

SENATE BILL 518

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51r2289
CF 51r1821

By: **Senator Pinsky**

Introduced and read first time: February 6, 2015

Assigned to: Education, Health, and Environmental Affairs and Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Fair Elections Act**

3 FOR the purpose of reforming the system of public financing of campaigns for the offices of
4 Governor and Lieutenant Governor; establishing a Fair Elections Fund; providing
5 for the contents and administration of the Fund; allocating certain fees and penalties
6 that are assessed under the Election Law Article to the Fund; establishing the
7 powers and duties of the State Board with respect to the administration of public
8 campaign financing; requiring a gubernatorial ticket that seeks to qualify for public
9 financing to file a certain notice and establish a certain campaign account;
10 prohibiting a gubernatorial ticket that files a notice of intent to qualify for public
11 campaign financing from taking certain actions with respect to a nonpublicly funded
12 campaign account; requiring a gubernatorial ticket to raise seed money in a certain
13 manner to qualify for public funding; establishing certain procedures governing a
14 determination by the State Board as to whether a gubernatorial ticket qualifies for
15 public financing; establishing certain requirements and procedures concerning a
16 participating ticket's publicly funded campaign account; requiring a participating
17 ticket to accept only certain contributions; limiting the amount that each member of
18 a participating ticket and each member's spouse may contribute or lend to the
19 participating ticket's campaign; prohibiting a gubernatorial ticket that files a notice
20 of intent to qualify for public financing or a participating ticket from being a member
21 of a slate; requiring that certain eligible private contributions be matched in a
22 certain manner with money from the Fund; establishing certain limits on the total
23 amount of matching funds a participating ticket may receive; authorizing the State
24 Board to authorize the Comptroller to make disbursements of matching funds to
25 participating tickets on a continuing basis; requiring a participating ticket to submit
26 certain information to the State Board each time the participating ticket seeks a
27 disbursement of matching funds; requiring a participating ticket to return to the
28 Fund matching funds not expended on the election; requiring a participating ticket
29 that opts out of public financing to take certain actions and pay a certain penalty;
30 providing that this Act may not be construed to prohibit a political party from using
31 the political party's funds for certain expenses; providing for judicial review of

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 actions of the State Board; prohibiting certain conduct and establishing certain civil
2 and criminal penalties for violations; establishing a checkoff on the individual
3 income tax return for contributions to the Fund; establishing a subtraction
4 modification under the State income tax for a certain amount of contributions to the
5 Fund by an individual during the taxable year; requiring the Comptroller to transfer
6 funds in the Fair Campaign Financing Fund as of a certain date to the Fund; altering
7 a certain exception to the prohibition on campaign fund-raising by certain officials
8 during the General Assembly session; repealing the Public Financing Act for
9 gubernatorial tickets; defining certain terms; making conforming changes; providing
10 that certain captions included in this Act are not law; making the provisions of this
11 Act severable; providing for the effective dates of this Act; and generally relating to
12 public financing of campaigns for the offices of Governor and Lieutenant Governor.

13 BY repealing

14 Article – Election Law

15 Section 15–101 through 15–111 and the title “Title 15. Public Financing Act”

16 Annotated Code of Maryland

17 (2010 Replacement Volume and 2014 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – Election Law

20 Section 5–403, 13–235, 13–247, 13–306(i), 13–307(i), 13–309.1(i), 13–340,
21 13–604(d)(3), 13–604.1(s), and 14–107(c)

22 Annotated Code of Maryland

23 (2010 Replacement Volume and 2014 Supplement)

24 BY repealing and reenacting, without amendments,

25 Article – Election Law

26 Section 13–309.1(g), 13–604(a)(1), and 13–604.1(b)

27 Annotated Code of Maryland

28 (2010 Replacement Volume and 2014 Supplement)

29 BY adding to

30 Article – Election Law

31 Section 13–604(g); and 15–101 through 15–116 to be under the new title “Title 15.
32 Fair Elections Act”

33 Annotated Code of Maryland

34 (2010 Replacement Volume and 2014 Supplement)

35 BY repealing and reenacting, with amendments,

36 Article – State Finance and Procurement

37 Section 6–226(a)(2)(ii)25.

38 Annotated Code of Maryland

39 (2009 Replacement Volume and 2014 Supplement)

40 BY adding to

41 Article – Tax – General

1 Section 2–115 and 10–208(v)
2 Annotated Code of Maryland
3 (2010 Replacement Volume and 2014 Supplement)

4 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
5 That Section(s) 15–101 through 15–111 and the title “Title 15. Public Financing Act” of
6 Article – Election Law of the Annotated Code of Maryland be repealed.

7 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
8 as follows:

9 **Article – Election Law**

10 5–403.

11 [(a)] Filing fees paid by candidates under § 5–401 of this subtitle shall be
12 distributed [as specified in this section.

13 (b) Filing fees received by a local board shall be transferred to the governing body
14 of the county.

15 (c) Filing fees received by the State Board shall be divided and distributed:

16 (1) with respect to candidates for statewide office:

17 (i) \$60 to the Baltimore City Board of Elections; and

18 (ii) \$10 each to each other local board;

19 (2) with respect to candidates for any other public or party office in a
20 multicounty district, in equal amounts to the local board of each county that contains part
21 of the district to which the candidacy relates; and

22 (3) with respect to a candidate for a public or party office in a district wholly
23 contained within one county, to the local board of that county] **TO THE FAIR ELECTIONS**
24 **FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.**

25 13–235.

26 (a) This section applies to the following officials:

27 (1) the Governor;

28 (2) the Lieutenant Governor;

29 (3) the Attorney General;

1 (4) the Comptroller; and

2 (5) a member of the General Assembly.

3 (b) Except as provided in subsection (c), (d), or (e) of this section, during a regular
4 session of the General Assembly an official described in subsection (a) of this section, or a
5 person acting on behalf of the official, may not, as to a candidate for federal, State, or local
6 office, or a campaign finance entity of the candidate or any other campaign finance entity
7 organized under this title and operated in coordination with a candidate:

8 (1) receive a contribution;

9 (2) conduct a fund-raising event;

10 (3) solicit or sell a ticket to a fund-raising event; or

11 (4) deposit or use any contribution of money that was not deposited prior
12 to the session.

