

# HOUSE BILL 1352

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HB 437/20 – W&M

11r3034

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By: **Delegate Smith**

Introduced and read first time: February 12, 2021

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, February 23, 2021

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Committee Report: Favorable

House action: Adopted

Read second time: March 5, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Campaign Finance Reports – Business Contributors – Registration Status**

3 FOR the purpose of requiring the State Department of Assessments and Taxation to  
4 electronically transmit certain lists of businesses to the State Board of Elections in  
5 a certain manner and format on or before a certain date each year; requiring the  
6 Department to electronically transmit to the State Board the name of a business in  
7 a certain manner and format within a certain period of time after processing a filing  
8 for revival or reinstatement of the registration of the business; requiring the State  
9 Board to use certain information transmitted by the Department to identify and  
10 compile contributions made by certain businesses; requiring the State Board to use  
11 certain data to audit and investigate business contributions reported on campaign  
12 finance reports; providing that certain data is not subject to inspection under the  
13 Public Information Act; defining a certain term; and generally relating to the  
14 registration status of business contributors.

15 BY repealing and reenacting, with amendments,  
16 Article – Election Law  
17 Section 13–304  
18 Annotated Code of Maryland  
19 (2017 Replacement Volume and 2020 Supplement)

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

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Election Law**

2 13–304.

3 (a) (1) From the date of its organization until its termination under the  
4 provisions of this title, a campaign finance entity, except a political club, shall file a  
5 campaign finance report at the State Board at the times and for the periods required by §§  
6 13–309, 13–312, and 13–316 of this subtitle.

7 (2) A campaign finance report submitted using an electronic format shall:

8 (i) be made under oath or affirmation;

9 (ii) require an electronic signature from the treasurer at the time of  
10 the filing of the campaign finance report; and

11 (iii) be made subject to the penalties for perjury.

12 (b) A campaign finance report filed by a campaign finance entity under subsection  
13 (a) of this section shall include:

14 (1) the information required by the State Board with respect to all  
15 contributions received and all expenditures made by or on behalf of the campaign finance  
16 entity during the designated reporting period; and

17 (2) the information regarding the occupations and employers of  
18 contributors required to be recorded by the treasurer of a campaign finance entity under §  
19 13–221 of this title.

20 (c) (1) In this subsection, “eligible contribution” means a contribution or series  
21 of contributions made by the same person for which a receipt is not required to be issued  
22 under § 13–222 of this title.

23 (2) The requirements of this subsection prevail to the extent of any conflict  
24 with § 13–240(b) of this title.

25 (3) Except as provided in paragraphs (4) and (5) of this subsection, a  
26 political committee shall report the following information on its campaign finance reports  
27 for each contribution the committee receives:

28 (i) the amount of each contribution; and

29 (ii) the name and residential address of each contributor, unless a  
30 contributor receives a confidentiality waiver from the State Board for a residential address,  
31 in which case a suitable alternative address approved by the State Board may be used.

32 (4) A campaign finance entity of a candidate may report a maximum of a

1 cumulative amount of \$25,000 in eligible contributions in an election cycle on its campaign  
2 finance reports without providing the information required under paragraph (3) of this  
3 subsection.

4 (5) A political committee may report eligible contributions collected in  
5 accordance with § 13–241 or § 13–242 of this title on its campaign finance reports in the  
6 manner specified in paragraph (4) of this subsection if the following is included on the  
7 political committee’s campaign finance report:

8 (i) a lump sum contribution of the total amount received by the  
9 political committee in the form of eligible contributions;

10 (ii) the number of individuals making eligible contributions; and

11 (iii) the average amount of the eligible contributions received by the  
12 political committee.

13 (d) **(1) IN THIS SUBSECTION, “DEPARTMENT” MEANS THE STATE**  
14 **DEPARTMENT OF ASSESSMENTS AND TAXATION.**

15 **(2) (I) ON OR BEFORE JANUARY 15 EACH YEAR, THE DEPARTMENT**  
16 **SHALL ELECTRONICALLY TRANSMIT TO THE STATE BOARD, IN A MANNER AND**  
17 **FORMAT SPECIFIED JOINTLY BY THE DEPARTMENT AND THE STATE BOARD:**

18 **1. A LIST OF ALL BUSINESSES THAT ARE REGISTERED**  
19 **WITH THE DEPARTMENT ON THE DATE OF THE TRANSMISSION; AND**

20 **2. A LIST OF ALL BUSINESSES THAT FORFEITED THEIR**  
21 **REGISTRATIONS WITH THE DEPARTMENT DURING THE IMMEDIATELY PRECEDING**  
22 **CALENDAR YEAR.**

23 **(II) WITHIN 24 HOURS AFTER PROCESSING A FILING FOR**  
24 **REVIVAL OR REINSTATEMENT OF THE REGISTRATION OF A BUSINESS, THE**  
25 **DEPARTMENT SHALL ELECTRONICALLY TRANSMIT THE NAME OF THE BUSINESS TO**  
26 **THE STATE BOARD IN THE MANNER AND FORMAT SPECIFIED UNDER**  
27 **SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

28 **(3) THE STATE BOARD SHALL USE THE INFORMATION TRANSMITTED**  
29 **BY THE DEPARTMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION TO IDENTIFY**  
30 **AND COMPILE CONTRIBUTIONS MADE BY BUSINESSES THAT:**

31 **(I) HAVE FORFEITED THEIR REGISTRATIONS WITH THE**  
32 **DEPARTMENT; OR**

33 **(II) ARE REGISTERED WITH THE DEPARTMENT AND HAVE NOT**

1 FORFEITED THEIR REGISTRATIONS.

2 (4) THE STATE BOARD SHALL USE THE DATA COMPILED UNDER  
3 PARAGRAPH (3) OF THIS SUBSECTION TO AUDIT AND INVESTIGATE BUSINESS  
4 CONTRIBUTIONS REPORTED ON CAMPAIGN FINANCE REPORTS.

5 (5) THE DATA COMPILED UNDER PARAGRAPH (3) OF THIS  
6 SUBSECTION IS NOT SUBJECT TO INSPECTION UNDER THE PUBLIC INFORMATION  
7 ACT.

8 (E) A campaign finance report prescribed by this subtitle for the campaign finance  
9 entity of a candidate is required whether or not:

- 10 (1) the candidate files a certificate of candidacy;
- 11 (2) the candidate withdraws, declines a nomination, or otherwise ceases to  
12 be a candidate;
- 13 (3) the candidate's name appears on the primary ballot; or
- 14 (4) the candidate is successful in the election.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
16 1, 2021.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.