

JHEANELLE WILKINS
Legislative District 20
Montgomery County

PARLIAMENTARIAN

Ways and Means Committee



The Maryland House of Delegates
6 Bladen Street, Room 350
Annapolis, Maryland 21401
410-841-3493 · 301-858-3493
800-492-7122 Ext. 3493
Fax 410-841-3445 · 301-858-3445
Jheanelle.Wilkins@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

April 1, 2021

House Bill 1351 Campaign Finance - Contribution Through Third-Party Payment Processor and Payment of Expenses

Dear Colleagues,

I am pleased to present **House Bill 1351 Campaign Finance - Contribution Through Third-Party Payment Processor and Payment of Expenses**, which requires a contribution to a campaign finance entity made through a third-party payment processor to be transferred to the campaign account of the campaign finance entity in a specified timely manner, and authorizes the State Board of Elections to impose a civil penalty for a failure to do so.

Currently, all funds received by a political campaign must be deposited into a designated campaign account, and an appointed campaign chairperson and treasurer must file required financial reports detailing all campaign contributions and expenditures of the campaign finance entity. As online services for paying and receiving money, such as Venmo, PayPal, and CashApp become widely used, we must update existing language in our campaign finance laws to ensure any campaign activity through these new venues is accurately tracked, disclosed, and accounted for.

HB 1351 defines “third-party payment processor” as an online service in which payments to a person are made to the processor’s merchant account rather than to the person’s own merchant account. When contributions to a campaign finance entity are made this way, HB 1351 requires any funds to be transferred from the account of the third-party payment processor to the designated campaign account of the campaign finance entity within 7 days. The State Board of Elections must notify campaigns of the bill’s updated requirements, and may impose a civil penalty of up to \$500 for each violation for campaigns that fail to comply. This bill also modifies a provision that allows for an expense of a campaign finance entity to be paid from funds other than a campaign account under certain circumstances

When politicians find loopholes to abuse the campaign finance system for personal gain, it’s critical that we not only hold them accountable, but update any existing laws that enabled this misconduct to occur. In 2020, this committee voted in favor of this legislation to uphold transparency and integrity in our elections, and I urge the committee to give a **favorable report** for **House Bill 1351** again this year.

Sincerely,

A handwritten signature in black ink, appearing to read "Jheanelle Wilkins".

Delegate Jheanelle Wilkins