

HOUSE BILL 1125

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CF SB 613

By: **Delegates Feldmark, Acevero, Cain, Ebersole, Hettleman, Hill, Hornberger, Ivey, Kelly, Korman, Lehman, J. Lewis, R. Lewis, Lierman, Moon, Mosby, Palakovich Carr, Pena–Melnik, Ruth, Shetty, Smith, Stewart, Terrasa, Wilkins, and Williams**

Introduced and read first time: February 6, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Public Financing Act – Candidate and Matching Fund Revisions**
3 **(Maryland Fair Elections Act)**

4 FOR the purpose of altering the candidates authorized to receive public contributions from
5 the Fair Campaign Financing Fund to include candidates for Attorney General of
6 the State and State Comptroller; requiring the Comptroller to distribute public
7 contributions to a certain campaign finance entity established to receive public
8 contributions for certain eligible candidates; altering the frequency with which the
9 Comptroller is required to submit a certain statement to the State Board of Elections;
10 requiring the State Board to make a certain determination regarding the balance of
11 the Fund on or before a certain date in certain years; requiring the State Board to
12 provide a certain notice to the Department of Budget and Management on or before
13 a certain date under certain circumstances; requiring the Governor to include a
14 certain appropriation in the budget bill in a certain year under certain
15 circumstances; repealing certain provisions of law regarding the raising of seed
16 money by gubernatorial tickets in order to be eligible to receive a public contribution;
17 requiring certain candidates to take certain actions before receiving public
18 contributions from the Fund; authorizing certain campaign finance entities to accept
19 only certain contributions and loans; establishing requirements that must be met to
20 qualify as an eligible candidate; establishing a qualifying period for certain
21 candidates; repealing certain provisions of law governing campaign expenditure
22 limits for gubernatorial tickets that accept public contributions from the Fund;
23 requiring the State Board to authorize distribution of money in the Fund on
24 certification that certain qualifications have been met and not earlier than a certain
25 date in a certain year; requiring the State Board to distribute public contributions
26 from the Fund during the distribution period in a certain manner; establishing
27 certain limits on the total public contribution payable to eligible candidates for
28 certain elections; repealing certain provisions of law requiring that public

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 contributions be distributed in a certain manner; prohibiting the State Board from
2 distributing matching dollars for certain contributions and loans; requiring that a
3 certain eligible candidate receive a certain proportion of a certain public contribution
4 amount; authorizing an eligible candidate to withdraw under certain circumstances;
5 altering the reasons for which public contributions may be spent to include an
6 expenditure accompanied by a certain receipt; altering the time period within which
7 expenses must be incurred in order to be paid using a public contribution; altering
8 the time period within which a certain part of a public contribution is required to be
9 repaid; providing that certain persons are civilly and criminally liable for the
10 repayment of an unspent public contribution; requiring the State Board to authorize
11 the repayment of certain money to the General Fund of the State from the Fund
12 under certain circumstances; altering the provisions required to be included in
13 certain regulations that the State Board is required to adopt; requiring a person who
14 violates a certain provision of law in a certain manner to pay a certain civil penalty;
15 providing that a certain infraction is a civil offense; authorizing the State Board to
16 impose a certain civil penalty for certain violations of law; establishing procedures
17 for the issuance, service, notice, contents, and prosecution of a certain civil citation;
18 providing for the amount and payment of a certain civil penalty under certain
19 circumstances; establishing certain provisions regarding a District Court proceeding
20 relating to certain violations of law; requiring certain penalties to be distributed to
21 the Fund; defining certain terms; providing for the application of certain provisions
22 of this Act; altering certain defined terms and certain definitions; repealing certain
23 defined terms; making conforming changes; and generally relating to the Public
24 Financing Act.

25 BY repealing and reenacting, with amendments,

26 Article – Election Law

27 Section 13–235, 15–102, 15–103, 15–104.1, and 15–106 through 15–111

28 Annotated Code of Maryland

29 (2017 Replacement Volume and 2019 Supplement)

30 BY repealing

31 Article – Election Law

32 Section 15–104 and 15–105

33 Annotated Code of Maryland

34 (2017 Replacement Volume and 2019 Supplement)

35 BY adding to

36 Article – Election Law

37 Section 15–104, 15–105, 15–108, and 15–113

38 Annotated Code of Maryland

39 (2017 Replacement Volume and 2019 Supplement)

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

42 **Article – Election Law**

1 13–235.

2 (a) This section applies to the following officials:

- 3 (1) the Governor;
- 4 (2) the Lieutenant Governor;
- 5 (3) the Attorney General;
- 6 (4) the Comptroller; and
- 7 (5) a member of the General Assembly.

8 (b) Except as provided in subsection (c), (d), or (e) of this section, during a regular
9 session of the General Assembly an official described in subsection (a) of this section, or a
10 person acting on behalf of the official, may not, as to a candidate for federal, State, or local
11 office, or a campaign finance entity of the candidate or any other campaign finance entity
12 organized under this title and operated in coordination with a candidate:

- 13 (1) receive a contribution;
- 14 (2) conduct a fund–raising event;
- 15 (3) solicit a contribution; or
- 16 (4) deposit or use any contribution of money that was not deposited prior
17 to the session.

18 (c) An official described in subsection (a) of this section, or a person acting on
19 behalf of the official, is not subject to this section when engaged in activities solely related
20 to the official’s election to an elective federal or local office for which the official is a filed
21 candidate.

22 (d) Under the Public Financing Act, a gubernatorial ticket, **OR A CANDIDATE**
23 **FOR ATTORNEY GENERAL OR COMPTROLLER**, during the year of the election only, may
24 accept eligible private contributions and any disbursement of funds by the State Board that
25 is based on the eligible private contributions.

