIT:

(I) AT LEAST 350 QUALIFYING CONTRIBUTIONS; AND

(II) ADDITIONAL CONTRIBUTIONS TOTALING AT LEAST \$6,750;

(Over)

(2) A CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES SHALL SUBMIT:

(I) AT LEAST 350 QUALIFYING CONTRIBUTIONS; AND

(II) ADDITIONAL CONTRIBUTIONS TOTALING AT LEAST \$6,750; AND

(3) A CANDIDATE SHALL SATISFY ANY OTHER CONDITIONS SET UNDER REGULATIONS ADOPTED BY THE COMMISSION.

(B) A CONTRIBUTOR MAY MAKE A QUALIFYING CONTRIBUTION TO A CANDIDATE BY CASH OR BY A CHECK OR MONEY ORDER MADE PAYABLE TO THE FUND.

(C) A CANDIDATE SHALL INCLUDE WITH EACH QUALIFYING CONTRIBUTION THAT THE CANDIDATE SUBMITS TO THE COMMISSION FOR DEPOSIT IN THE FUND A RECEIPT THAT INCLUDES:

(1) THE PRINTED NAME OF THE CONTRIBUTOR;

(2) THE ADDRESS OF THE CONTRIBUTOR; AND

(3) A SIGNED STATEMENT BY WHICH THE CONTRIBUTOR ATTESTS THAT THE CONTRIBUTOR UNDERSTANDS THE PURPOSE OF THE CONTRIBUTION AND THAT THE CONTRIBUTION WAS MADE WITHOUT COERCION OR REIMBURSEMENT.

(D) (1) A CANDIDATE MAY COLLECT QUALIFYING CONTRIBUTIONS ONLY DURING THE PERIOD THAT:

(I) BEGINS ON NOVEMBER 1 IN THE YEAR PRECEDING THE PRIMARY ELECTION FOR THE OFFICE THE CANDIDATE SEEKS; AND

(II) ENDS ON THE DAY THAT IS 45 DAYS BEFORE THE DATE OF THE PRIMARY ELECTION FOR THE OFFICE THAT THE CANDIDATE SEEKS.

(2) A CANDIDATE WHO IS AN INCUMBENT MEMBER OF THE GENERAL ASSEMBLY IS BOUND BY THE FUNDRAISING RESTRICTIONS SPECIFIED UNDER § 13-235 OF THIS ARTICLE.

(E) QUALIFYING CONTRIBUTIONS SHALL COUNT TOWARDS SATISFYING THE FUNDRAISING REQUIREMENT UNDER THIS SECTION.

15.5-109. PUBLICLY FUNDED CAMPAIGN ACCOUNTS.

(A) AFTER IT DETERMINES THAT A CANDIDATE HAS SATISFIED THE REQUIREMENTS TO BECOME A PARTICIPATING CANDIDATE, THE COMMISSION SHALL:

(1) IN CONJUNCTION WITH THE PARTICIPATING CANDIDATE, ESTABLISH A PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THE CANDIDATE; AND

(2) IN ACCORDANCE WITH THE REQUIREMENTS OF THIS TITLE, AUTHORIZE THE DISBURSEMENT OF A PUBLIC CONTRIBUTION FROM THE FUND FOR DEPOSIT IN THE PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THAT PARTICIPATING CANDIDATE.

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(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A PARTICIPATING CANDIDATE, OR A PERSON ACTING ON BEHALF OF THE PARTICIPATING CANDIDATE, MAY NOT MAKE A CAMPAIGN EXPENDITURE FOR THE CANDIDATE OTHER THAN FROM THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(C) A PARTICIPATING CANDIDATE MAY:

(1) MAINTAIN A PETTY CASH FUND IN ACCORDANCE WITH § 13-220(C) OF THIS ARTICLE; AND

(2) MAKE A CAMPAIGN EXPENDITURE FROM PARTY CONTRIBUTIONS OR SEED MONEY.

(D) (1) A PARTICIPATING CANDIDATE AND THE CAMPAIGN FINANCE ENTITY FOR THE PARTICIPATING CANDIDATE MAY USE THE PUBLICLY FUNDED CAMPAIGN ACCOUNT ONLY IN ACCORDANCE WITH THIS TITLE.

