

# HOUSE BILL 1017

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By: **Delegate Mosby**

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

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## A BILL ENTITLED

2 AN ACT concerning

3 **Maryland Small Donor Incentive Act**

4 FOR the purpose of establishing a system of public financing of campaigns for candidates  
5 for election to the General Assembly; establishing certain powers and duties of the  
6 State Board of Elections; requiring a candidate who seeks to qualify for public  
7 financing to file a certain notice, establish a certain campaign account, collect certain  
8 qualifying contributions, and submit certain information to the State Board;  
9 prohibiting a candidate who seeks to qualify for public financing from soliciting,  
10 accepting, or using any contribution other than a qualifying contribution;  
11 establishing certain procedures governing a determination by the State Board as to  
12 whether a candidate qualifies for public financing; establishing certain requirements  
13 and procedures concerning a participating candidate's publicly funded campaign  
14 account; prohibiting a participating candidate from soliciting, accepting, or using any  
15 contribution other than an eligible contribution; prohibiting a participating  
16 candidate from being a member of a slate, except under certain circumstances;  
17 requiring that certain eligible contributions be matched in a certain manner with  
18 money from the Fair Campaign Financing Fund; establishing certain limits on the  
19 total amount of matching funds a candidate may receive; authorizing a participating  
20 candidate to choose an alternative apportionment of the matching funds limits  
21 established for the candidate; prohibiting a candidate whose election is uncontested  
22 from receiving matching funds; requiring the State Board to authorize the  
23 disbursement of matching funds at certain times; requiring that matching funds be  
24 used only for certain elections; requiring a participating candidate to return to the  
25 Fund matching funds not expended on certain elections; authorizing a candidate  
26 nominated by petition or by political party to receive matching funds under certain  
27 circumstances; authorizing a participating candidate to collect an unlimited  
28 aggregate amount of eligible contributions, but prohibiting a participating candidate  
29 from receiving more than a certain amount of matching funds; requiring a candidate  
30 who opts out of public financing to take certain actions and pay a certain penalty;  
31 providing for judicial review of actions of the State Board; prohibiting certain conduct  
32 and establishing certain civil and criminal penalties for certain violations; requiring

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 the Comptroller to credit certain money to the Fund and make certain distributions  
2 from the Fund; altering a certain exception to the prohibition on campaign  
3 fund-raising by certain officials during the General Assembly session; defining  
4 certain terms; making the provisions of this Act severable; and generally relating to  
5 public financing of elections.

6 BY repealing and reenacting, with amendments,  
7 Article – Election Law  
8 Section 13–235 and 15–103  
9 Annotated Code of Maryland  
10 (2017 Replacement Volume and 2018 Supplement)

11 BY adding to  
12 Article – Election Law  
13 Section 15.5–101 through 15.5–115 to be under the new title “Title 15.5. Maryland  
14 Small Donor Incentive Act”  
15 Annotated Code of Maryland  
16 (2017 Replacement Volume and 2018 Supplement)

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

19 **Article – Election Law**

20 13–235.

21 (a) This section applies to the following officials:

- 22 (1) the Governor;
- 23 (2) the Lieutenant Governor;
- 24 (3) the Attorney General;
- 25 (4) the Comptroller; and
- 26 (5) a member of the General Assembly.

27 (b) Except as provided in subsection (c), (d), [or] (e), **OR (F)** of this section, during  
28 a regular session of the General Assembly an official described in subsection (a) of this  
29 section, or a person acting on behalf of the official, may not, as to a candidate for federal,  
30 State, or local office, or a campaign finance entity of the candidate or any other campaign  
31 finance entity organized under this title and operated in coordination with a candidate:

- 32 (1) receive a contribution;
- 33 (2) conduct a fund-raising event;

1 (3) solicit a contribution; or

2 (4) deposit or use any contribution of money that was not deposited prior  
3 to the session.

4 (c) An official described in subsection (a) of this section, or a person acting on  
5 behalf of the official, is not subject to this section when engaged in activities solely related  
6 to the official's election to an elective federal or local office for which the official is a filed  
7 candidate.

8 (d) Under the Public Financing Act, a gubernatorial ticket, during the year of the  
9 election only, may accept eligible private contributions and any disbursement of funds by  
10 the State Board that is based on the eligible private contributions.

