

# HOUSE BILL 424

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CF SB 415

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By: **Delegate Feldmark**

Introduced and read first time: January 15, 2021

Assigned to: Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 23, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Public Financing Act – Matching Fund Revisions**  
3 **(Maryland Fair Elections Act)**

4 FOR the purpose of requiring the Comptroller to distribute public contributions to a certain  
5 campaign finance entity established to receive public contributions for certain  
6 eligible candidates; altering the frequency with which the Comptroller is required to  
7 submit a certain statement to the State Board of Elections; requiring the State Board  
8 to make a certain determination regarding the balance of the Fair Campaign  
9 Financing Fund on or before a certain date in certain years; requiring the State  
10 Board to provide a certain notice to the Governor on or before a certain date under  
11 certain circumstances; requiring the Governor to include a certain appropriation in  
12 the budget bill in certain years under certain circumstances; repealing certain  
13 provisions of law regarding the raising of seed money by gubernatorial tickets in  
14 order to be eligible to receive a public contribution; requiring gubernatorial tickets  
15 to take actions before receiving public contributions from the Fund; authorizing  
16 certain campaign finance entities to accept only certain contributions and loans;  
17 establishing requirements that must be met to qualify as an eligible gubernatorial  
18 ticket; establishing a qualifying period for gubernatorial tickets; repealing certain  
19 provisions of law governing campaign expenditure limits for gubernatorial tickets  
20 that accept public contributions from the Fund; requiring the State Board to  
21 authorize distribution of money in the Fund on certification that certain  
22 qualifications have been met and not earlier than a certain date in a certain year;  
23 requiring the State Board to distribute public contributions from the Fund during  
24 the distribution period in a certain manner; establishing certain limits on the total  
25 public contribution payable to eligible gubernatorial tickets for certain elections;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 repealing certain provisions of law requiring that public contributions be distributed  
 2 in a certain manner; prohibiting the State Board from distributing matching dollars  
 3 for certain contributions and loans; requiring that an eligible gubernatorial ticket  
 4 receive a certain proportion of a certain public contribution amount; authorizing a  
 5 gubernatorial ticket to withdraw under certain circumstances; altering the reasons  
 6 for which public contributions may be spent to include an expenditure accompanied  
 7 by a certain receipt; altering the time period within which expenses must be incurred  
 8 in order to be paid using a public contribution; altering the time period within which  
 9 a certain part of a public contribution is required to be repaid; providing that certain  
 10 persons are civilly and criminally liable for the repayment of an unspent public  
 11 contribution; requiring the State Board to authorize the repayment of certain money  
 12 to the General Fund of the State from the Fund under certain circumstances;  
 13 altering the provisions required to be included in certain regulations that the State  
 14 Board is required to adopt; ~~requiring a person who violates a certain provision of law~~  
 15 ~~in a certain manner to pay a certain civil penalty; providing that a certain infraction~~  
 16 ~~is a civil offense;~~ authorizing the State Board to impose a certain civil penalty for  
 17 certain violations of law; establishing procedures for the issuance, service, notice,  
 18 contents, and prosecution of a certain civil citation; providing for the amount and  
 19 payment of a certain civil penalty under certain circumstances; establishing certain  
 20 provisions regarding a District Court proceeding relating to certain violations of law;  
 21 requiring the State Board to consider certain factors in determining the amount of a  
 22 certain civil penalty; requiring certain penalties to be distributed to the Fund;  
 23 providing for the application of certain provisions of this Act; defining certain terms;  
 24 altering certain defined terms and certain definitions; repealing certain definitions;  
 25 making conforming changes; and generally relating to the Public Financing Act.

26 BY repealing and reenacting, without amendments,  
 27 Article – Election Law  
 28 Section 13–235  
 29 Annotated Code of Maryland  
 30 (2017 Replacement Volume and 2020 Supplement)

31 BY repealing and reenacting, with amendments,  
 32 Article – Election Law  
 33 Section 15–102, 15–103, 15–104.1, and 15–106 through 15–111  
 34 Annotated Code of Maryland  
 35 (2017 Replacement Volume and 2020 Supplement)

36 BY repealing  
 37 Article – Election Law  
 38 Section 15–104 and 15–105  
 39 Annotated Code of Maryland  
 40 (2017 Replacement Volume and 2020 Supplement)

41 BY adding to  
 42 Article – Election Law  
 43 Section 15–104, 15–105, 15–108, and 15–113

1 Annotated Code of Maryland  
2 (2017 Replacement Volume and 2020 Supplement)

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

5 **Article – Election Law**

6 13–235.

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

8 (1) the Governor;

9 (2) the Lieutenant Governor;

10 (3) the Attorney General;

11 (4) the Comptroller; and

12 (5) a member of the General Assembly.

13 (b) Except as provided in subsection (c), (d), or (e) of this section, during a regular  
14 session of the General Assembly an official described in subsection (a) of this section, or a  
15 person acting on behalf of the official, may not, as to a candidate for federal, State, or local  
16 office, or a campaign finance entity of the candidate or any other campaign finance entity  
17 organized under this title and operated in coordination with a candidate:

18 (1) receive a contribution;

19 (2) conduct a fund–raising event;

20 (3) solicit a contribution; or

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

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

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

1 (e) An official described in subsection (a) of this section, or a person acting on  
2 behalf of the official, may deposit a contribution during the legislative session if the  
3 contribution was made electronically before the start of the session.

