

HOUSE BILL 1398

G1

9lr0113

By: **Chair, Ways and Means Committee (By Request - Departmental - Elections, State Board of)**

Introduced and read first time: February 25, 2009

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 2, 2009

Committee Report: Favorable with amendments

House action: Adopted

Read second time: April 1, 2009

CHAPTER _____

1 AN ACT concerning

2 **Election Law - Campaign Finance - Revisions**

3 FOR the purpose of repealing certain references to certain responsibilities of the local
4 boards of elections for certain campaign finance filings; repealing references to
5 subtreasurers and campaign managers; requiring a candidate to establish an
6 authorized political committee before filing a declaration of intent; requiring a
7 candidate or officer of a slate to file a certain written notice with the State
8 Board; ~~requiring the State Board to remove a candidate from a slate after~~
9 ~~receiving written notice from the slate members and officers; prohibiting a~~
10 ~~political committee from engaging in campaign finance activity without filing~~
11 ~~certain offices of the political committee; requiring certain officers of a political~~
12 ~~committee to notify the State Board of Elections within a certain time period of~~
13 ~~an address change; requiring a designated campaign account to make campaign~~
14 ~~funds available at certain times and without the imposition of a penalty in~~
15 ~~certain situations; requiring that only the treasurer of the political committee~~
16 ~~may have signatory authority over the campaign account; specifying that the~~
17 ~~treasurer of a campaign finance entity shall make certain reimbursements;~~
18 ~~repealing certain prohibited expenditures; clarifying that a campaign finance~~
19 ~~entity may not directly or indirectly use campaign funds for personal use of the~~
20 ~~candidate or certain officers of the political committee; clarifying which~~
21 ~~expenditures a treasurer of a political committee may authorize; requiring a~~
22 ~~certain campaign finance report to be made under oath and to the State Board;~~
23 ~~authorizing certain expenditures to be made by electronic disbursements;~~
24 ~~clarifying the certain time period when altering the date by which a treasurer is~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 required to issue a receipt for a contribution; ~~requiring a campaign finance~~
 2 ~~entity to notify the State Board within a certain time after its participation in~~
 3 ~~an election under certain circumstances; specifying a certain penalty for~~
 4 ~~violation of certain participation and notification requirements; clarifying when~~
 5 ~~certain notice requirements for failure to file a campaign finance report are~~
 6 ~~satisfied; exempting electronically transmitted documents from certain~~
 7 provisions restricting the dissemination by members of the General Assembly of
 8 certain unsolicited documents; specifying that certain electronically transmitted
 9 documents shall be subject to certain standards; stating the intent of the
 10 General Assembly regarding standards for electronic communications; allowing
 11 certain affidavits to be filed after a certain date and subject to certain penalties;
 12 ~~repealing redundant provisions prohibiting a certain type of contribution to a~~
 13 ~~political committee; requiring the State Board to assume certain duties of the~~
 14 ~~Secretary of State; prohibiting a contribution if it is intended to conceal the~~
 15 source of the funds or intended recipient; making certain technical changes; and
 16 generally relating to revision of the campaign finance laws.

17 BY repealing and reenacting, with amendments,

18 Article – Election Law

19 Section 13-202, 13-207, 13-209, ~~13-214~~, 13-215, ~~13-220~~, 13-222, ~~13-245~~,
 20 13-304, 13-305, 13-321, 13-322, 13-323, 13-327, 13-328, 13-331,
 21 ~~13-335~~, 13-406, and 13-602, ~~and 13-605~~

22 Annotated Code of Maryland

23 (2003 Volume and 2008 Supplement)

24 BY repealing

25 Article – Election Law

26 Section 13-211, 13-212, 13-219, 13-316, and 13-317

27 Annotated Code of Maryland

28 (2003 Volume and 2008 Supplement)

