

SENATE BILL 632

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CF HB 761

By: **Senator Kagan**

Introduced and read first time: January 29, 2021

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Contested Elections**

3 FOR the purpose of prohibiting certain candidates from petitioning for a recount under
4 certain circumstances; prohibiting a registered voter from filing a petition for a
5 recount based on the certified results of a ballot question under certain
6 circumstances; altering the circumstances under which a certain petitioner for a
7 recount is not liable for the costs of the recount; providing that a person may accept
8 a donation or make a disbursement related to a contested election only if the person
9 establishes a contested election committee and makes certain disclosures;
10 authorizing a person to establish a contested election committee by filing a certain
11 statement of organization with the State Board of Elections; requiring a contested
12 election committee to deposit all donations in and make all disbursements from a
13 designated bank account; requiring that disbursements of a contested election
14 committee pass through the hands of the treasurer and be in accordance with the
15 purposes of the entity; establishing a certain limit on the aggregate amount of
16 donations a person may make to a contested election committee in an election year;
17 establishing a certain limit on the aggregate amount of transfers a campaign finance
18 entity may make to a contested election committee in an election year; providing that
19 donations or transfers to a contested election committee established to contest a
20 ballot question election are not subject to certain limits; providing that donations
21 from the personal funds of a candidate or the candidate's spouse to a certain
22 contested election committee are not subject to certain limits; prohibiting a contested
23 election committee from accepting a loan other than a loan from certain sources;
24 providing that certain loans may be of any amount; requiring the treasurer of a
25 contested election committee to maintain certain records; requiring a contested
26 election committee to retain the records for a certain period of time; requiring the
27 treasurer of a contested election committee to file certain reports with the State
28 Board in a certain manner; requiring the State Board to make certain reports
29 publicly available on the Internet; requiring that a report filed by a treasurer of a
30 contested election committee include certain information; requiring the treasurer of
31 a contested election committee to file a report on or before certain dates; requiring

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



the State Board to establish certain reporting periods for certain reports; requiring the State Board, under certain circumstances, to notify the treasurer of a contested election committee of certain deficiencies in a certain manner; requiring the treasurer of a contested election committee to file an amended report under certain circumstances; requiring the State Board to assess certain late filing fees for failure to file certain reports; providing for the amount, payment, use, and certain other matters relating to late filing fees; requiring the State Board to issue a certain notice to the treasurer of a contested election committee that has failed to file a certain report or pay a certain late filing fee; authorizing a certain prosecuting authority to refer certain matters to the Central Collection Unit in the Department of Budget and Management; providing that a treasurer of a contested election committee who commits a certain violation is guilty of a misdemeanor and on conviction is subject to certain penalties; prohibiting a candidate whose contested election committee has failed to file a certain report or pay a certain late fee from being issued a certificate of nomination under certain circumstances; prohibiting a candidate whose contested election committee has failed to file a certain report or pay a certain late fee from being deemed to be elected to a certain office, take the oath or otherwise assume the duties of the office, or receive a certain salary or compensation; prohibiting certain officials from issuing a commission or administering an oath to an individual until the official receives a certain certification from the State Board; authorizing the State Board to impose a civil penalty on a contested election committee for certain violations; providing for the amount, manner of assessment, and payment of certain civil penalties; requiring a contested election committee to pay all outstanding obligations and dispose of its remaining assets in a certain manner before filing a final report; repealing a provision of law providing that certain provisions of law do not affect the right of an individual to pay certain legal expenses associated with maintaining or contesting the results of an election; requiring that a certain system of public campaign financing established by the governing body of a county allow a publicly financed candidate to establish a contested election committee; authorizing a system of public campaign financing established by the governing body of a county to provide public funds to the contested election committee of a publicly financed candidate and provide for more stringent regulation of campaign finance activity related to a contested election committee of a publicly financed candidate; making a technical correction; defining certain terms; and generally relating to contested elections.