4 (f) (1) As to a violation of this section, the campaign finance entity of the  
5 official in violation is liable for a civil penalty as provided in § 13–604.1 of this title.

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

8 15–102.

9 (a) In this title the following words have the meanings indicated.

10 (b) “Comptroller” means the Comptroller of the State.

11 (c) **“CONTRIBUTION CARD” MEANS A DOCUMENT SIGNED, INCLUDING BY**  
12 **ELECTRONIC SIGNATURE, BY A DONOR ATTESTING THAT THE CONTRIBUTION MADE**  
13 **TO A CAMPAIGN IS MADE WITH THE PERSONAL FUNDS OF THE DONOR.**

14 [(c)] (d) “Eligible gubernatorial ticket” means a gubernatorial ticket that  
15 qualifies to receive a public contribution.

16 [(d)] (e) “Eligible private contribution” means [that part of a monetary or  
17 in-kind contribution or series of contributions from an individual] **A MONETARY PRIVATE**  
18 **CONTRIBUTION FROM ~~A REGISTERED VOTER~~ AN INDIVIDUAL WHO IS A RESIDENT OF**  
19 **THE STATE** that does not exceed \$250 **IN THE AGGREGATE FOR THE ELECTION CYCLE**  
20 **AND IS ACCOMPANIED BY A CONTRIBUTION CARD.**

21 [(e)] (f) “Fund” means the “Fair Campaign Financing Fund”.

22 [(f)] (g) “Gubernatorial ticket” means a Governor–Lieutenant Governor unit.

23 (h) **“PRIVATE CONTRIBUTION” MEANS A CONTRIBUTION OR SERIES OF**  
24 **CONTRIBUTIONS FROM AN INDIVIDUAL THAT DOES NOT EXCEED \$250 IN THE**  
25 **AGGREGATE FOR THE ELECTION CYCLE IN WHICH THE CONTRIBUTION IS MADE.**

26 [(g)] (i) “Public contribution” means money distributed from the Fund to a  
27 gubernatorial ticket under this title.

28 [(h) “Seed money” means cumulative eligible private contributions equaling 10%  
29 or more of the expenditure limit prescribed under § 15–105 of this title for an election.

30 (i) (1) “Treasurer” has the meaning stated in § 1–101 of this article.

31 (2) “Treasurer” includes a subtreasurer.]

1 15–103.

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

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

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

5 (1) credit to the Fund:

6 (i) all money collected **OR APPROPRIATED** under this title;

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

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

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

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

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

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

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

21 (3) make distributions from the Fund promptly on authorization by the  
22 State Board.

23 (d) The Comptroller shall distribute public contributions:

24 (1) only on authorization of the State Board; and

25 (2) as to each eligible gubernatorial ticket, to the [same] campaign account  
26 of a single campaign finance entity established under Title 13, Subtitle 2 of this article **TO**  
27 **RECEIVE PUBLIC CONTRIBUTIONS.**

28 (e) The Comptroller shall submit a statement of the Fund's balance to the State  
29 Board [at the State Board's request and on May 15 of each year] **EACH MONTH.**

1           **(F) (1) ON OR BEFORE JUNE 30 OF THE THIRD YEAR IMMEDIATELY**  
2 **PRECEDING A YEAR OF A GUBERNATORIAL ELECTION, THE STATE BOARD SHALL**  
3 **DETERMINE WHETHER THE BALANCE OF THE FUND IS SUFFICIENT TO PROVIDE FOR**  
4 **A FULL CONTRIBUTION FOR:**

5                           **(I) IN A PRIMARY ELECTION, TWO GUBERNATORIAL TICKETS;**  
6 **AND**

7                           **(II) IN A GENERAL ELECTION, ONE GUBERNATORIAL TICKET.**

8           **(2) IF THE BALANCE OF THE FUND IS DETERMINED TO BE**  
9 **INSUFFICIENT TO PROVIDE THE PUBLIC CONTRIBUTIONS DESCRIBED UNDER**  
10 **PARAGRAPH (1) OF THIS SUBSECTION:**

11                           **(I) ON OR BEFORE AUGUST 1 OF THE THIRD YEAR**  
12 **IMMEDIATELY PRECEDING A YEAR OF A GUBERNATORIAL ELECTION, THE STATE**  
13 **BOARD SHALL SEND A NOTICE TO THE GOVERNOR OF THE AMOUNT OF MONEY**  
14 **NEEDED TO PROVIDE THE PUBLIC CONTRIBUTIONS DESCRIBED UNDER PARAGRAPH**  
15 **(1) OF THIS SUBSECTION; AND**

16                           **(II) THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET**  
17 **BILL FOR THE APPROPRIATE FISCAL YEAR AN APPROPRIATION IN AN AMOUNT**  
18 **EQUAL TO THE AMOUNT SUBMITTED TO THE GOVERNOR UNDER ITEM (I) OF THIS**  
19 **PARAGRAPH.**

20           **(3) FOR FISCAL YEAR 2023, THE GOVERNOR SHALL INCLUDE IN THE**  
21 **ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$4,000,000 TO THE FUND.**

22           **[(f)] (G)** To pay costs directly related to the administration of this title, the State  
23 Board may expend in each fiscal year an amount of money in the Fund that does not exceed  
24 the lesser of:

25                           (1) 3% of the Fund's balance, as calculated on the last day of the  
26 immediately preceding fiscal year; or

27                           (2) \$100,000.

28 [15–104.