(2) AT ITS DISCRETION, THE COMMISSION MAY GAIN ACCESS AT ANY TIME TO THE RECORDS AND TRANSACTIONS OF A PARTICIPATING CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(3) IN ACCORDANCE WITH ITS REGULATIONS AND GUIDELINES, THE COMMISSION MAY TERMINATE A PARTICIPATING CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

15.5-110. EXPENDITURE LIMITS FOR PARTICIPATING CANDIDATES TO THE GENERAL ASSEMBLY.

(A) A PARTICIPATING CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND MAY NOT EXPEND FOR CAMPAIGN PURPOSES AN AMOUNT IN EXCESS OF THE LIMIT SPECIFIED IN THIS SUBSECTION.

	<u>PRIMARY</u>	<u>GENERAL</u>	<u>TOTAL</u>
<u>CONTESTED SENATE</u>	<u>\$50,000</u>	<u>\$50,000</u>	<u>\$100,000</u>
<u>UNCONTESTED SENATE</u>	<u>10,000</u>	<u>6,000</u>	<u>16,000</u>

(B) A PARTICIPATING CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES MAY NOT EXPEND FOR CAMPAIGN PURPOSES AN AMOUNT IN EXCESS OF THE AMOUNTS SPECIFIED IN THIS SUBSECTION.

	<u>PRIMARY</u>	<u>GENERAL</u>	<u>TOTAL</u>
<u>CONTESTED HOUSE</u>			
<u>(THREE MEMBER)</u>	<u>\$40,000</u>	<u>\$40,000</u>	<u>\$80,000</u>
<u>(TWO MEMBER)</u>	<u>35,000</u>	<u>35,000</u>	<u>70,000</u>
<u>(SINGLE MEMBER)</u>	<u>20,000</u>	<u>20,000</u>	<u>40,000</u>
<u>UNCONTESTED HOUSE</u>			
<u>(THREE MEMBER)</u>	<u>\$10,000</u>	<u>\$6,000</u>	<u>\$16,000</u>
<u>(TWO MEMBER)</u>	<u>8,000</u>	<u>5,000</u>	<u>13,000</u>
<u>(SINGLE MEMBER)</u>	<u>6,000</u>	<u>4,000</u>	<u>10,000</u>

(C) IN ADDITION TO THE AMOUNT SPECIFIED UNDER SUBSECTION (A) OR (B) OF THIS SECTION, A PARTICIPATING CANDIDATE MAY RECEIVE A DISTRIBUTION FROM THE FUND FOR NOT MORE THAN ONE-HALF OF THE EXPENDITURES INCURRED BY THE PARTICIPATING CANDIDATE FOR

(Over)

ELECTIONEERING COMMUNICATIONS WITHIN THE 60 DAYS IMMEDIATELY PRECEDING THE ELECTION.

(D) (1) THIS SUBSECTION APPLIES TO A PARTICIPATING CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND OR TO THE HOUSE OF DELEGATES WHO IS CERTIFIED BY THE COMMISSION AS A PARTICIPATING CANDIDATE IN:

(I) A CONTESTED PRIMARY AND GENERAL ELECTION; OR

(II) AN UNCONTESTED PRIMARY ELECTION.

(2) A CANDIDATE IN A CONTESTED PRIMARY ELECTION AND IN A CONTESTED GENERAL ELECTION MAY CHOOSE AN ALTERNATIVE APPORTIONMENT OF THE EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE UNDER THIS SECTION SO THAT:

(I) FOR THE PRIMARY ELECTION, THE CANDIDATE MAY RECEIVE A PUBLIC CONTRIBUTION OF AND EXPEND AN AMOUNT THAT DOES NOT EXCEED 70% OF THE COMBINED EXPENDITURE LIMIT ESTABLISHED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION; AND

(II) FOR THE GENERAL ELECTION, THE CANDIDATE MAY RECEIVE A PUBLIC CONTRIBUTION OF AND EXPEND THE BALANCE OF THE COMBINED EXPENDITURE LIMIT AUTHORIZED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION.

(3) A CANDIDATE IN AN UNCONTESTED PRIMARY ELECTION MAY CHOOSE AN ALTERNATIVE APPORTIONMENT OF THE EXPENDITURE LIMIT

ESTABLISHED FOR THAT CANDIDATE UNDER THIS SECTION SO THAT FOR THE GENERAL ELECTION THE CANDIDATE MAY RECEIVE NO MORE THAN 70% OF THE COMBINED PUBLIC CONTRIBUTION AMOUNT ESTABLISHED FOR THAT CANDIDATE FOR THE PRIMARY ELECTION AND FOR THE GENERAL ELECTION.