11 **(E) UNDER THE MARYLAND SMALL DONOR INCENTIVE ACT, A**  
12 **PARTICIPATING CANDIDATE MAY ACCEPT QUALIFYING CONTRIBUTIONS, ELIGIBLE**  
13 **CONTRIBUTIONS, AND ANY MATCHING FUNDS DISBURSED BY THE STATE BOARD**  
14 **THAT ARE BASED ON THE ELIGIBLE CONTRIBUTIONS.**

15 **[(e)] (F)** An official described in subsection (a) of this section, or a person acting  
16 on behalf of the official, may deposit a contribution during the legislative session if the  
17 contribution was made electronically before the start of the session.

18 **[(f)] (G)** (1) As to a violation of this section, the campaign finance entity of  
19 the official in violation is liable for a civil penalty as provided in § 13–604.1 of this title.

20 (2) A civil penalty imposed under this subsection shall be distributed to the  
21 Fair Campaign Financing Fund established under § 15–103 of this article.

22 15–103.

23 (a) There is a Fair Campaign Financing Fund.

24 (b) The Comptroller shall administer the Fund in accordance with this section.

25 (c) In accordance with this title, the Comptroller shall:

26 (1) credit to the Fund:

27 (i) all money collected under this title **AND TITLE 15.5 OF THIS**  
28 **ARTICLE;**

29 (ii) voluntary contributions to the Fund made electronically through  
30 the State Board's website;

1 (iii) fees, fines, and penalties assessed under this article or the  
2 General Provisions Article that are expressly allocated to the Fund by law;

3 (iv) an anonymous contribution paid to the Fund under § 13–239 of  
4 this article;

5 (v) an illegal contribution paid to the Fund under § 13–239.1 of this  
6 article;

7 (vi) surplus campaign funds paid to the Fund under § 13–247 of this  
8 article; and

9 (vii) contributions to the Fund made through the checkoff on the  
10 individual income tax return established under § 2–113.1 of the Tax – General Article;

11 (2) subject to the usual investing procedures for State funds, invest the  
12 money in the Fund; and

13 (3) make distributions from the Fund promptly on authorization by the  
14 State Board.

15 (d) The Comptroller shall distribute public contributions:

16 (1) only on authorization of the State Board; [and]

17 (2) as to each eligible gubernatorial ticket, to the same campaign account  
18 of a single campaign finance entity established under Title 13, Subtitle 2 of this article;  
19 AND

20 **(3) AS TO EACH PARTICIPATING CANDIDATE RECEIVING PUBLIC**  
21 **CONTRIBUTIONS UNDER TITLE 15.5 OF THIS ARTICLE, TO THE PUBLICLY FUNDED**  
22 **CAMPAIGN ACCOUNT OF THE CAMPAIGN FINANCE ENTITY ESTABLISHED UNDER**  
23 **TITLE 13, SUBTITLE 2 OF THIS ARTICLE FOR THE CANDIDATE.**

24 (e) The Comptroller shall submit a statement of the Fund's balance to the State  
25 Board at the State Board's request and on May 15 of each year.

26 (f) To pay costs directly related to the administration of this title, the State Board  
27 may expend in each fiscal year an amount of money in the Fund that does not exceed the  
28 lesser of:

29 (1) 3% of the Fund's balance, as calculated on the last day of the  
30 immediately preceding fiscal year; or

31 (2) \$100,000.

1           **TITLE 15.5. MARYLAND SMALL DONOR INCENTIVE ACT.**

2   **15.5-101.**

3           **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
4 **INDICATED.**

5           **(B) “COMPTROLLER” MEANS THE COMPTROLLER OF THE STATE**  
6 **TREASURY.**

7           **(C) “CONSTITUENCY” MEANS THE DISTRICT THE CANDIDATE SEEKS TO**  
8 **REPRESENT.**

9           **(D) (1) “ELIGIBLE CONTRIBUTION” MEANS A CONTRIBUTION OR SERIES**  
10 **OF CONTRIBUTIONS FROM A SINGLE INDIVIDUAL RESIDING IN A CANDIDATE’S**  
11 **CONSTITUENCY THAT DOES NOT EXCEED \$250.**

