

HOUSE BILL 906

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5lr2261
CF SB 633

By: **Delegate Palakovich Carr**

Introduced and read first time: January 31, 2025

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2025

CHAPTER _____

1 AN ACT concerning

2 **Campaign Finance – Political Organizations – Disclosures on Solicitations**
3 **(Stop Scam PACs Act)**

4 FOR the purpose of requiring certain political organizations to include certain disclaimers
5 and ~~statements~~ disclosures on certain solicitations; authorizing the State
6 Administrator of Elections to investigate a potential violation of this Act; and
7 generally relating to disclosure requirements for political organizations.

8 BY repealing and reenacting, without amendments,
9 Article – Election Law
10 Section 1–101(a) and (ff)
11 Annotated Code of Maryland
12 (2022 Replacement Volume and 2024 Supplement)

13 BY adding to
14 Article – Election Law
15 Section 13–223
16 Annotated Code of Maryland
17 (2022 Replacement Volume and 2024 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**

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 1–101.

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

4 (ff) “Political action committee” means a political committee that is not:

5 (1) a political party;

6 (2) a central committee;

7 (3) a slate;

8 (4) a legislative party caucus committee;

9 (5) an authorized candidate campaign committee; or

10 (6) a ballot issue committee.

11 **13–223.**

12 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
13 INDICATED.

14 (2) “DISBURSEMENT” MEANS:

15 (I) AN INDEPENDENT EXPENDITURE FOR CAMPAIGN MATERIAL
16 THAT IS A PUBLIC COMMUNICATION, AS DEFINED IN § 13–306 OF THIS TITLE;

17 (II) A DISBURSEMENT FOR ELECTIONEERING
18 COMMUNICATIONS, AS DEFINED IN § 13–307 OF THIS TITLE; OR

19 (III) A POLITICAL DISBURSEMENT, AS DEFINED IN § 13–309.2 OF
20 THIS TITLE.

21 (3) “DONATION” HAS THE MEANING STATED IN § 13–306, § 13–307,
22 OR § 13–309.2 OF THIS TITLE.

23 (4) “SOLICITATION” MEANS A REQUEST FOR CONTRIBUTIONS OR
24 DONATIONS TO A PERSON DISSEMINATED THROUGH ANY MEDIUM.

25 (B) THIS SECTION APPLIES ONLY TO:

26 (1) A PERSON REQUIRED TO FILE REPORTS UNDER § 13–306, §
27 13–307, OR § 13–309.2 OF THIS TITLE; AND

(2) A POLITICAL ACTION COMMITTEE THAT:

(I) IS NOT AFFILIATED WITH A CORPORATION OR LABOR ORGANIZATION; AND

(II) EXCLUSIVELY MAKES INDEPENDENT EXPENDITURES OR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(C) IF A PERSON SUBJECT TO THIS SECTION SOLICITS FOR THE BENEFIT OF A CANDIDATE OR A POLITICAL PARTY AND USES A CANDIDATE'S NAME, IMAGE, OR LIKENESS IN THE SOLICITATION, THE PERSON SHALL CLEARLY AND CONSPICUOUSLY INCLUDE ON THE SOLICITATION THE FOLLOWING DISCLAIMER OR A SUBSTANTIALLY SIMILAR DISCLAIMER: "THE (NAME, IMAGE, OR LIKENESS) OF (NAME OF CANDIDATE OR POLITICAL PARTY) ON THIS SOLICITATION IS INCLUDED WITHOUT THE KNOWLEDGE OR PERMISSION OF (NAME OF CANDIDATE OR POLITICAL PARTY), AND DOES NOT IMPLY AUTHORIZATION OR APPROVAL BY (NAME OF CANDIDATE OR POLITICAL PARTY).".

(D) IF A PERSON SUBJECT TO THIS SECTION SOLICITS FOR WHAT APPEARS TO BE ~~A CHARITABLE~~ AN ELECTORAL OR POLITICAL PURPOSE, THE PERSON SHALL ~~INCLUDE~~ DISCLOSE IN A CLEAR AND CONSPICUOUS MANNER ON EACH SOLICITATION DISSEMINATED BY THE PERSON A CLEAR AND CONSPICUOUS STATEMENT THAT CONTRIBUTIONS OR DONATIONS TO THE PERSON:

(1) ~~ARE NOT NECESSARILY USED FOR CHARITABLE PURPOSES~~ THE FIVE RECIPIENTS TO WHICH THE PERSON MADE THE LARGEST EXPENDITURES OR DISBURSEMENTS DURING THE IMMEDIATELY PRECEDING CALENDAR QUARTER; AND

(2) ~~ARE NOT TAX DEDUCTIBLE~~ THE TOTAL AMOUNT OF EXPENDITURES OR DISBURSEMENTS MADE TO EACH RECIPIENT.

