

# SENATE BILL 153

G1

(6lr0079)

## ENROLLED BILL

— Education, Energy, and the Environment / Government, Labor, and Elections —

Introduced by **Chair, Education, Energy, and the Environment Committee (By Request – Departmental – State Board of Elections)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

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

1 AN ACT concerning

2 **Election Law – Campaign Finance Entities – Oversight and Control of Campaign**  
3 **Funds**

4 FOR the purpose of altering the manner in which a campaign manager may be appointed;  
5 requiring the candidate to appoint the chair and treasurer of an authorized candidate  
6 campaign committee; repealing the requirement that a campaign manager be a  
7 registered voter of the State; altering the offices that a candidate is prohibited from  
8 holding in a campaign; providing that the treasurer is the financial steward of a  
9 campaign finance entity; altering requirements for assets received by or on behalf of  
10 a campaign finance entity and disbursements made by or on behalf of a campaign  
11 finance entity; repealing the authority of the chair of a campaign finance entity to  
12 approve a disbursement on behalf of the campaign finance entity under certain  
13 circumstances; authorizing ~~the treasurer~~ a candidate or the responsible officers of a  
14 campaign finance entity to designate authorized agents to ~~make disbursements~~ carry

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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.

*Italics indicate opposite chamber / conference committee amendments.*



1 *out duties* on behalf of the campaign finance entity; prohibiting a candidate from  
 2 ~~having access to, or~~ making a disbursement from, campaign funds in the designated  
 3 campaign account; *requiring a candidate to have knowledge of all disbursements*  
 4 *made from the designated campaign account of the candidate's authorized candidate*  
 5 *campaign committee;* and generally relating to campaign finance entities and  
 6 oversight and control of campaign funds.

7 BY repealing and reenacting, without amendments,

8 Article – Election Law

9 Section 1–101(a), ~~13–248,~~ and ~~13–604.1(f)~~ *13–604.1(d) and (f)*

10 Annotated Code of Maryland

11 (2022 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Election Law

14 Section 1–101(j) and (mm), 2–301(b)(1)(iii), 13–207(c) and (d), 13–212, ~~13–215(a) and~~

15 ~~(e),~~ *13–215,* 13–218, 13–220(e), 13–246, ~~13–304(b),~~ and 13–604.1(b)(1) ~~and (d)~~

16 Annotated Code of Maryland

17 (2022 Replacement Volume and 2025 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article – Election Law**

21 1–101.

22 (a) In this article the following words have the meanings indicated unless a  
 23 different meaning is clearly intended from the context.

24 (j) “Campaign manager” means a person designated ~~by a candidate[,] or [the~~  
 25 ~~candidate's representative,] CHAIR OF A CAMPAIGN FINANCE ENTITY~~ to exercise general  
 26 overall responsibility for the conduct of the candidate's political campaign.

27 (mm) “Responsible officers” means the [chairman] **CHAIR** and treasurer of a  
 28 political committee.

29 2–301.

30 (b) (1) An individual subject to this section may not, while holding the position:

31 (iii) except as provided in paragraph (2) of this subsection, as to any  
 32 candidate or any matter that is subject to an election under this article:

33 1. be a campaign manager;



1 (2) If a vacancy occurs in the office of [chairman] CHAIR or the office of  
 2 treasurer, the political committee promptly shall appoint a new [chairman] CHAIR or  
 3 treasurer in accordance with this section.

4 (3) A political committee may not receive or disburse money or any other  
 5 thing of value if there is a vacancy in the office of [chairman] CHAIR or the office of  
 6 treasurer.

7 13-212.

8 [An individual] A CANDIDATE, CANDIDATE'S REPRESENTATIVE, OR CHAIR OF A  
 9 CAMPAIGN FINANCE ENTITY may appoint a campaign manager by:

10 ~~(1) completing a form that the State Board prescribes and that includes the~~  
 11 ~~name and address of that campaign manager; and~~

12 ~~(2) filing the form with the [board where the individual is required to file~~  
 13 ~~a certificate of candidacy] STATE BOARD.~~

14 13-215.

15 (a) Each [chairman] CHAIR, AND treasurer, ~~and campaign manager~~ shall be a  
 16 registered voter of the State.

17 (b) (1) Subject to paragraph (2) of this subsection, a candidate may not act:

18 (i) as the treasurer of a campaign finance entity of the candidate; or

19 (ii) with respect to any other campaign finance entity:

20 1. as [the campaign manager or treasurer] A RESPONSIBLE  
 21 OFFICER; or

22 2. in any other position that exercises general overall  
 23 responsibility for the conduct of the entity.

24 (2) (i) An incumbent member of a central committee who is a candidate  
 25 for election to party office may act as a responsible officer of that central committee.