29 ~~BY repealing and reenacting, with amendments,~~

30 ~~Article – Election Law~~

31 ~~Section 13-309~~

32 ~~Annotated Code of Maryland~~

33 ~~(2003 Volume and 2008 Supplement)~~

34 ~~(As enacted by Chapters 40 and 510 of the Acts of the General Assembly of~~
 35 ~~2006, Chapters 219 and 449 of the Acts of the General Assembly of 2007,~~
 36 ~~and Chapter 543 of the Acts of the General Assembly of 2008)~~

37 BY repealing and reenacting, without amendments,

38 Article – Election Law

39 Section 13-407 and 13-408

40 Annotated Code of Maryland

41 (2003 Volume and 2008 Supplement)

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

1 **Article - Election Law**

2 13-202.

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

6 (b) An individual may not file a certificate of candidacy **OR DECLARATION**
7 **OF INTENT** until the individual establishes, or causes to be established, an authorized
8 [political] **CANDIDATE CAMPAIGN** committee.

9 13-207.

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

11 (b) A political committee may not receive or disburse money or any other
12 thing of value unless the political committee is established in accordance with the
13 requirements of this section.

14 (c) To establish a political committee:

15 (1) a chairman and a treasurer shall be appointed on a form that the
16 State Board prescribes and that is signed by the chairman and treasurer and includes:

17 (i) the residence addresses of the chairman and the treasurer;
18 and

19 (ii) the information required by § 13-208 of this subtitle; and

20 (2) the form shall be filed with the board where the political committee
21 is required to file campaign finance reports.

22 **(D) THE CHAIRMAN AND TREASURER MUST NOTIFY THE STATE BOARD**
23 **OF A CHANGE OF RESIDENCE OR MAILING ADDRESS ~~WITHIN~~ AT LEAST 30 DAYS**
24 **~~OF THE CHANGE~~ BEFORE THE DATE THAT THE NEXT CAMPAIGN FINANCE**
25 **REPORT IS DUE.**

26 [(d)] **(E)** (1) A chairman or treasurer of a political committee may resign
27 by completing a resignation form that the State Board prescribes and filing the form
28 with the [board where the political committee was established] **STATE BOARD.**

29 (2) If a vacancy occurs in the office of chairman or the office of
30 treasurer, the political committee promptly shall appoint a new chairman or treasurer
31 in accordance with this section.

~~(3) THE POLITICAL COMMITTEE MAY NOT RECEIVE CONTRIBUTIONS OR MAKE EXPENDITURES WHEN A VACANCY EXISTS.~~

~~(4) A CHAIRMAN OR TREASURER MAY NOT RESIGN IF THE INDIVIDUAL IS THE SOLE RESPONSIBLE OFFICER.~~

13-209.

(a) Two or more candidates who have established separate campaign finance entities may form a slate.

(b) After establishing a campaign finance entity in accordance with § 13-202(b) of this subtitle, a candidate may join a slate.

(c) (1) To join a slate, a candidate shall file a written notice with the [board where the candidate filed a certificate of candidacy] **STATE BOARD.**

(2) The notice shall specify:

(i) the name of the slate that the candidate has joined; and

(ii) the date on which the candidate joined the slate.

~~(D) THE STATE BOARD SHALL REMOVE A CANDIDATE FROM THE SLATE ON RECEIPT OF A WRITTEN NOTICE SUBMITTED BY:~~

~~(1) THAT CANDIDATE; OR~~

~~(2) THE TREASURER, CHAIRMAN, AND OTHER CANDIDATE MEMBERS OF THE SLATE.~~

[13-211.

(a) A treasurer for a campaign finance entity may appoint a subtreasurer for any county or political subdivision.

(b) Notwithstanding subsection (a) of this section, as to any county, a treasurer of the State or county central committee of a political party may appoint a subtreasurer for each precinct in the county.

(c) A treasurer may appoint a subtreasurer under subsection (a) or (b) of this section by:

(1) completing a form that the State Board prescribes and that includes the name and address of that subtreasurer; and

1 (2) filing the form with the board where the campaign finance entity is
2 established.]

