ORDINANCE NO. 2890

AN ORDINANCE OF THE CITY OF SALISBURY AMENDING CHAPTER 1.12 OF THE SALISBURY CITY CODE, ENTITLED "CITY ELECTION CAMPAIGN ADVERTISING AND FINANCE".

WHEREAS, the ongoing application, administration and enforcement of the City of Salisbury Municipal Code (the "Salisbury City Code") demonstrates a need for its periodic review, evaluation and amendment, in order to comply with present community standards and values, and promote the public safety, health and welfare of the citizens of the City of Salisbury (the "City"); and

WHEREAS, the Mayor and Council of the City of Salisbury (the "Mayor and Council") are authorized by MD Code, Local Government, § 5-202, as amended, to adopt such ordinances, not contrary to the Constitution of Maryland, public general law or public local law, as the Mayor and Council deem necessary to assure the good government of the municipality, to preserve peace and order, to secure persons and property from damage and destruction, and to protect the health, comfort and convenience of the citizens of the City; and

WHEREAS, the Mayor and Council may amend the Salisbury City Code pursuant to the authority granted in § SC 2-15 of the Salisbury City Charter; and

WHEREAS, the Mayor and Council find that amendments to Chapter 1.12 of the Salisbury City Code are desirable to update and clarify the Code with respect to city campaign advertising and finance; and

WHEREAS, on August 8, 2024 the City of Salisbury Election Board convened in public session to review potential amendments to Chapter 1.12 of the Salisbury City Code to offer advice and recommendations with respect to such amendments to the Mayor and Council; and

WHEREAS, on August 19, 2024 the Mayor and Council convened in public session to review potential amendments to Chapter 1.12 of the Salisbury City Code resulting from the advice and recommendations of the City of Salisbury Election Board; and

WHEREAS, the Mayor and Council have determined that the amendments to Chapter 1.12 of the Salisbury City Code set forth below shall be adopted as set forth herein.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, that Chapter 1.12 of the Salisbury City Code is hereby amended by adding the bolded and underlined language and deleting the strikethrough language as follows:

<u>Section 1</u>. Chapter 1.12 of the Salisbury City Code, entitled "City Election Campaign Advertising and Finance" is amended as follows:

1.12.010 Advertising.

- A. A person, candidate, campaign manager, treasurer, partisan organization or political committee, including political clubs, or party committee may not expend any money for printing, publication or broadcasting of any political matter whatsoever, unless the matter purports on its face to be paid political advertisement and printed, published or broadcast by authority of the person, campaign manager or treasurer for the named candidate, partisan organization, party committee or political committee, including political clubs.
- B. Requirements of subsection A of this section shall apply to any individual, group, or committee promoting passage or defeat of any petition for a referendum or the passage or defeat of a referendum submitted to a vote at any city election.

1.12.020 Books, records and receipts.

- A. Every candidate for the office of mayor or city council for the city or any group promoting the passage or defeat of a petition or referendum shall appoint a treasurer who shall have the responsibility of maintaining detailed, full and accurate accounts in a proper book or books to be called "account books." The account books shall contain a detailed record of contributions, monies, loans (including personal contributions, loans and monies) or valuable things received, including the date each contribution was received and the name and address of each contributor. The account books shall also contain a detailed record of all disbursements made by the candidate or his or her representative acting on his or her behalf, or group, as the case may be.
- B. Account books shall be maintained by the candidate or his or her representative for at least one year following the date of the general election.
- C. All campaign funds must be deposited into one account opened with a financial institution and such funds shall not be commingled with any other funds or accounts and shall not be used for any personal use, which is an obligation or expense of any person that would exist irrespective of the campaign of a candidate.

1.12.030 Campaign contributions.

- A. <u>A campaign contribution may be a gift, money, loan that is forgiven or anything of value given to influence an election by either supporting or defeating a candidate.</u> No candidate for mayor or for member of the city council shall receive campaign contributions in excess of two hundred fifty dollars (\$250.00) five hundred dollars (500.00) per individual or entity per campaign in cash and/or for in-kind services of a commercial nature.
- B. The contributions or loans of a candidate or the candidate's spouse to the candidate's own campaign are not subject to the limitations of subsections A and C, but must pass through the hands of the candidate's treasurer and be reported as required in other provisions of this chapter. Personal expenses of the candidate for filing fees, telegrams, telephoning, travel and board, shall not be considered contributions if paid for by the candidate or the candidate's spouse.