12           **(2) “ELIGIBLE CONTRIBUTION” DOES NOT INCLUDE A CONTRIBUTION**  
13 **FROM ANY OF THE FOLLOWING:**

14                   **(I) A BUSINESS ENTITY;**

15                   **(II) A POLITICAL PARTY;**

16                   **(III) A REGULATED LOBBYIST;**

17                   **(IV) THE CAMPAIGN FINANCE ENTITY OF A CANDIDATE;**

18                   **(V) A POLITICAL ACTION COMMITTEE; OR**

19                   **(VI) ANY OTHER POLITICAL COMMITTEE.**

20           **(E) “FUND” MEANS THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED**  
21 **UNDER § 15-103 OF THIS ARTICLE.**

22           **(F) “MATCHING FUNDS” MEANS MONEY DISBURSED FROM THE FUND TO A**  
23 **PARTICIPATING CANDIDATE IN ACCORDANCE WITH THE PROVISIONS OF THIS TITLE.**

24           **(G) “PARTICIPATING CANDIDATE” MEANS A CANDIDATE WHO IS**  
25 **DETERMINED BY THE STATE BOARD TO BE ELIGIBLE TO RECEIVE MATCHING FUNDS**  
26 **UNDER THIS TITLE.**

27           **(H) “QUALIFYING CONTRIBUTION” MEANS AN ELIGIBLE CONTRIBUTION**

1 THAT A CANDIDATE COLLECTS IN ACCORDANCE WITH § 15.5–104 OF THIS TITLE TO  
2 QUALIFY AS A PARTICIPATING CANDIDATE AND BE ELIGIBLE FOR MATCHING FUNDS  
3 FROM THE FUND.

4 15.5–102.

5 (A) THE STATE BOARD SHALL:

6 (1) MANAGE AND SUPERVISE THE SYSTEM OF PUBLIC FINANCING OF  
7 ELECTIONS ESTABLISHED UNDER THIS TITLE;

8 (2) ADOPT REGULATIONS AS NECESSARY TO EFFECT THE PURPOSES  
9 OF THIS TITLE;

10 (3) ENSURE THAT THE SYSTEM OF PUBLIC FINANCING OF ELECTIONS:

11 (I) ACCOMMODATES QUALIFYING CANDIDATES ON A  
12 FIRST-COME, FIRST-SERVED BASIS;

13 (II) ESTABLISHES AN INITIAL LIMIT ON THE NUMBER OF  
14 PARTICIPATING CANDIDATES DURING AN ELECTION CYCLE; AND

15 (III) ALLOWS FOR AN INCREASE OR A DECREASE IN THE NUMBER  
16 OF PARTICIPATING CANDIDATES DURING THE ELECTION CYCLE IN CORRELATION TO  
17 THE AMOUNT OF MONEY IN THE FUND;

18 (4) PROVIDE FORMS AND ELECTRONIC SOFTWARE AS NECESSARY TO  
19 ENSURE COMPLIANCE WITH THIS TITLE;

20 (5) DEVELOP AN EDUCATION PROGRAM THAT INCLUDES  
21 INFORMATIONAL MATERIALS AND COMPLIANCE MANUALS TO INFORM CANDIDATES  
22 AND THE PUBLIC ABOUT THE PURPOSE AND EFFECT OF THIS TITLE; AND

23 (6) PROVIDE A WRITTEN REPORT AFTER EACH ELECTION CYCLE TO  
24 THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2–1246 OF THE STATE  
25 GOVERNMENT ARTICLE, THAT INCLUDES:

26 (I) AN EVALUATION OF THIS TITLE AND ITS EFFECT ON  
27 PARTICIPATING CANDIDATES;

28 (II) A DETAILED SUMMARY OF QUALIFYING CONTRIBUTIONS  
29 AND ELIGIBLE CONTRIBUTIONS COLLECTED UNDER THIS TITLE;

1 (III) ANY RECOMMENDATIONS TO IMPROVE THIS TITLE;

2 (IV) EXPENDITURES MADE BY PARTICIPATING CANDIDATES;

3 AND

4 (V) ANY OTHER INFORMATION THE STATE BOARD DETERMINES  
5 TO BE APPROPRIATE.