13 (c) An official described in subsection (a) of this section, or a person acting on
14 behalf of the official, is not subject to this section when engaged in activities solely related
15 to the official's election to an elective federal or local office for which the official is a filed
16 candidate.

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

20 **(D) UNDER THE FAIR ELECTIONS ACT, A PARTICIPATING TICKET MAY**
21 **ACCEPT PRIVATE CONTRIBUTIONS, ELIGIBLE PRIVATE CONTRIBUTIONS, AND ANY**
22 **MATCHING FUNDS DISBURSED BY THE STATE BOARD THAT ARE BASED ON THE**
23 **ELIGIBLE PRIVATE CONTRIBUTIONS.**

24 (e) An official described in subsection (a) of this section, or a person acting on
25 behalf of the official, may deposit a contribution during the legislative session if the
26 contribution was made electronically before the start of the session.

27 (f) (1) As to a violation of this section, the campaign finance entity of the
28 official in violation is liable for a civil penalty as provided in this subsection.

29 (2) The State Board, represented by the State Prosecutor, may institute a
30 civil action in the circuit court for any county seeking the civil penalty provided in this
31 subsection.

32 (3) A campaign finance entity that receives a contribution as a result of the
33 violation shall:

- 1 (i) refund the contribution to the contributor; and
2 (ii) pay a civil penalty that equals the sum of \$1,000 plus the amount
3 of the contribution.

4 **(4) A CIVIL PENALTY IMPOSED UNDER THIS SUBSECTION SHALL BE**
5 **DISTRIBUTED TO THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15-103 OF**
6 **THIS ARTICLE.**

7 13-247.

8 After all campaign expenditures have been made and before filing a final campaign
9 finance report under Subtitle 3 of this title, any remaining balance in the account of a
10 campaign finance entity shall be returned pro rata to the contributors or paid to:

11 (1) if the campaign finance entity is a personal treasurer or a political
12 committee formed to support a candidate or act for a political party:

13 (i) the State central committee of the political party:

14 1. of which the candidate is a member; or

15 2. for which the political committee is acting;

16 (ii) the local central committee of the political party:

17 1. of which the candidate is a member in a county in which
18 the candidate resides or which the candidate seeks to represent; or

19 2. for which the political committee is acting;

20 (iii) the board of education of a county in which the candidate resides
21 or which the candidate seeks to represent;

22 (2) a nonprofit organization that provides services or funds for the benefit
23 of pupils or teachers;

24 (3) a charitable organization registered or exempt from registration under
25 the Maryland Charitable Solicitations Act; [or]

26 **(4) THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15-103 OF**
27 **THIS ARTICLE; OR**

28 **[(4)] (5)** a public or private institution of higher education in the State if:

1 (i) that institution possesses a certificate of approval from the
2 Maryland Higher Education Commission; and

3 (ii) the payment is designated for use by the institution solely to
4 award scholarships, grants, or loans to students attending the institution.

5 13–306.

6 (i) (1) A person who fails to provide on an independent expenditure report all
7 of the information required by this section shall file an amended report as provided in §
8 13–327(b) of this subtitle.

9 (2) (i) Except as provided in subparagraph (ii) of this paragraph, in
10 addition to any other sanction provided by law, the State Board may assess a civil penalty
11 for failure to file properly an independent expenditure report or an amended independent
12 expenditure report in an amount not exceeding the greater of:

13 1. \$1,000 for each day or part of a day that an independent
14 expenditure report or amended independent expenditure report is overdue; or

15 2. 10% of the amount of the donations or independent
16 expenditures that were not reported in a timely manner.

17 (ii) If the failure to file properly an independent expenditure report
18 or an amended independent expenditure report occurs more than 28 days before the day of
19 a primary or general election, the State Board may assess a civil penalty in an amount not
20 exceeding the greater of:

21 1. \$100 for each day or part of a day that an independent
22 expenditure report or amended independent expenditure report is overdue; or

23 2. 10% of the amount of the donations or disbursements for
24 independent expenditures that were not reported in a timely manner.

25 (3) A civil penalty under paragraph (2) of this subsection shall be:

26 (i) assessed in the manner specified in § 13–604.1 of this title; and

27 (ii) distributed to the **[General Fund of the State] FAIR ELECTIONS**
28 **FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.**

29 (4) A person who fails to file properly an independent expenditure report
30 or amended independent expenditure report under this section may seek relief from a
31 penalty under paragraph (2) of this subsection for just cause as provided in § 13–337 of this
32 subtitle.

33 13–307.

1 (i) (1) A person who fails to provide on an electioneering communication
2 report all of the information required by this section shall file an amended report as
3 provided in § 13–327(b) of this subtitle.

4 (2) (i) Except as provided in subparagraph (ii) of this paragraph, in
5 addition to any other sanction provided by law, the State Board may assess a civil penalty
6 for failure to file properly an electioneering communication report or an amended
7 electioneering communication report in an amount not exceeding the greater of:

8 1. \$1,000 for each day or part of a day that an electioneering
9 communication report or amended electioneering communication report is overdue; or

10 2. 10% of the amount of the donations or disbursements for
11 electioneering communications that were not reported in a timely manner.

12 (ii) If the failure to file properly an electioneering communication
13 report or an amended electioneering communication report occurs more than 28 days before
14 the day of a primary or general election, the State Board may assess a civil penalty in an
15 amount not exceeding the greater of:

16 1. \$100 for each day or part of a day that an electioneering
17 communication report or amended electioneering communication report is overdue; or

18 2. 10% of the amount of the donations or disbursements for
19 electioneering communications that were not reported in a timely manner.