15.5-111. PARTICIPATING CANDIDATES - SUPPLEMENTAL PUBLIC DISTRIBUTIONS AUTHORIZED.

(A) A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY RECEIVE A SUPPLEMENTAL PUBLIC CONTRIBUTION OF MATCHING FUNDS FROM THE FUND IF:

(1) THE PARTICIPATING CANDIDATE IS OPPOSED BY A NONPARTICIPATING CANDIDATE IN A PRIMARY ELECTION OR IN A GENERAL ELECTION; AND

(2) THE NONPARTICIPATING CANDIDATE RECEIVES CONTRIBUTIONS OR INCURS EXPENDITURES THAT EXCEED THE EXPENDITURE LIMIT ESTABLISHED FOR THE PARTICIPATING CANDIDATE.

(B) THE AGGREGATE AMOUNT OF THE PUBLIC CONTRIBUTION THAT A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY RECEIVE UNDER THIS SECTION MAY NOT EXCEED 200% OF THE PUBLIC CONTRIBUTION AMOUNT ESTABLISHED FOR THE PRIMARY AND GENERAL ELECTIONS UNDER THIS TITLE FOR THAT CANDIDATE.

15.5-112. PARTICIPATING CANDIDATES - ELIGIBILITY REQUIREMENTS FOR DISBURSEMENTS FROM THE FUND.

(A) TO BE CERTIFIED BY THE COMMISSION AS A PARTICIPATING CANDIDATE AND QUALIFY FOR A PUBLIC CONTRIBUTION, A CANDIDATE SHALL SUBMIT TO THE COMMISSION:

(1) A DECLARATION THAT THE CANDIDATE WILL ABIDE BY THE COMMISSION'S REGULATIONS AND POLICIES;

(2) A CAMPAIGN FINANCE REPORT THAT LISTS ALL OF THE SEED MONEY CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE BY THE CANDIDATE;

(3) A CAMPAIGN FINANCE REPORT THAT LISTS ALL QUALIFYING CONTRIBUTIONS RECEIVED BY THE CANDIDATE DURING THE QUALIFYING PERIOD;

(4) ANY UNSPENT SEED MONEY THAT THE CANDIDATE RETAINS;
AND

(5) ALL QUALIFYING CONTRIBUTIONS RECEIVED BY THE CANDIDATE AND THE ACCOMPANYING RECEIPTS FOR THOSE CONTRIBUTIONS.

(B) A CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY WHO IS CERTIFIED BY THE COMMISSION AS A PARTICIPATING CANDIDATE SHALL RECEIVE THE PUBLIC CONTRIBUTION AMOUNT SPECIFIED UNDER THIS TITLE FOR THAT LEGISLATIVE OFFICE.

15.5-113. DISBURSEMENTS BY THE COMPTROLLER.

(A) (1) ON MAY 1 OF THE YEAR OF THE ELECTION, THE COMMISSION SHALL AUTHORIZE THE COMPTROLLER TO MAKE A DISTRIBUTION FROM THE

FUND TO EACH PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY WHO THE COMMISSION HAS CERTIFIED TO RECEIVE A PUBLIC CONTRIBUTION FOR THE PRIMARY ELECTION.

(2) A PARTICIPATING CANDIDATE MAY USE THE PUBLIC CONTRIBUTION DISBURSED UNDER THIS SUBSECTION ONLY FOR EXPENSES INCURRED FOR THE PRIMARY ELECTION.

(3) SUBJECT TO § 15.5-110 OF THIS TITLE, THE COMMISSION MAY DISBURSE A PUBLIC CONTRIBUTION TO A PARTICIPATING CANDIDATE FOR THE PRIMARY ELECTION UNTIL 45 DAYS BEFORE THE DATE OF THE PRIMARY ELECTION.

(4) WITHIN 15 DAYS AFTER THE PRIMARY ELECTION, A PARTICIPATING CANDIDATE SHALL RETURN TO THE COMMISSION ANY PART OF THE PUBLIC CONTRIBUTION THAT THE CANDIDATE DID NOT SPEND FOR THE PRIMARY ELECTION.

(B) (1) WITHIN 72 HOURS AFTER THE STATE BOARD CERTIFIES THE RESULTS OF THE PRIMARY ELECTION, THE COMMISSION SHALL AUTHORIZE THE COMPTROLLER TO DISBURSE A PUBLIC CONTRIBUTION TO EACH PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY WHO HAS BEEN CERTIFIED BY THE COMMISSION TO RECEIVE A PUBLIC CONTRIBUTION FOR THE GENERAL ELECTION.