3 [13-212.

4 An individual may appoint a campaign manager by:

5 (1) completing a form that the State Board prescribes and that
6 includes the name and address of that campaign manager; and

7 (2) filing the form with the board where the individual is required to
8 file a certificate of candidacy.]

9 ~~13-214.~~

10 ~~(a) The responsible officers of a campaign finance entity are jointly and~~
11 ~~severally responsible for filing all campaign finance reports in full and accurate detail~~
12 ~~and for all other actions of the entity.~~

13 ~~(b) (1) A TREASURER MAY NOT DELEGATE TO ANOTHER PERSON ANY~~
14 ~~RESPONSIBILITY OR OBLIGATION ASSIGNED UNDER THIS TITLE.~~

15 ~~(2) A TREASURER MAY OBTAIN ADMINISTRATIVE ASSISTANCE IN~~
16 ~~COMPLETING THE RESPONSIBILITIES AND OBLIGATIONS ASSIGNED UNDER THIS~~
17 ~~TITLE.~~

18 ~~[(b)](c) Notice shall be provided to a campaign finance entity by serving~~
19 ~~the responsible officers.~~

20 13-215.

21 (a) Each chairman[,] AND treasurer[, subtreasurer, and campaign manager]
22 shall be a registered voter of the State.

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

25 (i) as the treasurer [or subtreasurer] of a campaign finance
26 entity of the candidate; or

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

28 1. as the campaign manager, treasurer, or subtreasurer;
29 or

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

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

6 (ii) With respect to any campaign finance entity other than the
7 candidate's own campaign finance entity, a candidate for delegate to the Democratic
8 National Convention or a candidate for delegate to the Republican National
9 Convention may act:

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

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

14 (c) Subject to subsection (b) of this section, the chairman[, OR treasurer[,
15 subtreasurer, or campaign manager] of a campaign finance entity may serve as the
16 chairman[, OR treasurer[, subtreasurer, or campaign manager] of another campaign
17 finance entity.

18 [13-219.

19 (a) A subtreasurer shall:

20 (1) deposit, disburse, and account for funds in the same manner as,
21 and under the authority of, the treasurer;

22 (2) submit a campaign finance report under oath to the treasurer on a
23 form that the State Board prescribes; and

24 (3) include with the report a copy of each campaign contribution
25 receipt issued.

26 (b) The campaign finance report filed by the campaign finance entity under
27 Subtitle 3 of this title shall have attached to it a copy of the campaign finance report of
28 the subtreasurer and account for the items in the subtreasurer's report.]

29 ~~13-220.~~

30 ~~(a) (1) Each campaign finance entity shall designate one or more~~
31 ~~campaign accounts.~~

32 ~~(2) Each designated campaign account shall:~~

1 (i) ~~be in a financial institution THAT IS LOCATED IN THE~~
2 ~~STATE; [and]~~

3 (ii) ~~be registered in a manner that identifies it as the account of~~
4 ~~a campaign finance entity; AND~~

5 (III) ~~MAKE CAMPAIGN FUNDS ACCESSIBLE AT ALL TIMES.~~

6 (3) ~~A DESIGNATED CAMPAIGN ACCOUNT MAY NOT IMPOSE A~~
7 ~~PENALTY FOR WITHDRAWAL OR HAVE A RISK OF DEPRECIATION.~~

8 (4) ~~A campaign finance entity shall deposit all funds received in a~~
9 ~~designated campaign account.~~

10 (5) ~~ONLY THE DULY APPOINTED TREASURER OF THE POLITICAL~~
11 ~~COMMITTEE SHALL HAVE SIGNATORY AUTHORITY OVER THE CAMPAIGN~~
12 ~~ACCOUNT.~~

13 (b) (1) ~~Subject to paragraph (2) of this subsection and subsection (c) of~~
14 ~~this section, a campaign finance entity may not directly or indirectly make a~~
15 ~~disbursement except by check from a campaign account designated under subsection~~
16 ~~(a) of this section.~~

