

HOUSE BILL 1380

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0lr2851

By: **Delegates Mosby and Palakovich Carr**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 7, 2020

CHAPTER _____

1 AN ACT concerning

2 **Campaign Finance – Contribution Through Third-Party Payment Processor –**
3 **Transfer to Campaign Account**

4 FOR the purpose of requiring a campaign finance entity to initiate the transfer of a
5 contribution made through a third-party payment processor from the account of the
6 third-party payment processor to the designated campaign account of the campaign
7 finance entity within a certain period of time after the contribution is deposited in
8 the account of the third-party payment processor; defining a certain term; and
9 generally relating to contributions to campaign finance entities made through
10 third-party payment processors.

11 BY repealing and reenacting, with amendments,
12 Article – Election Law
13 Section 13-220(a)
14 Annotated Code of Maryland
15 (2017 Replacement Volume and 2019 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – Election Law
18 Section 13-220(b)
19 Annotated Code of Maryland
20 (2017 Replacement Volume and 2019 Supplement)

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

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.



Article – Election Law

13–220.

(a) (1) Each campaign finance entity shall designate one or more campaign accounts.

(2) Each designated campaign account shall:

(i) be in a financial institution; and

(ii) be registered in a manner that identifies it as the account of a campaign finance entity.

(3) A campaign finance entity shall deposit all funds received in a designated campaign account.

(4) (I) IN THIS PARAGRAPH, “THIRD-PARTY PAYMENT PROCESSOR” MEANS AN ONLINE SERVICE IN WHICH PAYMENTS TO A PERSON ARE MADE TO THE PROCESSOR’S MERCHANT ACCOUNT RATHER THAN TO THE PERSON’S OWN MERCHANT ACCOUNT.

(II) IF A CONTRIBUTION TO A CAMPAIGN FINANCE ENTITY IS MADE THROUGH A THIRD-PARTY PAYMENT PROCESSOR, THE CAMPAIGN FINANCE ENTITY SHALL INITIATE THE TRANSFER OF THE CONTRIBUTION FROM THE ACCOUNT OF THE THIRD-PARTY PAYMENT PROCESSOR TO THE DESIGNATED CAMPAIGN ACCOUNT OF THE CAMPAIGN FINANCE ENTITY WITHIN 7 DAYS AFTER THE CONTRIBUTION IS DEPOSITED IN THE ACCOUNT OF THE THIRD-PARTY PAYMENT PROCESSOR.

(b) (1) Subject to paragraph (2) of this subsection and subsection (c) of this section, a campaign finance entity may not directly or indirectly make a disbursement except from a campaign account designated under subsection (a) of this section.

(2) A campaign finance entity, or a person authorized by the campaign finance entity, may pay an expense of the campaign finance entity from funds other than a campaign account if:

(i) the expense is supported by a receipt that is provided to the campaign finance entity; and

(ii) the campaign finance entity reimburses the person who paid the expense from the campaign account and reports the expense as an expenditure of the campaign finance entity in accordance with Subtitle 3 of this title.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
2 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.