

## **Chapter 89**

### **(House Bill 694)**

AN ACT concerning

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

FOR the purpose of requiring an employer that collects voluntary contributions from employees through payroll deduction to a campaign finance entity selected by the employer to record the address of each contributor and transfer that information to the campaign finance entity; requiring an employer that collects voluntary contributions from employees through payroll deduction to a campaign finance entity affiliated with an employee membership entity selected by the employee to record the address of each contributor and transfer that information to the employee membership entity; requiring a membership entity that collects voluntary contributions from members to a campaign finance entity affiliated with the membership entity to record the address of each contributor and transfer that information to the affiliated campaign finance entity; and generally relating to requiring employers and membership entities that collect contributions to campaign finance entities to record the address of each contributor and transfer that information to the campaign finance entity.

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

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

#### **Article – Election Law**

13–241.

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

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

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

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

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

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

- (1) the political purposes of the campaign finance entity; and
- (2) the employee's right to refuse to contribute to the campaign finance entity without reprisal.

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

- (1) by actual or threatened:
  - (i) physical force;
  - (ii) job discrimination; or
  - (iii) financial reprisal; or
- (2) as:
  - (i) a result of a commercial transaction; or
  - (ii) dues, fees, or other assessment required as a condition of membership in a labor organization or employment.

13-242.

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

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

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

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

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

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

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

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

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

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

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

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

(3) the amount of the contribution;

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

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

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

(i) to its affiliated political action committee; or

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

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

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

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

13–243.

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

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

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

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

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

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

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

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

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

(3) the amount of the contribution; and

(4) the disposition of the contribution.

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

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

(1) the political purposes of the affiliated political action committee;  
and

(2) the member's right to refuse to contribute to the political action committee without reprisal.

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

(1) by actual or threatened:

(i) physical force;

(ii) membership discrimination; or

(iii) financial or professional reprisal; or

(2) as dues, fees, or other assessment required as a condition of membership.

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

**Approved by the Governor, April 10, 2012.**