20 (3) A penalty under paragraph (2) of this subsection shall be:

21 (i) assessed in the manner specified in § 13–604.1 of this title; and

22 (ii) distributed to the [General Fund of the State] **FAIR ELECTIONS**
23 **FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.**

24 (4) A person who fails to file properly an electioneering communication
25 report or amended electioneering communication report under this section may seek relief
26 from a penalty under paragraph (2) of this subsection for just cause as provided in §
27 13–337 of this subtitle.

28 13–309.1.

29 (g) In addition to any other sanction provided by law, the State Board may assess
30 a penalty for failure to file properly a disclosure report or an amended disclosure report
31 required under this section in an amount not exceeding the greater of:

32 (1) \$1,000 for each day or part of a day that a disclosure report or an
33 amended campaign finance report is overdue; or

1 (2) 10% of the amount of the contributions or expenditures that were not
2 reported in a timely manner.

3 (i) A penalty under subsection (g) of this section shall be:

4 (1) assessed in the manner specified in § 13–604.1 of this title; and

5 (2) distributed to the [General Fund of the State] **FAIR ELECTIONS**
6 **FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.**

7 13–340.

8 Fees for late filing of campaign finance reports, affidavits, or amended campaign
9 finance reports imposed under § 13–331 of this subtitle shall be [paid to the State Board
10 and be applied to pay the expenses of collection and of any audits of campaign finance
11 reports performed by or at the direction of the State Administrator] **DISTRIBUTED TO THE**
12 **FAIR ELECTIONS FUND ESTABLISHED UNDER § 15–103 OF THIS ARTICLE.**

13 13–604.

14 (a) (1) A person who violates a provision of this title without knowing that the
15 act is illegal shall pay a civil penalty in accordance with subsections (b) through (g) of this
16 section.

17 (d) (3) The District Court shall [remit to the State Board] **DISTRIBUTE** all late
18 fees collected **TO THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15–103 OF THIS**
19 **ARTICLE.**

20 **(G) A CIVIL PENALTY IMPOSED UNDER THIS SECTION SHALL BE**
21 **DISTRIBUTED TO THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15–103 OF**
22 **THIS ARTICLE.**

23 13–604.1.

24 (b) The State Board may impose a civil penalty in accordance with this section for
25 the following violations:

26 (1) making a disbursement in a manner not authorized in § 13–218(b)(2),
27 (c), and (d) of this title;

28 (2) failure to maintain a campaign bank account as required in § 13–220(a)
29 of this title;

30 (3) making a disbursement by a method not authorized in § 13–220(d) of
31 this title;

1 (4) failure to maintain detailed and accurate account books and records as
2 required in § 13–221 of this title;

3 (5) failure to report all contributions received and expenditures made as
4 required in § 13–304(b) of this title;

5 (6) failure to include an authority line on campaign material as required in
6 § 13–401 of this title; or

7 (7) failure to retain a copy of campaign material as required in § 13–403 of
8 this title.

9 (s) Penalties collected under this section shall be distributed to the [General
10 Fund of the State] **FAIR ELECTIONS FUND ESTABLISHED UNDER § 15–103 OF THIS**
11 **ARTICLE.**

12 14–107.

13 (c) (1) As provided in this subsection, the State Board may impose fees for late
14 filing of:

15 (i) a statement required under § 14–104 of this title; or

16 (ii) an amended statement required under subsection (b) of this
17 section.

18 (2) The State Board may impose late filing fees in the same amounts and
19 in the same manner as provided under § 13–331(a) and (b) of this article for late filing of
20 campaign finance reports.

21 (3) Late filing fees imposed under this subsection shall be distributed to
22 the [General Fund of the State] **FAIR ELECTIONS FUND ESTABLISHED UNDER §**
23 **15–103 OF THIS ARTICLE.**

24 **TITLE 15. FAIR ELECTIONS ACT.**

25 **15–101. DEFINITIONS.**

26 (A) **IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
27 **INDICATED.**

28 (B) **“COMPTROLLER” MEANS THE STATE COMPTROLLER OF THE**
29 **TREASURY.**

1 **(C) “ELIGIBLE PRIVATE CONTRIBUTION” MEANS A PRIVATE CONTRIBUTION**
2 **THAT IS A MONETARY CONTRIBUTION OR SERIES OF MONETARY CONTRIBUTIONS**
3 **FROM A SINGLE INDIVIDUAL RESIDING IN THE STATE THAT IS GREATER THAN \$5**
4 **AND DOES NOT EXCEED \$200 IN AN ELECTION CYCLE.**

5 **(D) “FUND” MEANS THE FAIR ELECTIONS FUND ESTABLISHED UNDER §**
6 **15–103 OF THIS TITLE.**

7 **(E) “GUBERNATORIAL TICKET” MEANS A CANDIDATE FOR GOVERNOR AND**
8 **A CANDIDATE FOR LIEUTENANT GOVERNOR WHO RUN TOGETHER AS A UNIT.**

9 **(F) “MATCHING FUNDS” MEANS MONEY DISBURSED FROM THE FUND TO A**
10 **PARTICIPATING TICKET IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE.**

11 **(G) “PARTICIPATING TICKET” MEANS A GUBERNATORIAL TICKET THAT IS**
12 **DETERMINED BY THE STATE BOARD TO BE ELIGIBLE TO RECEIVE MATCHING FUNDS**
13 **UNDER THIS TITLE.**

14 **(H) (1) “PRIVATE CONTRIBUTION” MEANS A MONETARY OR IN–KIND**
15 **CONTRIBUTION OR SERIES OF CONTRIBUTIONS FROM A SINGLE INDIVIDUAL THAT**
16 **DOES NOT EXCEED \$200 IN AN ELECTION CYCLE.**

