

# HOUSE BILL 576

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By: **Delegate Hornberger**

Introduced and read first time: January 20, 2021

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Political Clubs**

3 FOR the purpose of altering the application of certain provisions of law for the purpose of  
4 requiring a political club to be established as a political committee and to file a  
5 certain statement of organization; repealing the exemption for political clubs from  
6 the requirement that campaign finance entities file campaign finance reports at the  
7 State Board of Elections in a certain manner; repealing a certain exemption for  
8 political clubs from the prohibition on paying a person other than a campaign finance  
9 entity to defray the costs of a campaign finance entity; making a conforming change;  
10 providing that a political club in existence before a certain date is not required to file  
11 any campaign finance reports under this Act for any period before a certain date and  
12 shall file a campaign finance report covering a certain period; and generally relating  
13 to political clubs.

14 BY repealing and reenacting, without amendments,  
15 Article – Election Law  
16 Section 1–101(a), (h), and (gg)  
17 Annotated Code of Maryland  
18 (2017 Replacement Volume and 2020 Supplement)

19 BY repealing and reenacting, with amendments,  
20 Article – Election Law  
21 Section 1–101(ss), 13–207, 13–208, 13–304(a)(1), and 13–602(a)(4)  
22 Annotated Code of Maryland  
23 (2017 Replacement Volume and 2020 Supplement)

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

26 **Article – Election Law**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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 (h) “Campaign finance entity” means a political committee established under  
5 Title 13 of this article.

6 (gg) “Political committee” means a combination of two or more individuals that has  
7 as its major purpose promoting the success or defeat of a candidate, political party,  
8 question, or prospective question submitted to a vote at any election.

9 (ss) “Transfer” means a monetary contribution that is made by one campaign  
10 finance entity to another campaign finance entity, [other than] **INCLUDING** one made by  
11 or to a political club.

12 13–207.

13 (a) This section applies to a political committee [other than], **INCLUDING** a  
14 political club.

15 (b) A political committee may not receive or disburse money or any other thing of  
16 value unless the political committee is established in accordance with the requirements of  
17 this section.

18 (c) To establish a political committee:

19 (1) a chairman and a treasurer shall be appointed on a form that the State  
20 Board prescribes and that is signed by the chairman and treasurer and includes:

21 (i) the residence addresses of the chairman and the treasurer;

22 (ii) if the chairman and treasurer affirmatively consent to receiving  
23 notice under this title only by electronic mail, the electronic mail address of the chairman  
24 and the treasurer; and

25 (iii) the information required by § 13–208 of this subtitle; and

26 (2) the form shall be filed with the State Board.

27 (3) The chairman or treasurer of a political committee shall notify the State  
28 Board of a change in the residence address of the chairman or treasurer no later than 21  
29 days before the day on which the political committee’s next campaign finance report is due  
30 under § 13–309 of this title.

31 (4) The chairman or treasurer of a political committee shall notify the State

1 Board of a change in the electronic mail address of the chairman or treasurer by the date  
2 specified in paragraph (3) of this subsection if the chairman and treasurer of the political  
3 committee have affirmatively consented to receiving notice under this title only by  
4 electronic mail.

5 (d) (1) A chairman or treasurer of a political committee may resign by  
6 completing a resignation form that the State Board prescribes and filing the form with the  
7 State Board.

8 (2) If a vacancy occurs in the office of chairman or the office of treasurer,  
9 the political committee promptly shall appoint a new chairman or treasurer in accordance  
10 with this section.

11 (3) A political committee may not receive or disburse money or any other  
12 thing of value if there is a vacancy in the office of chairman or the office of treasurer.

13 13–208.

14 (a) This section applies to a political committee [other than], **INCLUDING** a  
15 political club.

16 (b) A political committee shall provide, with the filing required by § 13–207(c) of  
17 this subtitle, a statement of organization that includes its name and a statement of purpose.

18 (c) The statement of purpose shall specify:

19 (1) each candidate or ballot question, if any, that the political committee  
20 was formed to promote or defeat;

21 (2) the identity of each special interest, including any business or  
22 occupation, that the organizers of or contributors to the political committee have in  
23 common; and

24 (3) whether the political committee will participate in presidential,  
25 gubernatorial, Baltimore City, or multiple elections.

26 (d) (1) A political committee may not use a name that is intended or operates  
27 to deceive people as to the political committee's true nature or character.

28 (2) A political committee established by and for a single candidate shall  
29 disclose within the political committee's name the name of the candidate.

30 (3) A political committee sponsored by or affiliated with another entity or  
31 group shall identify within the political committee's name the other entity or group.

32 (e) A change in the information reported under this section shall be disclosed in  
33 the campaign finance report next filed by the political committee.

1 13-304.

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

6 13-602.

7 (a) (4) (i) A person, to defray the costs of a campaign finance entity, may  
8 not directly or indirectly pay, give, or promise money or any other valuable thing to any  
9 person other than a campaign finance entity.

10 (ii) Subparagraph (i) of this paragraph does not apply to:

11 1. [dues regularly paid for membership in a political club if  
12 all of the money that is spent by that political club in connection with any campaign finance  
13 activity is paid through a treasurer as provided in this title;

14 2.] an individual volunteering the individual's time or  
15 personal vehicle in accordance with § 13-232 of this title;

16 [3.] 2. an employer's accumulation of employee contributions in  
17 accordance with § 13-242 of this title; or

18 [4.] 3. advertising costs or other expenses incident to the  
19 expression of personal views in accordance with § 13-102 of this title.

20 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding §  
21 13-304(a)(1) and 13-312(a)(1) of the Election Law Article, a political club in existence  
22 before October 1, 2021:

23 (1) is not required to file any campaign finance reports under this Act for  
24 any period before October 1, 2021; and

25 (2) shall file a campaign finance report covering the period beginning on  
26 October 1, 2021, through the day specified in § 13-312(a)(3) of the Election Law Article.

27 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 October 1, 2021.