

# HOUSE BILL 792

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HB 441/23 – W&M

4lr0697  
CF SB 16

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By: **Delegate D. Jones**

Introduced and read first time: January 31, 2024

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Election Law – Campaign Finance – Draft Committees and Exploratory**  
3 **Committees**

4 FOR the purpose of applying certain campaign finance requirements for a political  
5 committee to draft committees and exploratory committees; establishing  
6 requirements and prohibitions for draft committees and exploratory committees  
7 relating to the establishment of the committees, receipt of funds, and permissible  
8 disbursements; requiring an authorized candidate campaign committee that results  
9 from the draft committee or exploratory committee to make any equipment  
10 purchases from the draft committee or exploratory committee at the fair market  
11 value of the equipment; requiring a draft committee or an exploratory committee to  
12 dispense of remaining funds in a certain manner in a certain time frame;  
13 establishing that a draft committee or an exploratory committee is not subject to any  
14 contribution limit; and generally relating to draft committees and exploratory  
15 committees.

16 BY repealing and reenacting, without amendments,  
17 Article – Election Law  
18 Section 1–101(a), (l), and (gg)  
19 Annotated Code of Maryland  
20 (2022 Replacement Volume and 2023 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article – Election Law  
23 Section 1–101(k)  
24 Annotated Code of Maryland  
25 (2022 Replacement Volume and 2023 Supplement)

26 BY adding to  
27 Article – Election Law  
28 Section 13–107

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2022 Replacement Volume and 2023 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 1–101.

7 (a) In this article the following words have the meanings indicated unless a  
8 different meaning is clearly intended from the context.

9 (k) (1) “Campaign material” means any material that:

10 (i) contains text, graphics, or other images;

11 (ii) relates to a candidate, a [prospective] **POTENTIAL** candidate, or  
12 the approval or rejection of a question or prospective question; and

13 (iii) is published, distributed, or disseminated.

14 (2) “Campaign material” includes:

15 (i) a qualifying paid digital communication;

16 (ii) any other material transmitted by or appearing on the Internet  
17 or other electronic medium;

18 (iii) an oral commercial campaign advertisement; and

19 (iv) an automated or prerecorded oral communication.

20 (l) (1) “Candidate” means an individual who files a certificate of candidacy for  
21 a public or party office.

22 (2) “Candidate” includes:

23 (i) an incumbent justice of the Supreme Court of Maryland or  
24 Appellate Court of Maryland at an election for continuance in office; and

25 (ii) an individual, prior to that individual filing a certificate of  
26 candidacy, if a campaign finance entity has been established on behalf of that individual.

27 (gg) “Political committee” means a combination of two or more individuals that has  
28 as its major purpose promoting the success or defeat of a candidate, political party,  
29 question, or prospective question submitted to a vote at any election.

1 13-107.

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 (2) (I) "DONATION" MEANS THE GIFT OR TRANSFER, OR PROMISE  
5 OF GIFT OR TRANSFER, OF MONEY OR OTHER THING OF VALUE TO A PERSON THAT  
6 MAKES DISBURSEMENTS FOR A DRAFT COMMITTEE OR AN EXPLORATORY  
7 COMMITTEE.

8 (II) "DONATION" DOES NOT INCLUDE ANY AMOUNT OF MONEY  
9 OR ANY OTHER THING OF VALUE:

10 1. RECEIVED BY A PERSON IN THE ORDINARY COURSE OF  
11 ANY TRADE OR BUSINESS CONDUCTED BY THE PERSON, WHETHER FOR PROFIT OR  
12 NOT FOR PROFIT, OR IN THE FORM OF INVESTMENTS IN THE PERSON'S BUSINESS;  
13 OR

14 2. A. THAT THE DONOR AND THE PERSON RECEIVING  
15 THE MONEY OR THING OF VALUE EXPRESSLY AGREE IN WRITING MAY NOT BE USED  
16 FOR A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE; AND

17 B. IN THE CASE OF A MONETARY DONATION, THAT IS  
18 DEPOSITED IN A SEPARATE BANK ACCOUNT THAT IS NEVER USED FOR A DRAFT  
19 COMMITTEE OR AN EXPLORATORY COMMITTEE.

20 (3) "DRAFT COMMITTEE" MEANS AN ENTITY THAT IS ORGANIZED TO  
21 ENCOURAGE A POTENTIAL CANDIDATE TO RUN FOR OFFICE BUT IS NOT AUTHORIZED  
22 BY THE POTENTIAL CANDIDATE.

23 (4) "EXPLORATORY COMMITTEE" MEANS AN ENTITY ESTABLISHED  
24 BY A POTENTIAL CANDIDATE FOR A PUBLIC OFFICE TO DETERMINE THE POTENTIAL  
25 CANDIDATE'S VIABILITY FOR THAT PUBLIC OFFICE.

26 (B) EXCEPT AS OTHERWISE PROVIDED IN §§ 13-220.1 AND 13-220.2 OF THIS  
27 TITLE AND SUBTITLE 2, PART V OF THIS TITLE, ALL PROVISIONS OF THIS TITLE  
28 THAT APPLY TO A POLITICAL COMMITTEE ALSO APPLY TO A DRAFT COMMITTEE OR  
29 AN EXPLORATORY COMMITTEE.