17 **(2) “PRIVATE CONTRIBUTION” DOES NOT INCLUDE A CONTRIBUTION**
18 **FROM ANY OF THE FOLLOWING:**

19 **(I) A BUSINESS ENTITY;**

20 **(II) A POLITICAL PARTY;**

21 **(III) A REGULATED LOBBYIST;**

22 **(IV) THE CAMPAIGN FINANCE ENTITY OF A CANDIDATE;**

23 **(V) A POLITICAL ACTION COMMITTEE; OR**

24 **(VI) ANY OTHER POLITICAL COMMITTEE.**

25 **(I) “SEED MONEY” MEANS A TOTAL OF AT LEAST \$250,000 OF ELIGIBLE**
26 **PRIVATE CONTRIBUTIONS FROM AT LEAST 1,250 INDIVIDUALS.**

27 **15–102. POWERS AND DUTIES OF STATE BOARD.**

28 **(A) THE STATE BOARD SHALL:**

1 **(1) MANAGE AND SUPERVISE THE SYSTEM OF PUBLIC FINANCING**
2 **ESTABLISHED UNDER THIS TITLE;**

3 **(2) ADOPT REGULATIONS AS NECESSARY TO EFFECT THE PURPOSES**
4 **OF THIS TITLE;**

5 **(3) ISSUE A REPORT 1 YEAR BEFORE THE DATE OF A GUBERNATORIAL**
6 **GENERAL ELECTION STATING THE AMOUNT OF MONEY IN THE FUND AND THE**
7 **NUMBER OF PARTICIPATING TICKETS THAT ARE CAPABLE OF BEING FUNDED IN THE**
8 **UPCOMING ELECTION;**

9 **(4) IF THERE ARE INSUFFICIENT FUNDS TO PROVIDE FULL MATCHING**
10 **FUNDS TO PARTICIPATING TICKETS IN AN ELECTION:**

11 **(I) PROPORTIONALLY REDUCE THE AMOUNT OF MATCHING**
12 **FUNDS PARTICIPATING TICKETS MAY RECEIVE; AND**

13 **(II) AUTHORIZE PARTICIPATING TICKETS TO ACCEPT LARGER**
14 **PRIVATE CONTRIBUTIONS THAN WOULD OTHERWISE BE PERMITTED UNDER THIS**
15 **TITLE, AS PROVIDED IN REGULATIONS ADOPTED BY THE STATE BOARD;**

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

19 **(I) CONTRIBUTIONS TO AND EXPENDITURES BY**
20 **PARTICIPATING TICKETS AND THEIR PUBLICLY FUNDED CAMPAIGN ACCOUNTS; AND**

21 **(II) MATCHING FUNDS FROM THE FUND THAT ARE DISBURSED**
22 **TO PARTICIPATING TICKETS;**

23 **(6) PROVIDE FORMS AND ELECTRONIC SOFTWARE AS NECESSARY TO**
24 **ENSURE COMPLIANCE WITH THIS TITLE;**

25 **(7) DEVELOP AN EDUCATION PROGRAM THAT INCLUDES**
26 **INFORMATIONAL MATERIALS AND COMPLIANCE MANUALS TO INFORM**
27 **GUBERNATORIAL TICKETS AND THE PUBLIC ABOUT THE PURPOSE AND EFFECT OF**
28 **THIS TITLE; AND**

29 **(8) PROVIDE A WRITTEN REPORT AFTER EACH ELECTION CYCLE TO**
30 **THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246 OF THE STATE**
31 **GOVERNMENT ARTICLE, THAT INCLUDES:**

1 (I) AN EVALUATION OF THIS TITLE AND THE EFFECT OF THIS
2 TITLE ON PARTICIPATING TICKETS;

3 (II) ANY RECOMMENDATIONS TO IMPROVE THIS TITLE; AND

4 (III) ANY OTHER INFORMATION THE STATE BOARD DETERMINES
5 TO BE APPROPRIATE.

6 (B) THE STATE BOARD MAY:

7 (1) INVESTIGATE MATTERS GOVERNED BY THIS TITLE;

8 (2) PUBLICIZE THE NAMES OF PARTICIPATING TICKETS THAT
9 VIOLATE THIS TITLE;

10 (3) ON WRITTEN REQUEST OF A PARTICIPATING TICKET, A CAMPAIGN
11 FINANCE ENTITY, OR A MEMBER OF THE PUBLIC, RENDER A WRITTEN PUBLIC
12 ADVISORY OPINION REGARDING QUESTIONS THAT ARISE UNDER THIS TITLE;

13 (4) CONDUCT RANDOM AUDITS OF PARTICIPATING TICKETS TO
14 ENSURE COMPLIANCE WITH THIS TITLE;

15 (5) REQUEST THAT THE STATE PROSECUTOR SUBPOENA DOCUMENTS
16 FROM ANY GUBERNATORIAL TICKET OR CAMPAIGN FINANCE ENTITY SUBJECT TO
17 THIS TITLE;

18 (6) IMPOSE FINES AND PENALTIES FOR VIOLATIONS OF THIS TITLE AS
19 SPECIFICALLY PROVIDED IN THIS TITLE;

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

22 (8) REQUEST THAT THE STATE PROSECUTOR SEEK AN INJUNCTION
23 IN AN APPROPRIATE COURT IF:

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

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

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

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

5 **15-103. FAIR ELECTIONS FUND.**

6 (A) THERE IS A FAIR ELECTIONS FUND.

7 (B) THE PURPOSE OF THE FUND IS TO PROVIDE PUBLIC CAMPAIGN
8 FINANCING FOR PARTICIPATING TICKETS UNDER THIS TITLE.

9 (C) THE COMPTROLLER SHALL ADMINISTER THE FUND.