17 (2) ~~A campaign finance entity, or a person authorized by the campaign~~
18 ~~finance entity, may pay an expense of the campaign finance entity from funds other~~
19 ~~than a campaign account if:~~

20 (i) ~~the expense is supported by a receipt that is provided to the~~
21 ~~campaign finance entity; and~~

22 (ii) ~~the TREASURER OF THE campaign finance entity~~
23 ~~reimburses the person who paid the expense by check from the campaign account and~~
24 ~~reports the expense as an expenditure of the campaign finance entity in accordance~~
25 ~~with Subtitle 3 of this title.~~

26 (C) ~~A CAMPAIGN FINANCE ENTITY MAY DIRECTLY OR INDIRECTLY MAKE~~
27 ~~AN ELECTRONIC DISBURSEMENT FOR CHARGES ASSOCIATED WITH:~~

28 (1) ~~MAINTENANCE OF THE CAMPAIGN ACCOUNT AT A FINANCIAL~~
29 ~~INSTITUTION; OR~~

30 (2) ~~SERVICES PROVIDED WITH THE PROCESSING OF~~
31 ~~CONTRIBUTIONS RECEIVED BY THE INTERNET.~~

32 [(c)] (D) (1) ~~A campaign finance entity may maintain a petty cash fund.~~

1 ~~(2) The campaign finance entity shall maintain a separate account~~
2 ~~book for the petty cash fund.~~

3 ~~(3) The petty cash fund:~~

4 ~~(i) may not exceed \$250 at any time; and~~

5 ~~(ii) may be replenished only by check from a campaign account~~
6 ~~designated under subsection (a) of this section.~~

7 ~~(4) Not more than \$25 may be disbursed from the petty cash fund in a~~
8 ~~primary or general election to a single recipient.~~

9 ~~(5) Each petty cash expenditure shall be supported by a receipt and~~
10 ~~reported by category on the appropriate campaign finance report.~~

11 ~~(6) This subsection does not authorize an expenditure that otherwise~~
12 ~~is unlawful under this article.~~

13 13-222.

14 (a) (1) [On receiving and before depositing a contribution specified in
15 paragraph (2) of this subsection] ~~WITHIN 30~~ **WITHIN 90 DAYS OF RECEIVING A**
16 **CONTRIBUTION OR BY THE END OF THE CURRENT CAMPAIGN FINANCE**
17 **REPORTING PERIOD, WHICHEVER IS EARLIER**, a treasurer [or subtreasurer] shall
18 issue a campaign contribution receipt on the form that the State Board prescribes.

19 (2) A campaign contribution receipt shall be mailed or delivered to
20 each person who:

21 (i) makes one or more contributions, other than the purchase of
22 tickets for a campaign event, in the cumulative amount of \$51 or more; or

23 (ii) purchases one or more tickets for a campaign event:

24 1. at a cost of \$51 or more per ticket; or

25 2. in the cumulative amount of \$251 or more.

26 (3) At the request of a contributor, a treasurer [or subtreasurer] shall
27 issue a campaign contribution receipt for any other contribution.

28 (4) A campaign contribution receipt issued under this section is
29 evidence of the contribution.

30 (b) The information from a campaign contribution receipt shall be included
31 in the campaign finance report filed by the treasurer [or subtreasurer] under this title.

