

# HOUSE BILL 1380

G1

0lr2851

---

By: **Delegates Mosby and Palakovich Carr**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Campaign Finance – Contribution Through Third–Party Payment Processor –**  
3 **Transfer to Campaign Account**

4 FOR the purpose of requiring a campaign finance entity to initiate the transfer of a  
5 contribution made through a third–party payment processor from the account of the  
6 third–party payment processor to the designated campaign account of the campaign  
7 finance entity within a certain period of time after the contribution is deposited in  
8 the account of the third–party payment processor; defining a certain term; and  
9 generally relating to contributions to campaign finance entities made through  
10 third–party payment processors.

11 BY repealing and reenacting, with amendments,  
12 Article – Election Law  
13 Section 13–220(a)  
14 Annotated Code of Maryland  
15 (2017 Replacement Volume and 2019 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – Election Law  
18 Section 13–220(b)  
19 Annotated Code of Maryland  
20 (2017 Replacement Volume and 2019 Supplement)

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

23 **Article – Election Law**

24 13–220.

25 (a) (1) Each campaign finance entity shall designate one or more campaign

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 accounts.

2 (2) Each designated campaign account shall:

3 (i) be in a financial institution; and

4 (ii) be registered in a manner that identifies it as the account of a  
5 campaign finance entity.

6 (3) A campaign finance entity shall deposit all funds received in a  
7 designated campaign account.

8 (4) (I) IN THIS PARAGRAPH, “THIRD-PARTY PAYMENT  
9 PROCESSOR” MEANS AN ONLINE SERVICE IN WHICH PAYMENTS TO A PERSON ARE  
10 MADE TO THE PROCESSOR’S MERCHANT ACCOUNT RATHER THAN TO THE PERSON’S  
11 OWN MERCHANT ACCOUNT.

12 (II) IF A CONTRIBUTION TO A CAMPAIGN FINANCE ENTITY IS  
13 MADE THROUGH A THIRD-PARTY PAYMENT PROCESSOR, THE CAMPAIGN FINANCE  
14 ENTITY SHALL INITIATE THE TRANSFER OF THE CONTRIBUTION FROM THE  
15 ACCOUNT OF THE THIRD-PARTY PAYMENT PROCESSOR TO THE DESIGNATED  
16 CAMPAIGN ACCOUNT OF THE CAMPAIGN FINANCE ENTITY WITHIN 7 DAYS AFTER THE  
17 CONTRIBUTION IS DEPOSITED IN THE ACCOUNT OF THE THIRD-PARTY PAYMENT  
18 PROCESSOR.

19 (b) (1) Subject to paragraph (2) of this subsection and subsection (c) of this  
20 section, a campaign finance entity may not directly or indirectly make a disbursement  
21 except from a campaign account designated under subsection (a) of this section.

22 (2) A campaign finance entity, or a person authorized by the campaign  
23 finance entity, may pay an expense of the campaign finance entity from funds other than a  
24 campaign account if:

25 (i) the expense is supported by a receipt that is provided to the  
26 campaign finance entity; and

27 (ii) the campaign finance entity reimburses the person who paid the  
28 expense from the campaign account and reports the expense as an expenditure of the  
29 campaign finance entity in accordance with Subtitle 3 of this title.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
31 1, 2020.