- C. No loan may be made to the campaign of a candidate or accepted on behalf of the campaign, without express written consent of the candidate. Written consent constitutes the personal guaranty of the candidate for repayment of the loan, only if it expressly so provides. The aggregate amount of all outstanding loans to the campaign of a candidate shall not exceed five hundred dollars (\$500.00) one thousand dollars (\$1,000.00) per campaign. A loan shall not be forgiven in an amount in excess of two hundred fifty dollars (\$250.00) five hundred dollars (\$500.00). A loan to a candidate that is forgiven is considered a campaign contribution and is subject to the maximum contribution limit. Any loan that is not forgiven shall be repaid by the deadline for filing the final campaign finance report as set forth in 1.12.040.B. Subsection B is an exclusion to the requirements of this subsection.
- D. Contributions of in-kind services of a commercial nature shall be valued at a rate commensurate with the cost of purchasing similar materials or services.
- E. All campaign contributions shall be received by the date of the general election. Any campaign contributions received after the date of the general election shall be returned to the contributor.

1.12.35 <u>Campaign transfers.</u>

A transfer is a monetary contribution made by one political committee to another. A political committee shall not transfer more than \$500 to another political committee per campaign.

1.12.040 Campaign finance report to be filed by the candidate or treasurer.

- A. The candidate and/or treasurer shall file a complete and accurate campaign finance report detailing the contents of the account books no later than seven twenty-one days prior to the general election. The campaign finance report shall include, but not be limited to, the name, address, amount of contribution and the date all contributions were received. Contributions of in-kind materials or services shall be valued as stated in Section 1.12.020(B). Each campaign finance report filed shall also contain a full and complete record of expenses and list any expenses incurred by not yet paid.
- B. A final disclosure statement campaign finance report shall be filed no later than forty-five (45) days after the date of the general election. After payment of all campaign expenditures, any surplus funds shall be paid by the treasurer to either:
 - 1. The City of Salisbury to help defray the expenses of the election;
 - 2. A charitable organization as defined in the Annotated Code of Maryland, Business Regulation Article, Title 6 as amended from time-to-time; or
 - 3. A political club, committee, or party of the candidate's choice.

- C. No campaign finance report shall be required if the contributions received total less than six hundred dollars (\$600.00) for the election; however, a statement under oath shall be filed by the candidate and treasurer that no campaign finance report is required pursuant to this section. Such statement, if applicable, shall be filed seven days prior to the general election.
- **C.** Each campaign finance report shall include a representation certifying under oath that the contents of the statement are true and correct and shall be signed by the candidate and treasurer.
- **D.** The foregoing provisions shall also apply to unsuccessful candidates.

1.12.050 Enforcement.

It shall be the duty of the city board to enforce this chapter and to ensure that it is complied with by all candidates for city office.

1.12.060 Late filing of campaign finance report.

- A. There shall be a late filing fee for each campaign finance report which is not filed within the time prescribed or when filing is not complete or accurate as required by Chapter 1.12.040. The fine shall be twenty dollars (\$20.00) per day for the first five days and ten dollars (\$10.00) per day thereafter for each date that the report is overdue. The maximum fine to apply to any one report shall be two hundred fifty dollars (\$250.00). Weekends and holidays shall be excluded in the above time computations.
- B. Any fines assessed pursuant to this chapter shall be the personal responsibility of the candidate and treasurer and may not be paid for by using campaign funds.

1.12.070 Perjury.

Any willfully false, fraudulent or misleading statement or entry made by any candidate or treasurer in any statement or account under oath required by this chapter shall constitute the crime of perjury and shall be punishable by such according to the laws of this state.

1.12.080 Penalty.

The penalty for violation of this chapter, except for late filing as provided for above, shall be a fine of up to four hundred dollars (\$400.00) as determined by the city board.

BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND, as follows:

<u>Section 2</u>. It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

<u>Section 3</u>. It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

<u>Section 4.</u> The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 4.

Section 5. This Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a Meeting of the Mayor and Council of the City of Salisbury held on the 9 day of September, 2024 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the 23 day of September, 2024.

| AFTEST: Julie A. English, City Cherk | D'Shawn M. Doughty, City Council President |
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| Approved by me, thisday of | Sept, 2024. |
| Randolph J. Taylor, Mayor | |