29 A gubernatorial ticket is qualified to receive a public contribution for an election on  
30 the date specified by regulation adopted under this title if:

31                           (1) the gubernatorial ticket has raised seed money;

1           (2)    the seed money is refundable only if the gubernatorial ticket withdraws  
2 as a gubernatorial ticket; and

3           (3)    as certified by the gubernatorial ticket's treasurer on a campaign  
4 finance report, the seed money was:

5                   (i)     raised in accordance with this title; and

6                   (ii)    received after March 1 of the year immediately preceding the  
7 year of that election.]

8 **15-104.**

9           **(A) BEFORE RECEIVING A PRIVATE CONTRIBUTION, A GUBERNATORIAL**  
10 **TICKET SHALL:**

11                   **(1) ON OR BEFORE THE DEADLINE TO FILE A CERTIFICATE OF**  
12 **CANDIDACY UNDER § 13-303 OF THIS ARTICLE, FILE WITH THE STATE BOARD A**  
13 **NOTICE OF INTENT TO PARTICIPATE AS A PUBLICLY FINANCED CANDIDATE FOR**  
14 **BOTH THE PRIMARY AND GENERAL ELECTIONS; AND**

15                   **(2) ESTABLISH A CAMPAIGN FINANCE ENTITY FOR COMPLYING WITH**  
16 **THE REQUIREMENTS OF THIS TITLE.**

17           **(B) (1) A CAMPAIGN FINANCE ENTITY ESTABLISHED UNDER SUBSECTION**  
18 **(A)(2) OF THIS SECTION MAY ACCEPT ONLY:**

19                           **(I) A PRIVATE CONTRIBUTION;**

20                           **(II) AN ELIGIBLE PRIVATE CONTRIBUTION;**

21                           **(III) A PUBLIC CONTRIBUTION; AND**

22                           **(IV) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A**  
23 **CONTRIBUTION OR LOAN FROM A MEMBER OF A GUBERNATORIAL TICKET OR THE**  
24 **SPOUSE OF A MEMBER OF THE GUBERNATORIAL TICKET.**

25                   **(2) A MEMBER OF A GUBERNATORIAL TICKET OR THE SPOUSE OF A**  
26 **MEMBER OF A GUBERNATORIAL TICKET MAY NOT MAKE A CONTRIBUTION OF OR**  
27 **LEND A COMBINED TOTAL OF MORE THAN \$50,000 TO THE CAMPAIGN OF THE**  
28 **GUBERNATORIAL TICKET.**

29           **(C) TO QUALIFY AS AN ELIGIBLE GUBERNATORIAL TICKET, A**  
30 **GUBERNATORIAL TICKET SHALL COLLECT WITHIN THE QUALIFYING PERIOD AT**  
31 **LEAST:**

1           **(1) 1,500 ELIGIBLE PRIVATE CONTRIBUTIONS; AND**

2           **(2) AN AGGREGATE TOTAL OF \$120,000.**

3 **15-105.**

4           **(A) FOR PRINCIPAL POLITICAL PARTY CANDIDATES, THE QUALIFYING**  
5 **PERIOD IS FROM THE FIRST DAY OF THE ELECTION CYCLE FOR A GUBERNATORIAL**  
6 **ELECTION UNTIL THE FIRST MONDAY IN MAY, INCLUSIVE, OF THE ELECTION YEAR.**

7           **(B) FOR ALL OTHER PARTICIPATING CANDIDATES, THE QUALIFYING**  
8 **PERIOD TO QUALIFY FOR ONLY THE GENERAL ELECTION IS FROM THE FIRST DAY OF**  
9 **THE ELECTION CYCLE FOR A GUBERNATORIAL ELECTION UNTIL THE FIRST MONDAY**  
10 **IN AUGUST, INCLUSIVE, OF THE ELECTION YEAR.**

11 **[15-104.1.] 15-106.**

12           (a) After filing a notice of intent to qualify for a public contribution under this  
13 title, a gubernatorial ticket or a person acting on behalf of the gubernatorial ticket may not,  
14 for the benefit of any political committee or any person required to register with the State  
15 Board under § 13-306 or § 13-307 of this article or for a participating organization  
16 organized under § 13-309.2 of this article:

17           (1) solicit contributions, including the authorized use of the names or  
18 images of the gubernatorial ticket in the solicitation; or

19           (2) operate in coordination with any entity for fundraising activities.

20           (b) After filing a notice of intent to qualify for a public contribution under this  
21 title, the members of a gubernatorial ticket may not be a member of a slate that does not  
22 receive a public contribution.

23           (c) Until a final campaign finance report is filed with the State Board and any  
24 remaining funds of the public contribution distributed to a gubernatorial ticket are repaid  
25 to the Comptroller for redeposit in the Fund in accordance with ~~[§ 15-107]~~ **§ 15-109** of this  
26 subtitle, any authorized candidate campaign committee organized under Title 13 of this  
27 article on behalf of the members of a gubernatorial ticket may not engage in campaign  
28 finance activity.

29 **[15-105.**

30           (a) (1) A gubernatorial ticket that accepts a public contribution from the Fund  
31 for an election may not spend, in that election, more than the product of 30 cents, adjusted  
32 annually beginning January 1, 1997, in accordance with the Consumer Price Index, times  
33 the population of the State as determined under subsection (c) of this section.



1 (2) Paragraph (1) of this subsection:

2 (i) applies separately to each primary and general election; and

3 (ii) does not apply to expenditures made on behalf of a gubernatorial  
4 ticket by a State or local central committee.