6 (B) THE STATE BOARD MAY:

7 (1) EMPLOY STAFF SUFFICIENT TO PERFORM THE FUNCTIONS OF THE  
8 STATE BOARD UNDER THIS TITLE;

9 (2) INVESTIGATE MATTERS GOVERNED BY THIS TITLE;

10 (3) PUBLICIZE THE NAMES OF CANDIDATES WHO VIOLATE THIS TITLE;

11 (4) ON WRITTEN REQUEST OF A CANDIDATE, A CAMPAIGN FINANCE  
12 ENTITY, OR A MEMBER OF THE PUBLIC, RENDER A WRITTEN PUBLIC ADVISORY  
13 OPINION REGARDING QUESTIONS THAT ARISE UNDER THIS TITLE;

14 (5) CONDUCT RANDOM AUDITS OF PARTICIPATING CANDIDATES TO  
15 ENSURE COMPLIANCE WITH THIS TITLE; AND

16 (6) BE A PARTY TO OR OTHERWISE PARTICIPATE IN ANY CIVIL OR  
17 CRIMINAL ACTION FILED FOR A VIOLATION OF THIS TITLE.

18 15.5-103.

19 A CANDIDATE WHO SEEKS TO QUALIFY FOR PUBLIC FINANCING UNDER THIS  
20 TITLE SHALL:

21 (1) FILE NOTICE OF THE CANDIDATE'S INTENT WITH THE STATE  
22 BOARD NOT LATER THAN FEBRUARY 15 OF THE YEAR OF THE ELECTION; AND

23 (2) BEFORE RAISING ANY CONTRIBUTION GOVERNED BY THIS TITLE,  
24 ESTABLISH A PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THE PURPOSE OF  
25 RECEIVING CONTRIBUTIONS AND MAKING EXPENDITURES IN ACCORDANCE WITH  
26 THE REQUIREMENTS OF THIS ARTICLE.

27 15.5-104.

28 (A) TO QUALIFY AS A PARTICIPATING CANDIDATE AND BE ELIGIBLE FOR

1 **MATCHING FUNDS FROM THE FUND:**

2           **(1) A CANDIDATE FOR ELECTION TO THE SENATE OF MARYLAND**  
3 **SHALL COLLECT AT LEAST \$15,000 OF QUALIFYING CONTRIBUTIONS FROM AT LEAST**  
4 **200 INDIVIDUALS; OR**

5           **(2) A CANDIDATE FOR ELECTION TO THE HOUSE OF DELEGATES**  
6 **SHALL COLLECT AT LEAST \$5,000 OF QUALIFYING CONTRIBUTIONS FROM AT LEAST**  
7 **100 INDIVIDUALS.**

8           **(B) A CANDIDATE WHO SEEKS TO BECOME A PARTICIPATING CANDIDATE**  
9 **SHALL DEPOSIT ALL QUALIFYING CONTRIBUTIONS RECEIVED IN THE CANDIDATE'S**  
10 **PUBLICLY FUNDED CAMPAIGN ACCOUNT.**

11           **(C) FOR EACH QUALIFYING CONTRIBUTION A CANDIDATE RECEIVES, THE**  
12 **CANDIDATE SHALL RETAIN A RECEIPT THAT INCLUDES:**

13                   **(1) THE PRINTED NAME OF THE CONTRIBUTOR;**

14                   **(2) THE ADDRESS OF THE CONTRIBUTOR; AND**

15                   **(3) A SIGNED STATEMENT BY WHICH THE CONTRIBUTOR ATTESTS**  
16 **THAT THE CONTRIBUTOR UNDERSTANDS THE PURPOSE OF THE CONTRIBUTION AND**  
17 **THAT THE CONTRIBUTION WAS MADE WITHOUT COERCION OR REIMBURSEMENT.**

18           **(D) A CANDIDATE MAY COLLECT QUALIFYING CONTRIBUTIONS ONLY**  
19 **DURING THE PERIOD THAT:**

20                   **(1) BEGINS ON SEPTEMBER 1 IN THE YEAR IMMEDIATELY PRECEDING**  
21 **THE PRIMARY ELECTION FOR THE OFFICE THE CANDIDATE SEEKS; AND**

22                   **(2) ENDS ON THE DAY THAT IS 45 DAYS BEFORE THE DATE OF THE**  
23 **PRIMARY ELECTION FOR THE OFFICE THE CANDIDATE SEEKS.**

24           **(E) A CANDIDATE WHO SEEKS TO BECOME A PARTICIPATING CANDIDATE**  
25 **MAY NOT SOLICIT, ACCEPT, OR USE ANY CONTRIBUTION OTHER THAN A QUALIFYING**  
26 **CONTRIBUTION.**

27 **15.5-105.**

28           **(A) THE STATE BOARD SHALL REVIEW AND MAKE A DETERMINATION**  
29 **WHETHER TO CERTIFY A CANDIDATE AS A PARTICIPATING CANDIDATE NOT LATER**  
30 **THAN 15 DAYS AFTER RECEIPT OF THE FOLLOWING INFORMATION FROM THE**