1 ~~13-245.~~

2 ~~[(a) In this section, "walk-around services" means the following activities if~~
 3 ~~performed for money while the polls are open:~~

4 ~~(1) distributing campaign material;~~

5 ~~(2) stationing a person, including oneself, or an object in the path of a~~
 6 ~~voter;~~

7 ~~(3) electioneering or canvassing as described in § 16-206 of this~~
 8 ~~article;~~

9 ~~(4) communicating in any other manner a voting preference or choice;~~
 10 ~~or~~

11 ~~(5) performing any other service as a poll worker or distributor of~~
 12 ~~sample ballots.~~

13 ~~(b) This section does not apply to:~~

14 ~~(1) meals, beverages, and refreshments served to campaign workers;~~

15 ~~(2) salaries of regularly employed personnel in campaign~~
 16 ~~headquarters;~~

17 ~~(3) media advertising, including newspaper, radio, television,~~
 18 ~~billboard, or aerial advertising;~~

19 ~~(4) rent and regular office expenses; or~~

20 ~~(5) the cost of telephoning voters or transporting voters to and from~~
 21 ~~polling places.~~

22 ~~(e)(A) [(1)] A campaign finance entity, or a person acting on its behalf,~~
 23 ~~may not at any time, directly or indirectly, pay or incur an obligation to pay, and a~~
 24 ~~person may not, directly or indirectly, receive any money or thing of value, for a~~
 25 ~~political endorsement.~~

26 ~~[(2) (i)] (B) (1) A campaign finance entity, or a person acting on its~~
 27 ~~behalf, that pays any person for walk-around services shall make all payments by~~
 28 ~~check from a campaign account designated under § 13-220(a) of this subtitle.~~

29 ~~[(ii)] (2) All payments made under subparagraph (i) of this~~
 30 ~~paragraph shall be reported in accordance with § 13-304 of this title.~~

~~(C) A CAMPAIGN FINANCE ENTITY MAY NOT DIRECTLY OR INDIRECTLY USE CAMPAIGN FUNDS FOR THE PERSONAL USE OF THE CANDIDATE OR RESPONSIBLE OFFICERS OF THE CAMPAIGN FINANCE ENTITY.~~

~~(D) A TREASURER MAY NOT AUTHORIZE ANY EXPENDITURES OUTSIDE THE SCOPE OF § 1-101(Y) OF THIS ARTICLE.~~

13-304.

(a) (1) From the date of its organization until its termination under the provisions of this title, a campaign finance entity, except a political club, shall file a campaign finance report **UNDER OATH TO THE STATE BOARD** at the times[,] **AND** for the periods[, and at the locations] required by §§ 13-309[,] **AND** 13-312[, and 13-316] of this subtitle.

(2) A campaign finance report submitted using an electronic format shall:

(i) be made under oath or affirmation;

(ii) require an electronic signature from the treasurer at the time of the filing of the campaign finance report; and

(iii) be made subject to the penalties for perjury.

(b) A campaign finance report filed by a campaign finance entity under subsection (a) of this section shall include the information required by the State Board with respect to all contributions received and all expenditures made by or on behalf of the campaign finance entity during the designated reporting period.

(c) A campaign finance report prescribed by this subtitle for the campaign finance entity of a candidate is required whether or not:

(1) the candidate files a certificate of candidacy;

(2) the candidate withdraws, declines a nomination, or otherwise ceases to be a candidate;

(3) the candidate's name appears on the primary ballot; or

(4) the candidate is successful in the election.

13-305.

(a) Instead of filing a report required under § 13-309 of this subtitle, a treasurer may file an affidavit stating that the campaign finance entity has not raised

1 or spent a cumulative amount of \$1,000 or more, exclusive of the filing fee, and
2 regardless of the balance of the campaign account, since:

3 (1) establishing the campaign finance entity; or

4 (2) filing the campaign finance entity's last campaign finance report.