10 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
11 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

12 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
13 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

14 (E) THE FUND CONSISTS OF:

15 (1) FUNDS REMAINING IN THE FORMER FAIR CAMPAIGN FINANCING
16 FUND AS OF DECEMBER 31, 2015;

17 (2) ANY MONEY PROVIDED IN THE ANNUAL STATE BUDGET FOR THE
18 PURPOSES OF THIS TITLE;

19 (3) CONTRIBUTIONS TO THE FUND MADE THROUGH THE CHECKOFF
20 ON THE INDIVIDUAL INCOME TAX RETURN ESTABLISHED UNDER §
21 2-115 OF THE TAX - GENERAL ARTICLE;

22 (4) VOLUNTARY CONTRIBUTIONS TO THE FUND MADE
23 ELECTRONICALLY THROUGH THE STATE BOARD'S WEB SITE;

24 (5) VOLUNTARY CONTRIBUTIONS MADE TO THE FUND FROM ANY
25 OTHER SOURCE;

26 (6) FINES AND PENALTIES THAT THE STATE BOARD IMPOSES UNDER
27 THIS TITLE;

1 **(7) OTHER FEES AND PENALTIES ASSESSED UNDER THIS ARTICLE**
2 **THAT ARE EXPRESSLY ALLOCATED TO THE FUND BY LAW;**

3 **(8) INVESTMENT EARNINGS OF THE FUND;**

4 **(9) SURPLUS CAMPAIGN FUNDS PAID TO THE FUND UNDER § 13-247**
5 **OF THIS ARTICLE; AND**

6 **(10) UNSPENT MATCHING FUNDS THAT ARE:**

7 **(I) DISTRIBUTED TO A PARTICIPATING TICKET OF WHICH THE**
8 **GUBERNATORIAL CANDIDATE CEASES TO BE A CANDIDATE IN THE ELECTION FOR**
9 **WHICH THE MONEY WAS DISBURSED;**

10 **(II) DISTRIBUTED TO A GUBERNATORIAL TICKET THAT OPTS**
11 **OUT OF PUBLIC FINANCING UNDER THIS TITLE; OR**

12 **(III) RETAINED BY A PARTICIPATING TICKET AFTER THE**
13 **ELECTION FOR WHICH THE MONEY WAS DISBURSED.**

14 **(F) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
15 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

16 **(2) INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO**
17 **THE FUND.**

18 **(G) THE COMPTROLLER SHALL:**

19 **(1) DISBURSE MONEY IN THE FUND ONLY WHEN AUTHORIZED BY THE**
20 **STATE BOARD IN ACCORDANCE WITH THIS TITLE; AND**

21 **(2) SUBMIT A STATEMENT OF THE FUND'S BALANCE TO THE STATE**
22 **BOARD AT THE STATE BOARD'S REQUEST AND ON MARCH 1 OF EACH YEAR.**

23 **15-104. INTENT TO QUALIFY FOR PUBLIC FINANCING.**

24 **A GUBERNATORIAL TICKET THAT SEEKS TO QUALIFY FOR PUBLIC FINANCING**
25 **UNDER THIS TITLE SHALL:**

26 **(1) FILE NOTICE OF THE GUBERNATORIAL TICKET'S INTENT WITH**
27 **THE STATE BOARD NO LATER THAN THE DEADLINE FOR FILING A CERTIFICATE OF**
28 **CANDIDACY UNDER § 5-303 OF THIS ARTICLE; AND**

1 **(2) BEFORE RAISING ANY CONTRIBUTION GOVERNED BY THIS TITLE,**
2 **ESTABLISH A PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THE PURPOSE OF**
3 **RECEIVING CONTRIBUTIONS AND MAKING EXPENDITURES IN ACCORDANCE WITH**
4 **THE REQUIREMENTS OF THIS ARTICLE.**

5 **15-105. NONPUBLICLY FUNDED CAMPAIGN ACCOUNT.**

6 **A GUBERNATORIAL TICKET THAT FILES A NOTICE OF INTENT UNDER § 15-104**
7 **OF THIS TITLE MAY NOT:**

8 **(1) RECEIVE ANY CONTRIBUTION TO A NONPUBLICLY FUNDED**
9 **AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF THE GUBERNATORIAL TICKET;**

10 **(2) MAKE ANY EXPENDITURE FROM A NONPUBLICLY FUNDED**
11 **AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF THE GUBERNATORIAL TICKET;**

12 **(3) ACCEPT ANY CONTRIBUTION TO THE GUBERNATORIAL TICKET'S**
13 **PUBLICLY FUNDED CAMPAIGN ACCOUNT FROM AN INDIVIDUAL WHO PREVIOUSLY**
14 **CONTRIBUTED TO A NONPUBLICLY FUNDED AUTHORIZED CANDIDATE CAMPAIGN**
15 **COMMITTEE OF THE GUBERNATORIAL TICKET IN THAT ELECTION CYCLE; OR**

16 **(4) USE FUNDS IN A NONPUBLICLY FUNDED AUTHORIZED CANDIDATE**
17 **CAMPAIGN COMMITTEE OF THE GUBERNATORIAL TICKET TO PAY IN ADVANCE FOR**
18 **GOODS OR SERVICES TO BE USED IN A CAMPAIGN IN WHICH THE GUBERNATORIAL**
19 **TICKET SEEKS TO BE A PARTICIPATING TICKET, UNLESS THE EXPENDITURE IS**
20 **EXPRESSLY PERMITTED BY A REGULATION ADOPTED BY THE STATE BOARD.**

21 **15-106. SEED MONEY.**

22 **(A) A GUBERNATORIAL TICKET SHALL RAISE SEED MONEY TO QUALIFY AS A**
23 **PARTICIPATING TICKET AND BE ELIGIBLE FOR MATCHING FUNDS FROM THE FUND.**

24 **(B) A GUBERNATORIAL TICKET SHALL DEPOSIT SEED MONEY IN THE**
25 **GUBERNATORIAL TICKET'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.**

26 **(C) A GUBERNATORIAL TICKET MAY COLLECT SEED MONEY ONLY DURING**
27 **THE PERIOD THAT:**

28 **(1) BEGINS ON THE FIRST DAY OF THE ELECTION CYCLE; AND**

29 **(2) ENDS ON APRIL 1 IN THE YEAR OF THE GUBERNATORIAL**
30 **ELECTION.**

1 **15-107. QUALIFICATION OF GUBERNATORIAL TICKET.**

2 (A) THE STATE BOARD SHALL REVIEW AND MAKE A DETERMINATION AS TO
3 WHETHER TO CERTIFY A GUBERNATORIAL TICKET AS A PARTICIPATING TICKET NO
4 LATER THAN 15 DAYS AFTER RECEIPT OF THE FOLLOWING INFORMATION FROM THE
5 GUBERNATORIAL TICKET:

6 (1) A DECLARATION THAT THE GUBERNATORIAL TICKET WILL ABIDE
7 BY THE REGULATIONS AND POLICIES OF THE STATE BOARD; AND

8 (2) A CAMPAIGN FINANCE REPORT THAT INCLUDES:

9 (I) ALL SEED MONEY AND OTHER CONTRIBUTIONS RECEIVED
10 BY THE GUBERNATORIAL TICKET;

11 (II) ALL EXPENDITURES MADE BY THE GUBERNATORIAL
12 TICKET; AND

13 (III) ALL RECEIPTS ASSOCIATED WITH THOSE CONTRIBUTIONS
14 AND EXPENDITURES.