1 CANDIDATE:

2 (1) A DECLARATION THAT THE CANDIDATE WILL ABIDE BY THE  
3 REGULATIONS AND POLICIES OF THE STATE BOARD; AND

4 (2) A CAMPAIGN FINANCE REPORT THAT INCLUDES:

5 (I) ALL QUALIFYING CONTRIBUTIONS RECEIVED BY THE  
6 CANDIDATE;

7 (II) ALL EXPENDITURES MADE BY THE CANDIDATE; AND

8 (III) ALL RECEIPTS ASSOCIATED WITH THOSE CONTRIBUTIONS  
9 AND EXPENDITURES.

10 (B) A CANDIDATE CERTIFIED BY THE STATE BOARD AS A PARTICIPATING  
11 CANDIDATE IS ELIGIBLE TO RECEIVE THE MATCHING FUNDS SPECIFIED UNDER THIS  
12 TITLE FOR THE OFFICE THE CANDIDATE SEEKS.

13 (C) FOR ANY ELECTION, A CANDIDATE MAY SUBMIT AN APPLICATION TO  
14 THE STATE BOARD TO QUALIFY FOR PUBLIC FINANCING UNDER THIS TITLE ONLY  
15 ONCE.

16 15.5–106.

17 (A) AFTER THE STATE BOARD DETERMINES THAT A CANDIDATE HAS  
18 SATISFIED THE REQUIREMENTS TO BECOME A PARTICIPATING CANDIDATE, THE  
19 STATE BOARD SHALL AUTHORIZE THE DISBURSEMENT OF MATCHING FUNDS FROM  
20 THE FUND TO THE PUBLICLY FUNDED CAMPAIGN ACCOUNT FOR THE  
21 PARTICIPATING CANDIDATE IN ACCORDANCE WITH THE REQUIREMENTS OF THIS  
22 TITLE.

23 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A  
24 PARTICIPATING CANDIDATE OR A PERSON ACTING ON BEHALF OF A PARTICIPATING  
25 CANDIDATE MAY NOT MAKE A CAMPAIGN EXPENDITURE FOR THE CANDIDATE OTHER  
26 THAN FROM THE CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT.

27 (C) A PARTICIPATING CANDIDATE MAY MAINTAIN A PETTY CASH FUND IN  
28 ACCORDANCE WITH § 13–220(C) OF THIS ARTICLE.

29 (D) (1) A PARTICIPATING CANDIDATE OR A PERSON ACTING ON BEHALF  
30 OF A PARTICIPATING CANDIDATE MAY USE THE PUBLICLY FUNDED CAMPAIGN  
31 ACCOUNT ONLY IN ACCORDANCE WITH THIS ARTICLE.

1           **(2) THE STATE BOARD MAY HAVE ACCESS AT ANY TIME TO THE**  
2 **RECORDS AND TRANSACTIONS OF A PARTICIPATING CANDIDATE'S PUBLICLY**  
3 **FUNDED CAMPAIGN ACCOUNT.**

4           **(3) THE STATE BOARD MAY TERMINATE A PARTICIPATING**  
5 **CANDIDATE'S PUBLICLY FUNDED CAMPAIGN ACCOUNT AS PROVIDED IN**  
6 **REGULATIONS ADOPTED BY THE STATE BOARD.**

7 **15.5-107.**

8           **A PARTICIPATING CANDIDATE MAY NOT SOLICIT, ACCEPT, OR USE ANY**  
9 **CONTRIBUTION OTHER THAN AN ELIGIBLE CONTRIBUTION.**

10 **15.5-108.**

11           **A PARTICIPATING CANDIDATE MAY NOT BE A MEMBER OF A SLATE UNLESS ALL**  
12 **MEMBERS OF THE SLATE ARE PARTICIPATING CANDIDATES.**

13 **15.5-109.**

14           **(A) (1) IN THIS SUBSECTION, AN "UNCONTESTED" ELECTION MEANS AN**  
15 **ELECTION IN WHICH:**

16                   **(I) ONLY ONE CANDIDATE QUALIFIES TO RUN FOR NOMINATION**  
17 **FOR OR ELECTION TO AN OFFICE; OR**