5 (b) The affidavit shall be filed on or before the date a campaign finance
6 report is due to be filed under § 13-309 of this subtitle **AND SUBJECT TO PENALTIES**
7 **UNDER § 13-331 OF THIS SUBTITLE.**

8 ~~13-309.~~

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

11 ~~(1) except for a ballot issue committee, on or before the fourth Tuesday~~
12 ~~immediately preceding each primary election except a presidential primary election;~~

13 ~~(2) except for a ballot issue committee, on or before the second Friday~~
14 ~~immediately preceding a primary election;~~

15 ~~(3) on or before the second Friday immediately preceding a general~~
16 ~~election; and~~

17 ~~(4) on or before the third Tuesday after a general election.~~

18 ~~(b) (1) A campaign finance entity is subject to subsection (a) of this~~
19 ~~section and this subsection only as to the election in which the entity designates that it~~
20 ~~will participate.~~

21 ~~(2) In addition to the campaign finance reports required under~~
22 ~~subsection (a) of this section, but subject to paragraph (4) of this subsection, a~~
23 ~~campaign finance entity shall file campaign finance reports on the third Wednesday in~~
24 ~~January.~~

25 ~~(3) (i) If subsequent to the filing of its declaration under §~~
26 ~~13-208(e)(3) of this title, a campaign finance entity participates in an election in which~~
27 ~~it was not designated to participate, the campaign finance entity shall file all~~
28 ~~campaign reports prescribed under subsection (a) of this section for that election.~~

29 ~~(H) THE CAMPAIGN FINANCE ENTITY SHALL NOTIFY THE~~
30 ~~STATE BOARD IN WRITING WITHIN 7 DAYS OF PARTICIPATING IN AN ELECTION~~
31 ~~NOT DESIGNATED TO PARTICIPATE.~~

32 ~~[(ii)] (III) A violation of subparagraph (i) of this paragraph~~
33 ~~constitutes a failure to file by the campaign finance entity, and the responsible officer~~

1 ~~is guilty of a misdemeanor and on conviction is subject to the penalties prescribed~~
2 ~~under Part VII of this subtitle.~~

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

7 ~~(e) In addition to the campaign reports required under subsection (a) of this~~
8 ~~section, a continuing political committee shall file a campaign finance report on the~~
9 ~~third Wednesday in January of each year the committee is in existence.~~

10 [13-316.

11 A campaign finance report required by § 13-304 of this subtitle shall be filed
12 with the State Board.]

13 [13-317.

14 All campaign finance reports filed with a local board shall be filed in duplicate.]

15 13-321.

16 (a) (1) In accordance with paragraph (2) of this subsection, [each board]
17 **THE STATE BOARD** shall notify each campaign finance entity that is required under
18 this subtitle to file campaign finance reports [with that board of each campaign
19 finance report required to be filed by that entity].

20 (2) The notice shall be provided by first class mail at least 10 but not
21 more than 20 days before the filing date for each campaign finance report.

22 (b) The notice required under subsection (a) of this section shall include:

23 (1) the filing date;

24 (2) the telephone number, business hours, and location of [the board
25 where the campaign finance report is to be filed] **THE STATE BOARD**; and

26 (3) the penalty for failure to file a timely campaign finance report.

27 13-322.

28 A campaign finance report is timely if:

29 (1) regardless of when it is received, the United States Postal Service
30 has affixed a mark on the envelope or on a receipt verifying that the campaign finance
31 report was mailed on or before the filing deadline; or

1 (2) it is received by the State Board [or the local board] with which it
2 is required to be filed within 3 days after the filing deadline and a private postal meter
3 postmark or a receipt by a private carrier verifies that the campaign finance report
4 was mailed or delivered to the private carrier on or before the filing deadline.

5 13-323.

6 [A board] **THE STATE BOARD** shall provide a receipt for a campaign finance
7 report that is hand-delivered.

8 13-327.

9 (a) A campaign finance entity that fails to file a campaign finance report **OR**
10 **AFFIDAVIT** required by this subtitle is subject to the sanctions provided in Part VII of
11 this subtitle.

12 (b) The failure to provide on a campaign finance report required by § 13-304
13 of this subtitle all of the information required of the campaign finance entity by the
14 State Board under this subtitle is deemed a failure to file and renders the campaign
15 finance report overdue, only if:

16 (1) the State Board notifies the responsible officers in writing of the
17 particular deficiencies; and

18 (2) the responsible officers fail to file a properly corrected campaign
19 finance report within 30 days after service of the notice.