26 (e) An official described in subsection (a) of this section, or a person acting on
27 behalf of the official, may deposit a contribution during the legislative session if the
28 contribution was made electronically before the start of the session.

29 (f) (1) As to a violation of this section, the campaign finance entity of the
30 official in violation is liable for a civil penalty as provided in § 13–604.1 of this title.

1 (2) A civil penalty imposed under this subsection shall be distributed to the
2 Fair Campaign Financing Fund established under § 15–103 of this article.

3 15–102.

4 (a) In this title the following words have the meanings indicated.

5 (b) “Comptroller” means the Comptroller of the State.

6 (c) **“CONTRIBUTION CARD” MEANS A DOCUMENT SIGNED, INCLUDING BY**
7 **ELECTRONIC SIGNATURE, BY A DONOR ATTESTING THAT THE CONTRIBUTION MADE**
8 **TO A CAMPAIGN IS MADE WITH THE PERSONAL FUNDS OF THE DONOR.**

9 [(c)] (D) **“Eligible [gubernatorial ticket] CANDIDATE”** means a gubernatorial
10 ticket, **A CANDIDATE FOR ATTORNEY GENERAL OF THE STATE, OR A CANDIDATE FOR**
11 **COMPTROLLER** that qualifies to receive a public contribution.

12 [(d)] (E) **“Eligible private contribution”** means [that part of a monetary or
13 in-kind contribution or series of contributions from an individual] **A PRIVATE**
14 **CONTRIBUTION FROM A REGISTERED VOTER** that does not exceed \$250 **IN THE**
15 **AGGREGATE FOR THE ELECTION CYCLE AND IS ACCOMPANIED BY A CONTRIBUTION**
16 **CARD.**

17 [(e)] (F) **“Fund”** means the **“Fair Campaign Financing Fund”**.

18 [(f)] (G) **“Gubernatorial ticket”** means a Governor–Lieutenant Governor unit.

19 (H) **“PRIVATE CONTRIBUTION” MEANS A MONETARY CONTRIBUTION OR**
20 **SERIES OF MONETARY CONTRIBUTIONS FROM AN INDIVIDUAL THAT DOES NOT**
21 **EXCEED \$250 IN THE AGGREGATE FOR THE ELECTION CYCLE IN WHICH THE**
22 **CONTRIBUTION IS MADE.**

23 [(g)] (I) **“Public contribution”** means money distributed from the Fund to [a
24 gubernatorial ticket] **AN ELIGIBLE CANDIDATE** under this title.

25 [(h) **“Seed money”** means cumulative eligible private contributions equaling 10%
26 or more of the expenditure limit prescribed under § 15–105 of this title for an election.

27 (i) (1) **“Treasurer”** has the meaning stated in § 1–101 of this article.

28 (2) **“Treasurer”** includes a subtreasurer.]

29 15–103.

30 (a) There is a Fair Campaign Financing Fund.

1 (b) The Comptroller shall administer the Fund in accordance with this section.

2 (c) In accordance with this title, the Comptroller shall:

3 (1) credit to the Fund:

4 (i) all money collected under this title;

5 (ii) voluntary contributions to the Fund made electronically through
6 the State Board's website;

7 (iii) fees, fines, and penalties assessed under this article or the
8 General Provisions Article that are expressly allocated to the Fund by law;

9 (iv) an anonymous contribution paid to the Fund under § 13-239 of
10 this article;

11 (v) an illegal contribution paid to the Fund under § 13-239.1 of this
12 article;

13 (vi) surplus campaign funds paid to the Fund under § 13-247 of this
14 article; and

15 (vii) contributions to the Fund made through the checkoff on the
16 individual income tax return established under § 2-113.1 of the Tax – General Article;

17 (2) subject to the usual investing procedures for State funds, invest the
18 money in the Fund; and

19 (3) make distributions from the Fund promptly on authorization by the
20 State Board.

21 (d) The Comptroller shall distribute public contributions:

22 (1) only on authorization of the State Board; and

23 (2) as to each eligible [gubernatorial ticket] CANDIDATE, to the [same]
24 campaign account of a single campaign finance entity established under Title 13, Subtitle
25 2 of this article **TO RECEIVE PUBLIC CONTRIBUTIONS.**

26 (e) The Comptroller shall submit a statement of the Fund's balance to the State
27 Board [at the State Board's request and on May 15 of each year] **EACH MONTH.**

28 **(F) (1) ON OR BEFORE JUNE 30 OF THE THIRD YEAR IMMEDIATELY**
29 **PRECEDING A YEAR OF A GUBERNATORIAL ELECTION, THE STATE BOARD SHALL**

1 DETERMINE WHETHER THE BALANCE OF THE FUND IS SUFFICIENT TO PROVIDE FOR
2 A FULL CONTRIBUTION FOR:

3 (I) IN A PRIMARY ELECTION:

- 4 1. TWO GUBERNATORIAL TICKETS;
5 2. ONE CANDIDATE FOR ATTORNEY GENERAL; AND
6 3. ONE CANDIDATE FOR COMPTROLLER; AND

7 (II) IN A GENERAL ELECTION:

- 8 1. ONE GUBERNATORIAL TICKET;
9 2. ONE CANDIDATE FOR ATTORNEY GENERAL; AND
10 3. ONE CANDIDATE FOR COMPTROLLER.