18                   **(II) THE NUMBER OF CANDIDATES WHO QUALIFY TO RUN FOR**  
19 **NOMINATION FOR OR ELECTION TO AN OFFICE OR MULTIPLE OFFICES OF THE SAME**  
20 **CATEGORY EQUALS THE NUMBER OF OFFICES.**

21           **(2) A CANDIDATE WHOSE ELECTION IS UNCONTESTED IS NOT**  
22 **ELIGIBLE TO RECEIVE MATCHING FUNDS.**

23           **(B) THE STATE BOARD SHALL AUTHORIZE THE DISBURSEMENT OF**  
24 **MATCHING FUNDS TO PARTICIPATING CANDIDATES AS FOLLOWS:**

25                   **(1) AN ELIGIBLE CONTRIBUTION THAT DOES NOT EXCEED \$50 IS**  
26 **MATCHED AT A 3-TO-1 RATIO;**

27                   **(2) AN ELIGIBLE CONTRIBUTION THAT EXCEEDS \$50 BUT DOES NOT**  
28 **EXCEED \$150 IS MATCHED AT A 2-TO-1 RATIO; AND**

1           **(3) FOR AN ELIGIBLE CONTRIBUTION THAT EXCEEDS \$150, THAT**  
 2 **PART OF THE ELIGIBLE CONTRIBUTION THAT DOES NOT EXCEED \$150 IS MATCHED**  
 3 **AT A 2-TO-1 RATIO.**

4           **(c) (1) A PARTICIPATING CANDIDATE FOR THE SENATE OF MARYLAND**  
 5 **MAY NOT RECEIVE A TOTAL AMOUNT OF MATCHING FUNDS IN EXCESS OF THE**  
 6 **FOLLOWING AMOUNTS:**

7	PRIMARY	GENERAL	
8	ELECTION	ELECTION	TOTAL
9	\$50,000	\$50,000	\$100,000

10           **(2) A PARTICIPATING CANDIDATE FOR THE HOUSE OF DELEGATES**  
 11 **MAY NOT RECEIVE A TOTAL AMOUNT OF MATCHING FUNDS IN EXCESS OF THE**  
 12 **FOLLOWING AMOUNTS:**

13	PRIMARY	GENERAL	
14	ELECTION	ELECTION	TOTAL
15	\$35,000	\$35,000	\$70,000

16           **(3) WHEN A CANDIDATE APPLIES TO BE CERTIFIED AS A**  
 17 **PARTICIPATING CANDIDATE UNDER § 15.5-105(A) OF THIS TITLE, THE CANDIDATE**  
 18 **MAY CHOOSE ONE OF THE FOLLOWING ALTERNATIVE APPORTIONMENTS OF THE**  
 19 **MATCHING FUNDS LIMITS ESTABLISHED FOR THE CANDIDATE UNDER THIS**  
 20 **SUBSECTION:**

21           **(i) 1. FOR THE PRIMARY ELECTION, A PARTICIPATING**  
 22 **CANDIDATE MAY ELECT TO RECEIVE AN AMOUNT OF MATCHING FUNDS THAT DOES**  
 23 **NOT EXCEED 70% OF THE TOTAL COMBINED MATCHING FUNDS LIMITS ESTABLISHED**  
 24 **FOR THE CANDIDATE FOR THE PRIMARY ELECTION AND GENERAL ELECTION; AND**

25                           **2. FOR THE GENERAL ELECTION, THE PARTICIPATING**  
 26 **CANDIDATE MAY ELECT TO RECEIVE AN AMOUNT OF MATCHING FUNDS THAT DOES**  
 27 **NOT EXCEED 30% OF THE TOTAL COMBINED MATCHING FUNDS LIMITS ESTABLISHED**  
 28 **FOR THE CANDIDATE FOR THE PRIMARY ELECTION AND GENERAL ELECTION; OR**

29           **(ii) 1. FOR THE PRIMARY ELECTION, A PARTICIPATING**  
 30 **CANDIDATE MAY ELECT TO RECEIVE AN AMOUNT OF MATCHING FUNDS THAT DOES**  
 31 **NOT EXCEED 30% OF THE TOTAL COMBINED MATCHING FUNDS LIMITS ESTABLISHED**  
 32 **FOR THE CANDIDATE FOR THE PRIMARY ELECTION AND GENERAL ELECTION; AND**

33                           **2. FOR THE GENERAL ELECTION, THE PARTICIPATING**  
 34 **CANDIDATE MAY ELECT TO RECEIVE AN AMOUNT OF MATCHING FUNDS THAT DOES**

1 NOT EXCEED 70% OF THE TOTAL COMBINED MATCHING FUNDS LIMITS ESTABLISHED  
2 FOR THE CANDIDATE FOR THE PRIMARY ELECTION AND GENERAL ELECTION.

