

# HOUSE BILL 112

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By: **Delegates Jackson, Barron, Haynes, Healey, C. Howard, Jameson, Morales, and Patterson**

Introduced and read first time: January 20, 2016

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 23, 2016

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Election Law – Campaign Finance Entities – Activity ~~and Forfeiture of Salary~~**

3 FOR the purpose of authorizing a campaign finance entity to make a disbursement to  
4 compensate a responsible officer of the campaign finance entity only by check;  
5 requiring the treasurer of an authorized candidate campaign committee to provide  
6 certain individuals with a copy of a certain bank statement within a certain time  
7 period; requiring, under certain circumstances, a campaign finance entity to submit  
8 certain documentation to the State Board of Elections before making a disbursement  
9 for certain compensation; ~~expanding the application of certain provisions of law  
10 regarding the forfeiture of salary by an individual holding public office in the State;  
11 requiring the State Administrator of Elections or the State Administrator's designee,  
12 rather than the State Board of Elections, to take certain action regarding the  
13 forfeiture of salary by certain individuals; making conforming changes; and  
14 generally relating to the activity of campaign finance entities.~~

15 BY repealing and reenacting, with amendments,  
16 Article – Election Law  
17 Section 13–220(d) ~~and 13–334~~  
18 Annotated Code of Maryland  
19 (2010 Replacement Volume and 2015 Supplement)

20 BY adding to  
21 Article – Election Law  
22 Section 13–220(e) and 13–248

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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 Annotated Code of Maryland  
2 (2010 Replacement Volume and 2015 Supplement)

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

5 **Article – Election Law**

6 13–220.

7 (d) (1) **[A] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION**, A campaign  
8 finance entity may make a disbursement only by:

9 (i) check; or

10 (ii) an electronic method that the State Board authorizes by  
11 regulation.

12 (2) An electronic method of making a disbursement that the State Board  
13 authorizes under this subsection shall ensure that:

14 (i) the identity of the person making the disbursement may be  
15 verified;

16 (ii) the transaction is secure; and

17 (iii) there is an adequate record of the transaction.

18 **(3) A CAMPAIGN FINANCE ENTITY MAY MAKE A DISBURSEMENT TO**  
19 **COMPENSATE A RESPONSIBLE OFFICER OF THE CAMPAIGN FINANCE ENTITY ONLY**  
20 **BY CHECK.**

21 **(E) WITHIN 30 DAYS AFTER FILING A CAMPAIGN FINANCE REPORT AT THE**  
22 **STATE BOARD, THE TREASURER OF AN AUTHORIZED CANDIDATE CAMPAIGN**  
23 **COMMITTEE SHALL PROVIDE BOTH THE CANDIDATE AND THE CHAIRMAN WITH A**  
24 **COPY OF THE MOST RECENT CAMPAIGN ACCOUNT BANK STATEMENT.**

25 13–248.

26 **IF A RESPONSIBLE OFFICER OF A CAMPAIGN FINANCE ENTITY HAS A**  
27 **COMPENSATION AGREEMENT WITH THE CAMPAIGN FINANCE ENTITY, BEFORE**  
28 **MAKING A DISBURSEMENT FOR THE COMPENSATION, THE CAMPAIGN FINANCE**  
29 **ENTITY SHALL SUBMIT TO THE STATE BOARD:**

30 **(1) A COPY OF THE COMPENSATION AGREEMENT; AND**

1           (2) IF THE CAMPAIGN FINANCE ENTITY IS AN AUTHORIZED  
2 CANDIDATE CAMPAIGN COMMITTEE, THE WRITTEN CONSENT OF THE CANDIDATE.

3 ~~13-334.~~

4           (a) ~~This section applies to [each] AN individual holding public office in this State~~  
5 ~~[who] IF:~~

6           (1) ~~THE INDIVIDUAL is subject to prosecution under § 13-335(b) of this~~  
7 ~~subtitle; OR~~

8           (2) ~~(I) THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN~~  
9 ~~COMMITTEE HAS FAILED TO FILE A CAMPAIGN FINANCE REPORT; AND~~

10           ~~(II) THE RESPONSIBLE OFFICERS OF THE AUTHORIZED~~  
11 ~~CANDIDATE CAMPAIGN COMMITTEE RECEIVED A NOTICE ISSUED BY THE STATE~~  
12 ~~BOARD UNDER § 13-335(A) OF THIS SUBTITLE.~~

13           (b) ~~The [State Board] STATE ADMINISTRATOR, OR THE STATE~~  
14 ~~ADMINISTRATOR'S DESIGNEE, shall:~~

15           (1) ~~investigate each circumstance that causes an individual to become~~  
16 ~~subject to this section;~~

17           (2) ~~notify the individual; and~~

18           (3) ~~provide the individual an opportunity to be heard BEFORE THE STATE~~  
19 ~~BOARD.~~

20           (c) ~~If the State Board determines, after an opportunity for a hearing, that the~~  
21 ~~individual OR THE INDIVIDUAL'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE~~  
22 ~~has failed to file a campaign finance report within the meaning of § 13-327 of this subtitle,~~  
23 ~~THE INDIVIDUAL was OR THE RESPONSIBLE OFFICERS OF THE INDIVIDUAL'S~~  
24 ~~AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE WERE provided notice under~~  
25 ~~§13-335 of this subtitle, and THE INDIVIDUAL OR THE INDIVIDUAL'S AUTHORIZED~~  
26 ~~CANDIDATE CAMPAIGN COMMITTEE has not rectified the failure and paid any late filing~~  
27 ~~fee due, the State Board shall direct the appropriate financial officer to withhold the salary~~  
28 ~~of the individual as to that public office until:~~

29           (1) ~~the failure to file is rectified and any late filing fee is paid; and~~

30           (2) ~~any salary previously paid to the individual for the public office while~~  
31 ~~the individual was in violation is restored to the State or local government involved.~~

**HOUSE BILL 112**

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

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.