11 (2) IF THE BALANCE OF THE FUND IS DETERMINED TO BE
12 INSUFFICIENT TO PROVIDE THE PUBLIC CONTRIBUTIONS DESCRIBED UNDER
13 PARAGRAPH (1) OF THIS SUBSECTION:

14 (I) ON OR BEFORE AUGUST 1 OF THE THIRD YEAR
15 IMMEDIATELY PRECEDING A YEAR OF A GUBERNATORIAL ELECTION, THE STATE
16 BOARD SHALL SEND A NOTICE TO THE DEPARTMENT OF BUDGET AND
17 MANAGEMENT OF THE AMOUNT OF MONEY NEEDED TO PROVIDE THE PUBLIC
18 CONTRIBUTIONS DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

19 (II) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET
20 BILL FOR THE APPROPRIATE FISCAL YEAR AN APPROPRIATION IN AN AMOUNT
21 EQUAL TO THE AMOUNT SUBMITTED TO THE DEPARTMENT OF BUDGET AND
22 MANAGEMENT UNDER ITEM (I) OF THIS PARAGRAPH.

23 [(f)] (G) To pay costs directly related to the administration of this title, the State
24 Board may expend in each fiscal year an amount of money in the Fund that does not exceed
25 the lesser of:

26 (1) 3% of the Fund's balance, as calculated on the last day of the
27 immediately preceding fiscal year; or

28 (2) \$100,000.

29 [15-104.

1 A gubernatorial ticket is qualified to receive a public contribution for an election on
2 the date specified by regulation adopted under this title if:

3 (1) the gubernatorial ticket has raised seed money;

4 (2) the seed money is refundable only if the gubernatorial ticket withdraws
5 as a gubernatorial ticket; and

6 (3) as certified by the gubernatorial ticket's treasurer on a campaign
7 finance report, the seed money was:

8 (i) raised in accordance with this title; and

9 (ii) received after March 1 of the year immediately preceding the
10 year of that election.]

11 **15-104.**

12 **(A) BEFORE RECEIVING A PRIVATE CONTRIBUTION, A GUBERNATORIAL**
13 **TICKET OR CANDIDATE FOR ATTORNEY GENERAL OR COMPTROLLER SHALL:**

14 **(1) ON OR BEFORE THE DEADLINE TO FILE A CERTIFICATE OF**
15 **CANDIDACY UNDER § 13-303 OF THIS ARTICLE, FILE WITH THE STATE BOARD A**
16 **NOTICE OF INTENT TO PARTICIPATE AS A PUBLICLY FINANCED CANDIDATE FOR**
17 **BOTH THE PRIMARY AND GENERAL ELECTIONS; AND**

18 **(2) ESTABLISH A CAMPAIGN FINANCE ENTITY FOR COMPLYING WITH**
19 **THE REQUIREMENTS OF THIS TITLE.**

20 **(B) (1) A CAMPAIGN FINANCE ENTITY ESTABLISHED UNDER SUBSECTION**
21 **(A)(2) OF THIS SECTION MAY ACCEPT ONLY:**

22 **(I) A PRIVATE CONTRIBUTION;**

23 **(II) AN ELIGIBLE PRIVATE CONTRIBUTION;**

24 **(III) A PUBLIC CONTRIBUTION; AND**

25 **(IV) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**
26 **CONTRIBUTION OR LOAN FROM THE ELIGIBLE CANDIDATE OR THE SPOUSE OF THE**
27 **ELIGIBLE CANDIDATE.**

28 **(2) AN ELIGIBLE CANDIDATE OR THE SPOUSE OF AN ELIGIBLE**
29 **CANDIDATE MAY NOT MAKE A CONTRIBUTION OF OR LEND A COMBINED TOTAL OF**

1 MORE THAN \$50,000 TO THE CAMPAIGN OF THE ELIGIBLE CANDIDATE.

2 (C) TO QUALIFY AS AN ELIGIBLE CANDIDATE:

3 (1) A GUBERNATORIAL TICKET SHALL COLLECT WITHIN THE
4 QUALIFYING PERIOD AT LEAST:

5 (I) 1,500 ELIGIBLE PRIVATE CONTRIBUTIONS; AND

6 (II) AN AGGREGATE TOTAL OF \$120,000; OR

7 (2) A CANDIDATE FOR ATTORNEY GENERAL OR COMPTROLLER
8 SHALL COLLECT WITHIN THE QUALIFYING PERIOD AT LEAST:

9 (I) 1,000 ELIGIBLE PRIVATE CONTRIBUTIONS; AND

10 (II) AN AGGREGATE TOTAL OF \$80,000.

11 15-105.

12 (A) FOR PRINCIPAL POLITICAL PARTY CANDIDATES, THE QUALIFYING
13 PERIOD IS FROM THE FIRST DAY OF THE ELECTION CYCLE FOR A GUBERNATORIAL
14 ELECTION UNTIL THE FIRST MONDAY IN MAY, BOTH INCLUSIVE, OF THE ELECTION
15 YEAR.

16 (B) FOR ALL OTHER PARTICIPATING CANDIDATES, THE QUALIFYING
17 PERIOD TO QUALIFY FOR THE GENERAL ELECTION ONLY IS FROM THE FIRST DAY OF
18 THE ELECTION CYCLE FOR A GUBERNATORIAL ELECTION UNTIL THE FIRST MONDAY
19 IN AUGUST, BOTH INCLUSIVE, OF THE ELECTION YEAR.

20 [15-104.1.] 15-106.

21 (a) After filing a notice of intent to qualify for a public contribution under this
22 title, a gubernatorial ticket or a person acting on behalf of the gubernatorial ticket OR A
23 CANDIDATE FOR ATTORNEY GENERAL OR COMPTROLLER OR A PERSON ACTING ON
24 BEHALF OF THE CANDIDATE FOR ATTORNEY GENERAL OR COMPTROLLER may not,
25 for the benefit of any political committee or any person required to register with the State
26 Board under § 13-306 or § 13-307 of this article or for a participating organization
27 organized under § 13-309.2 of this article:

28 (1) solicit contributions, including the authorized use of the names or
29 images of the gubernatorial ticket OR CANDIDATE FOR ATTORNEY GENERAL OR
30 COMPTROLLER in the solicitation; or

1 (2) operate in coordination with any entity for fundraising activities.