(2) WITHIN 45 DAYS AFTER THE GENERAL ELECTION, A PARTICIPATING CANDIDATE SHALL RETURN TO THE COMMISSION ANY PART OF THE PUBLIC CONTRIBUTION THAT THE CANDIDATE DID NOT SPEND FOR THE GENERAL ELECTION.

(Over)

(C) A PARTICIPATING CANDIDATE NOMINATED BY PETITION FOR ELECTION TO THE GENERAL ASSEMBLY IS ELIGIBLE TO RECEIVE A PUBLIC CONTRIBUTION FROM THE FUND FOR THE GENERAL ELECTION AFTER MAY 1 OF THE YEAR OF THE ELECTION, IF:

(1) THE CANDIDATE'S NOMINATION HAS BEEN CERTIFIED BY THE STATE BOARD; AND

(2) THE CANDIDATE DOES NOT PARTICIPATE IN A PRIMARY ELECTION.

(D) THE COMPTROLLER SHALL DEPOSIT A PUBLIC CONTRIBUTION IN THE PUBLICLY FUNDED CAMPAIGN ACCOUNT OF A PARTICIPATING CANDIDATE NO LATER THAN 5 DAYS AFTER THE COMMISSION DIRECTS THAT THE DISBURSEMENT BE MADE.

15.5-114. POLITICAL PARTY CONTRIBUTIONS AND EXPENDITURES.

(A) (1) A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY MAY ACCEPT A CONTRIBUTION FROM A STATE OR LOCAL CENTRAL COMMITTEE IF THE AGGREGATE AMOUNT OF THE CONTRIBUTIONS FROM ALL POLITICAL PARTY CENTRAL COMMITTEES TO THE PARTICIPATING CANDIDATE DOES NOT EXCEED 2.5% OF THE PUBLIC FINANCING AMOUNT FOR THAT OFFICE.

(2) A PARTICIPATING CANDIDATE WHO RECEIVES A MONETARY CONTRIBUTION UNDER THIS SUBSECTION SHALL DEPOSIT THE CONTRIBUTION IN THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

(B) IN ACCORDANCE WITH THE REGULATIONS OF THE COMMISSION, A POLITICAL PARTY SHALL REPORT TO THE COMMISSION EACH CONTRIBUTION MADE TO, AND EACH EXPENDITURE MADE ON BEHALF OF, A PARTICIPATING CANDIDATE DURING A PRIMARY OR GENERAL ELECTION.

(C) THIS TITLE MAY NOT BE CONSTRUED TO PREVENT A POLITICAL PARTY FROM USING ITS FUNDS FOR EXPENSES FOR:

(1) THE GENERAL OPERATING EXPENSES OF THE POLITICAL PARTY;

(2) A POLITICAL PARTY CONVENTION;

(3) NOMINATING AND ENDORSING CANDIDATES;

(4) IDENTIFYING, RESEARCHING, AND DEVELOPING THE PARTY'S POSITIONS ON ISSUES;

(5) PARTY PLATFORM ACTIVITIES;

(6) VOTER REGISTRATION ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC;

(7) GET-OUT-THE-VOTE ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC;

(8) TRAVEL EXPENSES FOR LEADERS AND STAFF OF THE POLITICAL PARTY WHO ARE NOT CANDIDATES; OR

(Over)

(9) OTHER PARTY-BUILDING ACTIVITIES THAT ARE NOT CANDIDATE-SPECIFIC.

15.5-115. COORDINATED EXPENDITURES.

(A) A COORDINATED EXPENDITURE MADE BY OR ON BEHALF OF A PARTICIPATING CANDIDATE FOR ELECTION TO A STATE LEGISLATIVE OFFICE SHALL BE MADE ONLY WITH PUBLIC FUNDS.

(B) A NONPARTICIPATING CANDIDATE SHALL REPORT TO THE STATE BOARD EACH COORDINATED EXPENDITURE IN A CUMULATIVE AMOUNT OF MORE THAN \$250 THAT IS MADE ON BEHALF OF A PARTICIPATING CANDIDATE.

