

HOUSE BILL 437

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By: **Delegate Mosby**

Introduced and read first time: January 23, 2020

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2020

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 ~~electronically provide each active campaign finance entity with certain~~
10 ~~information transmitted by the Department; requiring a campaign finance entity to~~
11 ~~identify on a campaign finance report contributions made by certain businesses use~~
12 certain information transmitted by the Department to identify and compile
13 contributions made by certain businesses; requiring the State Board to use certain
14 data to audit and investigate business contributions reported on campaign finance
15 reports; providing that certain data is not subject to inspection under the Public
16 Information Act; defining a certain term; providing for a delayed effective date; and
17 generally relating to the inclusion of the registration status of business contributors
18 ~~on campaign finance reports~~ registration status of business contributors.

19 BY repealing and reenacting, with amendments,
20 Article – Election Law
21 Section 13–304
22 Annotated Code of Maryland
23 (2017 Replacement Volume and 2019 Supplement)

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.



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

Article – Election Law

13–304.

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

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

(i) be made under oath or affirmation;

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

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

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

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

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

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

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

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

(i) the amount of each contribution; and

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

(4) A campaign finance entity of a candidate may report a maximum of a cumulative amount of \$25,000 in eligible contributions in an election cycle on its campaign finance reports without providing the information required under paragraph (3) of this subsection.

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

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

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

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

(d) **(1) IN THIS SUBSECTION, "DEPARTMENT" MEANS THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION.**

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

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

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

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

~~**(3) THE STATE BOARD SHALL ELECTRONICALLY PROVIDE EACH ACTIVE CAMPAIGN FINANCE ENTITY WITH THE INFORMATION TRANSMITTED BY THE DEPARTMENT UNDER PARAGRAPH (2) OF THIS SUBSECTION.**~~

~~(4) A CAMPAIGN FINANCE ENTITY SHALL IDENTIFY ON A CAMPAIGN FINANCE REPORT:~~

~~(I) EACH CONTRIBUTION MADE BY A BUSINESS THAT HAS FORFEITED ITS REGISTRATION WITH THE DEPARTMENT; AND~~

~~(II) EACH CONTRIBUTION MADE BY A BUSINESS THAT IS REGISTERED WITH THE DEPARTMENT AND HAS NOT FORFEITED ITS REGISTRATION.~~

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

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

(II) ARE REGISTERED WITH THE DEPARTMENT AND HAVE NOT FORFEITED THEIR REGISTRATIONS.

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

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

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

(1) the candidate files a certificate of candidacy;

(2) the candidate withdraws, declines a nomination, or otherwise ceases to be a candidate;

(3) the candidate's name appears on the primary ballot; or

(4) the candidate is successful in the election.

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