2 (b) After filing a notice of intent to qualify for a public contribution under this
3 title, the members of a gubernatorial ticket **OR A CANDIDATE FOR ATTORNEY GENERAL**
4 **OR COMPTROLLER** may not be a member of a slate that does not receive a public
5 contribution.

6 (c) Until a final campaign finance report is filed with the State Board and any
7 remaining funds of the public contribution distributed to [a gubernatorial ticket] **AN**
8 **ELIGIBLE CANDIDATE** are repaid to the Comptroller for redeposit in the Fund in
9 accordance with [§ 15–107] **§ 15–109** of this subtitle, any authorized candidate campaign
10 committee organized under Title 13 of this article on behalf of the [members of a
11 gubernatorial ticket] **ELIGIBLE CANDIDATE** may not engage in campaign finance activity.
12 **[15–105.**

13 (a) (1) A gubernatorial ticket that accepts a public contribution from the Fund
14 for an election may not spend, in that election, more than the product of 30 cents, adjusted
15 annually beginning January 1, 1997, in accordance with the Consumer Price Index, times
16 the population of the State as determined under subsection (c) of this section.

17 (2) Paragraph (1) of this subsection:

18 (i) applies separately to each primary and general election; and

19 (ii) does not apply to expenditures made on behalf of a gubernatorial
20 ticket by a State or local central committee.

21 (b) The State Board shall certify the expenditure limit for each election in
22 accordance with subsection (a)(1) of this section.

23 (c) The population of the State shall be determined by the State Board as of
24 January 1 of the year of the election in accordance with the more recent of:

25 (1) the most recent decennial census of the United States; or

26 (2) any population estimate prepared for the State by the Maryland
27 Department of Health.

28 (d) The members of the gubernatorial ticket and, if associated with the
29 expenditure, the responsible officers of its campaign finance entity are jointly and severally
30 liable civilly and criminally for an expenditure made in violation of this section.]

31 **[15–106.] 15–107.**

32 (a) (1) [(i)] In accordance with subsection (c) of this section **AND**

1 **REGULATIONS ADOPTED BY THE STATE BOARD**, the State Board shall authorize
 2 distribution **OF MONEY IN THE FUND** on a continuing basis [of one-half of the money in
 3 the Fund to eligible gubernatorial tickets in the primary election] **TO ELIGIBLE**
 4 **CANDIDATES ON CERTIFICATION THAT THE QUALIFICATIONS UNDER § 15-104 OF**
 5 **THIS SUBTITLE HAVE BEEN MET.**

6 [(ii)] **(2)** Distributions shall begin [not later than February] **NOT**
 7 **EARLIER THAN JANUARY 1** of the year of the election.

8 [(2) Promptly after the primary election, the State Board shall authorize
 9 distribution of the remaining money in the Fund in accordance with subsection (d) of this
 10 section.]

11 (b) If the State Board determines that there is not, or may not be, sufficient money
 12 in the Fund to provide a full public contribution to all eligible [gubernatorial tickets in a
 13 primary or general election] **CANDIDATES**, the State Board shall allocate the available
 14 money so that each eligible [gubernatorial ticket] **CANDIDATE** in that election receives a
 15 proportionate share of the full public contribution to which the [gubernatorial ticket]
 16 **ELIGIBLE CANDIDATE** otherwise would be entitled.

17 (c) (1) The State Board shall authorize distribution of the money that is
 18 designated for distribution [in the primary election] as provided in this subsection.

19 [(2) An eligible gubernatorial ticket that is opposed in the primary election
 20 shall receive \$1 in public contributions for each \$1 in eligible private contributions it has
 21 received.]

22 (3) An eligible gubernatorial ticket that is unopposed in the primary
 23 election shall receive \$1 in public contributions for each \$3 in eligible private contributions
 24 it has received.]

25 **(2) THE STATE BOARD SHALL DISTRIBUTE A PUBLIC CONTRIBUTION**
 26 **FROM THE FUND TO EACH ELIGIBLE CANDIDATE DURING THE DISTRIBUTION**
 27 **PERIOD AS FOLLOWS:**

28 **(I) FOR EACH GUBERNATORIAL TICKET, MATCHING DOLLARS**
 29 **EQUAL TO:**

30 **1. \$9 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE**
 31 **CONTRIBUTION RECEIVED FOR THE FIRST \$50 OF EACH ELIGIBLE PRIVATE**
 32 **CONTRIBUTION;**

33 **2. \$5 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE**
 34 **CONTRIBUTION RECEIVED FOR THE SECOND \$50 OF EACH ELIGIBLE PRIVATE**

1 CONTRIBUTION;

2 3. \$2 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
3 CONTRIBUTION RECEIVED FOR THE THIRD \$50 OF EACH ELIGIBLE PRIVATE
4 CONTRIBUTION; AND

5 4. \$0 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
6 CONTRIBUTION RECEIVED FOR THE REMAINING \$100 OF EACH ELIGIBLE PRIVATE
7 CONTRIBUTION; OR

8 (II) FOR EACH ELIGIBLE CANDIDATE FOR ATTORNEY GENERAL
9 OR COMPTROLLER, MATCHING DOLLARS EQUAL TO:

10 1. \$8 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
11 CONTRIBUTION RECEIVED FOR THE FIRST \$50 OF EACH ELIGIBLE PRIVATE
12 CONTRIBUTION;

13 2. \$4 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
14 CONTRIBUTION RECEIVED FOR THE SECOND \$50 OF EACH ELIGIBLE PRIVATE
15 CONTRIBUTION;

16 3. \$2 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
17 CONTRIBUTION RECEIVED FOR THE THIRD \$50 OF EACH ELIGIBLE PRIVATE
18 CONTRIBUTION; AND

19 4. \$0 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE
20 CONTRIBUTION RECEIVED FOR THE REMAINING \$100 OF EACH ELIGIBLE PRIVATE
21 CONTRIBUTION.