5 (b) The State Board shall certify the expenditure limit for each election in  
6 accordance with subsection (a)(1) of this section.

7 (c) The population of the State shall be determined by the State Board as of  
8 January 1 of the year of the election in accordance with the more recent of:

9 (1) the most recent decennial census of the United States; or

10 (2) any population estimate prepared for the State by the Maryland  
11 Department of Health.

12 (d) The members of the gubernatorial ticket and, if associated with the  
13 expenditure, the responsible officers of its campaign finance entity are jointly and severally  
14 liable civilly and criminally for an expenditure made in violation of this section.]

15 **[15–106.] 15–107.**

16 (a) (1) **[(i)]** In accordance with subsection (c) of this section **AND**  
17 **REGULATIONS ADOPTED BY THE STATE BOARD**, the State Board shall authorize  
18 distribution **OF MONEY IN THE FUND** on a continuing basis [of one–half of the money in  
19 the Fund to eligible gubernatorial tickets in the primary election] **ON CERTIFICATION**  
20 **THAT THE QUALIFICATIONS UNDER § 15–104 OF THIS SUBTITLE HAVE BEEN MET.**

21 **[(ii)] (2)** Distributions shall begin not [later than February]  
22 **EARLIER THAN JANUARY 1** of the year of the election.

23 **[(2)** Promptly after the primary election, the State Board shall authorize  
24 distribution of the remaining money in the Fund in accordance with subsection (d) of this  
25 section.]

26 (b) If the State Board determines that there is not, or may not be, sufficient money  
27 in the Fund to provide a full public contribution to all eligible gubernatorial tickets [in a  
28 primary or general election], the State Board shall allocate the available money so that  
29 each eligible gubernatorial ticket in that election receives a proportionate share of the full  
30 public contribution to which the gubernatorial ticket otherwise would be entitled.

31 (c) (1) The State Board shall authorize distribution of the money that is  
32 designated for distribution [in the primary election] as provided in this subsection.

1           [(2) An eligible gubernatorial ticket that is opposed in the primary election  
2 shall receive \$1 in public contributions for each \$1 in eligible private contributions it has  
3 received.

4           (3) An eligible gubernatorial ticket that is unopposed in the primary  
5 election shall receive \$1 in public contributions for each \$3 in eligible private contributions  
6 it has received.]

7           **(2) THE STATE BOARD SHALL DISTRIBUTE A PUBLIC CONTRIBUTION  
8 FROM THE FUND TO EACH GUBERNATORIAL TICKET DURING THE DISTRIBUTION  
9 PERIOD IN MATCHING DOLLARS EQUAL TO:**

10           **(I) ~~\$9~~ \$8 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE  
11 CONTRIBUTION RECEIVED FOR THE FIRST \$50 OF EACH ELIGIBLE PRIVATE  
12 CONTRIBUTION;**

13           **(II) ~~\$5~~ \$6 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE  
14 CONTRIBUTION RECEIVED FOR THE SECOND \$50 OF EACH ELIGIBLE PRIVATE  
15 CONTRIBUTION;**

16           **(III) \$2 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE  
17 CONTRIBUTION RECEIVED FOR THE THIRD \$50 OF EACH ELIGIBLE PRIVATE  
18 CONTRIBUTION; AND**

19           **(IV) \$0 FOR EACH DOLLAR OF AN ELIGIBLE PRIVATE  
20 CONTRIBUTION RECEIVED FOR THE REMAINING \$100 OF EACH ELIGIBLE PRIVATE  
21 CONTRIBUTION.**

22           **(3) THE TOTAL PUBLIC CONTRIBUTION PAYABLE TO A  
23 GUBERNATORIAL TICKET FOR EITHER A PRIMARY OR GENERAL ELECTION MAY NOT  
24 EXCEED \$3,000,000.**

25           **(4) THE STATE BOARD MAY NOT DISTRIBUTE MATCHING DOLLARS  
26 FROM THE FUND TO A GUBERNATORIAL TICKET FOR:**

27           **(I) A CONTRIBUTION OR LOANS FROM THE GUBERNATORIAL  
28 TICKET OR THE SPOUSE OF A MEMBER OF THE GUBERNATORIAL TICKET; OR**

29           **(II) AN IN-KIND CONTRIBUTION OF PROPERTY, GOODS, OR  
30 SERVICES.**

31           **(5) A GUBERNATORIAL TICKET THAT IS UNOPPOSED IN A PRIMARY  
32 ELECTION SHALL RECEIVE ONE-THIRD OF THE PUBLIC CONTRIBUTION AMOUNT  
33 THE GUBERNATORIAL TICKET WOULD OTHERWISE BE ENTITLED TO RECEIVE.**

1 [(d) (1) The State Board shall authorize distribution for the general election of  
2 all money remaining in the Fund, including money remaining from the part designated for  
3 the primary election, as provided in this subsection.

4 (2) Each eligible gubernatorial ticket that is a nominee shall receive an  
5 equal share of the Fund.

6 (3) An eligible gubernatorial ticket may not receive a public contribution if  
7 it is unopposed on the general election ballot.

8 (4) An eligible gubernatorial ticket that did not receive a public  
9 contribution in the primary election may receive a public contribution in the general  
10 election only if the gubernatorial ticket:

11 (i) is a nominee in the general election; and

12 (ii) did not exceed the expenditure limit for the primary election.

13 (5) The State Board shall authorize distribution of public contributions  
14 promptly after the certification of primary election results.]

