

# SENATE BILL 767

G2, G1

(5lr2572)

## ENROLLED BILL

— *Education, Health, and Environmental Affairs/Ways and Means* —

Introduced by **Senator Conway**

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 **Ethics Law – Statement by Person Providing Lobbyist Compensation and**  
3 **Making Campaign Contributions**

4 FOR the purpose of clarifying and conforming certain provisions of the State ethics law  
5 with certain provisions of the State election law relating to a statement required by  
6 persons providing lobbyist compensation and making campaign contributions;  
7 *altering the reporting periods and due dates for a certain statement;* authorizing the  
8 State Board of Elections to impose fines for the late filing of a certain statement;  
9 ~~correcting a cross reference;~~ *making technical corrections; altering a certain*  
10 *definition;* defining a certain term; and generally relating to the statement required  
11 by persons providing lobbyist compensation and making campaign contributions.

12 BY repealing and reenacting, with amendments,

13 Article – Election Law

14 Section 14–107

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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 Annotated Code of Maryland  
2 (2010 Replacement Volume and 2014 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article – General Provisions  
5 Section 5–716  
6 Annotated Code of Maryland  
7 (2014 Volume)

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

10 **Article – Election Law**

11 14–107.

12 (a) (1) Except as provided in paragraph (2) of this subsection, a governmental  
13 entity that has awarded a person a contract that causes the person to be doing public  
14 business shall:

15 (i) require the person to certify that the person has filed the  
16 statement required under § 14–104(b)(1) of this title; and

17 (ii) notify the State Board if a person doing public business with the  
18 governmental entity fails to file the statement under § 14–104(b)(1) of this title.

19 (2) This subsection does not apply to a contract for which notice of award  
20 has been posted on eMaryland Marketplace.

21 (b) (1) If a person files a statement under § 14–104 of this title that does not  
22 include all the information required, the State Board shall notify the person in writing of  
23 the particular deficiencies.

24 (2) Within 30 days after service of the notice under paragraph (1) of this  
25 subsection, the person shall file an amended statement that includes all the information  
26 required.

27 (c) (1) As provided in this subsection, the State Board may impose fees for late  
28 filing of:

29 (i) a statement required under § 14–104 of this title; or

30 (ii) an amended statement required under subsection (b) of this  
31 section.

32 (2) The State Board may impose late filing fees in the same amounts and  
33 in the same manner as provided under § 13–331(a) and (b) of this article for late filing of  
34 campaign finance reports.



1 (1) spent at least \$500 to provide compensation to one or more regulated  
2 lobbyists; and

3 (2) made or caused to be made an applicable contribution **IN THE**  
4 **CUMULATIVE AMOUNT OF \$500 OR MORE.**

5 (d) A statement required under this section shall be filed with the State Board of  
6 Elections.

7 (e) (1) The reporting period is the 6-month period ending on either ~~January~~  
8 ~~31 or July 31~~ **APRIL 30 OR OCTOBER 31.**

9 (2) The statement shall be filed ~~within 5 days after the end of the reporting~~  
10 ~~period~~ **ON OR BEFORE THE LAST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE**  
11 **DAY ON WHICH THE REPORTING PERIOD ENDS.**

12 (f) The statement required under this section shall be made under oath and state:

13 (1) the name of each applicable recipient to whom an applicable  
14 contribution was made or caused to be made during the reporting period and, if not  
15 previously reported, during the preceding reporting period;

16 (2) the office held or sought by each applicable recipient named in item (1)  
17 of this subsection;

18 (3) the aggregate contributions made to each applicable recipient **NAMED**  
19 **IN ITEM (1) OF THIS SUBSECTION;**

20 (4) the name of each regulated lobbyist employed or retained by the person  
21 filing the statement; and

22 (5) the name of the person who made the political contribution and the  
23 relationship of that person to the person filing the statement if a political contribution was  
24 made by another person but is attributed to the person filing the statement.

25 (g) If the person filing the statement is a business entity:

26 (1) (i) an applicable contribution made by an officer, a director, or a  
27 partner of the business entity shall be attributed to the business entity; and

28 (ii) a political contribution, regardless of amount, if made at the  
29 suggestion or direction of the business entity, by an officer, a director, a partner, an  
30 employee, an agent, or any other person, shall be attributed to the business entity;

1           (2) each officer, director, or partner of the business entity who makes or  
2 causes to be made an applicable contribution shall report the contribution to the chief  
3 executive officer of the business entity;

4           (3) each officer, director, partner, employee, agent, or other person who  
5 makes or causes to be made a political contribution, regardless of amount, at the suggestion  
6 or direction of the business entity shall report the political contribution to the chief  
7 executive officer of the business entity;

8           (4) applicable contributions made by, or caused to be made by, a subsidiary,  
9 at least 30% of the equity of which the business entity owns or controls, shall be attributed  
10 to the business entity; and

11           (5) if a subsidiary described in item (4) of this subsection made an  
12 expenditure to provide compensation to one or more regulated lobbyists, the expenditure  
13 shall be attributed to the business entity.

14           (h) (1) Notwithstanding subsection (g) of this section, a contribution made by  
15 an individual who serves as a trustee or member of the board of directors or as an officer of  
16 a not-for-profit organization is not attributable to the organization, and the individual is  
17 not required to report the contribution to the chief executive officer of the organization,  
18 unless:

19                   (i) the contribution is made on the recommendation of the  
20 not-for-profit organization; or

21                   (ii) the individual who made the contribution is paid by the  
22 not-for-profit organization.

23           (2) The State Board of Elections shall adopt regulations that define  
24 “officer” for the purposes of this subsection.

25           (i) A person who files, under Title 14 of the Election Law Article, all information  
26 required by this section may satisfy the requirements of this section by submitting a notice  
27 to that effect on the form required by the State Board of Elections.

28           (j) The State Board of Elections shall:

29                   (1) prepare and make available forms for the statement and notice required  
30 by this section;

31                   (2) retain each statement filed under this section in the same manner and  
32 subject to the same standards of public access as a statement filed under Title 14 of the  
33 Election Law Article; and

34                   (3) report any violation of this section to the Ethics Commission.

1 (k) The statement required under this section shall be filed in the manner  
2 required for statements filed under Title 14 of the Election Law Article.

3 (l) (1) A person who knowingly and willfully fails to comply with the  
4 requirements of this section is guilty of a misdemeanor and on conviction is subject to a fine  
5 not exceeding \$1,000 or imprisonment not exceeding 1 year or both.

6 (2) If a person that violates this section is a business entity, each officer  
7 and partner of the business entity who knowingly authorized or participated in violating  
8 this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding  
9 \$1,000 or imprisonment not exceeding 1 year or both.

10 **(3) THE STATE BOARD OF ELECTIONS MAY IMPOSE FEES FOR THE**  
11 **LATE FILING OF A STATEMENT REQUIRED UNDER THIS SECTION IN THE SAME**  
12 **MANNER AS PROVIDED UNDER § 14–107 OF THE ELECTION LAW ARTICLE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding § 5–716(e)  
14 of the General Provisions Article as enacted by this Act, a person subject to § 5–716 of the  
15 General Provisions Article shall file a statement:

16 (1) on or before August 31, 2015, to cover a 6-month reporting period  
17 beginning on February 1, 2015, and ending on July 31, 2015; and

18 (2) on or before November 30, 2015, to cover a 3-month reporting period  
19 beginning on August 1, 2015, and ending on October 31, 2015.

20 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 ~~October~~ June 1, 2015.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.