HOUSE BILL 1380

G1 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:

1   **Article – Election Law**

2   13–220.

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

5   (2)   Each designated campaign account shall:

6   (i)   be in a financial institution; and

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

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

11   **(4)   (I)   IN   THIS   PARAGRAPH,   "THIRD–PARTY   PAYMENT**
12   **PROCESSOR" MEANS AN ONLINE SERVICE IN WHICH PAYMENTS TO A PERSON ARE**
13   **MADE TO THE PROCESSOR'S MERCHANT ACCOUNT RATHER THAN TO THE PERSON'S**
14   **OWN MERCHANT ACCOUNT.**

15   **(II)   IF A CONTRIBUTION TO A CAMPAIGN FINANCE ENTITY IS**
16   **MADE THROUGH A THIRD–PARTY PAYMENT PROCESSOR, THE CAMPAIGN FINANCE**
17   **ENTITY SHALL INITIATE THE TRANSFER OF THE CONTRIBUTION FROM THE**
18   **ACCOUNT OF THE THIRD–PARTY PAYMENT PROCESSOR TO THE DESIGNATED**
19   **CAMPAIGN ACCOUNT OF THE CAMPAIGN FINANCE ENTITY WITHIN 7 DAYS AFTER THE**
20   **CONTRIBUTION IS DEPOSITED IN THE ACCOUNT OF THE THIRD–PARTY PAYMENT**
21   **PROCESSOR.**

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

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

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

30   (ii)   the campaign finance entity reimburses the person who paid the
31   expense from the campaign account and reports the expense as an expenditure of the
32   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:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.