BY repealing and reenacting, with amendments,
Article – Election Law
Section 12–101(a), 12–103(a), 12–107, 13–233, and 13–505
Annotated Code of Maryland
(2017 Replacement Volume and 2020 Supplement)

BY adding to
Article – Election Law
Section 12–301 through 12–313 to be under the new subtitle “Subtitle 3. Contested Election Committee”
Annotated Code of Maryland

(2017 Replacement Volume and 2020 Supplement)

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

Article – Election Law

12–101.

(a) (1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
SUBSECTION, A candidate for public or party office who has been defeated based on the
certified results of any election conducted under this article may petition for a recount of
the votes cast for the office sought.

(2) A CANDIDATE MAY NOT PETITION FOR A RECOUNT IF THE MARGIN
OF DIFFERENCE BETWEEN THE NUMBER OF VOTES RECEIVED BY AN APPARENT
WINNER AND THE LOSING CANDIDATE WITH THE HIGHEST NUMBER OF VOTES FOR
THE OFFICE IS GREATER THAN 5% OF THE TOTAL VOTES CAST FOR THOSE
CANDIDATES.

12–103.

(a) (1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
SUBSECTION, A petition for a recount based on the certified results of a question on the
ballot in an election conducted under this article may be filed by a registered voter eligible
to vote for that question.

(2) A REGISTERED VOTER MAY NOT FILE A PETITION FOR A RECOUNT
IF THE MARGIN OF DIFFERENCE BETWEEN THE NUMBER OF VOTES CAST FOR AND
THE NUMBER OF VOTES CAST AGAINST THE QUESTION IS GREATER THAN 5%.

12–107.

(a) In this section, “petitioner” includes a counterpetitioner.

(b) (1) Except as provided in paragraph (2) of this subsection, each petitioner
shall pay the cost of a recount requested under this subtitle and the petitioner’s bond is
liable for the cost.

(2) The petitioner is not liable for the costs of the recount if:

(i) the outcome of the election is changed;

(ii) the petitioner has gained a number of votes, for the petitioner’s
candidacy or for or against the question that is the subject of the petition, equal to 2% or
more of the total votes cast for the office or on the question, in all precincts being recounted;

1 or

2 (iii) 1. the margin of difference in the number of votes received by
3 an apparent winner and the losing candidate with the highest number of votes for an office
4 is [0.1%] **0.25%** or less of the total votes cast for those candidates; or

5 2. in the case of a question, the margin of difference between
6 the number of votes cast for and the number cast against the question is 0.1% or less.

7 (c) If the petitioner is not liable for the costs of the recount as provided in
8 subsection (b) of this section, a county shall pay the costs of the recount in that county.

9 **SUBTITLE 3. CONTESTED ELECTION COMMITTEE.**

10 **12-301.**

11 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
12 INDICATED.

13 (B) “CONTESTED ELECTION” MEANS AN ELECTION SUBJECT TO:

14 (1) A RECOUNT UNDER SUBTITLE 1 OF THIS TITLE; OR

15 (2) A JUDICIAL CHALLENGE UNDER SUBTITLE 2 OF THIS TITLE.

16 (C) “CONTESTED ELECTION COMMITTEE” MEANS AN ENTITY FORMED FOR
17 THE EXCLUSIVE PURPOSE OF RECEIVING DONATIONS AND MAKING DISBURSEMENTS
18 RELATING TO A CONTESTED ELECTION.

19 **12-302.**

20 A PERSON MAY ACCEPT A DONATION OR MAKE A DISBURSEMENT RELATING TO
21 A CONTESTED ELECTION ONLY IF THE PERSON:

22 (1) ESTABLISHES A CONTESTED ELECTION COMMITTEE; AND

23 (2) DISCLOSES THE DONATIONS AND DISBURSEMENTS IN
24 ACCORDANCE WITH THIS SUBTITLE.

25 **12-303.**

26 A PERSON MAY ESTABLISH A CONTESTED ELECTION COMMITTEE BY FILING A
27 STATEMENT OF ORGANIZATION WITH THE STATE BOARD THAT INCLUDES:

(1) THE APPOINTMENT OF A TREASURER; AND

(2) ANY OTHER INFORMATION THAT THE STATE BOARD REQUIRES.

