Chapter 375

(House Bill 673)

AN ACT concerning

Frederick County – Ethics and Campaign Activity – County Board and Commission Members and Board of License Commissioners

FOR the purpose of prohibiting a member of the Board of License Commissioners of Frederick County from having an authorized candidate campaign committee and campaign finance entity while serving as a member of the Board: requiring a certain individual appointed to the Board to close an open authorized candidate campaign committee and campaign finance entity by a certain day; or a person acting on behalf of the member, a campaign finance entity of the member, or any other campaign finance entity operated in coordination with the member from soliciting, receiving, depositing, or using a contribution while the member is serving on the Board; prohibiting a campaign finance entity of the member or any other campaign finance entity operated in coordination with the member from making an expenditure while the member is serving on the Board, except for a certain purpose; requiring a campaign finance entity of the member or any other campaign finance entity operated in coordination with the member to pay all outstanding obligations before the member begins serving on the Board; prohibiting an appointed member of the Frederick County Board of Zoning Appeals, the Frederick County Ethics Commission, the Frederick County Planning Commission, or the Board of License Commissioners of Frederick County from having an authorized candidate campaign committee and campaign finance entity while serving as a member of the board or commission; requiring a certain individual appointed to a certain board or commission to close an open authorized candidate campaign committee and campaign finance entity by a certain day; or a person acting on behalf of the member, a campaign finance entity of the member, or any other campaign finance entity operated in coordination with the member from soliciting, receiving, depositing, or using a contribution while the member is serving on the board or commission; prohibiting a campaign finance entity of the member or any other campaign finance entity operated in coordination with the member from making an expenditure while the member is serving on the board or commission, except for a certain purpose; requiring a campaign finance entity of the member or any other campaign finance entity operated in coordination with the member to pay all outstanding obligations before the member begins serving on the board or commission; making clarifying and conforming changes; and generally relating to ethics and campaign activity in Frederick County.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages Section 20–201 Annotated Code of Maryland (2016 Volume and 2018 Supplement)

2019 LAWS OF MARYLAND

Ch. 375

BY repealing and reenacting, with amendments, Article – Alcoholic Beverages Section 20–202 Annotated Code of Maryland (2016 Volume and 2018 Supplement)

BY repealing and reenacting, without amendments, Article – General Provisions Section 5–865 Annotated Code of Maryland (2014 Volume and 2018 Supplement)

BY repealing and reenacting, with amendments, Article – General Provisions Section 5–866 Annotated Code of Maryland (2014 Volume and 2018 Supplement)

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

Article – Alcoholic Beverages

20-201.

There is a Board of License Commissioners for Frederick County.

20-202.

- (a) The Governor shall appoint three members to the Board.
- (b) Each member of the Board shall be:
 - (1) a registered voter of the county during the member's term of office; and

(2) an individual of good moral character and integrity who reasonably reflects the citizenry of the county.

(c) (1) In this subsection, "direct or indirect interest" means an interest that is proprietary or obtained by a loan, mortgage, or lien or in any other manner.

(2) A member of the Board may not:

(i) have a direct or indirect interest in or on a premises where alcoholic beverages are manufactured or sold;

(ii) have a direct or indirect interest in a business wholly or partly devoted to the manufacture or sale of alcoholic beverages;

(iii) own stock in:

1. a corporation that has a direct or indirect interest in a premises where alcoholic beverages are manufactured or sold; or

2. a business wholly or partly devoted to the manufacture or sale of alcoholic beverages;

(iv) hold any other public office or employment; or

 $(v) \quad {\rm solicit} \quad {\rm or} \quad {\rm receive}, \ {\rm directly} \ {\rm or} \ {\rm indirectly}, \ {\rm a} \ {\rm commission}, \ {\rm remuneration}, \ {\rm or} \ {\rm gift} \ {\rm from}:$

1. a person engaged in the manufacture or sale of alcoholic beverages; or

2. a license holder.

(3) A person who violates this subsection is guilty of a misdemeanor and is subject to a fine not exceeding \$1,000.

(d) (1) The term of a member is 5 years.

(2) The terms of the members are staggered as required by the terms provided for members of the Board on July 1, 2016.

(e) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(f) (1) The Governor may remove a member for incompetence, misconduct, neglect of a duty required by law, or unprofessional or dishonorable conduct.

(2) The Governor shall give a member who is charged a copy of the charges against the member and, with at least 10 days' notice, an opportunity to be heard publicly in person or by counsel.

(3) If a member is removed, the Governor shall file with the Office of the Secretary of State a statement of charges against the member and the Governor's findings on the charges.

(g) (1) IN THIS SUBSECTION, "CAMPAIGN FINANCE ENTITY" HAS THE MEANING STATED IN § 1–101 OF THE ELECTION LAW ARTICLE.