22 (3) THE TOTAL PUBLIC CONTRIBUTION PAYABLE TO AN ELIGIBLE
23 CANDIDATE FOR EITHER A PRIMARY OR GENERAL ELECTION MAY NOT EXCEED:

24 (I) \$3,000,000 FOR A GUBERNATORIAL TICKET; AND

25 (II) \$750,000 FOR A CANDIDATE FOR ATTORNEY GENERAL OR
26 COMPTROLLER.

27 (4) THE STATE BOARD MAY NOT DISTRIBUTE MATCHING DOLLARS
28 FROM THE FUND TO AN ELIGIBLE CANDIDATE FOR:

29 (I) A CONTRIBUTION OR LOANS FROM THE ELIGIBLE
30 CANDIDATE OR THE SPOUSE OF THE ELIGIBLE CANDIDATE; OR

1 **(II) AN IN-KIND CONTRIBUTION OF PROPERTY, GOODS, OR**
2 **SERVICES.**

3 **(5) AN ELIGIBLE CANDIDATE THAT IS UNOPPOSED IN A PRIMARY**
4 **ELECTION SHALL RECEIVE ONE-THIRD OF THE PUBLIC CONTRIBUTION AMOUNT**
5 **THE ELIGIBLE CANDIDATE WOULD OTHERWISE BE ENTITLED TO RECEIVE.**

6 [(d) (1) The State Board shall authorize distribution for the general election of
7 all money remaining in the Fund, including money remaining from the part designated for
8 the primary election, as provided in this subsection.

9 (2) Each eligible gubernatorial ticket that is a nominee shall receive an
10 equal share of the Fund.

11 (3) An eligible gubernatorial ticket may not receive a public contribution if
12 it is unopposed on the general election ballot.

13 (4) An eligible gubernatorial ticket that did not receive a public
14 contribution in the primary election may receive a public contribution in the general
15 election only if the gubernatorial ticket:

16 (i) is a nominee in the general election; and

17 (ii) did not exceed the expenditure limit for the primary election.

18 (5) The State Board shall authorize distribution of public contributions
19 promptly after the certification of primary election results.]

20 **15-108.**

21 **(A) AN ELIGIBLE CANDIDATE MAY WITHDRAW FROM PARTICIPATION AS A**
22 **PUBLICLY FUNDED CANDIDATE AT ANY TIME BEFORE A PUBLIC CONTRIBUTION IS**
23 **RECEIVED BY THE ELIGIBLE CANDIDATE'S CAMPAIGN FINANCE ENTITY.**

24 **(B) IF A PUBLIC CONTRIBUTION HAS BEEN RECEIVED BY AN ELIGIBLE**
25 **CANDIDATE'S CAMPAIGN FINANCE ENTITY, THE ELIGIBLE CANDIDATE MAY**
26 **WITHDRAW FROM PARTICIPATING IF THE ELIGIBLE CANDIDATE:**

27 **(1) FILES A STATEMENT OF WITHDRAWAL ON A FORM PRESCRIBED BY**
28 **THE STATE BOARD; AND**

29 **(2) REPAYS TO THE FUND THE FULL AMOUNT OF ANY PUBLIC**
30 **CONTRIBUTION RECEIVED, WITH INTEREST ESTABLISHED IN REGULATION BY THE**
31 **STATE BOARD.**

1 **[15-107.] 15-109.**

2 (a) A public contribution may be spent only:

3 (1) in accordance with § 13-218 of this article;

4 (2) to further the [gubernatorial ticket's] **ELIGIBLE CANDIDATE'S**
5 nomination or election;

6 (3) for expenses incurred not later than [30] **45** days after the election for
7 which the public contribution was made; [and]

8 (4) for purposes that do not violate State law; **AND**

9 **(5) FOR AN EXPENDITURE THAT IS ACCOMPANIED BY A RECEIPT.**

10 (b) An eligible [gubernatorial ticket] **CANDIDATE** may not make:

11 (1) a transfer; or

12 (2) an expenditure relating to fundraising activity by any other political
13 committee organized under this article.

14 (c) (1) Any part of a public contribution that is not spent shall be repaid to the
15 Comptroller for redeposit in the Fund not later than [60] **90** days after the election for
16 which the public contribution was made.

17 (2) In computing whether part of a public contribution is not spent, all
18 private contributions to the [gubernatorial ticket] **ELIGIBLE CANDIDATE** shall be treated
19 as spent before the expenditure of any of the public contribution.

20 (d) The [members of a gubernatorial ticket] **ELIGIBLE CANDIDATE** and the
21 responsible officers of [its] **THE** campaign finance entity **THAT RECEIVED A PUBLIC**
22 **CONTRIBUTION** are jointly and severally personally liable **CIVILLY AND CRIMINALLY** for
23 repaying to the Comptroller any part of a public contribution that is not spent or that was
24 spent in violation of subsection (a) of this section.