12-304.

(A) A CONTESTED ELECTION COMMITTEE SHALL:

(1) DEPOSIT ALL DONATIONS RECEIVED IN A DESIGNATED BANK ACCOUNT; AND

(2) MAKE ALL DISBURSEMENTS FROM THE DESIGNATED BANK ACCOUNT.

(B) DISBURSEMENTS OF A CONTESTED ELECTION COMMITTEE SHALL:

(1) PASS THROUGH THE HANDS OF THE TREASURER; AND

(2) BE IN ACCORDANCE WITH THE PURPOSE OF THE ENTITY.

12-305.

(A) EXCEPT AS PROVIDED IN SUBSECTIONS (C) AND (D) OF THIS SECTION, A PERSON MAY NOT, DIRECTLY OR INDIRECTLY, IN AN ELECTION YEAR MAKE AGGREGATE DONATIONS IN EXCESS OF \$2,000 TO ANY ONE CONTESTED ELECTION COMMITTEE.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A CAMPAIGN FINANCE ENTITY MAY NOT, DIRECTLY OR INDIRECTLY, IN AN ELECTION YEAR MAKE AGGREGATE TRANSFERS IN EXCESS OF \$2,000 TO ANY ONE CONTESTED ELECTION COMMITTEE.

(C) DONATIONS OR TRANSFERS TO A CONTESTED ELECTION COMMITTEE THAT IS ESTABLISHED TO CONTEST A BALLOT QUESTION ELECTION ARE NOT SUBJECT TO THE LIMITS ON DONATIONS OR TRANSFERS UNDER THIS SECTION.

(D) DONATIONS FROM THE PERSONAL FUNDS OF A CANDIDATE OR THE CANDIDATE'S SPOUSE TO A CONTESTED ELECTION COMMITTEE ESTABLISHED TO FINANCE A RECOUNT OR JUDICIAL CHALLENGE OF AN ELECTION IN WHICH THE CANDIDATE WAS ON THE BALLOT ARE NOT SUBJECT TO THE LIMITS ON DONATIONS UNDER THIS SECTION.

(E) (1) A CONTESTED ELECTION COMMITTEE MAY NOT ACCEPT A LOAN

1 OTHER THAN A LOAN FROM:

2 (I) A FINANCIAL INSTITUTION OR OTHER ENTITY IN THE
3 BUSINESS OF MAKING LOANS; OR

4 (II) THE PERSONAL FUNDS OF A CANDIDATE OR THE
5 CANDIDATE'S SPOUSE IF THE CONTESTED ELECTION COMMITTEE WAS ESTABLISHED
6 TO FINANCE A RECOUNT OF AN ELECTION IN WHICH THE CANDIDATE WAS ON THE
7 BALLOT.

8 (2) A LOAN UNDER THIS SUBSECTION MAY BE OF ANY AMOUNT.

9 12-306.

10 (A) THE TREASURER OF A CONTESTED ELECTION COMMITTEE SHALL
11 MAINTAIN DETAILED AND ACCURATE RECORDS OF ALL:

12 (1) DONATIONS RECEIVED BY THE CONTESTED ELECTION
13 COMMITTEE;

14 (2) DISBURSEMENTS MADE BY THE CONTESTED ELECTION
15 COMMITTEE; AND

16 (3) OUTSTANDING OBLIGATIONS OF THE CONTESTED ELECTION
17 COMMITTEE.

18 (B) A CONTESTED ELECTION COMMITTEE SHALL RETAIN THE RECORDS
19 REQUIRED TO BE MAINTAINED UNDER SUBSECTION (A) OF THIS SECTION FOR A
20 PERIOD OF 2 YEARS AFTER FILING A FINAL REPORT.

21 12-307.

