

# HOUSE BILL 694

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CF SB 763

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By: **Delegates Cardin, George, and Summers**

Introduced and read first time: February 8, 2012

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Payroll Deductions and Member Contributions – Address of**  
3 **Contributor**

4 FOR the purpose of requiring an employer that collects voluntary contributions from  
5 employees through payroll deduction to a campaign finance entity selected by  
6 the employer to record the address of each contributor and transfer that  
7 information to the campaign finance entity; requiring an employer that collects  
8 voluntary contributions from employees through payroll deduction to a  
9 campaign finance entity affiliated with an employee membership entity selected  
10 by the employee to record the address of each contributor and transfer that  
11 information to the employee membership entity; requiring a membership entity  
12 that collects voluntary contributions from members to a campaign finance entity  
13 affiliated with the membership entity to record the address of each contributor  
14 and transfer that information to the affiliated campaign finance entity; and  
15 generally relating to requiring employers and membership entities that collect  
16 contributions to campaign finance entities to record the address of each  
17 contributor and transfer that information to the campaign finance entity.

18 BY repealing and reenacting, with amendments,  
19 Article – Election Law  
20 Section 13–241, 13–242, and 13–243  
21 Annotated Code of Maryland  
22 (2010 Replacement Volume and 2011 Supplement)

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

25 **Article – Election Law**

26 13–241.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) An employer may establish a program for collecting from employees by  
2 means of payroll deductions voluntary contributions to one or more campaign finance  
3 entities selected by the employer.

4 (b) Periodic contributions collected by payroll deductions under a program  
5 established under subsection (a) of this section shall be combined and accumulated in  
6 a segregated escrow account maintained solely for that purpose.

7 (c) An employer shall keep detailed and accurate records of each payroll  
8 deduction made under subsection (a) of this section, including:

9 (1) the name **AND ADDRESS** of the contributor;

10 (2) the date on which the contribution is withheld;

11 (3) the amount of the contribution; and

12 (4) the disposition of the contribution.

13 (d) Within 3 months after withholding a contribution under this section, the  
14 employer shall transmit the contribution to the appropriate campaign finance entity,  
15 together with the information recorded under subsection (c)(1), (2), and (3) of this  
16 section.

17 (e) In soliciting an employee to make a contribution to a campaign finance  
18 entity by payroll deduction, an employer shall inform the employee of:

19 (1) the political purposes of the campaign finance entity; and

20 (2) the employee's right to refuse to contribute to the campaign finance  
21 entity without reprisal.

22 (f) An employer may not receive or use money or anything of value under  
23 this section if it is obtained:

24 (1) by actual or threatened:

25 (i) physical force;

26 (ii) job discrimination; or

27 (iii) financial reprisal; or

28 (2) as:

29 (i) a result of a commercial transaction; or

1 (ii) dues, fees, or other assessment required as a condition of  
2 membership in a labor organization or employment.

3 13-242.

4 (a) (1) In this section the following words have the meanings indicated.

5 (2) "Affiliated political action committee" means a political action  
6 committee affiliated with an employee membership entity.

7 (3) "Employee membership entity" means an organization whose  
8 membership includes employees of the employer.

9 (b) If an employer withholds from employees by payroll deduction the  
10 employees' dues to an employee membership entity:

11 (1) the employee also may make contributions by payroll deduction to  
12 one or more affiliated political action committees selected by the employee; and

13 (2) the employer shall collect the contributions and transmit them to  
14 the employee membership entity designated by the employee in accordance with the  
15 requirements of subsection (c) of this section.

16 (c) Periodic contributions collected by payroll deductions pursuant to a  
17 program established under subsection (b) of this section shall be:

18 (1) combined and accumulated in a segregated escrow account  
19 maintained solely for that purpose; and

20 (2) transmitted to the employee membership entity within 30 days of  
21 being withheld, together with the information required under subsection (d)(1)  
22 through (4) of this section.

23 (d) An affiliated political action committee, in conjunction with its employee  
24 membership entity and the employer, shall keep detailed and accurate records of each  
25 contribution under subsection (b) of this section, including:

26 (1) the name **AND ADDRESS** of the contributor;

27 (2) the date on which the contribution was made;

28 (3) the amount of the contribution;

29 (4) the name of the affiliated political action committee designated by  
30 the employee to receive the contribution; and

1           (5)    the date on which the contribution was received by the employee  
2 membership entity and the affiliated political action committee.

3           (e)    (1)    Within 30 days after it receives a contribution under subsection (c)  
4 of this section, the employee membership entity shall transmit the contribution:

5                   (i)    to its affiliated political action committee; or

6                   (ii) if a contribution is designated for a political action  
7 committee affiliated with a State or local chapter of the employee membership entity,  
8 to the State or local chapter of the employee membership entity.

9           (2)    Within 5 days after it receives a contribution under paragraph  
10 (1)(ii) of this subsection, the State or local chapter of the employee membership entity  
11 shall transmit the contribution to its affiliated political action committee.

12           (3)    An employee membership entity, including a State or local chapter,  
13 that transfers contributions in accordance with paragraph (1) or (2) of this subsection  
14 shall include the information recorded under subsection (d) of this section that is  
15 received from the employer.

16           (f)    An employer, employee membership entity, or affiliated political action  
17 committee, may not solicit, receive, or use employee contributions in a manner that  
18 would be prohibited under § 13–241(e) and (f) of this subtitle if performed by an  
19 employer.

20 13–243.

21           (a)    (1)    In this section the following words have the meanings indicated.

22                   (2)    “Membership entity” means an organization that collects dues from  
23 its members.

24                   (3)    “Affiliated political action committee” means a political action  
25 committee affiliated with a membership entity.

26           (b)    A membership entity may establish a program for periodically collecting  
27 from its members and accumulating voluntary contributions by the members to an  
28 affiliated political action committee if those contributions are collected together with:

29                   (1)    membership dues invoiced and collected by the membership entity;  
30 or

31                   (2)    contributions by the members to a political action committee  
32 established under federal law, if that political action committee is also affiliated with  
33 the membership entity.

1 (c) A membership entity shall keep detailed and accurate records of each  
2 contribution received under subsection (b) of this section, including:

- 3 (1) the name **AND ADDRESS** of the contributor;
- 4 (2) the date on which the contribution is withheld;
- 5 (3) the amount of the contribution; and
- 6 (4) the disposition of the contribution.

7 (d) Within 30 days after being received, a contribution under this section  
8 shall be transmitted by the membership entity, with the information recorded under  
9 subsection (c)(1), (2), and (3) of this section, to its affiliated political action committee.

10 (e) In soliciting a member, by joint invoice for membership dues or for a  
11 contribution to an affiliated federal political action committee, to make a contribution  
12 to its affiliated political action committee, a membership entity shall inform the  
13 member of:

- 14 (1) the political purposes of the affiliated political action committee;  
15 and
- 16 (2) the member's right to refuse to contribute to the political action  
17 committee without reprisal.

18 (f) An employee membership entity or its affiliated political action  
19 committee entity may not receive or use money or anything of value under this section  
20 if it is obtained:

- 21 (1) by actual or threatened:
- 22 (i) physical force;
- 23 (ii) membership discrimination; or
- 24 (iii) financial or professional reprisal; or
- 25 (2) as dues, fees, or other assessment required as a condition of  
26 membership.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 June 1, 2012.