15 **15-108.**

16 **(A) A GUBERNATORIAL TICKET MAY WITHDRAW FROM PARTICIPATION AS A**  
17 **PUBLICLY FUNDED CANDIDATE AT ANY TIME BEFORE A PUBLIC CONTRIBUTION IS**  
18 **RECEIVED BY THE GUBERNATORIAL TICKET'S CAMPAIGN FINANCE ENTITY.**

19 **(B) IF A PUBLIC CONTRIBUTION HAS BEEN RECEIVED BY AN ELIGIBLE**  
20 **GUBERNATORIAL TICKET'S CAMPAIGN FINANCE ENTITY, THE ELIGIBLE CANDIDATE**  
21 **MAY WITHDRAW FROM PARTICIPATING IF THE GUBERNATORIAL TICKET:**

22 **(1) FILES A STATEMENT OF WITHDRAWAL ON A FORM PRESCRIBED BY**  
23 **THE STATE BOARD; AND**

24 **(2) REPAYS TO THE FUND THE FULL AMOUNT OF ANY PUBLIC**  
25 **CONTRIBUTION RECEIVED, WITH INTEREST ESTABLISHED IN REGULATION BY THE**  
26 **STATE BOARD.**

27 **[15-107.] 15-109.**

28 (a) A public contribution may be spent only:

29 (1) in accordance with § 13-218 of this article;

30 (2) to further the gubernatorial ticket's nomination or election;

1 (3) for expenses incurred not later than [30] 45 days after the election for  
2 which the public contribution was made; [and]

3 (4) for purposes that do not violate State law; AND

4 (5) FOR AN EXPENDITURE THAT IS ACCOMPANIED BY A RECEIPT.

5 (b) An eligible gubernatorial ticket may not make:

6 (1) a transfer; or

7 (2) an expenditure relating to fundraising activity by any other political  
8 committee organized under this article.

9 (c) (1) Any part of a public contribution that is not spent shall be repaid to the  
10 Comptroller for redeposit in the Fund not later than [60] 90 days after the election for  
11 which the public contribution was made.

12 (2) In computing whether part of a public contribution is not spent, all  
13 private contributions to the gubernatorial ticket shall be treated as spent before the  
14 expenditure of any of the public contribution.

15 (d) The members of a gubernatorial ticket and the responsible officers of [its] THE  
16 campaign finance entity THAT RECEIVED A PUBLIC CONTRIBUTION are jointly and  
17 severally personally liable CIVILLY AND CRIMINALLY for repaying to the Comptroller any  
18 part of a public contribution that is not spent or that was spent in violation of subsection  
19 (a) of this section.

20 [15-108.] 15-110.

21 (A) [Any] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, ANY  
22 balance in the Fund after a gubernatorial election shall remain in the Fund for the purposes  
23 of this title.

24 (B) IF GENERAL FUNDS ARE APPROPRIATED TO THE FUND UNDER §  
25 15-103(F)(2) OF THIS SUBTITLE, THE STATE BOARD SHALL AUTHORIZE REPAYMENT  
26 TO THE GENERAL FUND OF THE STATE OF THE AMOUNT THAT EXCEEDS THE  
27 AMOUNT NECESSARY TO PROVIDE FOR A FULL CONTRIBUTION FOR ELIGIBLE  
28 CANDIDATES DESCRIBED UNDER § 15-103(F)(1) OF THIS TITLE.

29 [15-109.] 15-111.

30 (a) (1) Subject to § 15-103 of this title, the State Board shall administer this  
31 title.

1           (2)    The State Board may request the assistance of the Comptroller to  
2 administer this title.

3           (b)    (1)    The State Board shall adopt comprehensive regulations to implement  
4 this title.

5           (2)    The regulations shall include provisions relating to:

6                   (i)    [the manner and deadline for a gubernatorial ticket to notify the  
7 State Board of its intention to qualify for a public contribution;

8                   (ii)] the deadline for a gubernatorial ticket to submit a request for a  
9 public contribution;

10                   [(iii)] (II) the dates when the State Board will authorize, and the  
11 Comptroller will make, distributions of public contributions to gubernatorial tickets in  
12 accordance with this title;

13                   [(iv)] (III) a proportionate distribution when there is not, or may not  
14 be, sufficient money in the Fund;

15                   [(v) a formula for distributing a supplementary public contribution  
16 to the other eligible gubernatorial tickets if additional money becomes available because:

17                           1. an eligible gubernatorial ticket fails to request a public  
18 contribution;

19                           2. an eligible gubernatorial ticket withdraws as a  
20 gubernatorial ticket; or

21                           3. an eligible gubernatorial ticket is disqualified;

22                   (vi) the standards by which expenditures by campaign finance  
23 entities with which an eligible gubernatorial ticket is affiliated are applied to the  
24 expenditure limit prescribed in § 15–105 of this title;]

25                   [(vii)] (IV) thresholds for in-kind contributions that are not  
26 considered contributions or expenditures for the purposes of this title;

27                   [(viii)] (V) distributions to[:

28                           1. an unopposed gubernatorial ticket;

29                           2. a gubernatorial ticket composed of members from other  
30 than the two principal political parties; and

1                                   3.] a write-in gubernatorial ticket; and

2                                   [(ix)] (VI) the purposes for which a public contribution may not be  
3 used.

4 [15-110.] **15-112.**

5           A person who violates this title is guilty of a misdemeanor and on conviction is  
6 subject to a fine not exceeding \$5,000 or imprisonment not exceeding 1 year or both for each  
7 violation.