22 (A) THE TREASURER OF A CONTESTED ELECTION COMMITTEE SHALL FILE
23 REPORTS WITH THE STATE BOARD AS REQUIRED IN THIS SUBTITLE:

24 (1) USING AN ELECTRONIC FORMAT;

25 (2) WITH THE ELECTRONIC SIGNATURE OF THE TREASURER FILING
26 THE REPORT;

27 (3) UNDER OATH OR AFFIRMATION; AND

28 (4) SUBJECT TO THE PENALTIES FOR PERJURY.

(B) THE STATE BOARD SHALL MAKE THE REPORTS SUBMITTED UNDER THIS SUBTITLE PUBLICLY AVAILABLE ON THE INTERNET.

12-308.

(A) A REPORT FILED BY THE TREASURER OF A CONTESTED ELECTION COMMITTEE UNDER THIS SUBTITLE SHALL INCLUDE THE INFORMATION REQUIRED BY THE STATE BOARD WITH RESPECT TO ALL DONATIONS, DISBURSEMENTS, AND OUTSTANDING OBLIGATIONS OF THE CONTESTED ELECTION COMMITTEE DURING THE REPORTING PERIOD.

(B) (1) IF THE PERSON WHO ESTABLISHED THE CONTESTED ELECTION COMMITTEE HAS FILED A PETITION FOR A RECOUNT UNDER SUBTITLE 1 OF THIS TITLE OR HAS FILED A COMPLAINT IN THE CIRCUIT COURT UNDER SUBTITLE 2 OF THIS TITLE, THE TREASURER OF THE CONTESTED ELECTION COMMITTEE SHALL FILE THE CONTESTED ELECTION COMMITTEE'S FIRST REPORT ON OR BEFORE THE FIRST DAY AFTER THE EARLIER OF:

(I) THE DAY THE PERSON WHO ESTABLISHED THE CONTESTED ELECTION COMMITTEE FILED THE PETITION FOR A RECOUNT; OR

(II) THE DAY THE PERSON WHO ESTABLISHED THE CONTESTED ELECTION COMMITTEE FILED THE COMPLAINT IN THE CIRCUIT COURT.

(2) IF THE PERSON WHO ESTABLISHED THE CONTESTED ELECTION COMMITTEE HAS NOT FILED A PETITION FOR A RECOUNT UNDER SUBTITLE 1 OF THIS TITLE OR FILED A COMPLAINT IN THE CIRCUIT COURT UNDER SUBTITLE 2 OF THIS TITLE, THE TREASURER OF THE CONTESTED ELECTION COMMITTEE SHALL FILE THE CONTESTED ELECTION COMMITTEE'S FIRST REPORT ON OR BEFORE THE DAY THAT IS 7 DAYS AFTER THE DAY THAT THE CONTESTED ELECTION COMMITTEE OF THE OPPOSING CANDIDATE OR OPPOSING PARTY FILED ITS FIRST REPORT UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(C) THE TREASURER OF A CONTESTED ELECTION COMMITTEE SHALL FILE SUBSEQUENT REPORTS ON OR BEFORE:

(1) THE MONDAY THAT IS 30 DAYS AFTER THE DUE DATE OF THE FIRST REPORT FILED BY THE CONTESTED ELECTION COMMITTEE UNDER SUBSECTION (B) OF THIS SECTION;

(2) THE MONDAY THAT IS 60 DAYS AFTER THE DUE DATE OF THE FIRST REPORT FILED BY THE CONTESTED ELECTION COMMITTEE UNDER

1 SUBSECTION (B) OF THIS SECTION; AND

2 (3) THE THIRD WEDNESDAY IN JANUARY OF EACH YEAR THAT THE
3 CONTESTED ELECTION COMMITTEE REMAINS IN EXISTENCE.

4 (D) THE STATE BOARD SHALL, BY REGULATION, ESTABLISH THE
5 REPORTING PERIODS FOR EACH OF THE REPORTS REQUIRED UNDER THIS
6 SUBTITLE.

