HOUSE BILL 199

G1 0 lr 0 0 8 8

By: Chair, Ways and Means Committee (By Request - Departmental - State Board of Elections)

Introduced and read first time: January 16, 2020

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: February 14, 2020

CHAPTER

1 AN ACT concerning

2

20

Election Law - Campaign Finance Entities - Termination

- 3 FOR the purpose of altering the circumstances under which a certain provision of law 4 requiring a campaign finance entity to terminate and file a final campaign finance 5 report applies; altering the time period within which a certain campaign finance 6 entity is required to terminate and file a final campaign finance report; requiring the 7 State Board of Elections to provide a certain notification to certain persons affiliated 8 with a campaign finance entity that is required to terminate under a certain 9 provision of law; altering the scope of a certain provision of law providing that the 10 termination of a campaign finance entity does not limit the right of certain persons 11 to take certain actions; and generally relating to the termination of campaign finance 12 entities.
- 13 BY repealing and reenacting, with amendments,
- 14 Article Election Law
- 15 Section 13–310 and 13–313
- 16 Annotated Code of Maryland
- 17 (2017 Replacement Volume and 2019 Supplement)
- 18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 19 That the Laws of Maryland read as follows:

Article – Election Law

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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

- 1 13–310. 2 This section applies to the campaign finance entity of an individual if [: (a) 3 (1)**l** the individual is not a filed candidate or the incumbent in any office filled by an election under this article [; and 4 5 the entity has funds remaining after the payment of all outstanding (2) 6 debts and other obligations]. 7 A campaign finance entity shall terminate and file a final campaign finance 8 report within 8 years after the [latest] LATER of: 9 (1) the end of the individual's most recent term of office; AND 10 (2) the date of the election in which the individual last was a filed candidate[; and 11 12 (3)the payment of the final debt or other obligation of the entity that was 13 incurred in connection with that candidacy. 14 NOT LATER THAN 6 MONTHS BEFORE A CAMPAIGN FINANCE ENTITY IS 15 REQUIRED TO TERMINATE UNDER THIS SECTION, THE STATE ADMINISTRATOR SHALL NOTIFY THE RESPONSIBLE OFFICERS OF THE CAMPAIGN FINANCE ENTITY 16 AND THE CANDIDATE AFFILIATED WITH THE CAMPAIGN FINANCE ENTITY OF THE 17 18 DATE BY WHICH THE CAMPAIGN FINANCE ENTITY IS REQUIRED TO: 19 **(1)** PAY ALL OUTSTANDING OBLIGATIONS; DISPOSE OF ALL ITS REMAINING ASSETS IN ACCORDANCE WITH § 20**(2)** 13–247 OF THIS TITLE; AND 2122 **(3)** TERMINATE AND FILE A FINAL CAMPAIGN FINANCE REPORT. 13-313. 2324The State Board may terminate a campaign finance entity if the State Board determines that good cause exists and that: 2526 (1)the campaign finance entity could be terminated under § 13–309(b)(4) of this subtitle except for the existence of one or more outstanding obligations and each of 27
 - (2) no responsible officer currently is appointed and serving; or

those obligations is more than 5 years old;

28

29

 $5\\6\\7$

(3) other extenuating circumstances exist to justify terminating the campaign finance entity.
(b) The termination of a campaign finance entity under this [section] TITLE does not limit the right of:
(1) the State Board, or the State Prosecutor or the State's Attorney, to pursue an enforcement action against the former responsible officers of, or any candidate formerly affiliated with, the campaign finance entity; or
(2) a creditor to bring an action against the former responsible officers of, or any candidate affiliated with, the campaign finance entity.
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.
Approved:
Governor.
Speaker of the House of Delegates.
President of the Senate.