20 13-328.

21 (a) [(1)] Within 10 days after the deadline for the filing of any campaign
22 finance report that is required to be filed with the State Board, the State Board shall
23 compile a list of the campaign finance entities that failed to file the campaign finance
24 report [and distribute the list, or a portion of the list, to such local boards as is
25 required to implement this subtitle.

26 (2) Within 10 days after the deadline for the filing of any campaign
27 finance report that is required to be filed with a local board, the local board shall
28 compile a list of the campaign finance entities that failed to file the campaign finance
29 report and transmit the list to the State Board] **OR AFFIDAVIT**.

30 (b) For the purposes of subsection (a) of this section, the failure to provide on
31 a campaign finance report all of the information required of the campaign finance
32 entity by the State Board under this subtitle is deemed a failure to file.

33 [(c) (1) This subsection applies only to a failure to file a campaign finance
34 report as specified in § 13-327 of this subtitle.

1 (2) A local board promptly shall notify the State Board of any
2 campaign finance report that is more than 30 days overdue to be filed with that local
3 board.]

4 13-331.

5 (a) In accordance with subsection (b) of this section, [a board] **THE STATE**
6 **BOARD** shall assess a late filing fee for a failure to file a campaign finance report **OR**
7 **AFFIDAVIT**, as specified in § 13-327 of this subtitle.

8 (b) (1) The fee is \$10 for each day or part of a day, excluding Saturdays,
9 Sundays, and holidays, that a campaign finance report is overdue.

10 (2) An additional fee of \$10 is due for each of the first 6 days,
11 excluding Saturdays, Sundays, and holidays, that a preelection campaign finance
12 report under § 13-309 of this subtitle is overdue.

13 (3) The maximum fee payable for any single campaign finance report
14 is \$250.

15 (c) (1) [A board] **THE STATE BOARD** shall accept an overdue campaign
16 finance report that is submitted without payment of the late filing fee, but the
17 campaign finance report is not considered filed until the fee has been paid.

18 (2) After an overdue campaign finance report is received under
19 paragraph (1) of this subsection no further late filing fee shall be incurred.

20 (d) A late filing fee is the joint and several liability of the responsible officers
21 and:

22 (1) may not be paid, directly or indirectly, by the campaign finance
23 entity; and

24 (2) is neither a contribution to nor an expenditure of the entity.

25 ~~13-335.~~

26 ~~(a) (1) If the State Board determines that there has been, for more than~~
27 ~~30 days, a failure to file a campaign finance report within the meaning of § 13-327 of~~
28 ~~this subtitle, the State Board shall issue the notice prescribed in paragraph (2) of this~~
29 ~~subsection to the responsible officers of the campaign finance entity in violation.~~

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

1 (i) ~~the failure to file be rectified and any late filing fee due be~~
2 ~~paid; or~~

3 (ii) ~~the responsible officers show cause why the State Board~~
4 ~~should not ask the appropriate prosecuting authority to prosecute the responsible~~
5 ~~officers for a violation of this subtitle.~~

6 ~~(3) THE STATE BOARD MEETS ALL APPLICABLE NOTICE~~
7 ~~REQUIREMENTS OF THIS TITLE BY DELIVERING THE NOTICES TO THE ADDRESS~~
8 ~~PROVIDED BY THE RESPONSIBLE OFFICERS IN ACCORDANCE WITH § 13-207 OF~~
9 ~~THIS TITLE.~~

10 ~~[(3)](4) In its discretion, the appropriate prosecuting authority may~~
11 ~~refer the matter for action to the Central Collection Unit within the Department of~~
12 ~~Budget and Management.~~

13 (b) ~~A responsible officer who fails, without cause, to file the campaign finance~~
14 ~~report and pay the late fee within 30 days after service of the notice prescribed in~~
15 ~~subsection (a)(2) of this section is guilty of a misdemeanor and on conviction is subject~~
16 ~~to the penalties prescribed in § 13-603 of this title.~~

17 13-406.