7 (E) IF THE TREASURER OF A CONTESTED ELECTION COMMITTEE FAILS TO
8 PROVIDE ALL THE INFORMATION REQUIRED ON A REPORT UNDER THIS SUBTITLE:

9 (1) THE STATE BOARD SHALL NOTIFY THE TREASURER IN WRITING
10 OF THE PARTICULAR DEFICIENCIES; AND

11 (2) THE TREASURER SHALL FILE AN AMENDED REPORT THAT
12 INCLUDES ALL THE INFORMATION REQUIRED WITHIN 30 DAYS AFTER SERVICE OF
13 THE NOTICE.

14 12-309.

15 (A) (1) THE STATE BOARD SHALL ASSESS LATE FILING FEES FOR
16 FAILURE TO PROPERLY FILE A REPORT UNDER THIS SUBTITLE.

17 (2) THE STATE BOARD SHALL ASSESS THE FEES IN THE FOLLOWING
18 AMOUNTS FOR EACH DAY OR PART OF A DAY THAT A REPORT UNDER THIS SUBTITLE
19 IS OVERDUE:

20 (I) \$20 FOR EACH OF THE FIRST 7 DAYS;

21 (II) \$35 FOR EACH OF THE FOLLOWING 7 DAYS; AND

22 (III) \$50 FOR EACH DAY THEREAFTER.

23 (3) THE MAXIMUM FEE PAYABLE FOR A REPORT IS \$1,000.

24 (B) (1) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A
25 LATE FILING FEE UNDER THIS SECTION SHALL BE PAID BY THE CONTESTED
26 ELECTION COMMITTEE.

27 (II) IF THE CONTESTED ELECTION COMMITTEE HAS
28 INSUFFICIENT FUNDS WITH WHICH TO PAY THE FULL AMOUNT OF THE LATE FILING
29 FEE IN A TIMELY MANNER, AFTER THE ACCOUNT OF THE CONTESTED ELECTION

1 COMMITTEE IS EXHAUSTED THE BALANCE OF THE LATE FILING FEE IS THE
2 LIABILITY OF THE TREASURER.

3 (2) LATE FILING FEES SHALL BE DISTRIBUTED TO THE FAIR
4 CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15-103 OF THIS ARTICLE.

5 (3) (I) THE STATE BOARD SHALL ACCEPT AN OVERDUE REPORT
6 THAT IS SUBMITTED WITHOUT PAYMENT OF THE LATE FILING FEE, BUT THE REPORT
7 IS NOT CONSIDERED FILED UNTIL THE FEE HAS BEEN PAID.

8 (II) AFTER AN OVERDUE REPORT IS RECEIVED UNDER
9 SUBPARAGRAPH (I) OF THIS PARAGRAPH, NO FURTHER LATE FILING FEE SHALL BE
10 INCURRED.

11 (4) THE TREASURER OF A CONTESTED ELECTION COMMITTEE THAT
12 FAILS TO PROPERLY FILE A REPORT MAY SEEK RELIEF FROM A LATE FILING FEE
13 IMPOSED UNDER THIS SECTION FOR JUST CAUSE AS PROVIDED IN § 13-337 OF THIS
14 ARTICLE.

15 12-310.

16 (A) (1) IF THE STATE BOARD DETERMINES THAT THERE HAS BEEN, FOR
17 MORE THAN 30 DAYS, A FAILURE TO FILE A REPORT OR PAY A LATE FILING FEE
18 UNDER THIS SUBTITLE, THE STATE BOARD SHALL ISSUE THE NOTICE REQUIRED
19 UNDER PARAGRAPH (2) OF THIS SUBSECTION TO THE TREASURER OF THE
20 CONTESTED ELECTION COMMITTEE IN VIOLATION.

21 (2) THE NOTICE SHALL DEMAND THAT, WITHIN 30 DAYS AFTER
22 SERVICE OF THE NOTICE, EITHER:

23 (I) THE FAILURE TO FILE BE RECTIFIED AND ANY LATE FILING
24 FEE DUE BE PAID; OR

25 (II) THE TREASURER SHOW CAUSE WHY THE STATE BOARD
26 SHOULD NOT ASK THE APPROPRIATE PROSECUTING AUTHORITY TO PROSECUTE
27 THE TREASURER FOR A VIOLATION OF THIS SUBTITLE.

