

HOUSE BILL 830

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By: **Delegate Washington**

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Public Campaign Financing – Late Fees, Civil Penalties, and Administration**

3 FOR the purpose of providing that a candidate who accepts public campaign financing and
4 the responsible officers of the candidate's authorized candidate campaign committee
5 are jointly and severally liable for payment of certain late fees and certain civil
6 penalties, instead of the candidate's authorized candidate campaign committee being
7 liable; requiring the governing body of a county that exercises its authority to
8 establish a system of public campaign financing for elective offices in the executive
9 and legislative branches of county government to provide the funding and staff
10 necessary for the operation, administration, and auditing of the system of public
11 campaign financing; and generally relating to public campaign financing.

12 BY repealing and reenacting, with amendments,
13 Article – Election Law
14 Section 13–331, 13–505, and 13–604.1(f)
15 Annotated Code of Maryland
16 (2017 Replacement Volume and 2018 Supplement)

17 BY repealing and reenacting, without amendments,
18 Article – Election Law
19 Section 13–604.1(a) through (e)
20 Annotated Code of Maryland
21 (2017 Replacement Volume and 2018 Supplement)

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

24 **Article – Election Law**

25 13–331.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In accordance with subsection (b) of this section, the State Board shall assess
2 a late filing fee for a failure to file a campaign finance report, an affidavit, or an amended
3 campaign finance report, as specified in § 13–327 of this subtitle.

4 (b) (1) The fee is \$10 for each day or part of a day that a campaign finance
5 report, an affidavit, or an amended campaign finance report is overdue.

6 (2) An additional fee of \$10 is due for each of the first 6 days that a
7 preelection campaign finance report under § 13–309 of this subtitle is overdue.

8 (3) The maximum fee payable for a campaign finance report, an affidavit,
9 or an amended campaign finance report is \$500.

10 (c) (1) The State Board shall accept an overdue campaign finance report,
11 affidavit, or amended campaign finance report that is submitted without payment of the
12 late filing fee, but the campaign finance report, affidavit, or amended campaign finance
13 report is not considered filed until the fee has been paid.

14 (2) After an overdue campaign finance report, affidavit, or amended
15 campaign finance report is received under paragraph (1) of this subsection no further late
16 filing fee shall be incurred.

17 (d) (1) Subject to [paragraph] PARAGRAPHS (2) AND (3) of this subsection, a
18 late filing fee shall be paid by the campaign finance entity.

19 (2) If the campaign finance entity has insufficient funds with which to pay
20 a late filing fee in a timely manner, the late filing fee is the joint and several liability of the
21 responsible officers.

22 **(3) A LATE FILING FEE IMPOSED ON THE AUTHORIZED CANDIDATE**
23 **CAMPAIGN COMMITTEE OF A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN**
24 **FINANCING UNDER § 13–505 OF THIS TITLE OR A GUBERNATORIAL TICKET THAT**
25 **ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER TITLE 15 OF THIS ARTICLE IS THE**
26 **JOINT AND SEVERAL LIABILITY OF THE RESPONSIBLE OFFICERS OF THE**
27 **AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND THE CANDIDATE.**

28 13–505.

29 (a) (1) Subject to the provisions of this section, the governing body of a county
30 may establish, by law, a system of public campaign financing for elective offices in the
31 executive or legislative branches of county government.

32 (2) When establishing a system of public campaign financing for elective
33 offices in the executive or legislative branches of county government, the governing body of
34 a county shall:

1 **(I)** specify the criteria that is to be used to determine whether an
2 individual is eligible for public campaign financing; **AND**

3 **(II) PROVIDE THE FUNDING AND STAFF NECESSARY FOR THE**
4 **OPERATION, ADMINISTRATION, AND AUDITING OF THE SYSTEM OF PUBLIC**
5 **CAMPAIGN FINANCING.**

6 (b) A system of public campaign financing enacted under subsection (a) of this
7 section:

8 (1) shall provide for participation of candidates in public campaign
9 financing on a strictly voluntary basis;

10 (2) may not regulate candidates who choose not to participate in public
11 campaign financing;

12 (3) shall prohibit the use of public campaign financing for any campaign
13 except a campaign for county elective office;

14 (4) shall require a candidate who accepts public campaign financing to:

15 (i) establish a campaign finance entity solely for the campaign for
16 county elective office; and

17 (ii) use funds from that campaign finance entity only for the
18 campaign for county elective office;

19 (5) shall prohibit a candidate who accepts public campaign financing from
20 transferring funds:

21 (i) to the campaign finance entity established to finance the
22 campaign for county elective office from any other campaign finance entity established for
23 the candidate; and

24 (ii) from the campaign finance entity established to finance the
25 campaign for county elective office to any other campaign finance entity;

26 (6) shall provide for a public election fund for county elective offices that is
27 administered by the chief financial officer of the county; and

28 (7) shall be subject to regulation and oversight by the State Board to ensure
29 conformity with State law and policy to the extent practicable.

30 (c) A system of public campaign financing enacted under subsection (a) of this
31 section may:

1 (1) provide for more stringent regulation of campaign finance activity by
2 candidates who choose to accept public campaign financing, including contributions,
3 expenditures, reporting, and campaign material, than is provided for by State law; and

4 (2) provide for administrative penalties for violations, in accordance with
5 Article 25A, § 5 of the Code.

6 13–604.1.

7 (a) In this section, “person” includes a political committee.

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

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

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

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

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

18 (5) fund–raising during the General Assembly session in a manner not
19 authorized in § 13–235 of this title;

20 (6) failure to report all contributions received and expenditures made as
21 required in § 13–304(b) of this title;

22 (7) failure to include an authority line on campaign material as required in
23 § 13–401 of this title; or

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

26 (c) A civil penalty imposed under this section for a violation specified in
27 subsection (b) of this section is in addition to any other sanction provided by law.

28 (d) (1) Except as otherwise provided in this title or as provided in paragraph
29 (2) of this subsection, the amount of a civil penalty imposed under this section may not
30 exceed \$500 for each violation.

31 (2) As to a violation of § 13–235 of this title, the campaign finance entity
32 that receives a contribution as a result of a violation shall:

1 (i) refund the contribution to the contributor; and

2 (ii) pay a civil penalty that equals \$1,000 plus the amount of the
3 contribution, unless the State Board at its discretion assesses a lesser penalty for good
4 cause.

5 (e) The civil penalty is payable to the State Board by the person charged in a
6 citation within 20 calendar days after service of the citation.

7 (f) (1) Subject to paragraphs (2) [and], (3), AND (4) of this subsection, a civil
8 penalty imposed under this section shall be paid by the campaign finance entity.

9 (2) If the campaign finance entity has insufficient funds with which to pay
10 the full amount of the civil penalty in a timely manner, after the campaign account of the
11 finance entity is exhausted the balance of the civil penalty is the joint and several liability
12 of the responsible officers.

13 (3) If a violation is committed by a person not acting on behalf of, or at the
14 request or suggestion of, a candidate or a campaign finance entity, the civil penalty shall
15 be paid by the person who committed the violation.

16 (4) **A CIVIL PENALTY IMPOSED ON THE AUTHORIZED CANDIDATE**
17 **CAMPAIGN COMMITTEE OF A CANDIDATE WHO ACCEPTS PUBLIC CAMPAIGN**
18 **FINANCING UNDER § 13-505 OF THIS TITLE OR A GUBERNATORIAL TICKET THAT**
19 **ACCEPTS PUBLIC CAMPAIGN FINANCING UNDER TITLE 15 OF THIS ARTICLE IS THE**
20 **JOINT AND SEVERAL LIABILITY OF THE RESPONSIBLE OFFICERS OF THE**
21 **AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND THE CANDIDATE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2019.