

HOUSE BILL 1130

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9lr0344

By: **Delegates Ivey, Moon, Acevero, Korman, Palakovich Carr, Shetty, and Stewart**

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Campaign Contributions – Prohibition**

3 FOR the purpose of prohibiting a person other than an individual or a campaign finance
4 entity from directly or indirectly making contributions to campaign finance entities;
5 making conforming changes; and generally relating to campaign contributions.

6 BY repealing and reenacting, with amendments,
7 Article – Election Law
8 Section 13–226
9 Annotated Code of Maryland
10 (2017 Replacement Volume and 2018 Supplement)

11 BY repealing
12 Article – Election Law
13 Section 13–236 and 13–237
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2018 Supplement)

16 BY renumbering
17 Article – Election Law
18 Section 13–236.1
19 to be Section 13–236
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**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 13-226.

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

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

4 (2) those contributions defined as transfers.

5 **(B) A PERSON OTHER THAN AN INDIVIDUAL OR A CAMPAIGN FINANCE**
6 **ENTITY MAY NOT DIRECTLY OR INDIRECTLY MAKE A CONTRIBUTION TO A CAMPAIGN**
7 **FINANCE ENTITY.**

8 ~~[(b)]~~ **(C)** Subject to subsections ~~[(c) and (d)]~~ **(D) AND (E)** of this section, ~~[a~~
9 ~~person]~~ **AN INDIVIDUAL** may not, either directly or indirectly, in an election cycle make
10 aggregate contributions in excess of:

11 (1) \$6,000 to any one campaign finance entity; or

12 (2) \$24,000 to all campaign finance entities.

13 ~~[(c)]~~ **(D)** (1) Notwithstanding subsection ~~[(b)]~~ **(C)** of this section, a central
14 committee of a political party or legislative party caucus committee may make aggregate
15 in-kind contributions to a single candidate during an election cycle that are not in excess
16 of:

17 (i) for a State central committee or legislative party caucus
18 committee, \$1 for every two registered voters in the State; and

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

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

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

27 ~~[(e)]~~ (1) In this subsection, “business entity” includes a corporation, a sole
28 proprietorship, a general partnership, a limited partnership, a limited liability company, a
29 real estate investment trust, or other entity.

30 (2) Contributions by two or more business entities shall be considered as
31 being made by one contributor if:

- 1 (i) one business entity is a wholly owned subsidiary of another; or
2 (ii) the business entities are owned or controlled by at least 80% of
3 the same individuals or business entities.]

4 [13–236.

5 An entity that at any time during an election cycle derives the majority of its
6 operating funds from the State may not make a contribution to any campaign finance entity
7 during that election cycle.]

8 [13–237.

9 (a) (1) In this section the following words have the meanings indicated.

10 (2) “Own” has the meaning stated in § 9–1A–01 of the State Government
11 Article.

12 (3) “Video lottery facility” has the meaning stated in § 9–1A–01 of the State
13 Government Article.

14 (4) “Video lottery operation license” has the meaning stated in § 9–1A–01
15 of the State Government Article.

16 (b) This section applies to the following persons:

17 (1) an applicant for a video lottery operation license;

18 (2) a holder of a video lottery operation license; or

19 (3) a person who owns an interest in the operation of a video lottery facility
20 in this State.

21 (c) This section does not apply to gaming activity that an eligible organization is
22 authorized to conduct under the Criminal Law Article.

23 (d) A person subject to this section may not, directly or indirectly, make a
24 contribution to:

25 (1) the campaign finance entity of a candidate for any nonfederal public
26 office in the State; or

27 (2) any other campaign finance entity organized in support of a candidate
28 for any nonfederal public office in the State.]

1 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 13–236.1 of Article
2 – Election Law of the Annotated Code of Maryland be renumbered to be Section(s) 13–236.

3 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2019.