28 (3) IN ITS DISCRETION, THE APPROPRIATE PROSECUTING
29 AUTHORITY MAY REFER THE MATTER FOR ACTION TO THE CENTRAL COLLECTION
30 UNIT WITHIN THE DEPARTMENT OF BUDGET AND MANAGEMENT.

31 (B) A TREASURER WHO FAILS, WITHOUT CAUSE, TO FILE THE REPORT AND
32 PAY THE LATE FILING FEE WITHIN 30 DAYS AFTER SERVICE OF THE NOTICE

1 REQUIRED UNDER SUBSECTION (A)(2) OF THIS SECTION IS GUILTY OF A
2 MISDEMEANOR AND ON CONVICTION IS SUBJECT TO THE PENALTIES PRESCRIBED IN
3 § 13-603 OF THIS ARTICLE.

4 12-311.

5 (A) A CANDIDATE WHOSE CONTESTED ELECTION COMMITTEE HAS FAILED
6 TO FILE A REPORT OR PAY A LATE FILING FEE THAT IS DUE UNDER THIS SUBTITLE
7 ON OR BEFORE THE DEADLINE FOR DECLINING THE NOMINATION SPECIFIED UNDER
8 § 5-801(B) OF THIS ARTICLE MAY NOT BE ISSUED A CERTIFICATE OF NOMINATION
9 UNDER § 5-705 OF THIS ARTICLE.

10 (B) A CANDIDATE WHOSE CONTESTED ELECTION COMMITTEE HAS FAILED
11 TO FILE A REPORT OR PAY A LATE FILING FEE THAT IS DUE UNDER THIS SUBTITLE
12 MAY NOT, UNTIL THE REPORT IS FILED OR THE LATE FILING FEE IS PAID:

13 (1) BE DEEMED TO BE ELECTED TO A PUBLIC OR PARTY OFFICE IN
14 THIS STATE;

15 (2) TAKE THE OATH OR OTHERWISE ASSUME THE DUTIES OF THE
16 OFFICE; OR

17 (3) RECEIVE A SALARY OR COMPENSATION FOR THE OFFICE.

18 (C) AN OFFICIAL OF THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS
19 MAY NOT ISSUE A COMMISSION OR ADMINISTER AN OATH OF OFFICE TO AN
20 INDIVIDUAL UNTIL THAT OFFICIAL RECEIVES CERTIFICATION FROM THE STATE
21 BOARD THAT ALL REPORTS DUE UNDER THIS SUBTITLE FROM, OR ON BEHALF OF,
22 THAT INDIVIDUAL HAVE BEEN FILED.

23 12-312.

24 (A) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY ON A CONTESTED
25 ELECTION COMMITTEE IN ACCORDANCE WITH THIS SECTION FOR THE FOLLOWING
26 VIOLATIONS:

27 (1) MAKING A DISBURSEMENT FOR A PURPOSE NOT RELATED TO A
28 CONTESTED ELECTION;

29 (2) FAILURE TO DISPOSE OF SURPLUS FUNDS IN ACCORDANCE WITH
30 § 12-313 OF THIS SUBTITLE;

31 (3) FAILURE TO MAINTAIN THE RECORDS REQUIRED UNDER § 12-306

1 OF THIS SUBTITLE; OR

2 (4) FAILURE TO REPORT ALL DONATIONS, DISBURSEMENTS, AND
3 OUTSTANDING OBLIGATIONS AS REQUIRED UNDER § 12-308 OF THIS SUBTITLE.

4 (B) A CIVIL PENALTY IMPOSED UNDER THIS SECTION SHALL BE ASSESSED
5 IN THE AMOUNT AND IN THE MANNER SPECIFIED IN § 13-604.1 OF THIS ARTICLE.