8 **15-113.**

9           **(A) IN THIS SECTION, "PERSON" INCLUDES A POLITICAL COMMITTEE.**

10           ~~**(B) (1) A PERSON WHO VIOLATES A PROVISION OF THIS TITLE WITHOUT**~~  
11 ~~**KNOWING THAT THE ACT IS ILLEGAL SHALL PAY A CIVIL PENALTY IN ACCORDANCE**~~  
12 ~~**WITH THIS SECTION.**~~

13           ~~**(2) AN INFRACTION DESCRIBED IN PARAGRAPH (1) OF THIS**~~  
14 ~~**SUBSECTION IS A CIVIL OFFENSE.**~~

15           ~~**(3) THIS SECTION DOES NOT APPLY TO A VIOLATION OF ANOTHER**~~  
16 ~~**SECTION IN WHICH A PENALTY IS EXPRESSLY PROVIDED.**~~

17           ~~**(B)**~~ **(1) THIS SUBSECTION APPLIES ONLY TO VIOLATIONS**  
18 **COMMITTED, AS APPLICABLE, BY:**

19                                   **(I) THE ELIGIBLE GUBERNATORIAL TICKET;**

20                                   **(II) THE ELIGIBLE GUBERNATORIAL TICKET'S CAMPAIGN**  
21 **FINANCE ENTITY;**

22                                   **(III) THE CHAIRMAN OF THE ELIGIBLE GUBERNATORIAL**  
23 **TICKET'S CAMPAIGN FINANCE ENTITY;**

24                                   **(IV) THE TREASURER OF THE ELIGIBLE GUBERNATORIAL**  
25 **TICKET'S CAMPAIGN FINANCE ENTITY; OR**

26                                   **(V) A PERSON ACTING ON BEHALF OF A PERSON LISTED IN ITEM**  
27 **(I), (II), (III), OR (IV) OF THIS PARAGRAPH.**

28                                   **(2) THE STATE BOARD MAY IMPOSE A CIVIL PENALTY IN**  
29 **ACCORDANCE WITH THIS SECTION FOR THE FOLLOWING VIOLATIONS:**

1 (I) MAKING A DISBURSEMENT IN A MANNER NOT AUTHORIZED  
2 UNDER § 13-218(B)(2), (C), AND (D) OF THIS ARTICLE;

3 (II) FAILURE TO MAINTAIN A CAMPAIGN BANK ACCOUNT AS  
4 REQUIRED UNDER § 13-220(A) OF THIS ARTICLE;

5 (III) MAKING A DISBURSEMENT BY A METHOD NOT AUTHORIZED  
6 UNDER § 13-220(D) OF THIS ARTICLE;

7 (IV) FAILURE TO MAINTAIN DETAILED AND ACCURATE ACCOUNT  
8 BOOKS AND RECORDS AS REQUIRED UNDER § 13-221 OF THIS ARTICLE;

9 (V) FUND-RAISING DURING THE GENERAL ASSEMBLY SESSION  
10 IN A MANNER NOT AUTHORIZED IN § 13-235 OF THIS ARTICLE;

11 (VI) FAILURE TO REPORT ALL CONTRIBUTIONS RECEIVED AND  
12 EXPENDITURES MADE AS REQUIRED IN § 13-304(B) OF THIS ARTICLE;

13 (VII) FAILURE TO INCLUDE AN AUTHORITY LINE ON CAMPAIGN  
14 MATERIAL AS REQUIRED IN § 13-401 OF THIS ARTICLE; OR

15 (VIII) FAILURE TO RETAIN A COPY OF CAMPAIGN MATERIAL AS  
16 REQUIRED IN § 13-403 OF THIS ARTICLE.

17 ~~(D)~~ (C) A CIVIL PENALTY IMPOSED UNDER THIS SECTION FOR A  
18 VIOLATION SPECIFIED IN SUBSECTION ~~(C)~~ (B) OF THIS SECTION IS IN ADDITION TO  
19 ANY OTHER SANCTION PROVIDED BY LAW.

20 ~~(D)~~ (D) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE OR AS  
21 PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE AMOUNT OF A CIVIL  
22 PENALTY IMPOSED UNDER THIS SECTION MAY NOT EXCEED \$1,000 FOR EACH  
23 VIOLATION.

24 (2) AS TO A VIOLATION OF § 13-235 OF THIS ARTICLE, THE CAMPAIGN  
25 FINANCE ENTITY THAT RECEIVES A CONTRIBUTION AS A RESULT OF A VIOLATION  
26 SHALL:

27 (I) REFUND THE CONTRIBUTION TO THE CONTRIBUTOR; AND

28 (II) PAY A CIVIL PENALTY THAT EQUALS \$1,000 PLUS THE  
29 AMOUNT OF THE CONTRIBUTION, UNLESS THE STATE BOARD AT ITS DISCRETION  
30 ASSESSES A LESSER PENALTY FOR GOOD CAUSE.

1       ~~(F)~~ (E)       THE CIVIL PENALTY IS PAYABLE TO THE STATE BOARD BY THE  
2 PERSON CHARGED IN A CITATION WITHIN 20 CALENDAR DAYS AFTER SERVICE OF  
3 THE CITATION.

4       ~~(G)~~ (F)       (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS  
5 SUBSECTION, A CIVIL PENALTY IMPOSED UNDER THIS SECTION SHALL BE PAID BY  
6 THE CAMPAIGN FINANCE ENTITY.