30 (C) A PERSON MAY ESTABLISH A DRAFT COMMITTEE FOR A PUBLIC OFFICE  
31 FOR AN INDIVIDUAL ONLY IF:

1           **(1) THE DRAFT COMMITTEE IS NOT ESTABLISHED IN COORDINATION**  
2 **OR COOPERATION WITH THE INDIVIDUAL IT INTENDS TO ENCOURAGE TO SEEK**  
3 **PUBLIC OFFICE; AND**

4           **(2) THE INDIVIDUAL THE DRAFT COMMITTEE INTENDS TO**  
5 **ENCOURAGE TO SEEK PUBLIC OFFICE IS NOT A CANDIDATE FOR THAT PUBLIC**  
6 **OFFICE.**

7           **(D) AN INDIVIDUAL WHO IS A CANDIDATE MAY NOT ESTABLISH A DRAFT**  
8 **COMMITTEE OR AN EXPLORATORY COMMITTEE FOR A PUBLIC OFFICE.**

9           **(E) SUBJECT TO SUBSECTION (F) OF THIS SECTION, A DRAFT COMMITTEE**  
10 **OR AN EXPLORATORY COMMITTEE FOR AN INDIVIDUAL MAY RECEIVE FUNDS AND**  
11 **MAKE DISBURSEMENTS TO DETERMINE THE INDIVIDUAL'S VIABILITY FOR A PUBLIC**  
12 **OFFICE.**

13           **(F) A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE MAY MAKE A**  
14 **DISBURSEMENT ONLY FOR THE FOLLOWING:**

15           **(1) CONDUCTING SURVEYS OR POLLS REGARDING VIABILITY OF THE**  
16 **POTENTIAL CANDIDATE FOR A PUBLIC OFFICE;**

17           **(2) DIRECT MAILINGS AND OTHER COMMUNICATIONS TO POTENTIAL**  
18 **VOTERS;**

19           **(3) EMPLOYING STAFF;**

20           **(4) ESTABLISHING A WEBSITE;**

21           **(5) QUALIFYING PAID DIGITAL COMMUNICATIONS;**

22           **(6) RENTING OR LEASING OFFICE SPACE; AND**

23           **(7) PURCHASING ELECTRONIC EQUIPMENT, INCLUDING COMPUTERS**  
24 **AND TELEPHONES.**

25           **(G) A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE MAY NOT PAY**  
26 **ANY EXPENSE IN ADVANCE FOR GOODS OR SERVICES TO BE USED BY THE POLITICAL**  
27 **COMMITTEE OF THE POTENTIAL CANDIDATE ONCE THE POTENTIAL CANDIDATE**  
28 **REGISTERS AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE.**

29           **(H) IF AN AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE RESULTS FROM**  
30 **THE DRAFT COMMITTEE OR EXPLORATORY COMMITTEE, ANY PURCHASES MADE BY**  
31 **THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE OF EQUIPMENT FROM THE**

1 DRAFT COMMITTEE OR EXPLORATORY COMMITTEE SHALL BE MADE AT THE FAIR  
2 MARKET VALUE OF THE EQUIPMENT.

3 (I) (1) A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE SHALL  
4 RETURN ANY REMAINING FUNDS RECEIVED UNDER SUBSECTION (E) OF THIS  
5 SECTION IN ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION WITHIN 120  
6 DAYS AFTER:

7 (I) A POTENTIAL CANDIDATE OR AN INDIVIDUAL A DRAFT  
8 COMMITTEE ENCOURAGED TO SEEK PUBLIC OFFICE:

9 1. TIMELY FILES A CERTIFICATE OF CANDIDACY FOR A  
10 PUBLIC OFFICE UNDER TITLE 5, SUBTITLE 3 OF THIS ARTICLE; OR

11 2. PUBLICLY ANNOUNCES THAT THE INDIVIDUAL HAS  
12 DECLINED TO FILE A CERTIFICATE OF CANDIDACY FOR PUBLIC OFFICE; OR

13 (II) THE DEADLINE FOR FILING A CERTIFICATE OF CANDIDACY  
14 UNDER TITLE 5, SUBTITLE 3 OF THIS ARTICLE HAS PASSED.

15 (2) A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE SHALL  
16 RETURN FUNDS UNDER PARAGRAPH (1) OF THIS SUBSECTION:

17 (I) PRO RATA TO THE CONTRIBUTORS; OR

18 (II) BY PAYING THE REMAINING FUNDS TO:

19 1. IF THE POTENTIAL CANDIDATE OR INDIVIDUAL THE  
20 DRAFT COMMITTEE ENCOURAGED TO SEEK PUBLIC OFFICE IS A MEMBER OF A  
21 POLITICAL PARTY:

22 A. THE STATE CENTRAL COMMITTEE OF THE POLITICAL  
23 PARTY; OR

24 B. A LOCAL CENTRAL COMMITTEE OF THE POLITICAL  
25 PARTY;

26 2. IF THE POTENTIAL CANDIDATE OR INDIVIDUAL THE  
27 DRAFT COMMITTEE ENCOURAGED TO SEEK PUBLIC OFFICE ESTABLISHES AN  
28 AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE, SUBJECT TO § 13-226 OF THIS  
29 TITLE, THE AUTHORIZED CANDIDATE CAMPAIGN COMMITTEE;

30 3. A NONPROFIT ORGANIZATION EXEMPT FROM  
31 TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE; OR

1                                   **4. THE FAIR CAMPAIGN FINANCING FUND**  
2 **ESTABLISHED UNDER § 15-103 OF THIS ARTICLE.**

3                   **(J) A DONATION TO A DRAFT COMMITTEE OR AN EXPLORATORY COMMITTEE**  
4 **IS NOT SUBJECT TO ANY LIMITS.**

5                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 January 1, 2025.