(C) IN ADDITION TO THE REPORTING REQUIREMENT UNDER SUBSECTION (B) OF THIS SECTION, DURING THE 30 DAYS IMMEDIATELY PRECEDING AN ELECTION, A NONPARTICIPATING CANDIDATE SHALL REPORT TO THE STATE BOARD WITHIN 48 HOURS AFTER THE EXPENDITURE IS MADE, OR OBLIGATED TO BE MADE, EACH INDIVIDUAL COORDINATED EXPENDITURE OF MORE THAN \$250.

(D) IN ACCORDANCE WITH THE REGULATIONS OR GUIDELINES ADOPTED BY THE STATE BOARD, THE STATE BOARD MAY MAKE A DETERMINATION WHETHER A COORDINATED EXPENDITURE HAS BEEN MADE BY A PARTICIPATING CANDIDATE OR A NONPARTICIPATING CANDIDATE.

(E) (1) IF, ON RECEIPT OF A COORDINATED EXPENDITURE REPORT FROM A NONPARTICIPATING CANDIDATE, THE STATE BOARD DETERMINES THAT THE EXPENDITURE CAUSES THE NONPARTICIPATING CANDIDATE'S EXPENDITURES TO EXCEED THE PUBLIC EXPENDITURE LIMITATION APPLICABLE TO THE PARTICIPATING CANDIDATE FOR THAT SAME OFFICE, THE

STATE BOARD SHALL CAUSE AN IMMEDIATE RELEASE FROM THE FUND OF A SUPPLEMENTAL CONTRIBUTION TO THE OPPOSING PARTICIPATING CANDIDATE, SUBJECT TO THE LIMITATION IN PARAGRAPH (2) OF THIS SUBSECTION.

(2) THE SUPPLEMENTAL CONTRIBUTION RELEASED TO THE OPPOSING PARTICIPATING CANDIDATE UNDER THIS SUBSECTION SHALL EQUAL THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE EXCEEDED THE EXPENDITURE LIMITATION APPLICABLE TO THE PARTICIPATING CANDIDATE, BUT MAY NOT EXCEED THE LIMIT SPECIFIED IN § 15.5-111 OF THIS TITLE.

(F) (1) AN EXPENDITURE MADE BY OR ON BEHALF OF A SLATE THAT INCLUDES A PARTICIPATING CANDIDATE:

(I) IS DEEMED TO BE A COORDINATED EXPENDITURE; AND

(II) IS SUBJECT TO THE EXPENDITURE LIMIT APPLICABLE TO THE PARTICIPATING CANDIDATE UNDER THIS TITLE AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION.

(2) THE PRO RATA AMOUNT OF THE EXPENDITURE MADE BY OR ON BEHALF OF A SLATE UNDER THIS SUBSECTION THAT IS TO BE ATTRIBUTED TO THE PARTICIPATING CANDIDATE SHALL BE CALCULATED BY DIVIDING THE AMOUNT OF THE EXPENDITURE MADE BY OR ON BEHALF OF THE SLATE BY THE NUMBER OF CANDIDATES WHO ARE MEMBERS OF THE SLATE.

15.5-116. ADDITIONAL CANDIDATE REPORTING REQUIREMENTS.

(A) IN ADDITION TO THE REPORTING REQUIREMENTS FOR CAMPAIGN FINANCE ENTITIES SPECIFIED UNDER § 13-309 OF THIS ARTICLE, A PARTICIPATING CANDIDATE FOR ELECTION TO THE GENERAL ASSEMBLY SHALL

(Over)

FILE CAMPAIGN FINANCE REPORTS WITH THE COMMISSION ON OR BEFORE MAY 1 OF THE YEAR OF THE ELECTION TO DISCLOSE:

(1) ALL SEED MONEY CONTRIBUTIONS RECEIVED AND EXPENDITURES MADE; AND

(2) ALL QUALIFYING CONTRIBUTIONS RECEIVED BY THE CANDIDATE.

(B) (1) IF A NONPARTICIPATING CANDIDATE MAKES EXPENDITURES THAT EXCEED THE EXPENDITURE LIMIT ESTABLISHED FOR A PARTICIPATING CANDIDATE FOR THAT OFFICE, THE NONPARTICIPATING CANDIDATE THEREAFTER SHALL FILE A CAMPAIGN FINANCE REPORT OF ALL OF THE CANDIDATE'S EXPENDITURES BI-WEEKLY THROUGH AND INCLUDING THE WEEK AFTER THE ELECTION.