(E) (1) THE STATE ADMINISTRATOR, OR THE STATE ADMINISTRATOR'S DESIGNEE, MAY INVESTIGATE A POTENTIAL VIOLATION OF THIS SECTION.

(2) THE STATE ADMINISTRATOR, OR THE STATE ADMINISTRATOR'S DESIGNEE, SHALL:

(I) NOTIFY A PERSON WHO IS SUBJECT TO AN INVESTIGATION UNDER THIS SUBSECTION OF THE CIRCUMSTANCES THAT GAVE RISE TO THE INVESTIGATION; AND

(II) PROVIDE THE PERSON AMPLE OPPORTUNITY TO BE HEARD AT A PUBLIC MEETING OF THE STATE BOARD.

1 **(3) (I) IN FURTHERANCE OF AN INVESTIGATION UNDER THIS**
2 **SUBSECTION, THE STATE ADMINISTRATOR, OR THE STATE ADMINISTRATOR'S**
3 **DESIGNEE, MAY ISSUE A SUBPOENA FOR THE ATTENDANCE OF A WITNESS TO**
4 **TESTIFY OR THE PRODUCTION OF RECORDS.**

5 **(II) A SUBPOENA ISSUED UNDER THIS PARAGRAPH SHALL BE**
6 **SERVED IN ACCORDANCE WITH THE MARYLAND RULES.**

7 **(III) FOR A SUBPOENA TO BE ISSUED UNDER THIS PARAGRAPH,**
8 **THE STATE ADMINISTRATOR SHALL MAKE A FINDING THAT THE SUBPOENA IS**
9 **NECESSARY TO AND IN FURTHERANCE OF AN INVESTIGATION BEING CONDUCTED**
10 **UNDER THIS SUBSECTION.**

11 **(IV) A FILING SUBMITTED TO A COURT WITH RESPECT TO A**
12 **SUBPOENA UNDER THIS PARAGRAPH SHALL BE SEALED ON FILING.**

13 **(V) IF A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED**
14 **UNDER THIS PARAGRAPH, ON PETITION OF THE STATE ADMINISTRATOR, A CIRCUIT**
15 **COURT OF COMPETENT JURISDICTION MAY COMPEL COMPLIANCE WITH THE**
16 **SUBPOENA.**

17 **(4) AT THE CONCLUSION OF THE INVESTIGATION AND FOLLOWING**
18 **THE HEARING UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION, THE STATE BOARD**
19 **SHALL ISSUE A PUBLIC REPORT OF ITS FINDINGS AND MAY:**

20 **(I) PROHIBIT A PERSON WHO VIOLATED THIS SECTION FROM**
21 **SOLICITING CONTRIBUTIONS OR DONATIONS FOR A PERIOD OF TIME DETERMINED**
22 **BY THE STATE BOARD; OR**

23 **(II) IMPOSE A CIVIL PENALTY ON A PERSON WHO VIOLATED THIS**
24 **SECTION AS PROVIDED IN SUBSECTION (F) OF THIS SECTION.**

25 **(F) (1) A PERSON WHO VIOLATES THIS SECTION IS NOT SUBJECT TO:**

26 **(I) A CRIMINAL PENALTY UNDER § 13-603 OF THIS TITLE;**

27 **(II) A CIVIL PENALTY UNDER § 13-604 OF THIS TITLE; OR**

28 **(III) INVESTIGATION BY THE STATE PROSECUTOR.**

29 **(2) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY FOR A**
30 **VIOLATION OF THIS SECTION.**

1 **(3) A CIVIL PENALTY:**

2 **(I) SHALL BE ASSESSED IN THE MANNER SPECIFIED IN §**
3 **13-604.1 OF THIS TITLE; AND**

4 **(II) MAY NOT EXCEED \$10,000.**

5 **(G) THE STATE BOARD MAY ADOPT REGULATIONS TO CARRY OUT THIS**
6 **SECTION.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.