

SENATE BILL 601

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01r0528
CF 01r2951

By: **Senators Raskin and Pinsky**

Introduced and read first time: February 5, 2010

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Elections – Campaign Finance – Prohibition of Contributions and**
3 **Expenditures by Business Entities**

4 FOR the purpose of prohibiting certain business entities from making a contribution to
5 a campaign finance entity; prohibiting certain business entities from making
6 certain expenditures for certain purposes; clarifying that a certain prohibition
7 does not apply to certain expenditures; defining a certain term; providing for a
8 delayed effective date; and generally relating to campaign finance contributions
9 and expenditures by business entities.

10 BY repealing and reenacting, with amendments,
11 Article – Election Law
12 Section 13–226
13 Annotated Code of Maryland
14 (2003 Volume and 2009 Supplement)

15 BY adding to
16 Article – Election Law
17 Section 13–245.1
18 Annotated Code of Maryland
19 (2003 Volume and 2009 Supplement)

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

22 **Article – Election Law**

23 13–226.

24 (a) The limits on contributions in this section do not apply to:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) a contribution to a ballot issue committee; or

2 (2) those contributions defined as transfers.

3 (b) Subject to [subsection (c)] **SUBSECTIONS (C) AND (D)** of this section, a
4 person may not, either directly or indirectly, in an election cycle make:

5 (1) aggregate contributions in excess of:

6 (i) \$4,000 to any one campaign finance entity; or

7 (ii) \$10,000 to all campaign finance entities; or

8 (2) a contribution of money in excess of \$100 except by check or credit
9 card.

10 **(C) (1) IN THIS SUBSECTION, “BUSINESS ENTITY” MEANS A**
11 **CORPORATION, GENERAL OR LIMITED PARTNERSHIP, LIMITED LIABILITY**
12 **COMPANY, OR REAL ESTATE INVESTMENT TRUST.**

13 **(2) NOTWITHSTANDING SUBSECTION (B) OF THIS SECTION, A**
14 **BUSINESS ENTITY MAY NOT MAKE A CONTRIBUTION TO A CAMPAIGN FINANCE**
15 **ENTITY.**

16 **[(c)] (D) (1)** Notwithstanding subsection (b) of this section, a central
17 committee of a political party may make aggregate in-kind contributions during an
18 election cycle that are not in excess of:

19 (i) for a State central committee, \$1 for every two registered
20 voters in the State; and

21 (ii) for a local central committee, \$1 for every two registered
22 voters in the county.

23 (2) For the purposes of paragraph (1) of this subsection, the number of
24 registered voters is determined, regardless of party affiliation, as of the first day of the
25 election cycle.

26 **[(d)] (E)** The limit on contributions to the campaign finance entity of a
27 candidate applies regardless of the number of offices sought by the candidate or
28 campaign finance entities formed to support the candidate.

29 **[(e)** Contributions by a corporation and any wholly-owned subsidiary of the
30 corporation, or by two or more corporations owned by the same stockholders, shall be
31 considered as being made by one contributor.]

1 13-245.1.

2 (A) IN THIS SECTION, "BUSINESS ENTITY" MEANS A CORPORATION,
3 GENERAL OR LIMITED PARTNERSHIP, LIMITED LIABILITY COMPANY, OR REAL
4 ESTATE INVESTMENT TRUST.

5 (B) THIS SECTION DOES NOT PROHIBIT A BUSINESS ENTITY FROM
6 MAKING AN EXPENDITURE TO SUPPORT OR OPPOSE A BALLOT QUESTION.

7 (C) A BUSINESS ENTITY MAY NOT MAKE AN EXPENDITURE TO SUPPORT
8 OR OPPOSE A CANDIDATE.

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 January 1, 2011.