15 (B) A GUBERNATORIAL TICKET CERTIFIED BY THE STATE BOARD AS A
16 PARTICIPATING TICKET IS ELIGIBLE TO RECEIVE THE MATCHING FUNDS SPECIFIED
17 UNDER THIS TITLE.

18 (C) FOR ANY ELECTION, A GUBERNATORIAL TICKET MAY SUBMIT AN
19 APPLICATION ONLY ONCE TO THE STATE BOARD TO QUALIFY FOR PUBLIC
20 FINANCING UNDER THIS TITLE.

21 **15-108. PUBLICLY FUNDED CAMPAIGN ACCOUNT.**

22 (A) AFTER THE STATE BOARD DETERMINES THAT A GUBERNATORIAL
23 TICKET HAS SATISFIED THE REQUIREMENTS TO BECOME A PARTICIPATING TICKET,
24 THE STATE BOARD SHALL AUTHORIZE THE DISBURSEMENT OF MATCHING FUNDS
25 FROM THE FUND TO THE PUBLICLY FUNDED CAMPAIGN ACCOUNT OF THE
26 PARTICIPATING TICKET IN ACCORDANCE WITH THE REQUIREMENTS OF THIS TITLE.

27 (B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A
28 PARTICIPATING TICKET OR A PERSON ACTING ON BEHALF OF A PARTICIPATING
29 TICKET MAY NOT MAKE A CAMPAIGN EXPENDITURE FOR THE PARTICIPATING
30 TICKET OTHER THAN FROM THE PARTICIPATING TICKET'S PUBLICLY FUNDED
31 CAMPAIGN ACCOUNT.

1 **(2) A PARTICIPATING TICKET MAY MAINTAIN A PETTY CASH FUND IN**
2 **ACCORDANCE WITH § 13-220(C) OF THIS ARTICLE.**

3 **(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A**
4 **PARTICIPATING TICKET MAY NOT ACCEPT A CONTRIBUTION EXCEPT A PRIVATE**
5 **CONTRIBUTION.**

6 **(2) EACH MEMBER OF A PARTICIPATING TICKET AND EACH**
7 **MEMBER'S SPOUSE MAY CONTRIBUTE OR LEND A COMBINED TOTAL OF NO MORE**
8 **THAN \$6,000 TO THE PARTICIPATING TICKET'S PUBLICLY FUNDED CAMPAIGN**
9 **ACCOUNT.**

10 **(D) (1) A PARTICIPATING TICKET OR A PERSON ACTING ON BEHALF OF A**
11 **PARTICIPATING TICKET MAY USE THE PUBLICLY FUNDED CAMPAIGN ACCOUNT**
12 **ONLY IN ACCORDANCE WITH THIS ARTICLE.**

13 **(2) THE STATE BOARD MAY HAVE ACCESS AT ANY TIME TO THE**
14 **RECORDS AND TRANSACTIONS OF A PARTICIPATING TICKET'S PUBLICLY FUNDED**
15 **CAMPAIGN ACCOUNT.**

16 **(3) THE STATE BOARD MAY TERMINATE A PARTICIPATING TICKET'S**
17 **PUBLICLY FUNDED CAMPAIGN ACCOUNT AS PROVIDED IN REGULATIONS ADOPTED**
18 **BY THE STATE BOARD.**

19 **15-109. JOINING A SLATE PROHIBITED.**

20 **A GUBERNATORIAL TICKET THAT FILES A NOTICE OF INTENT UNDER § 15-104**
21 **OF THIS TITLE OR A PARTICIPATING TICKET MAY NOT BE A MEMBER OF A SLATE.**

22 **15-110. MATCHING FUNDS.**

23 **(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE STATE BOARD**
24 **SHALL AUTHORIZE THE DISBURSEMENT OF MATCHING FUNDS TO PARTICIPATING**
25 **TICKETS AS FOLLOWS:**

26 **(1) THAT PORTION OF AN ELIGIBLE PRIVATE CONTRIBUTION THAT**
27 **DOES NOT EXCEED \$50 IS MATCHED AT A 6-TO-1 RATIO;**

28 **(2) THAT PORTION OF AN ELIGIBLE PRIVATE CONTRIBUTION THAT**
29 **EXCEEDS \$50 BUT DOES NOT EXCEED \$100 IS MATCHED AT A 4-TO-1 RATIO;**

30 **(3) THAT PORTION OF AN ELIGIBLE PRIVATE CONTRIBUTION THAT**
31 **EXCEEDS \$100 BUT DOES NOT EXCEED \$150 IS MATCHED AT A 2-TO-1 RATIO; AND**

1 **(4) THAT PORTION OF AN ELIGIBLE PRIVATE CONTRIBUTION THAT**
2 **EXCEEDS \$150 BUT DOES NOT EXCEED \$200 IS MATCHED AT A 1-TO-1 RATIO.**

3 **(B) (1) IN THIS SUBSECTION, “CONSUMER PRICE INDEX FOR ALL URBAN**
4 **CONSUMERS” MEANS THE INDEX PUBLISHED MONTHLY BY THE BUREAU OF LABOR**
5 **STATISTICS OF THE U.S. DEPARTMENT OF LABOR THAT IS THE U.S. CITY AVERAGE**
6 **OF ALL ITEMS IN A BASKET OF CONSUMER GOODS AND SERVICES.**