26 (ii) With respect to any campaign finance entity other than the  
 27 candidate's own campaign finance entity, a candidate for delegate to the Democratic  
 28 National Convention or a candidate for delegate to the Republican National Convention may  
 29 act.

1                                    1. as [the campaign manager or treasurer] A RESPONSIBLE  
 2 OFFICER; or

3                                    2. in any other position that exercises general overall  
 4 responsibility for the conduct of the entity.

5            (c) Subject to subsection (b) of this section, the [chairman] CHAIR, treasurer, or  
 6 campaign manager of a campaign finance entity may serve as the [chairman] CHAIR,  
 7 treasurer, or campaign manager of another campaign finance entity.

8 13–218.

9            (a) **THE TREASURER IS THE FINANCIAL STEWARD OF THE CAMPAIGN**  
 10 **FINANCE ENTITY.**

11            (B) All assets received by or on behalf of a campaign finance entity shall be:

12                    (1) delivered to AND MANAGED BY the [treasurer] CAMPAIGN FINANCE  
 13 ENTITY; [and]

14                    (2) maintained by the treasurer for the purposes of the campaign finance  
 15 entity;

16                    (3) ACCOUNTED FOR IN ACCORDANCE WITH § 13–221 OF THIS  
 17 SUBTITLE; AND

18                    (4) CONSIDERED OWNED BY THE CAMPAIGN FINANCE ENTITY.

19            [(b)] (C) (1) Assets of a campaign finance entity may be disbursed only:

20                                    (i) if [they have passed through the hands of the treasurer]  
 21 ACCOUNTED FOR IN ACCORDANCE WITH § 13–221 OF THIS SUBTITLE; and

22                                    (ii) in accordance with the purposes of the entity AND THIS TITLE.

23                    (2) Subject to § 13–220(b)(2) and (c) of this subtitle and except as provided  
 24 in subsection [(d)] (E) of this section, the treasurer shall approve all disbursements for the  
 25 campaign finance entity.

26            [(c)] (D) (1) The treasurer of a State or county central committee of a political  
 27 party may not approve any disbursement of the central committee’s assets, or incur any  
 28 liability on its behalf, without authority and direction from the [chairman] CHAIR of the  
 29 central committee.

1           **(2) THE TREASURER OF A POLITICAL ACTION COMMITTEE OF A**  
 2 **POLITICAL PARTY MAY NOT APPROVE ANY DISBURSEMENT OF THE POLITICAL**  
 3 **ACTION COMMITTEE'S ASSETS, OR INCUR ANY LIABILITY ON ITS BEHALF, WITHOUT**  
 4 **AUTHORITY AND DIRECTION FROM THE CHAIR OF THE POLITICAL ACTION**  
 5 **COMMITTEE.**

6           **[(d)] (E)** [(1) If the treasurer of a campaign finance entity is temporarily  
 7 unable to perform the duties of the office, the chairman of the campaign finance entity may  
 8 approve a disbursement on behalf of the campaign finance entity in the same manner as  
 9 the treasurer.

10           (2) If the chairman approves a disbursement under this subsection, within  
 11 7 days after approving the disbursement, the chairman shall submit a report to the  
 12 treasurer for the account book of the campaign finance entity, including:

13                   (i) a statement of the expenditure approved under the authority of  
 14 the chairman;

15                   (ii) the name and address of the person to whom the expenditure was  
 16 made;

17                   (iii) the purpose for which the expenditure was made; and

18                   (iv) a copy of the receipt for the expenditure that was made.]

19           **(1) ~~THE TREASURER~~ A CANDIDATE OR THE RESPONSIBLE OFFICERS**  
 20 **MAY DESIGNATE AUTHORIZED AGENTS OF THE CAMPAIGN FINANCE ENTITY TO ~~MAKE~~**  
 21 **~~DISBURSEMENTS~~ CARRY OUT DUTIES ON BEHALF OF AND IN ACCORDANCE WITH THE**  
 22 **PURPOSE OF THE CAMPAIGN FINANCE ENTITY.**

23           **~~(2) THE DESIGNATION OF AN AUTHORIZED AGENT MUST BE MADE IN~~**  
 24 **~~WRITING BEFORE THE FIRST DISBURSEMENT IS MADE BY THE AUTHORIZED AGENT.~~**

25           **~~(3) ANY ACTION TAKEN BY THE DESIGNATED AUTHORIZED AGENT ON~~**  
 26 **~~BEHALF OF THE CAMPAIGN FINANCE ENTITY IS THE RESPONSIBILITY OF THE~~**  
 27 **~~TREASURER.~~**