(2) A MEMBER MAY NOT HAVE AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OR A CAMPAIGN FINANCE ENTITY WHILE SERVING ON THE BOARD.

(3) AN INDIVIDUAL WHO IS APPOINTED BY THE GOVERNOR AS A MEMBER AND HAS AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND CAMPAIGN FINANCE ENTITY SHALL CLOSE THE COMMITTEE AND THE CAMPAIGN FINANCE ENTITY BEFORE THE FIRST DAY OF THE MEMBER'S TERM.

(2) <u>A MEMBER, A PERSON ACTING ON BEHALF OF THE MEMBER, A</u> CAMPAIGN FINANCE ENTITY OF THE MEMBER, OR ANY OTHER CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER MAY NOT SOLICIT, RECEIVE, DEPOSIT, OR USE A CONTRIBUTION WHILE THE MEMBER IS SERVING ON THE BOARD.

(3) <u>A CAMPAIGN FINANCE ENTITY OF THE MEMBER OR ANY OTHER</u> CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER MAY NOT MAKE AN EXPENDITURE, EXCEPT TO PAY A LATE FILING FEE OR CIVIL PENALTY IMPOSED UNDER TITLE 13 OF THE ELECTION LAW ARTICLE, WHILE THE MEMBER IS SERVING ON THE BOARD.

(4) <u>A CAMPAIGN FINANCE ENTITY OF THE MEMBER OR ANY OTHER</u> CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER SHALL PAY ANY OUTSTANDING OBLIGATIONS BEFORE THE MEMBER BEGINS SERVING ON THE BOARD.

(4) (5) No later than 48 hours after opening a campaign account through a campaign finance entity, [as defined in § 1–101 of the Election Law Article,] a member who has established an authorized candidate campaign committee shall vacate the member's position on the Board in accordance with § 5–866 of the General Provisions Article.

Article – General Provisions

5 - 865.

This part applies only to an appointed member of the Frederick County Board of Zoning Appeals, the Frederick County Ethics Commission, the Frederick County Planning Commission, or the Board of License Commissioners for Frederick County.

5 - 866.

(A) IN THIS PART, "CAMPAIGN FINANCE ENTITY" HAS THE MEANING STATED IN § 1–101 OF THE ELECTION LAW ARTICLE.

(B) AN APPOINTED MEMBER OF A BOARD OR COMMISSION UNDER § 5–865 OF THIS SUBTITLE MAY NOT HAVE AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OR CAMPAIGN FINANCE ENTITY WHILE SERVING ON THE BOARD OR COMMISSION.

(C) AN INDIVIDUAL WHO IS APPOINTED AS A MEMBER TO A BOARD OR COMMISSION UNDER § 5–865 OF THIS SUBTITLE AND HAS AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE AND A CAMPAIGN FINANCE ENTITY SHALL CLOSE THE COMMITTEE AND THE CAMPAIGN FINANCE ENTITY BEFORE THE FIRST DAY OF THE MEMBER'S TERM.

(B) <u>A MEMBER, A PERSON ACTING ON BEHALF OF THE MEMBER, A</u> CAMPAIGN FINANCE ENTITY OF THE MEMBER, OR ANY OTHER CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER MAY NOT SOLICIT, RECEIVE, DEPOSIT, OR USE A CONTRIBUTION WHILE THE MEMBER IS SERVING ON THE BOARD OR COMMISSION.

(C) A CAMPAIGN FINANCE ENTITY OF THE MEMBER OR ANY OTHER CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER MAY NOT MAKE AN EXPENDITURE, EXCEPT TO PAY A LATE FILING FEE OR CIVIL PENALTY IMPOSED UNDER TITLE 13 OF THE ELECTION LAW ARTICLE, WHILE THE MEMBER IS SERVING ON THE BOARD OR COMMISSION.

(D) A CAMPAIGN FINANCE ENTITY OF THE MEMBER OR ANY OTHER CAMPAIGN FINANCE ENTITY OPERATED IN COORDINATION WITH THE MEMBER SHALL PAY ANY OUTSTANDING OBLIGATIONS BEFORE THE MEMBER BEGINS SERVING ON THE BOARD OR COMMISSION.

(D) (E) Not later than 48 hours after opening a campaign account through a campaign finance entity, [as defined in § 1–101 of the Election Law Article,] an appointed member of [the Board of Zoning Appeals, Ethics Commission, Planning Commission, or the Board of License Commissioners] A BOARD OR COMMISSION UNDER § 5–865 OF THIS SUBTITLE who has established an authorized candidate campaign committee shall vacate the position on the board or commission.

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

Approved by the Governor, April 30, 2019.