(2) IN ADDITION TO THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION, DURING THE 30 DAYS PRECEDING AN ELECTION, A NONPARTICIPATING CANDIDATE SHALL NOTIFY THE COMMISSION WITHIN 48 HOURS OF EACH EXPENDITURE OVER \$500 THAT THE CANDIDATE MAKES OR BECOMES OBLIGATED TO MAKE.

(C) IN ACCORDANCE WITH REGULATIONS OR WRITTEN GUIDELINES THAT THE COMMISSION ADOPTS AND PUBLISHES, THE COMMISSION MAY MAKE AN INDEPENDENT DETERMINATION WHETHER A NONPARTICIPATING CANDIDATE HAS MADE AN EXPENDITURE THAT IS SUBJECT TO THIS SECTION.

(D) A CAMPAIGN FINANCE REPORT REQUIRED UNDER THIS SECTION SHALL BE FILED IN AN ELECTRONIC STORAGE FORM IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 13 OF THIS ARTICLE.

15.5-117. ADDITIONAL INDEPENDENT REPORTING REQUIREMENTS.

(A) FOR THE PURPOSES OF THIS SECTION:

(1) "PRINCIPAL OPPONENT" MEANS THE OPPONENT OF A PARTICIPATING CANDIDATE WHO HAS THE HIGHEST TOTAL OF THE OPPONENT'S OWN EXPENDITURES AND OF EXPRESS ADVOCACY INDEPENDENT EXPENDITURES SUPPORTING THE OPPONENT; AND

(2) THE REPORTING REQUIREMENTS OF § 13-301 OF THIS ARTICLE ALSO APPLY TO ANY OUT-OF-STATE CAMPAIGN, POLITICAL CLUB, OR POLITICAL ACTION COMMITTEE MAKING EXPRESS ADVOCACY EXPENDITURES IN THE STATE.

(B) ANY EXPRESS ADVOCACY INDEPENDENT EXPENDITURE MADE IN THE STATE SHALL BE REPORTED TO THE STATE BOARD WITHIN 24 HOURS OF RELEASE TO THE GENERAL PUBLIC.

(C) THE STATE BOARD SHALL DEVELOP AN INTERNET SITE WHERE EXPRESS ADVOCACY INDEPENDENT EXPENDITURES SHALL BE REPORTED.

(D) THE REPORT SHALL INCLUDE:

(1) THE DATE WHEN THE MESSAGE PURCHASED WITH THE EXPRESS ADVOCACY INDEPENDENT EXPENDITURE IS RELEASED TO THE PUBLIC;

(2) THE CANDIDACY THE EXPRESS ADVOCACY INDEPENDENT EXPENDITURE IS DESIGNED TO SUPPORT OR DEFEAT;

(Over)

(3) THE DOLLAR VALUE OF THE EXPRESS ADVOCACY INDEPENDENT EXPENDITURE; AND

(4) THE SPONSOR OF THE EXPRESS ADVOCACY INDEPENDENT EXPENDITURE.

(E) IF THE SPONSOR OF THE EXPRESS ADVOCACY INDEPENDENT EXPENDITURE IS AN ORGANIZATION, THE SPONSOR SHALL BE CONSIDERED THE CHIEF EXECUTIVE OFFICER OF THAT ORGANIZATION.

(F) THE WEBSITE DEVELOPED BY THE STATE BOARD SHALL BE ACCESSIBLE AND USABLE BY A STANDARD INTERNET BROWSER ALONE.

(G) (1) ON RECEIPT OF AN EXPRESS ADVOCACY INDEPENDENT EXPENDITURE REPORT, THE STATE BOARD SHALL ADD THE AMOUNT OF THE EXPENDITURE TO THE SUM OF THE EXPENDITURES OF:

(I) THE PRINCIPAL OPPONENT OF THE PARTICIPATING CANDIDATE;

(II) EXPRESS ADVOCACY INDEPENDENT EXPENDITURES SUPPORTING THE PRINCIPAL OPPONENT; AND

(III) EXPRESS ADVOCACY INDEPENDENT EXPENDITURES IN OPPOSITION TO THE PARTICIPATING CANDIDATE.

(2) AN INDEPENDENT EXPENDITURE MAY NOT BE COUNTED AS BOTH OPPOSING A PARTICIPATING CANDIDATE AND SUPPORTING THAT CANDIDATE'S OPPONENT.