18 (a) In this Part II of this subtitle the following words have the meanings
19 indicated.

20 (b) “Incumbent” means a member of the General Assembly.

21 (c) (1) “Legislative newsletter” means an unsolicited document used by an
22 incumbent, without supervision by, or coordination with, the General Assembly, to
23 disseminate information to a constituent, voter, or potential voter about:

24 [(1)] (I) the incumbent’s performance in legislative office; or

25 [(2)] (II) one or more issues of public interest chosen by the
26 incumbent.

27 (2) (I) “LEGISLATIVE NEWSLETTER” DOES NOT INCLUDE A
28 DOCUMENT THAT IS DISSEMINATED TO RECIPIENTS BY ELECTRONIC MAIL OR
29 ANY OTHER MODE OF ELECTRONIC TRANSMISSION.

30 (II) A DOCUMENT DESCRIBED IN SUBPARAGRAPH (I) OF
31 THIS PARAGRAPH SHALL BE SUBJECT TO STANDARDS ADOPTED BY THE
32 PRESIDING OFFICERS, OR AN APPROPRIATE ENTITY, OF THE GENERAL
33 ASSEMBLY.

1 (d) "Publication expense" means an expenditure relating to writing,
2 publishing, printing, issuing, mailing, or distributing a legislative newsletter.

3 13-407.

4 Part II of this subtitle does not restrict the use by the General Assembly of any
5 funds appropriated in the State budget.

6 13-408.

7 (a) Publication expenses may not be paid from public funds.

8 (b) Publication expenses may be paid from:

9 (1) a campaign account of a campaign finance entity of the incumbent
10 if the campaign finance entity complies with all other requirements of this title
11 regarding expenditures and campaign material; or

12 (2) the personal funds of the incumbent or the spouse of the incumbent
13 if, as to each issue:

14 (i) the incumbent has not filed a certificate of candidacy;

15 (ii) the legislative newsletter contains a notice that it is
16 disseminated at the personal expense of the incumbent; and

17 (iii) within 10 days after the first mailing or distribution of the
18 issue, the incumbent files a campaign finance report with the State Board that
19 contains:

20 1. a detailed list of publication expenses; and

21 2. an affidavit that no funds for the legislative
22 newsletter have been solicited or received from any source to supplement the personal
23 funds.

24 13-602.

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

29 (i) an individual, question, or measure at an election or political
30 convention; or

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 3 1. work will cease, wholly or partly;
- 4 2. the workplace will close; or
- 5 3. employees' wages will be reduced; or

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

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

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

14 **(11) A CONTRIBUTION IS NOT ALLOWED IF IT IS INTENDED TO**
15 **CONCEAL THE SOURCE OF THE FUNDS OR INTENDED RECIPIENT.**

16 ~~[(11)]~~ **(12)** An individual may not sign the name of any other individual
17 on any form or other document under this title, without the authority of the individual
18 whose name is signed.

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

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

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

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

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

1 (a) ~~The [Secretary of State] STATE BOARD may seek an immediate~~
2 ~~injunction against any violation of this title.~~

3 (b) ~~A person who violates an injunction issued under this section:~~

4 (1) ~~is in criminal contempt; and~~

5 (2) ~~is guilty of a misdemeanor and on conviction is subject to a fine not~~
6 ~~exceeding \$250 or imprisonment not exceeding 30 days or both.~~

7 SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the
8 General Assembly that the presiding officers of the General Assembly or, if designated
9 by the presiding officers, the Joint Committee on Legislative Ethics, the Joint
10 Advisory Committee on Legislative Data Systems, or other appropriate entity of the
11 General Assembly, shall adopt reasonable standards for the use of the General
12 Assembly’s electronic mail system and other General Assembly resources that may be
13 used in the dissemination of electronic communications.

14 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
15 effect July 1, 2009.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.