25 **[15-108.] 15-110.**

26 **(A) [Any] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, ANY**
27 **balance in the Fund after a gubernatorial election shall remain in the Fund for the purposes**
28 **of this title.**

29 **(B) IF GENERAL FUNDS ARE APPROPRIATED TO THE FUND UNDER §**
30 **15-103(F)(2) OF THIS SUBTITLE, THE STATE BOARD SHALL AUTHORIZE REPAYMENT**

1 TO THE GENERAL FUND OF THE STATE OF THE AMOUNT THAT EXCEEDS THE
2 AMOUNT NECESSARY TO PROVIDE FOR A FULL CONTRIBUTION FOR ELIGIBLE
3 CANDIDATES DESCRIBED UNDER § 15-103(F)(1) OF THIS TITLE.

4 [15-109.] 15-111.

5 (a) (1) Subject to § 15-103 of this title, the State Board shall administer this
6 title.

7 (2) The State Board may request the assistance of the Comptroller to
8 administer this title.

9 (b) (1) The State Board shall adopt comprehensive regulations to implement
10 this title.

11 (2) The regulations shall include provisions relating to:

12 (i) [the manner and deadline for a gubernatorial ticket to notify the
13 State Board of its intention to qualify for a public contribution;

14 (ii)] the deadline for [a gubernatorial ticket] AN ELIGIBLE
15 CANDIDATE to submit a request for a public contribution;

16 [(iii)] (II) the dates when the State Board will authorize, and the
17 Comptroller will make, distributions of public contributions to [gubernatorial tickets]
18 ELIGIBLE CANDIDATES in accordance with this title;

19 [(iv)] (III) a proportionate distribution when there is not, or may not
20 be, sufficient money in the Fund;

21 [(v) a formula for distributing a supplementary public contribution
22 to the other eligible gubernatorial tickets if additional money becomes available because:

23 1. an eligible gubernatorial ticket fails to request a public
24 contribution;

25 2. an eligible gubernatorial ticket withdraws as a
26 gubernatorial ticket; or

27 3. an eligible gubernatorial ticket is disqualified;

28 (vi) the standards by which expenditures by campaign finance
29 entities with which an eligible gubernatorial ticket is affiliated are applied to the
30 expenditure limit prescribed in § 15-105 of this title;]

31 [(vii)] (IV) thresholds for in-kind contributions that are not

1 considered contributions or expenditures for the purposes of this title;

2 [(viii)] (V) distributions to[:

3 1. an unopposed gubernatorial ticket;

4 2. a gubernatorial ticket composed of members from other
5 than the two principal political parties; and

6 3.] a write-in gubernatorial ticket; and

7 [(ix)] (VI) the purposes for which a public contribution may not be
8 used.

9 **[15-110.] 15-112.**

10 A person who violates this title is guilty of a misdemeanor and on conviction is
11 subject to a fine not exceeding \$5,000 or imprisonment not exceeding 1 year or both for each
12 violation.

13 **15-113.**

14 **(A) IN THIS SECTION, “PERSON” INCLUDES A POLITICAL COMMITTEE.**

15 **(B) (1) A PERSON WHO VIOLATES A PROVISION OF THIS TITLE WITHOUT**
16 **KNOWING THAT THE ACT IS ILLEGAL SHALL PAY A CIVIL PENALTY IN ACCORDANCE**
17 **WITH THIS SECTION.**

18 **(2) AN INFRACTION DESCRIBED IN PARAGRAPH (1) OF THIS**
19 **SUBSECTION IS A CIVIL OFFENSE.**

20 **(3) THIS SECTION DOES NOT APPLY TO A VIOLATION OF ANOTHER**
21 **SECTION IN WHICH A PENALTY IS EXPRESSLY PROVIDED.**

22 **(C) (1) THIS SUBSECTION APPLIES ONLY TO VIOLATIONS COMMITTED, AS**
23 **APPLICABLE, BY:**

24 **(I) THE ELIGIBLE CANDIDATE;**

25 **(II) THE ELIGIBLE CANDIDATE’S CAMPAIGN FINANCE ENTITY;**

26 **(III) THE CHAIRMAN OF THE ELIGIBLE CANDIDATE’S CAMPAIGN**
27 **FINANCE ENTITY;**

28 **(IV) THE TREASURER OF THE ELIGIBLE CANDIDATE’S CAMPAIGN**

1 FINANCE ENTITY; OR

2 (V) A PERSON ACTING ON BEHALF OF A PERSON LISTED IN ITEM
3 (I), (II), (III), OR (IV) OF THIS PARAGRAPH.

4 (2) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY IN
5 ACCORDANCE WITH THIS SECTION FOR THE FOLLOWING VIOLATIONS:

6 (I) MAKING A DISBURSEMENT IN A MANNER NOT AUTHORIZED
7 UNDER § 13-218(B)(2), (C), AND (D) OF THIS ARTICLE;

8 (II) FAILURE TO MAINTAIN A CAMPAIGN BANK ACCOUNT AS
9 REQUIRED UNDER § 13-220(A) OF THIS ARTICLE;

10 (III) MAKING A DISBURSEMENT BY A METHOD NOT AUTHORIZED
11 UNDER § 13-220(D) OF THIS ARTICLE;

12 (IV) FAILURE TO MAINTAIN DETAILED AND ACCURATE ACCOUNT
13 BOOKS AND RECORDS AS REQUIRED UNDER § 13-221 OF THIS ARTICLE;

14 (V) FUND-RAISING DURING THE GENERAL ASSEMBLY SESSION
15 IN A MANNER NOT AUTHORIZED IN § 13-235 OF THIS ARTICLE;

16 (VI) FAILURE TO REPORT ALL CONTRIBUTIONS RECEIVED AND
17 EXPENDITURES MADE AS REQUIRED IN § 13-304(B) OF THIS ARTICLE;

18 (VII) FAILURE TO INCLUDE AN AUTHORITY LINE ON CAMPAIGN
19 MATERIAL AS REQUIRED IN § 13-401 OF THIS ARTICLE; OR

20 (VIII) FAILURE TO RETAIN A COPY OF CAMPAIGN MATERIAL AS
21 REQUIRED IN § 13-403 OF THIS ARTICLE.

