

## Chapter 725

**(House Bill 963)**

AN ACT concerning

**Campaign Finance – Ballot Issue Committees – Prospective Questions**

FOR the purpose of altering certain campaign finance law definitions to include campaign finance activity relating to prospective questions to be placed on the ballot; prohibiting a chief election official from certifying a petition if the petition sponsor fails to provide proof of filing a certain campaign finance report; repealing certain requirements that a statement of contributions and expenditures for a petition be filed at the time the petition is filed; prohibiting a circulator from collecting signatures for certain petitions until the sponsor of the petition establishes a ballot issue committee; requiring a petition sponsor's ballot issue committee to file a campaign finance report at the time the petition is filed; requiring a ballot issue committee opposing a prospective question to file a campaign finance report within a certain number of days after the petition to place the question on the ballot is filed; and generally relating to campaign finance activity relating to prospective questions to be placed on the ballot.

BY repealing and reenacting, with amendments,

Article – Election Law

Section 1–101(f), (k), (o), (aa), and (gg), 6–208, 7–104(c), and 13–202

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

BY adding to

Article – Election Law

Section 13–309(e)

Annotated Code of Maryland

(2010 Replacement Volume and 2015 Supplement)

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

**Article – Election Law**

1–101.

(f) “Ballot issue committee” means a political committee that is formed to promote the success or defeat of a question **OR PROSPECTIVE QUESTION** to be submitted to a vote at an election.

(k) (1) “Campaign material” means any material that:

- (i) contains text, graphics, or other images;
- (ii) relates to a candidate, a prospective candidate, or the approval or rejection of a question **OR PROSPECTIVE QUESTION**; and
- (iii) is published or distributed.

(2) “Campaign material” includes:

- (i) material transmitted by or appearing on the Internet or other electronic medium; and
- (ii) an oral commercial campaign advertisement.

(o) (1) “Contribution” means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a campaign finance entity to promote or assist in the promotion of the success or defeat of a candidate, political party, [or] question, **OR PROSPECTIVE QUESTION**.

(2) “Contribution” includes:

- (i) proceeds from the sale of tickets to a campaign fund-raising event; and
- (ii) a disbursement or deposit of money or a gift, a subscription, an advance, or anything of value that is made by a person in coordination with, or at the request or suggestion of, a candidate or a campaign finance entity of a candidate.

(aa) “Expenditure” means a gift, transfer, disbursement, or promise of money or a thing of value by or on behalf of a campaign finance entity to:

- (1) promote or assist in the promotion of the success or defeat of a candidate, political party, [or] question, **OR PROSPECTIVE QUESTION** at an election; or
- (2) pay for the publication expense of a legislative newsletter under Title 13, Subtitle 4 of this article.

(gg) “Political committee” means a combination of two or more individuals that has as its major purpose promoting the success or defeat of a candidate, political party, [or] question, **OR PROSPECTIVE QUESTION** submitted to a vote at any election.

6–208.

(a) At the conclusion of the verification and counting processes, the chief election official of the election authority shall:

(1) determine whether the validated signatures contained in the petition are sufficient to satisfy all requirements established by law relating to the number and geographical distribution of signatures; and

(2) if it has not done so previously, determine whether the petition has satisfied all other requirements established by law for that petition and immediately notify the sponsor of that determination, including any specific deficiencies found.

**(b) IF A PETITION SPONSOR'S BALLOT ISSUE COMMITTEE FAILS TO PROVIDE PROOF OF FILING THE REPORT REQUIRED UNDER § 13-309(E) OF THIS ARTICLE, THE CHIEF ELECTION OFFICIAL MAY NOT CERTIFY THE PETITION.**

**(C)** If the chief election official determines that a petition has satisfied all requirements established by law relating to that petition, the chief election official shall certify that the petition process has been completed and shall:

(1) with respect to a petition seeking to place the name of an individual or a question on the ballot, certify that the name or question has qualified to be placed on the ballot;

(2) with respect to a petition seeking to create a new political party, certify the sufficiency of the petition to the chairman of the governing body of the partisan organization; and

(3) with respect to the creation of a charter board under Article XI-A, § 1A of the Maryland Constitution, certify that the petition is sufficient.

**[(c) (D)]** Notice of a determination under this section shall be provided in accordance with § 6-210 of this subtitle.

7-104.

(c) (1) [At the time of filing a petition under the provisions of Article XI-A or Article XVI of the Maryland Constitution, the person who files the petition shall also file a signed statement, under penalty of perjury, showing the contributions and expenditures for the petition including:

(i) the name and post office address of every contributor to the expense of the petition;

(ii) the amount contributed by each contributor; and

(iii) the name and address of each person to whom any money was paid or promised for providing a service related to the petition.

(2) If the statement under paragraph (1) of this subsection is not filed with the petition, the petition may not be certified under § 6–208 of this article.

(3) (i) The individual who signed the statement required under paragraph (1) of this subsection] **THE RESPONSIBLE OFFICERS OF A PETITION SPONSOR’S BALLOT ISSUE COMMITTEE** shall be a party to any proceeding to test the validity of the petition.

[(ii)] **(2)** The proceeding shall be filed in the county where the [person or association] **PETITION SPONSOR** resides or maintains its principal place of business.

13–202.

(a) This section does not apply to a candidate for election to the central committee of a political party if the candidate during an election cycle does not:

- (1) spend more than \$1,000 in personal funds; or
- (2) accept contributions.

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

(c) An individual may not file a certificate of candidacy or a declaration of intent under § 5–703 or § 5–703.1 of this article until the individual establishes, or causes to be established, an authorized candidate campaign committee.

**(D) A CIRCULATOR MAY NOT COLLECT SIGNATURES FOR A PETITION UNDER ARTICLE XI–A, ARTICLE XI–F, OR ARTICLE XVI OF THE MARYLAND CONSTITUTION OR UNDER § 9–205 OF THE LOCAL GOVERNMENT ARTICLE UNTIL THE SPONSOR OF THE PETITION ESTABLISHES A BALLOT ISSUE COMMITTEE.**

13–309.

**(E) (1) THIS SUBSECTION APPLIES TO A BALLOT ISSUE COMMITTEE FORMED TO SUPPORT OR OPPOSE A PROSPECTIVE QUESTION UNDER ARTICLE XI–A, ARTICLE XI–F, OR ARTICLE XVI OF THE MARYLAND CONSTITUTION OR § 9–205 OF THE LOCAL GOVERNMENT ARTICLE.**

**(2) A PETITION SPONSOR’S BALLOT ISSUE COMMITTEE SHALL FILE A CAMPAIGN FINANCE REPORT AT THE TIME THE PETITION IS FILED UNDER § 6–205 OF THIS ARTICLE.**

**(3) A BALLOT ISSUE COMMITTEE OPPOSING A PROSPECTIVE QUESTION SHALL FILE A CAMPAIGN FINANCE REPORT WITHIN 10 BUSINESS DAYS AFTER THE PETITION TO PLACE THE QUESTION ON THE BALLOT IS FILED UNDER § 6-205 OF THIS ARTICLE.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

**Enacted under Article II, § 17(c) of the Maryland Constitution, May 28, 2016.**