HOUSE BILL 1162

G1 HB 949/21 – W&M

By: **Delegate Washington** Introduced and read first time: February 11, 2022 Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

Campaign Finance - Collections by Membership Entities - Noncampaign Political Activity

FOR the purpose of authorizing a membership entity to require a member to donate to
noncampaign political activity of the membership entity up to a certain portion of
the total annual amount the member is required to pay as dues, fees, or other
assessments as a condition of membership if the member exercises the right not to
contribute to a political action committee affiliated with the membership entity; and
generally relating to collections by membership entities for noncampaign political

- 11 BY repealing and reenacting, with amendments,
- 12 Article Election Law
- 13 Section 13–243
- 14 Annotated Code of Maryland
- 15 (2017 Replacement Volume and 2021 Supplement)
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:
- 18 Article Election Law
 - $19 \quad 13-243.$
 - 20 (a) (1) In this section the following words have the meanings indicated.

21 (2) "Affiliated political action committee" means a political action 22 committee affiliated with a membership entity.

23 (3) "LEGISLATIVE ADVOCACY" MEANS TO PROMOTE OR ASSIST IN THE

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PROMOTION OF THE SUCCESS OR DEFEAT OF A BILL, RESOLUTION, OR OTHER 1 $\mathbf{2}$ LEGISLATIVE MEASURE OR ACTION. 3 **[**(3)**] (4)** "Membership entity" means an organization that collects dues 4 from its members. $\mathbf{5}$ **"NONCAMPAIGN** (5) **(I)** POLITICAL ACTIVITY" **INCLUDES** 6 LEGISLATIVE ADVOCACY AND LOBBYING. 7 "NONCAMPAIGN POLITICAL ACTIVITY" DOES NOT INCLUDE **(II)** 8 CAMPAIGN FINANCE ACTIVITY OR ANY ACTIVITY: 9 1. **REQUIRED TO BE CONDUCTED THROUGH A POLITICAL** 10 **COMMITTEE**; OR 11 2. REQUIRED TO BE REPORTED UNDER § 13-306, § 1213-307, OR § 13-309.2 OF THIS TITLE. 13 A membership entity may establish a program for periodically collecting from (b)14its members and accumulating voluntary contributions by the members to an affiliated political action committee if those contributions are collected together with: 1516 (1)membership dues invoiced and collected by the membership entity; or 17contributions by the members to a political action committee (2)established under federal law, if that political action committee is also affiliated with the 18 19 membership entity. 20IF A MEMBER EXERCISES THE MEMBER'S RIGHT UNDER THIS SECTION (C) 21NOT TO CONTRIBUTE TO A POLITICAL ACTION COMMITTEE AFFILIATED WITH A 22MEMBERSHIP ENTITY, THE MEMBERSHIP ENTITY MAY REQUIRE THE MEMBER TO 23DONATE TO NONCAMPAIGN POLITICAL ACTIVITY OF THE MEMBERSHIP ENTITY UP 24TO 25% OF THE TOTAL ANNUAL AMOUNT THAT THE MEMBER IS REQUIRED TO PAY 25AS DUES, FEES, OR OTHER ASSESSMENTS AS A CONDITION OF MEMBERSHIP. 26A membership entity shall keep detailed and accurate records of each [(c)] **(D)** contribution received under subsection (b) of this section, including: 2728the name and address of the contributor; (1)29the date on which the contribution is withheld: (2)30 (3)the amount of the contribution; and 31 (4) the disposition of the contribution.

HOUSE BILL 1162

 $\mathbf{2}$

HOUSE BILL 1162

1 [(d)] (E) Within 30 days after being received, a contribution under this section 2 shall be transmitted by the membership entity, with the information recorded under 3 subsection [(c)(1),] (D)(1), (2), and (3) of this section, to its affiliated political action 4 committee.

5 [(e)] (F) In soliciting a member, by joint invoice for membership dues or for a 6 contribution to an affiliated federal political action committee, to make a contribution to its 7 affiliated political action committee, a membership entity shall inform the member of:

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

9 (2) the member's right to refuse to contribute to the political action 10 committee without reprisal; AND

(3) IF APPLICABLE, THE MEMBER'S RIGHT TO REDIRECT THE
 PORTION OF THE AMOUNT INVOICED THAT IS DESIGNATED AS A CONTRIBUTION TO
 THE POLITICAL ACTION COMMITTEE TO NONCAMPAIGN POLITICAL ACTIVITY OF THE
 MEMBERSHIP ENTITY.

15 [(f)] (G) (1) An employee membership entity or its affiliated political action 16 committee entity may not receive or use money or anything of value under this section if it 17 is obtained:

- 18 [(1)] (I) by actual or threatened:
- 19 **[**(i)**] 1.** physical force;
- 20 [(ii)] 2. membership discrimination; or
- 21 [(iii)] **3.** financial or professional reprisal; or

22 [(2)] (II) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS 23 SUBSECTION, as dues, fees, or other assessment required as a condition of membership.

(2) A MEMBERSHIP ENTITY MAY RECEIVE AND USE A DONATION FOR
 NONCAMPAIGN POLITICAL ACTIVITY AS PART OF DUES, FEES, OR OTHER
 ASSESSMENTS REQUIRED AS A CONDITION OF MEMBERSHIP IF THE DONATION IS
 OBTAINED IN ACCORDANCE WITH THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
 1, 2022.