6 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A CIVIL
7 PENALTY IMPOSED UNDER THIS SECTION SHALL BE PAID BY THE CONTESTED
8 ELECTION COMMITTEE.

9 (2) IF THE CONTESTED ELECTION COMMITTEE HAS INSUFFICIENT
10 FUNDS WITH WHICH TO PAY THE FULL AMOUNT OF THE CIVIL PENALTY IN A TIMELY
11 MANNER, AFTER THE ACCOUNT OF THE CONTESTED ELECTION COMMITTEE IS
12 EXHAUSTED THE BALANCE OF THE CIVIL PENALTY IS THE LIABILITY OF THE
13 TREASURER.

14 12-313.

15 BEFORE FILING A FINAL REPORT, A CONTESTED ELECTION COMMITTEE
16 SHALL PAY ALL OUTSTANDING OBLIGATIONS AND DISPOSE OF ALL ITS REMAINING
17 ASSETS BY RETURNING THE REMAINING BALANCE IN THE ACCOUNT OF THE
18 CONTESTED ELECTION COMMITTEE TO THE DONORS ON A PRO RATA BASIS.

19 13-233.

20 This Part V of this subtitle does not affect the right of an individual to[:

21 (1)] volunteer the individual's time or, for transportation incident to an
22 election, personal vehicle[; or

23 (2) pay reasonable legal expenses associated with maintaining or
24 contesting the results of an election].

25 13-505.

26 (a) (1) Subject to the provisions of this section, the governing body of a county
27 may establish, by law, a system of public campaign financing for elective offices in the
28 executive or legislative branches of county government.

29 (2) When establishing a system of public campaign financing for elective
30 offices in the executive or legislative branches of county government, the governing body of
31 a county shall:

(i) specify the criteria that **[is] ARE** to be used to determine whether an individual is eligible for public campaign financing; and

(ii) provide the funding and staff necessary for the operation, administration, and auditing of the system of public campaign financing.

(b) A system of public campaign financing enacted under subsection (a) of this section:

(1) shall provide for participation of candidates in public campaign financing on a strictly voluntary basis;

(2) may not regulate candidates who choose not to participate in public campaign financing;

(3) shall prohibit the use of public campaign financing for any campaign except a campaign for county elective office;

(4) shall require a candidate who accepts public campaign financing to:

(i) establish a campaign finance entity solely for the campaign for county elective office; and

(ii) use funds from that campaign finance entity only for the campaign for county elective office;

(5) shall prohibit a candidate who accepts public campaign financing from transferring funds:

(i) to the campaign finance entity established to finance the campaign for county elective office from any other campaign finance entity established for the candidate; and

(ii) from the campaign finance entity established to finance the campaign for county elective office to any other campaign finance entity;

(6) shall provide for a public election fund for county elective offices that is administered by the chief financial officer of the county; **[and]**

(7) SHALL ALLOW A PUBLICLY FINANCED CANDIDATE TO ESTABLISH A CONTESTED ELECTION COMMITTEE UNDER TITLE 12, SUBTITLE 3 OF THIS ARTICLE; AND

[(7)] (8) shall be subject to regulation and oversight by the State Board to ensure conformity with State law and policy to the extent practicable.

1 (c) A system of public campaign financing enacted under subsection (a) of this
2 section may:

3 (1) provide for more stringent regulation of campaign finance activity by
4 candidates who choose to accept public campaign financing, including contributions,
5 expenditures, reporting, and campaign material, than is provided for by State law; [and]

6 (2) provide for administrative penalties for violations, in accordance with §
7 10–202 of the Local Government Article;

8 **(3) PROVIDE PUBLIC FUNDS TO THE CONTESTED ELECTION**
9 **COMMITTEE OF A PUBLICLY FINANCED CANDIDATE; AND**

10 **(4) PROVIDE FOR MORE STRINGENT REGULATION OF CAMPAIGN**
11 **FINANCE ACTIVITY RELATED TO A CONTESTED ELECTION COMMITTEE OF A**
12 **PUBLICLY FINANCED CANDIDATE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2021.