22 (D) A CIVIL PENALTY IMPOSED UNDER THIS SECTION FOR A VIOLATION
23 SPECIFIED IN SUBSECTION (C) OF THIS SECTION IS IN ADDITION TO ANY OTHER
24 SANCTION PROVIDED BY LAW.

25 (E) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR AS
26 PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE AMOUNT OF A CIVIL
27 PENALTY IMPOSED UNDER THIS SECTION MAY NOT EXCEED \$1,000 FOR EACH
28 VIOLATION.

29 (2) AS TO A VIOLATION OF § 13-235 OF THIS ARTICLE, THE CAMPAIGN
30 FINANCE ENTITY THAT RECEIVES A CONTRIBUTION AS A RESULT OF A VIOLATION

1 SHALL:

2 (I) REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND

3 (II) PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE
4 AMOUNT OF THE CONTRIBUTION, UNLESS THE STATE BOARD AT ITS DISCRETION
5 ASSESSES A LESSER PENALTY FOR GOOD CAUSE.

6 (F) THE CIVIL PENALTY IS PAYABLE TO THE STATE BOARD BY THE PERSON
7 CHARGED IN A CITATION WITHIN 20 CALENDAR DAYS AFTER SERVICE OF THE
8 CITATION.

9 (G) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A
10 CIVIL PENALTY IMPOSED UNDER THIS SECTION SHALL BE PAID BY THE CAMPAIGN
11 FINANCE ENTITY.

12 (2) IF THE CAMPAIGN FINANCE ENTITY HAS INSUFFICIENT FUNDS
13 WITH WHICH TO PAY THE FULL AMOUNT OF THE CIVIL PENALTY IN A TIMELY
14 MANNER, AFTER THE CAMPAIGN ACCOUNT OF THE FINANCE ENTITY IS EXHAUSTED
15 THE BALANCE OF THE CIVIL PENALTY IS THE JOINT AND SEVERAL LIABILITY OF THE
16 RESPONSIBLE OFFICERS.

17 (3) IF A VIOLATION IS COMMITTED BY A PERSON NOT ACTING ON
18 BEHALF OF, OR AT THE REQUEST OR SUGGESTION OF, A CANDIDATE OR A CAMPAIGN
19 FINANCE ENTITY, THE CIVIL PENALTY SHALL BE PAID BY THE PERSON WHO
20 COMMITTED THE VIOLATION.

21 (H) THE STATE BOARD MAY ISSUE A CITATION TO ANY PERSON THE STATE
22 BOARD BELIEVES IS COMMITTING OR HAS COMMITTED A VIOLATION SPECIFIED IN
23 SUBSECTION (C) OF THIS SECTION.

24 (I) THE CITATION SHALL BE SERVED ON THE DEFENDANT IN ACCORDANCE
25 WITH THE MARYLAND RULES.

26 (J) THE CITATION SHALL CONTAIN:

27 (1) THE CERTIFICATION BY THE STATE BOARD ATTESTING TO THE
28 TRUTH OF THE MATTER SET FORTH IN THE CITATION;

29 (2) THE NAME AND ADDRESS OF THE PERSON CHARGED;

30 (3) THE NATURE, TIME, AND PLACE OF THE VIOLATION;

1 **(4) THE MANNER IN WHICH THE VIOLATION OCCURRED;**

2 **(5) THE AMOUNT OF THE PENALTY ASSESSED;**

3 **(6) THE MANNER, TIME, AND LOCATION TO PAY THE PENALTY;**

4 **(7) A STATEMENT THAT THE PERSON RECEIVING THE CITATION HAS A**
5 **RIGHT TO TRIAL IN THE DISTRICT COURT; AND**

6 **(8) THE EFFECT OF FAILING TO PAY THE ASSESSED FINE OR OF**
7 **FAILING TO DEMAND A TRIAL WITHIN THE PRESCRIBED TIME.**

8 **(K) (1) A PERSON CHARGED IN A CITATION MAY ELECT TO STAND TRIAL**
9 **FOR THE VIOLATION BY NOTIFYING THE STATE BOARD IN WRITING OF THE**
10 **PERSON'S INTENT TO STAND TRIAL.**

11 **(2) THE WRITTEN NOTICE SHALL BE GIVEN AT LEAST 5 DAYS BEFORE**
12 **THE DATE OF PAYMENT AS SET FORTH IN THE CITATION.**

13 **(L) (1) ON RECEIPT OF THE WRITTEN NOTICE OF INTENT TO STAND**
14 **TRIAL, THE STATE BOARD SHALL FORWARD TO THE STATE PROSECUTOR A COPY OF**
15 **THE CITATION AND THE WRITTEN NOTICE.**

16 **(2) THE STATE PROSECUTOR SHALL FORWARD TO THE DISTRICT**
17 **COURT HAVING VENUE A COPY OF THE CITATION AND THE WRITTEN NOTICE.**

18 **(3) ON RECEIPT OF THE CITATION AND THE WRITTEN NOTICE:**

19 **(I) THE STATE PROSECUTOR SHALL ASSUME RESPONSIBILITY**
20 **FOR PROSECUTING THE VIOLATION; AND**

21 **(II) THE DISTRICT COURT SHALL SCHEDULE THE CASE FOR**
22 **TRIAL, NOTIFY THE DEFENDANT OF THE TRIAL DATE, AND SUMMON THE DEFENDANT**
23 **TO APPEAR.**

