

HOUSE BILL 1352

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HB 437/20 – W&M

1lr3034

By: **Delegate Smith**

Introduced and read first time: February 12, 2021

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

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 use certain information transmitted by the Department to identify and
10 compile contributions made by certain businesses; requiring the State Board to use
11 certain data to audit and investigate business contributions reported on campaign
12 finance reports; providing that certain data is not subject to inspection under the
13 Public Information Act; defining a certain term; and generally relating to the
14 registration status of business contributors.

15 BY repealing and reenacting, with amendments,
16 Article – Election Law
17 Section 13–304
18 Annotated Code of Maryland
19 (2017 Replacement Volume and 2020 Supplement)

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

22 **Article – Election Law**

23 13–304.

24 (a) (1) From the date of its organization until its termination under the
25 provisions of this title, a campaign finance entity, except a political club, shall file a
26 campaign finance report at the State Board at the times and for the periods required by §§

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 13–309, 13–312, and 13–316 of this subtitle.

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

3 (i) be made under oath or affirmation;

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

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

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

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

12 (2) the information regarding the occupations and employers of
13 contributors required to be recorded by the treasurer of a campaign finance entity under §
14 13–221 of this title.

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

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

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

23 (i) the amount of each contribution; and

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

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

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

1 political committee's campaign finance report:

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

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

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

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

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

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

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

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

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

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

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

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

32 **(5) THE DATA COMPILED UNDER PARAGRAPH (3) OF THIS**

1 SUBSECTION IS NOT SUBJECT TO INSPECTION UNDER THE PUBLIC INFORMATION
2 ACT.

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

5 (1) the candidate files a certificate of candidacy;

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

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

9 (4) the candidate is successful in the election.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
11 1, 2021.