28           **~~(4) A DESIGNATED AUTHORIZED AGENT:~~**

29                   **~~(i) HAS A FIDUCIARY DUTY TO THE CAMPAIGN FINANCE ENTITY~~**  
 30 **~~FOR THE AGENT'S CONDUCT IN MAKING DISBURSEMENTS ON BEHALF OF THE~~**  
 31 **~~CAMPAIGN FINANCE ENTITY; AND~~**

~~(H) SHALL CONFIRM THE AGENT'S UNDERSTANDING OF THE FIDUCIARY DUTY BY SIGNING THE WRITTEN DESIGNATION THAT INCLUDES A STATEMENT OF THE DUTY.~~

~~(5) (2) A DESIGNATED AUTHORIZED AGENT MAY ASSIST THE TREASURER IN THE PREPARATION OF ANY REQUIRED FILINGS WITH THE STATE BOARD.~~

~~(3) (6) (3) A [chairman who is a] candidate may not [approve] HAVE A CANDIDATE MAY NOT ACCESS TO, OR MAKE a disbursement for a campaign finance entity FROM, FUNDS DEPOSITED IN THE DESIGNATED CAMPAIGN ACCOUNT ESTABLISHED UNDER § 13-220 OF THIS SUBTITLE.~~

~~(4) A CANDIDATE SHALL HAVE KNOWLEDGE OF ALL DISBURSEMENTS MADE FROM THE DESIGNATED CAMPAIGN ACCOUNT OF THE CANDIDATE'S AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE.~~

~~13-220.~~

(e) Within 30 days after filing a campaign finance report at the State Board, the treasurer of an authorized candidate campaign committee shall provide both the candidate and the [chairman] CHAIR with a copy of the most recent campaign account bank statement.

~~13-246.~~

A person who claims that money is due from a campaign finance entity shall present a claim for payment to the treasurer [or subtreasurer] not later than 30 days after the election for which the liability was incurred.

~~13-248.~~

~~If a responsible officer of a campaign finance entity has a compensation agreement with the campaign finance entity, before making a disbursement for the compensation, the campaign finance entity shall submit to the State Board:~~

~~(1) a copy of the compensation agreement; and~~

~~(2) if the campaign finance entity is an authorized candidate campaign committee, the written consent of the candidate.~~

~~13-304.~~

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

1 ~~(1) the information required by the State Board with respect to all~~  
 2 ~~contributions received and all expenditures made by or on behalf of the campaign finance~~  
 3 ~~entity during the designated reporting period; [and]~~

4 ~~(2) the information regarding the occupations and employers of~~  
 5 ~~contributors required to be recorded by the treasurer of a campaign finance entity under §~~  
 6 ~~13-221 of this title; AND~~

7 ~~(3) THE WRITTEN DESIGNATIONS NAMING THE AUTHORIZED AGENTS~~  
 8 ~~WHO MAY ACT ON THE TREASURER'S BEHALF, IF ANY.~~

9 13-604.1.

10 (b) The State Board may impose a civil penalty in accordance with this section for  
 11 the following violations:

12 (1) making a disbursement in a manner not [authorized in § 13-218(b)(2),  
 13 (c), and (d)] **IN ACCORDANCE WITH § 13-218(C)(2), (D), AND ~~(E)(6)~~ (E)(3)** of this title;

14 (d) (1) Except as otherwise provided in this title or as provided in paragraph  
 15 (2) of this subsection, the amount of a civil penalty imposed under this section may not  
 16 exceed \$1,000 for each violation.

17 (2) As to a violation of § 13-235 of this title, the campaign finance entity  
 18 that receives a contribution as a result of a violation shall:

19 (i) refund the contribution to the contributor; and

20 (ii) pay a civil penalty that equals \$1,000 plus the amount of the  
 21 contribution, unless the State Board at its discretion assesses a lesser penalty for good  
 22 cause.

23 ~~(3) AS TO A VIOLATION OF § 13-218(E)(2) OR § 13-248 OF THIS TITLE,~~  
 24 ~~THE CAMPAIGN FINANCE ENTITY OR OTHER PERSON THAT COMMITTED THE~~  
 25 ~~VIOLATION SHALL PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE AMOUNT~~  
 26 ~~OF THE DISBURSEMENT MADE WITHOUT THE REQUIRED APPROVAL.~~

27 (f) (1) Subject to paragraphs (2) and (3) of this subsection, a civil penalty  
 28 imposed under this section shall be paid by the campaign finance entity.

29 (2) If the campaign finance entity has insufficient funds with which to pay  
 30 the full amount of the civil penalty in a timely manner, after the campaign account of the  
 31 finance entity is exhausted the balance of the civil penalty is the joint and several liability  
 32 of the responsible officers.

1                   (3) If a violation is committed by a person not acting on behalf of, or at the  
2 request or suggestion of, a candidate or a campaign finance entity, the civil penalty shall  
3 be paid by the person who committed the violation.

4                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 January 1, 2027.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.