

# SENATE BILL 767

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5lr2572

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By: **Senator Conway**

Introduced and read first time: February 16, 2015

Assigned to: Rules

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## A BILL ENTITLED

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 authorizing the State Board of Elections to impose fines for the late filing of a certain  
8 statement; defining a certain term; and generally relating to the statement required  
9 by persons providing lobbyist compensation and making campaign contributions.

10 BY repealing and reenacting, with amendments,  
11 Article – General Provisions  
12 Section 5–716  
13 Annotated Code of Maryland  
14 (2014 Volume)

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

17 **Article – General Provisions**

18 5–716.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) “Applicable contribution” means a political contribution or series of  
21 political contributions **BY A PERSON OR ATTRIBUTED TO A PERSON** made to or for the  
22 benefit of an applicable recipient [in a cumulative amount of more than \$500].

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) "Applicable recipient" means a candidate for, or an official holding, the  
2 office of:

3 (i) Governor;

4 (ii) Lieutenant Governor;

5 (iii) Attorney General;

6 (iv) Comptroller; or

7 (v) member of the General Assembly.

8 (4) **"DIRECTOR" HAS THE MEANING STATED IN § 14-101 OF THE**  
9 **ELECTION LAW ARTICLE.**

10 (b) A political contribution made to a political committee for an applicable  
11 recipient is deemed a political contribution to the applicable recipient.

12 (c) Subject to subsection (i) of this section, a person shall file a statement in  
13 accordance with this section if at any time during the reporting period the person:

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

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

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

20 (e) (1) The reporting period is the 6-month period ending on either January  
21 31 or July 31.

22 (2) The statement shall be filed within 5 days after the end of the reporting  
23 period.

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

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

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

30 (3) the aggregate contributions made to each applicable recipient;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6           (j) The State Board of Elections shall:

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

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

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

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

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

18           (2) If a person that violates this section is a business entity, each officer  
19 and partner of the business entity who knowingly authorized or participated in violating  
20 this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding  
21 \$1,000 or imprisonment not exceeding 1 year or both.

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

25           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 2015.