(H) (1) IF THE SUM OF THE EXPENDITURES LISTED IN SUBSECTION (G) OF THIS SECTION EXCEEDS THE PUBLIC EXPENDITURE LIMITATION APPLICABLE TO THE PARTICIPATING CANDIDATE, THE STATE BOARD SHALL IMMEDIATELY RELEASE A SUPPLEMENTAL CONTRIBUTION FROM THE FUND TO THE PARTICIPATING CANDIDATE, SUBJECT TO THE LIMITATION IN PARAGRAPH (2) OF THIS SUBSECTION.

(2) THE SUPPLEMENTAL CONTRIBUTION RELEASED TO THE OPPOSING PARTICIPATING CANDIDATE UNDER THIS SUBSECTION SHALL EQUAL THE AMOUNT BY WHICH THE COORDINATED EXPENDITURE EXCEEDED THE EXPENDITURE LIMITATION APPLICABLE TO THE PARTICIPATING CANDIDATE, BUT MAY NOT EXCEED THE LIMIT SPECIFIED IN § 15.5-111 OF THIS TITLE.

15.5-118. CITIZEN ACTIONS.

(A) AN INDIVIDUAL WHO BELIEVES THAT A CANDIDATE HAS VIOLATED THIS TITLE MAY PURSUE A CIVIL ACTION IN A COURT OF COMPETENT JURISDICTION IF:

(1) THE INDIVIDUAL HAS FIRST FILED A COMPLAINT WITH THE COMMISSION REGARDING THE ALLEGED VIOLATION; AND

(2) THE COMMISSION FAILS TO MAKE A DETERMINATION AND ISSUE A WRITTEN STATEMENT OF ITS FINDINGS WITHIN 30 DAYS OF THE DATE OF THE FILING OF THE COMPLAINT.

(B) A COMPLAINANT WHO PREVAILS IN AN ACTION FILED UNDER THIS SECTION IS ENTITLED TO RECOVER REASONABLE ATTORNEY'S FEES AND COURT COSTS FROM ANY PARTY DEFENDANT.

(Over)

15.5-119. JUDICIAL REVIEW.

(A) AN ACTION OF THE COMMISSION UNDER THIS TITLE MAY BE REVIEWED BY A CIRCUIT COURT IN ACCORDANCE WITH § 10-222(C) OF THE STATE GOVERNMENT ARTICLE.

(B) A PETITION TO REVIEW AN ACTION OF THE COMMISSION UNDER THIS SECTION SHALL BE BROUGHT WITHIN 60 DAYS AFTER THE COMMISSION ACTS.

15.5-120. PENALTIES.

(A) A PARTICIPATING CANDIDATE MAY NOT KNOWINGLY OR INTENTIONALLY:

(1) ACCEPT A CONTRIBUTION TO WHICH THE CANDIDATE IS NOT ENTITLED;

(2) MAKE AN EXPENDITURE IN AN AMOUNT THAT IS GREATER THAN THE AMOUNT THAT THE CANDIDATE RECEIVES FROM THE FUND; OR

(3) MISUSE A CONTRIBUTION OR MONEY RECEIVED FROM THE FUND.

(B) (1) IF THE COMMISSION DETERMINES THAT A PARTICIPATING CANDIDATE KNOWINGLY OR INTENTIONALLY RECEIVED A CONTRIBUTION OR MADE AN EXPENDITURE THAT IS MORE THAN 4% OF THE EXPENDITURE LIMIT APPLICABLE TO THE OFFICE, OR FAILED TO DISCLOSE THE CONTRIBUTION OR EXPENDITURE, THE PARTICIPATING CANDIDATE IS GUILTY OF A MISDEMEANOR

AND ON CONVICTION IS SUBJECT TO A PERSONAL FINE OF THREE TIMES THE AMOUNT OF THE EXCESS CONTRIBUTION OR EXPENDITURE OR IMPRISONMENT FOR NOT MORE THAN 2 YEARS OR BOTH.

(2) IF THE COMMISSION DETERMINES THAT A PARTICIPATING CANDIDATE KNOWINGLY OR INTENTIONALLY VIOLATED THIS SECTION, THAT THE AMOUNT OF THE EXCESS CONTRIBUTION OR EXPENDITURE IS MORE THAN 4% OF THE EXPENDITURE LIMIT APPLICABLE TO THE OFFICE, AND THAT THE VIOLATION CONTRIBUTED TO THE PARTICIPATING CANDIDATE'S VICTORY IN THE ELECTION, THE COMMISSION MAY RECOMMEND TO THE GENERAL ASSEMBLY THAT THE RESULTS OF THE ELECTION BE NULLIFIED AND THE OFFICE DECLARED VACANT.