3 15.5-110.

4 (A) (1) BEGINNING JANUARY 1 OF THE YEAR OF THE ELECTION, THE  
5 STATE BOARD SHALL AUTHORIZE THE COMPTROLLER TO MAKE DISBURSEMENTS  
6 OF MATCHING FUNDS FROM THE FUND TO PARTICIPATING CANDIDATES AT LEAST  
7 FIVE TIMES BEFORE THE PRIMARY ELECTION, INCLUDING AT LEAST THREE TIMES  
8 IN THE 30 DAYS BEFORE THE PRIMARY ELECTION.

9 (2) A PARTICIPATING CANDIDATE MAY USE THE MATCHING FUNDS  
10 DISBURSED UNDER THIS SUBSECTION ONLY FOR EXPENSES INCURRED FOR THE  
11 PRIMARY ELECTION.

12 (3) WITHIN 10 DAYS AFTER THE PRIMARY ELECTION, A  
13 PARTICIPATING CANDIDATE SHALL RETURN TO THE STATE BOARD FOR DEPOSIT IN  
14 THE FUND ANY MATCHING FUNDS THAT THE CANDIDATE DID NOT EXPEND ON THE  
15 PRIMARY ELECTION.

16 (B) (1) AFTER THE STATE BOARD CERTIFIES THE RESULTS OF THE  
17 PRIMARY ELECTION, THE STATE BOARD SHALL AUTHORIZE THE COMPTROLLER TO  
18 MAKE DISBURSEMENTS OF MATCHING FUNDS FROM THE FUND TO PARTICIPATING  
19 CANDIDATES AT LEAST FIVE TIMES BEFORE THE GENERAL ELECTION, INCLUDING  
20 AT LEAST THREE TIMES IN THE 30 DAYS BEFORE THE GENERAL ELECTION.

21 (2) A PARTICIPATING CANDIDATE MAY USE THE MATCHING FUNDS  
22 DISBURSED UNDER THIS SUBSECTION ONLY FOR EXPENSES INCURRED FOR THE  
23 GENERAL ELECTION.

24 (3) WITHIN 10 DAYS AFTER THE GENERAL ELECTION, A  
25 PARTICIPATING CANDIDATE SHALL RETURN TO THE STATE BOARD FOR DEPOSIT IN  
26 THE FUND ANY MATCHING FUNDS THAT THE CANDIDATE DID NOT EXPEND ON THE  
27 GENERAL ELECTION.

28 (C) A PARTICIPATING CANDIDATE NOMINATED BY PETITION UNDER § 5-703  
29 OF THIS ARTICLE IS ELIGIBLE TO RECEIVE MATCHING FUNDS FOR THE GENERAL  
30 ELECTION AFTER MARCH 1 OF THE YEAR OF THE ELECTION IF THE CANDIDATE'S  
31 NOMINATION HAS BEEN CERTIFIED BY THE STATE BOARD.

32 (D) A PARTICIPATING CANDIDATE NOMINATED BY POLITICAL PARTY UNDER  
33 § 5-703.1 OF THIS ARTICLE IS ELIGIBLE TO RECEIVE MATCHING FUNDS FOR THE  
34 GENERAL ELECTION AFTER MARCH 1 OF THE YEAR OF THE ELECTION IF THE

1 CANDIDATE HAS FILED A CERTIFICATE OF NOMINATION WITH THE STATE BOARD.

2 (E) THE COMPTROLLER SHALL DEPOSIT MATCHING FUNDS IN THE  
3 PUBLICLY FUNDED CAMPAIGN ACCOUNT OF A PARTICIPATING CANDIDATE AS SOON  
4 AS PRACTICABLE AFTER THE STATE BOARD DIRECTS THAT THE DISBURSEMENT BE  
5 MADE.

6 15.5–111.

7 A PARTICIPATING CANDIDATE:

8 (1) MAY COLLECT AN UNLIMITED AGGREGATE AMOUNT OF ELIGIBLE  
9 CONTRIBUTIONS; BUT

10 (2) MAY NOT RECEIVE A TOTAL AMOUNT OF MATCHING FUNDS IN  
11 EXCESS OF THE AMOUNTS PRESCRIBED IN § 15.5–109(C)(1) AND (2) OF THIS TITLE.

