

HOUSE BILL 723

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11r1764
CF SB 663

By: **Delegates George and Walker**

Introduced and read first time: February 10, 2011

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Campaign Finance – Affiliated Entities – Attribution of Contributions**

3 FOR the purpose of requiring that contributions by a certain number of business
4 entities be considered as being made by one contributor under certain
5 circumstances; requiring that contributions by a certain number of entities
6 other than business entities be considered as being made by one contributor
7 under certain circumstances; defining a certain term; and generally relating to
8 attribution of contributions by entities with common ownership or control.

9 BY repealing and reenacting, with amendments,
10 Article – Election Law
11 Section 13–226
12 Annotated Code of Maryland
13 (2010 Replacement Volume)

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

16 **Article – Election Law**

17 13–226.

18 (a) The limits on contributions in this section do not apply to:

19 (1) a contribution to a ballot issue committee; or

20 (2) those contributions defined as transfers.

21 (b) Subject to subsection (c) of this section, a person may not, either directly
22 or indirectly, in an election cycle make:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (1) aggregate contributions in excess of:
2 (i) \$4,000 to any one campaign finance entity; or
3 (ii) \$10,000 to all campaign finance entities; or
4 (2) a contribution of money in excess of \$100 except by check or credit
5 card.

6 (c) (1) Notwithstanding subsection (b) of this section, a central committee
7 of a political party may make aggregate in-kind contributions during an election cycle
8 that are not in excess of:

- 9 (i) for a State central committee, \$1 for every two registered
10 voters in the State; and
11 (ii) for a local central committee, \$1 for every two registered
12 voters in the county.

13 (2) For the purposes of paragraph (1) of this subsection, the number of
14 registered voters is determined, regardless of party affiliation, as of the first day of the
15 election cycle.

16 (d) The limit on contributions to the campaign finance entity of a candidate
17 applies regardless of the number of offices sought by the candidate or campaign
18 finance entities formed to support the candidate.

19 (e) **(1) IN THIS SUBSECTION, "BUSINESS ENTITY" INCLUDES A**
20 **CORPORATION, A GENERAL PARTNERSHIP OR LIMITED PARTNERSHIP, A**
21 **LIMITED LIABILITY COMPANY, A REAL ESTATE INVESTMENT TRUST, A BUSINESS**
22 **TRUST, OR A SOLE PROPRIETORSHIP.**

23 **(2) Contributions by [a corporation and any wholly owned subsidiary**
24 **of the corporation, or by two or more corporations owned by the same stockholders,]**
25 **TWO OR MORE BUSINESS ENTITIES shall be considered as being made by one**
26 **contributor IF:**

27 **(I) ONE BUSINESS ENTITY IS A WHOLLY OWNED SUBSIDIARY**
28 **OF ANOTHER; OR**

29 **(II) THE BUSINESS ENTITIES ARE OWNED OR CONTROLLED**
30 **BY AT LEAST 80% OF THE SAME INDIVIDUALS.**

31 **(3) CONTRIBUTIONS BY TWO OR MORE ENTITIES OTHER THAN**
32 **BUSINESS ENTITIES SHALL BE CONSIDERED AS BEING MADE BY ONE**
33 **CONTRIBUTOR IF THE ENTITIES:**

1 **(I) ARE ORGANIZED AND OPERATED IN COORDINATION AND**
2 **COOPERATION WITH EACH OTHER; AND**

3 **(II) MAKE THEIR DECISIONS CONCERNING CONTRIBUTIONS**
4 **UNDER THE CONTROL OF THE SAME INDIVIDUAL OR ENTITY.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2011.