7 **(2) A PARTICIPATING TICKET MAY NOT RECEIVE A TOTAL AMOUNT OF**
8 **MATCHING FUNDS IN AN ELECTION CYCLE THAT EXCEEDS THE PRODUCT OF**
9 **MULTIPLYING:**

10 **(I) \$1, ADJUSTED ANNUALLY BEGINNING ON JULY 1, 2022, IN**
11 **ACCORDANCE WITH THE PERCENTAGE GROWTH IN THE CONSUMER PRICE INDEX**
12 **FOR ALL URBAN CONSUMERS, AS CALCULATED UNDER PARAGRAPH (3) OF THIS**
13 **SUBSECTION; AND**

14 **(II) THE TOTAL NUMBER OF REGISTERED VOTERS IN THE**
15 **STATE, AS DETERMINED UNDER PARAGRAPH (4) OF THIS SUBSECTION.**

16 **(3) THE PERCENTAGE GROWTH IN THE CONSUMER PRICE INDEX FOR**
17 **ALL URBAN CONSUMERS SHALL BE CALCULATED BY COMPARING THE AVERAGE OF**
18 **THE INDEX FOR THE 12 MONTHS ENDING ON THE PRECEDING MAY 31 TO THE**
19 **AVERAGE OF THE INDEX FOR THE PRIOR 12 MONTHS.**

20 **(4) THE TOTAL NUMBER OF REGISTERED VOTERS IN THE STATE**
21 **SHALL BE DETERMINED AS OF THE DAY THAT IS 1 YEAR BEFORE THE DEADLINE FOR**
22 **FILING A CERTIFICATE OF CANDIDACY UNDER § 5-303 OF THIS ARTICLE.**

23 **15-111. MATCHING FUNDS — DISBURSEMENT AND RETURN.**

24 **(A) (1) BEGINNING ON JANUARY 1 OF THE YEAR OF THE**
25 **GUBERNATORIAL ELECTION, THE STATE BOARD SHALL AUTHORIZE THE**
26 **COMPTROLLER TO MAKE DISBURSEMENTS OF MATCHING FUNDS FROM THE FUND**
27 **TO PARTICIPATING TICKETS ON A CONTINUING BASIS IN ACCORDANCE WITH THIS**
28 **SUBSECTION.**

29 **(2) A PARTICIPATING TICKET SHALL SUBMIT A REQUEST NOTICE AND**
30 **A CAMPAIGN FINANCE REPORT TO THE STATE BOARD EACH TIME THE**
31 **PARTICIPATING TICKET SEEKS A DISBURSEMENT OF MATCHING FUNDS.**

1 **(3) THE STATE BOARD SHALL CERTIFY THE REQUEST NOTICE AND**
2 **CAMPAIGN FINANCE REPORT BEFORE MAKING A DISBURSEMENT OF MATCHING**
3 **FUNDS TO A PARTICIPATING TICKET.**

4 **(B) THE COMPTROLLER SHALL DEPOSIT MATCHING FUNDS IN THE**
5 **PUBLICLY FUNDED CAMPAIGN ACCOUNT OF A PARTICIPATING TICKET AS SOON AS**
6 **PRACTICABLE AFTER THE STATE BOARD DIRECTS THAT THE DISBURSEMENT BE**
7 **MADE.**

8 **(C) WITHIN 10 DAYS AFTER THE GENERAL ELECTION, A PARTICIPATING**
9 **TICKET SHALL RETURN TO THE STATE BOARD FOR DEPOSIT IN THE FUND ANY**
10 **MATCHING FUNDS THAT THE PARTICIPATING TICKET DID NOT SPEND ON THE**
11 **ELECTION.**

12 **15-112. PARTICIPATING TICKET THAT OPTS OUT.**

13 **AFTER BEING CERTIFIED AS A PARTICIPATING TICKET BY THE STATE BOARD,**
14 **IF A GUBERNATORIAL TICKET ELECTS TO OPT OUT OF THE SYSTEM OF PUBLIC**
15 **FINANCING ESTABLISHED UNDER THIS TITLE, THE GUBERNATORIAL TICKET SHALL:**

16 **(1) FILE A STATEMENT OF WITHDRAWAL WITH THE STATE BOARD;**
17 **AND**

18 **(2) WITHIN 5 BUSINESS DAYS AFTER FILING THE STATEMENT OF**
19 **WITHDRAWAL, REPAY TO THE STATE BOARD FOR DEPOSIT IN THE FUND THE FULL**
20 **AMOUNT OF ANY MATCHING FUNDS THE GUBERNATORIAL TICKET RECEIVED,**
21 **TOGETHER WITH THE INTEREST AND PENALTY PRESCRIBED BY THE STATE BOARD**
22 **BY REGULATION.**

23 **15-113. POLITICAL PARTY CONTRIBUTIONS AND EXPENDITURES.**

24 **THIS TITLE MAY NOT BE CONSTRUED TO PREVENT A POLITICAL PARTY FROM**
25 **USING THE POLITICAL PARTY'S FUNDS FOR EXPENSES FOR:**

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

27 **(2) A POLITICAL PARTY CONVENTION;**

28 **(3) NOMINATING AND ENDORSING GUBERNATORIAL TICKETS;**

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

1 **(5) PARTY PLATFORM ACTIVITIES;**

2 **(6) VOTER REGISTRATION ACTIVITIES THAT ARE NOT**
3 **SPECIFIC TO A GUBERNATORIAL TICKET;**

4 **(7) GET-OUT-THE-VOTE ACTIVITIES THAT ARE NOT**
5 **SPECIFIC TO A GUBERNATORIAL TICKET;**

6 **(8) TRAVEL EXPENSES FOR LEADERS AND STAFF OF THE POLITICAL**
7 **PARTY WHO ARE NOT MEMBERS OF A GUBERNATORIAL TICKET; OR**