12 15.5–112.

13 AFTER BEING CERTIFIED AS A PARTICIPATING CANDIDATE BY THE STATE  
14 BOARD, IF A CANDIDATE ELECTS TO OPT OUT OF THE SYSTEM OF PUBLIC FINANCING  
15 OF ELECTIONS ESTABLISHED UNDER THIS TITLE, THE CANDIDATE SHALL:

16 (1) FILE A STATEMENT OF WITHDRAWAL WITH THE STATE BOARD;  
17 AND

18 (2) WITHIN 5 BUSINESS DAYS AFTER FILING THE STATEMENT OF  
19 WITHDRAWAL, REPAY TO THE STATE BOARD FOR DEPOSIT IN THE FUND THE FULL  
20 AMOUNT OF ANY MATCHING FUNDS THE CANDIDATE RECEIVED, TOGETHER WITH  
21 THE INTEREST AND PENALTY PRESCRIBED BY THE STATE BOARD BY REGULATION.

22 15.5–113.

23 (A) AN ACTION OF THE STATE BOARD UNDER THIS TITLE MAY BE REVIEWED  
24 BY A CIRCUIT COURT IN ACCORDANCE WITH § 10–222(C) OF THE STATE  
25 GOVERNMENT ARTICLE.

26 (B) A PETITION TO REVIEW AN ACTION OF THE STATE BOARD UNDER THIS  
27 SECTION SHALL BE BROUGHT WITHIN 60 DAYS AFTER THE STATE BOARD ACTS.

28 15.5–114.

29 (A) A PARTICIPATING CANDIDATE OR PERSON ACTING ON BEHALF OF A

1 PARTICIPATING CANDIDATE MAY NOT KNOWINGLY OR INTENTIONALLY:

2 (1) MAKE AN EXPENDITURE IN EXCESS OF THE AMOUNT AUTHORIZED  
3 UNDER THIS TITLE;

4 (2) EXPEND A CONTRIBUTION OR MATCHING FUNDS FOR ANY  
5 PURPOSE NOT AUTHORIZED BY LAW; OR

6 (3) PROVIDE FALSE INFORMATION TO OR CONCEAL OR WITHHOLD  
7 INFORMATION ABOUT A CONTRIBUTION OR AN EXPENDITURE FROM THE STATE  
8 BOARD.

9 (B) A PARTICIPATING CANDIDATE OR PERSON ACTING ON BEHALF OF A  
10 PARTICIPATING CANDIDATE WHO VIOLATES SUBSECTION (A) OF THIS SECTION IS  
11 GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT  
12 EXCEEDING \$2,500 OR IMPRISONMENT FOR NOT MORE THAN 1 YEAR OR BOTH.

13 (C) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY FOR A VIOLATION OF  
14 SUBSECTION (A) OF THIS SECTION:

15 (1) IN AN AMOUNT NOT EXCEEDING TWICE THE AMOUNT OF THE  
16 UNLAWFUL EXPENDITURE OR FALSE DISCLOSURE, UP TO A MAXIMUM OF \$5,000 FOR  
17 EACH VIOLATION;

18 (2) TO BE PAID OUT OF THE PERSONAL FUNDS OF THE VIOLATOR; AND

19 (3) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, IN  
20 ACCORDANCE WITH THE PROCEDURES AND REQUIREMENTS OF § 13-604.1 OF THIS  
21 ARTICLE.

22 (D) THE STATE BOARD MAY BAR AN INDIVIDUAL WHO VIOLATES THIS TITLE  
23 FROM FURTHER PARTICIPATION AS A PARTICIPATING CANDIDATE UNDER THIS  
24 TITLE.

25 15.5-115.

26 THIS TITLE MAY BE CITED AS THE MARYLAND SMALL DONOR INCENTIVE ACT.

27 SECTION 2. AND BE IT FURTHER ENACTED, That, if any provision of this Act or  
28 the application thereof to any person or circumstance is held invalid for any reason in a  
29 court of competent jurisdiction, the invalidity does not affect other provisions or any other  
30 application of this Act that can be given effect without the invalid provision or application,  
31 and for this purpose the provisions of this Act are declared severable.

1           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2019.