7               (2) IF THE CAMPAIGN FINANCE ENTITY HAS INSUFFICIENT FUNDS  
8 WITH WHICH TO PAY THE FULL AMOUNT OF THE CIVIL PENALTY IN A TIMELY  
9 MANNER, AFTER THE CAMPAIGN ACCOUNT OF THE FINANCE ENTITY IS EXHAUSTED  
10 THE BALANCE OF THE CIVIL PENALTY IS THE JOINT AND SEVERAL LIABILITY OF THE  
11 RESPONSIBLE OFFICERS.

12              (3) IF A VIOLATION IS COMMITTED BY A PERSON NOT ACTING ON  
13 BEHALF OF, OR AT THE REQUEST OR SUGGESTION OF, A CANDIDATE OR A CAMPAIGN  
14 FINANCE ENTITY, THE CIVIL PENALTY SHALL BE PAID BY THE PERSON WHO  
15 COMMITTED THE VIOLATION.

16       ~~(H)~~ (G)       THE STATE BOARD MAY ISSUE A CITATION TO ANY PERSON THE  
17 STATE BOARD BELIEVES IS COMMITTING OR HAS COMMITTED A VIOLATION  
18 SPECIFIED IN SUBSECTION ~~(E)~~ (B) OF THIS SECTION.

19       ~~(I)~~ (H)       THE CITATION SHALL BE SERVED ON THE DEFENDANT IN  
20 ACCORDANCE WITH THE MARYLAND RULES.

21       ~~(J)~~ (I)       THE CITATION SHALL CONTAIN:

22              (1) THE CERTIFICATION BY THE STATE BOARD ATTESTING TO THE  
23 TRUTH OF THE MATTER SET FORTH IN THE CITATION;

24              (2) THE NAME AND ADDRESS OF THE PERSON CHARGED;

25              (3) THE NATURE, TIME, AND PLACE OF THE VIOLATION;

26              (4) THE MANNER IN WHICH THE VIOLATION OCCURRED;

27              (5) THE AMOUNT OF THE PENALTY ASSESSED;

28              (6) THE MANNER, TIME, AND LOCATION TO PAY THE PENALTY;

29              (7) A STATEMENT THAT THE PERSON RECEIVING THE CITATION HAS A  
30 RIGHT TO TRIAL IN THE DISTRICT COURT; AND



1           **(8) THE EFFECT OF FAILING TO PAY THE ASSESSED FINE OR OF**  
2 **FAILING TO DEMAND A TRIAL WITHIN THE PRESCRIBED TIME.**

3           ~~**(I)**~~ **(J) (1) A PERSON CHARGED IN A CITATION MAY ELECT TO STAND**  
4 **TRIAL FOR THE VIOLATION BY NOTIFYING THE STATE BOARD IN WRITING OF THE**  
5 **PERSON'S INTENT TO STAND TRIAL.**

6           **(2) THE WRITTEN NOTICE SHALL BE GIVEN AT LEAST 5 DAYS BEFORE**  
7 **THE DATE OF PAYMENT AS SET FORTH IN THE CITATION.**

8           ~~**(J)**~~ **(K) (1) ON RECEIPT OF THE WRITTEN NOTICE OF INTENT TO STAND**  
9 **TRIAL, THE STATE BOARD SHALL FORWARD TO THE STATE PROSECUTOR A COPY OF**  
10 **THE CITATION AND THE WRITTEN NOTICE.**

11           **(2) THE STATE PROSECUTOR SHALL FORWARD TO THE DISTRICT**  
12 **COURT HAVING VENUE A COPY OF THE CITATION AND THE WRITTEN NOTICE.**

13           **(3) ON RECEIPT OF THE CITATION AND THE WRITTEN NOTICE:**

14                   **(I) THE STATE PROSECUTOR SHALL ASSUME RESPONSIBILITY**  
15 **FOR PROSECUTING THE VIOLATION; AND**

16                   **(II) THE DISTRICT COURT SHALL SCHEDULE THE CASE FOR**  
17 **TRIAL, NOTIFY THE DEFENDANT OF THE TRIAL DATE, AND SUMMON THE DEFENDANT**  
18 **TO APPEAR.**

19           ~~**(K)**~~ **(L) (1) IF A PERSON CHARGED IN A CITATION FAILS TO PAY THE**  
20 **PENALTY BY THE DATE OF PAYMENT SET FORTH IN THE CITATION AND FAILS TO**  
21 **DELIVER TO THE STATE BOARD THE WRITTEN NOTICE OF INTENT TO STAND TRIAL,**  
22 **THE PERSON IS LIABLE FOR THE ASSESSED PENALTY.**

23           **(2) THE STATE PROSECUTOR, ON BEHALF OF THE STATE BOARD,**  
24 **MAY DOUBLE THE PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000 AND REQUEST**  
25 **ADJUDICATION OF THE CASE THROUGH THE DISTRICT COURT BY FILING A DEMAND**  
26 **FOR JUDGMENT ON AFFIDAVIT.**

27           ~~**(L)**~~ **(M) THE DEFENDANT'S FAILURE TO RESPOND TO THE SUMMONS OF**  
28 **THE DISTRICT COURT SHALL RESULT IN THE ENTRY OF JUDGMENT AGAINST THE**  
29 **DEFENDANT IN FAVOR OF THE STATE BOARD IN THE AMOUNT SET FORTH IN THE**  
30 **CITATION IF A PROPER DEMAND FOR JUDGMENT ON AFFIDAVIT HAS BEEN MADE.**