24 **(M) (1) IF A PERSON CHARGED IN A CITATION FAILS TO PAY THE PENALTY**
25 **BY THE DATE OF PAYMENT SET FORTH IN THE CITATION AND FAILS TO DELIVER TO**
26 **THE STATE BOARD THE WRITTEN NOTICE OF INTENT TO STAND TRIAL, THE PERSON**
27 **IS LIABLE FOR THE ASSESSED PENALTY.**

28 **(2) THE STATE PROSECUTOR, ON BEHALF OF THE STATE BOARD,**
29 **MAY DOUBLE THE PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000 AND REQUEST**
30 **ADJUDICATION OF THE CASE THROUGH THE DISTRICT COURT BY FILING A DEMAND**

1 FOR JUDGMENT ON AFFIDAVIT.

2 (N) THE DEFENDANT'S FAILURE TO RESPOND TO THE SUMMONS OF THE
3 DISTRICT COURT SHALL RESULT IN THE ENTRY OF JUDGMENT AGAINST THE
4 DEFENDANT IN FAVOR OF THE STATE BOARD IN THE AMOUNT SET FORTH IN THE
5 CITATION IF A PROPER DEMAND FOR JUDGMENT ON AFFIDAVIT HAS BEEN MADE.

6 (O) IF A PERSON IS FOUND BY THE DISTRICT COURT TO HAVE COMMITTED
7 A VIOLATION:

8 (1) (I) THE DISTRICT COURT SHALL ORDER THE PERSON TO PAY
9 THE PENALTY SET FORTH IN THE CITATION AND MAY DOUBLE THE AMOUNT OF THE
10 PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000;

11 (II) THE PENALTY IMPOSED SHALL CONSTITUTE A JUDGMENT IN
12 FAVOR OF THE STATE BOARD; AND

13 (III) IF THE PENALTY REMAINS UNPAID FOR 30 DAYS FOLLOWING
14 THE DATE OF ITS ENTRY, THE JUDGMENT SHALL BE ENFORCEABLE IN THE SAME
15 MANNER AND TO THE SAME EXTENT AS OTHER CIVIL JUDGMENTS FOR MONEY
16 UNLESS THE COURT HAS SUSPENDED OR DEFERRED PAYMENT OF THE PENALTY AS
17 PROVIDED IN ITEM (2) OF THIS SUBSECTION;

18 (2) THE DISTRICT COURT MAY SUSPEND OR DEFER THE PAYMENT OF
19 ANY PENALTY UNDER CONDITIONS THAT THE COURT SETS;

20 (3) THE DEFENDANT SHALL BE LIABLE FOR THE COSTS OF THE
21 PROCEEDINGS IN THE DISTRICT COURT; AND

22 (4) THE DISTRICT COURT MAY ORDER THE PERSON TO ABATE THE
23 VIOLATION.

24 (P) IF A DEFENDANT FAILS TO PAY ANY PENALTY OR COST IMPOSED BY THE
25 DISTRICT COURT WITHOUT GOOD CAUSE, THE DISTRICT COURT MAY PUNISH THE
26 FAILURE AS CONTEMPT OF COURT.

27 (Q) ADJUDICATION OF A VIOLATION UNDER THIS SECTION:

28 (1) IS NOT A CRIMINAL CONVICTION; AND

29 (2) DOES NOT IMPOSE ANY OF THE CIVIL DISABILITIES THAT ARISE
30 FROM A CRIMINAL CONVICTION.

1 **(R) IN A DISTRICT COURT PROCEEDING RELATING TO A VIOLATION UNDER**
2 **THIS SECTION:**

3 **(1) THE STATE PROSECUTOR HAS THE BURDEN TO PROVE THAT THE**
4 **DEFENDANT HAS COMMITTED THE VIOLATION BY CLEAR AND CONVINCING**
5 **EVIDENCE;**

6 **(2) THE DISTRICT COURT SHALL APPLY THE EVIDENTIARY**
7 **STANDARDS AS PROVIDED BY LAW OR RULE FOR THE TRIAL OF CIVIL CAUSES;**

8 **(3) THE DISTRICT COURT SHALL ENSURE THAT THE DEFENDANT HAS**
9 **RECEIVED A COPY OF THE CHARGES AGAINST THE DEFENDANT AND THAT THE**
10 **DEFENDANT UNDERSTANDS THOSE CHARGES;**

11 **(4) THE DEFENDANT MAY CROSS-EXAMINE ALL WITNESSES WHO**
12 **APPEAR AGAINST THE DEFENDANT, PRODUCE EVIDENCE OR WITNESSES IN THE**
13 **DEFENDANT'S OWN BEHALF, OR TESTIFY IN THE DEFENDANT'S OWN BEHALF;**

14 **(5) THE DEFENDANT SHALL BE ENTITLED TO BE REPRESENTED BY**
15 **COUNSEL OF THE DEFENDANT'S OWN SELECTION AND AT THE DEFENDANT'S OWN**
16 **EXPENSE;**

17 **(6) THE DEFENDANT MAY ENTER A PLEA OF GUILTY OR NOT GUILTY**
18 **OF THE VIOLATION AS CHARGED; AND**

19 **(7) THE VERDICT OF THE DISTRICT COURT SHALL BE GUILTY OF A**
20 **VIOLATION OR NOT GUILTY OF A VIOLATION, OR THE DISTRICT COURT MAY, BEFORE**
21 **RENDERING JUDGMENT, PLACE THE DEFENDANT ON PROBATION.**

22 **(S) PENALTIES COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED**
23 **TO THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15-103 OF THIS**
24 **TITLE.**

25 **[15-111.] 15-114.**

26 This title is the Public Financing Act.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2020.