(C) IN THE DISCRETION OF THE COMMISSION, AN INDIVIDUAL WHO VIOLATES THIS TITLE MAY BE BARRED FROM FURTHER PARTICIPATION AS A PARTICIPATING CANDIDATE UNDER THIS TITLE.

(D) (1) A PERSON MAY NOT PROVIDE FALSE INFORMATION TO OR CONCEAL OR WITHHOLD INFORMATION ABOUT A CONTRIBUTION OR EXPENDITURE FROM THE COMMISSION.

(2) A PERSON THAT VIOLATES THIS SUBSECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A PERSONAL FINE OF THREE TIMES THE AMOUNT OF THE ILLEGAL CONTRIBUTION, EXPENDITURE, OR FALSE DISCLOSURE, TO A MAXIMUM OF \$5,000 FOR EACH VIOLATION, OR IMPRISONMENT FOR 2 YEARS OR BOTH.

15.5-121. SHORT TITLE.

(Over)

THIS TITLE MAY BE CITED AS THE PUBLIC CAMPAIGN FINANCING ACT FOR CANDIDATES FOR THE GENERAL ASSEMBLY.

SECTION 2. AND BE IT FURTHER ENACTED, That no later than 1 year after the end of the first election cycle in which the system of public financing of election campaigns provided for under this Act is implemented, the Election Financing Commission shall submit a written report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly, concerning:

(1) The need for additional disclosure of campaign contributions or expenditures under this Act;

(2) The effect and role of independent expenditures under this Act;

(3) Whether participating candidates under this Act should receive a supplemental distribution from the Fair Campaign Financing Fund to match independent expenditures that are made on behalf of an opposing candidate or against a participating candidate; and

(4) The effectiveness of the regulations, guidelines, and policies established by the State Board of Elections and the Election Financing Commission governing the disclosure and reporting of contributions and expenditures by participating candidates and nonparticipating candidates in accordance with this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That the terms of the initial members of the Election Financing Commission shall expire as follows:

(1) Two of the members appointed from the majority party and one of the members appointed from the principal minority party in 2010;

(2) One of the members appointed from the majority party and one of the members appointed from the principal minority party in 2008; and

- (3) The first elected member in 2011.

SECTION 4. AND BE IT FURTHER ENACTED, That the captions contained in this Act are not law and may not be considered to have been enacted as part of this Act.

SECTION 5. AND BE IT FURTHER ENACTED, That, notwithstanding the provisions of § 15–108 of the Election Law Article, on the taking effect of this Act, the Comptroller shall transfer and credit any unspent funds remaining in the Fair Campaign Financing Fund to the Public Election Fund created under this Act to be used for the purpose of, and in accordance with, the Public Campaign Financing Act for Candidates for the General Assembly created by this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That, on or before June 1, 2008, the Election Financing Commission shall request a determination from the State Comptroller as to whether new revenue measures that cumulatively equal or exceed \$1,000,000,000 in annual revenue increases for the State have been enacted since the conclusion of the 2007 Session of the General Assembly and not later than the 2008 Session of the General Assembly.

SECTION 7. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2008, contingent on the Election Financing Commission's receipt of a determination from the State Comptroller in accordance with Section 6 of this Act that new revenue measures that cumulatively equal or exceed \$1,000,000,000 in annual

(Over)

revenue increases for the State have been enacted since the conclusion of the 2007 Session of the General Assembly and not later than the 2008 Session of the General Assembly. If a determination by the State Comptroller is received after July 1, 2008 that new revenue measures that cumulatively equal or exceed \$1,000,000,000 in annual revenue increases for the State have been enacted since the conclusion of the 2007 Session of the General Assembly and not later than the 2008 Session of the General Assembly, this Act shall take effect 30 days after the Commission receives the determination. If a determination is received by the Commission from the State Comptroller that new revenue measures have not been enacted that cumulatively equal or exceed \$1,000,000,000 in annual revenue increases for the State since the conclusion of the 2007 Session of the General Assembly and not later than the 2008 Session of the General Assembly, this Act shall be null and void without the necessity of further action by the General Assembly. The Commission, within 5 days after receiving the determination of the State Comptroller, shall forward a copy of the determination to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.”.