31           ~~**(M)**~~ **(N) IF A PERSON IS FOUND BY THE DISTRICT COURT TO HAVE**  
32 **COMMITTED A VIOLATION:**

1           **(1) (I) THE DISTRICT COURT SHALL ORDER THE PERSON TO PAY**  
2 **THE PENALTY SET FORTH IN THE CITATION AND MAY DOUBLE THE AMOUNT OF THE**  
3 **PENALTY TO AN AMOUNT NOT TO EXCEED \$2,000;**

4           **(II) THE PENALTY IMPOSED SHALL CONSTITUTE A JUDGMENT IN**  
5 **FAVOR OF THE STATE BOARD; AND**

6           **(III) IF THE PENALTY REMAINS UNPAID FOR 30 DAYS FOLLOWING**  
7 **THE DATE OF ITS ENTRY, THE JUDGMENT SHALL BE ENFORCEABLE IN THE SAME**  
8 **MANNER AND TO THE SAME EXTENT AS OTHER CIVIL JUDGMENTS FOR MONEY**  
9 **UNLESS THE COURT HAS SUSPENDED OR DEFERRED PAYMENT OF THE PENALTY AS**  
10 **PROVIDED IN ITEM (2) OF THIS SUBSECTION;**

11           **(2) THE DISTRICT COURT MAY SUSPEND OR DEFER THE PAYMENT OF**  
12 **ANY PENALTY UNDER CONDITIONS THAT THE COURT SETS;**

13           **(3) THE DEFENDANT SHALL BE LIABLE FOR THE COSTS OF THE**  
14 **PROCEEDINGS IN THE DISTRICT COURT; AND**

15           **(4) THE DISTRICT COURT MAY ORDER THE PERSON TO ABATE THE**  
16 **VIOLATION.**

17           ~~**(P)**~~ **(O) IF A DEFENDANT FAILS TO PAY ANY PENALTY OR COST IMPOSED**  
18 **BY THE DISTRICT COURT WITHOUT GOOD CAUSE, THE DISTRICT COURT MAY**  
19 **PUNISH THE FAILURE AS CONTEMPT OF COURT.**

20           ~~**(Q)**~~ **(P) ADJUDICATION OF A VIOLATION UNDER THIS SECTION:**

21           **(1) IS NOT A CRIMINAL CONVICTION; AND**

22           **(2) DOES NOT IMPOSE ANY OF THE CIVIL DISABILITIES THAT ARISE**  
23 **FROM A CRIMINAL CONVICTION.**

24           ~~**(R)**~~ **(Q) IN A DISTRICT COURT PROCEEDING RELATING TO A VIOLATION**  
25 **UNDER THIS SECTION:**

26           **(1) THE STATE PROSECUTOR HAS THE BURDEN TO PROVE THAT THE**  
27 **DEFENDANT HAS COMMITTED THE VIOLATION BY CLEAR AND CONVINCING**  
28 **EVIDENCE;**

29           **(2) THE DISTRICT COURT SHALL APPLY THE EVIDENTIARY**  
30 **STANDARDS AS PROVIDED BY LAW OR RULE FOR THE TRIAL OF CIVIL CAUSES;**

1           **(3) THE DISTRICT COURT SHALL ENSURE THAT THE DEFENDANT HAS**  
2 **RECEIVED A COPY OF THE CHARGES AGAINST THE DEFENDANT AND THAT THE**  
3 **DEFENDANT UNDERSTANDS THOSE CHARGES;**

4           **(4) THE DEFENDANT MAY CROSS-EXAMINE ALL WITNESSES WHO**  
5 **APPEAR AGAINST THE DEFENDANT, PRODUCE EVIDENCE OR WITNESSES IN THE**  
6 **DEFENDANT'S OWN BEHALF, OR TESTIFY IN THE DEFENDANT'S OWN BEHALF;**

7           **(5) THE DEFENDANT SHALL BE ENTITLED TO BE REPRESENTED BY**  
8 **COUNSEL OF THE DEFENDANT'S OWN SELECTION AND AT THE DEFENDANT'S OWN**  
9 **EXPENSE;**

10           **(6) THE DEFENDANT MAY ENTER A PLEA OF GUILTY OR NOT GUILTY**  
11 **OF THE VIOLATION AS CHARGED; AND**

12           **(7) THE VERDICT OF THE DISTRICT COURT SHALL BE GUILTY OF A**  
13 **VIOLATION OR NOT GUILTY OF A VIOLATION, OR THE DISTRICT COURT MAY, BEFORE**  
14 **RENDERING JUDGMENT, PLACE THE DEFENDANT ON PROBATION.**

15           **(R) THE STATE BOARD SHALL CONSIDER THE FOLLOWING IN DETERMINING**  
16 **THE AMOUNT OF A PENALTY UNDER THIS SECTION:**

17           **(1) THE SEVERITY OF THE VIOLATION FOR WHICH THE PENALTY IS TO**  
18 **BE ASSESSED;**

19           **(2) THE GOOD FAITH OF THE VIOLATOR; AND**

20           **(3) ANY HISTORY OF PRIOR VIOLATIONS.**

21           **(S) PENALTIES COLLECTED UNDER THIS SECTION SHALL BE DISTRIBUTED**  
22 **TO THE FAIR CAMPAIGN FINANCING FUND ESTABLISHED UNDER § 15-103 OF THIS**  
23 **TITLE.**

24 **[15-111.] 15-114.**

25           This title is the Public Financing Act.

26           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
27 1, 2021.