8 **(9) OTHER PARTY-BUILDING ACTIVITIES THAT ARE NOT**
9 **SPECIFIC TO A GUBERNATORIAL TICKET.**

10 **15-114. JUDICIAL REVIEW.**

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

14 **(B) A PETITION TO REVIEW AN ACTION OF THE STATE BOARD UNDER THIS**
15 **SECTION SHALL BE BROUGHT WITHIN 60 DAYS AFTER THE STATE BOARD ACTS.**

16 **15-115. PROHIBITIONS AND PENALTIES.**

17 **(A) A PARTICIPATING TICKET OR A PERSON ACTING ON BEHALF OF A**
18 **PARTICIPATING TICKET MAY NOT KNOWINGLY OR INTENTIONALLY PROVIDE FALSE**
19 **INFORMATION TO OR CONCEAL OR WITHHOLD INFORMATION ABOUT A**
20 **CONTRIBUTION FROM THE STATE BOARD.**

21 **(B) A PARTICIPATING TICKET OR PERSON ACTING ON BEHALF OF A**
22 **PARTICIPATING TICKET WHO VIOLATES SUBSECTION (A) OF THIS SECTION IS GUILTY**
23 **OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING**
24 **\$2,500 OR IMPRISONMENT FOR NOT MORE THAN 1 YEAR OR BOTH.**

25 **(C) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY FOR A VIOLATION OF**
26 **SUBSECTION (A) OF THIS SECTION:**

27 **(1) IN AN AMOUNT NOT EXCEEDING TWICE THE AMOUNT OF THE**
28 **FALSE DISCLOSURE, UP TO A MAXIMUM OF \$5,000 FOR EACH VIOLATION;**

29 **(2) TO BE PAID OUT OF THE PERSONAL FUNDS OF THE VIOLATOR; AND**

1 **(3) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, IN**
2 **ACCORDANCE WITH THE PROCEDURES AND REQUIREMENTS OF § 13-604.1 OF THIS**
3 **ARTICLE.**

4 **(D) THE STATE BOARD MAY BAR AN INDIVIDUAL WHO VIOLATES THIS TITLE**
5 **FROM FURTHER PARTICIPATION AS A MEMBER OF A PARTICIPATING TICKET UNDER**
6 **THIS TITLE.**

7 **15-116. SHORT TITLE.**

8 **THIS TITLE MAY BE CITED AS THE FAIR ELECTIONS ACT.**

9 **Article – State Finance and Procurement**

10 **6-226.**

11 (a) (2) (ii) The provisions of subparagraph (i) of this paragraph do not apply
12 to the following funds:

13 25. Fair [Campaign Financing] **ELECTIONS** Fund;

14 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
15 as follows:

16 **Article – Tax – General**

17 **2-115.**

18 **(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**
19 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “FAIR ELECTIONS**
20 **FUND CONTRIBUTION”.**

21 **(2) THE CHECKOFF SHALL STATE THAT:**

22 **(I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT**
23 **RETURN, MAY CONTRIBUTE TO THE FAIR ELECTIONS FUND THE AMOUNT**
24 **DESIGNATED BY THE INDIVIDUAL IF THE INDIVIDUAL OR EACH SPOUSE IS A UNITED**
25 **STATES CITIZEN OR ADMITTED FOR PERMANENT LEGAL RESIDENCE IN THE UNITED**
26 **STATES; AND**

27 **(II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF THE**
28 **CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS ENTITLED; OR**

1 **2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND,**
2 **THE INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME**
3 **TAX TO BE PAID WITH THE RETURN.**

4 **(3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL**
5 **INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE**
6 **FAIR ELECTIONS FUND WAS ESTABLISHED AND THE PURPOSES FOR WHICH THE**
7 **FUND MAY BE USED.**

8 **(B) THE COMPTROLLER SHALL:**

9 **(1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO THE**
10 **STATE TREASURER FOR THE MONEY COLLECTED;**

11 **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**
12 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN**
13 **ADMINISTRATIVE COST ACCOUNT; AND**

14 **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,**
15 **DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION**
16 **TO THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15-103 OF THE ELECTION**
17 **LAW ARTICLE.**

18 10-208.

19 **(V) (1) SUBJECT TO THE LIMITATION IN PARAGRAPH (2) OF THIS**
20 **SUBSECTION, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
21 **INCLUDES THE AMOUNT CONTRIBUTED BY AN INDIVIDUAL DURING THE TAXABLE**
22 **YEAR TO THE FAIR ELECTIONS FUND ESTABLISHED UNDER § 15-103 OF THE**
23 **ELECTION LAW ARTICLE.**

24 **(2) (I) THE SUBTRACTION UNDER THIS SUBSECTION MAY NOT**
25 **EXCEED \$1,000 FOR ANY TAXABLE YEAR.**

26 **(II) FOR PURPOSES OF THIS LIMITATION, EACH SPOUSE ON A**
27 **JOINT RETURN SHALL BE TREATED SEPARATELY.**

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

30 SECTION 5. AND BE IT FURTHER ENACTED, That the Comptroller shall transfer
31 all remaining funds as of December 31, 2015, in the Fair Campaign Financing Fund
32 established under former § 15-103 of the Election Law Article to the Fair Elections Fund
33 established under § 15-103 of the Election Law Article as enacted by this Act.

1 SECTION 6. AND BE IT FURTHER ENACTED, That, if any provision of this Act or
2 the application thereof to any person or circumstance is held invalid for any reason in a
3 court of competent jurisdiction, the invalidity does not affect other provisions or any other
4 application of this Act that can be given effect without the invalid provision or application,
5 and for this purpose the provisions of this Act are declared severable.

6 SECTION 7. AND BE IT FURTHER ENACTED, That, except as provided in Section
7 8 of this Act, this Act shall take effect January 1, 2016.

8 SECTION 8. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take
9 effect July 1, 2015, and shall be applicable to all taxable years beginning after December
10 31, 2014.