

(4) Display a customer service phone number for the subscriber organization.

B. Upon first contact with a customer, an agent shall:

(1) Identify the subscriber organization that he represents; and

(2) State that he is not working for and is independent of the customer's local distribution company or another subscriber organization.

C. When conducting door-to-door activities or appearing at a public event, an agent may not wear apparel or accessories or carry equipment that contains branding elements, including a logo that suggests a relationship that does not exist with a utility, government agency, or another subscriber organization.

D. A subscriber organization may not use the name, bills, marketing materials, or consumer education materials of another.

E. A subscriber organization or subscriber organization agent may not say or suggest to a customer that a utility customer is required to choose a CSEGS subscriber organization.

.19 Door-to-Door Sales.

A. A subscriber organization and its agents shall comply with the Maryland Door-to-Door Sales Act, local government ordinances regarding door-to-door marketing and sales activities, and any other applicable consumer protection law.

B. A subscriber organization's agent shall:

(1) Prominently display an identification badge; and

(2) Offer a business card or other material that lists:

(a) The subscriber organization's name and contact information, including telephone number;

(b) The Maryland approval number of the subscriber organization's CSEGS project; and

(c) The agent's name and any other identification numbers provided to the sales agent by the subscriber organization or agent.

C. A subscriber organization shall establish a policy that requires an agent to terminate contact with a customer if the customer is incapable of understanding and responding to the information being conveyed by the agent.

D. When an agent completes a transaction with a customer, the agent shall provide a copy of each document that the customer signed or initialed relating to the transaction. A copy of these documents shall be provided to the customer before the agent and the customer leave each other's presence.

E. An agent shall immediately leave a residence when requested to do so by a customer or the owner or an occupant of the premises, or if the customer does not express an interest in what the agent is attempting to sell.

.20 Notifications Regarding Door-to-Door Activity.

A. When a subscriber organization engages in door-to-door activity, the subscriber organization shall notify OER no later than the morning of the day that the activity begins. The notification shall include general, nonproprietary information about the activity, the period involved, and a general description of the geographical area.

B. A subscriber organization shall provide the utility with general, nonproprietary information about the door-to-door activity that caused the subscriber organization to provide notice to the Commission. The subscriber organization shall provide this general information to the utility no later than the morning of the day that the sales and marketing activities begin. The utility shall use this information only for acquainting its customer service representatives with sales and marketing activity occurring in its service territory so that they may address customer inquiries knowledgeably. A utility may not use the information for other purposes.

DAVID J COLLINS
Executive Secretary

Title 33 STATE BOARD OF ELECTIONS

Subtitle 20 DISCLOSURE BY PERSONS DOING PUBLIC BUSINESS

Notice of Proposed Action

[16-110-P]

The State Board of Elections proposes to:

- (1) Amend Regulation .01 under **COMAR 33.20.01 Definitions;**
- (2) Amend Regulations .02 and .03 under **COMAR 33.20.02 Statement of Contributions Requirements;**
- (3) Amend Regulation .02 under **COMAR 33.20.04 Affidavit of Limited Applicable Contribution;**
- (4) Adopt new Regulations .01 and .02 under a new chapter, **COMAR 33.20.06 Contributions;**
- (5) Repeal existing Regulation .02 and adopt new Regulation **.02 under COMAR 33.20.07 Waivers;**
- (6) Amend Regulation .01 under **COMAR 33.20.08 Penalties;** and
- (7) Adopt new Regulation .01 under a new chapter, **COMAR 33.20.09 Retention.**

This action was considered by the State Board of Elections at its January 21, 2016 meeting, notice of which was given in accordance with General Provisions Article, §3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to establish an automatic waiver for initial reports if the person has filed the required information in prior reports; to establish deadlines for filing a registration and an initial report; and to codify the documents that must be retained by the person doing public business. Additionally, the proposed regulations codify past practices and prior advice rendered by State Ethics Commission and the Office of the Attorney General regarding the determination of attributed contributions. Finally, the proposed regulations provide specific practical applications on actions by officers, directors and partners that may constitute suggesting a contribution or donation to a political committee.

The following changes to Subtitle 20 reflect the legislative changes and past practices:

- Changes the terms on the Statement of Contribution to include applicable contributions, independent expenditure entities and the exemptions (.02);
- Requires the names of governmental entities that the person has contracted with as a required content for the Affidavit of Limited Applicable Contributions (.04);
- Clarifies and codifies the determination of attributed contributions (.06);
- Establishes notice requirements and codifies past practices regarding notice to officers of subsidiaries (.06);
- Establishes automatic waiver for initial statement of contributions (.07); and
- Details the documents that must be retained by the person doing public business (.09)

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Erin Perrone, Director of Election Reform and Management, State Board of Elections, PO Box 6486, Annapolis, MD 21401, or call 410-269-2845, or email to erin.perrone@maryland.gov, or fax to 410-974-2019. Comments will be accepted through May 30, 2016. A public hearing has not been scheduled.

33.20.01 Definitions

Authority: Election Law Article, §§2-102(b)(4) and 14-109, Annotated Code of Maryland

.01 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) (text unchanged)

(2) "Award" means the written notification by a governmental entity [to a person] announcing that the governmental entity intends to enter into a contract [with that person] for a procurement.

(3)—(9) (text unchanged)

33.20.02 Statement of Contributions Requirements

Authority: Election Law Article, §§2-102(b)(4), 14-104, and 14-109, Annotated Code of Maryland

.02 Registration.

A. In General. A person doing public business shall file the registration [notice] statement required under §B of this regulation with the State Board within [1] 15 business [day] days after the award of a contract by a governmental entity.

B. [Notice] Statement Requirements. [The] Except as provided in §D of this regulation, the registration [notice] statement shall include the following information:

(1) — (4) (text unchanged)

(5) The name of the governmental entity that awarded the contract; [and]

(6) The name and relationship of any business entity or person attributed to or affiliated with the person filing the registration notice that was awarded a contract by a governmental entity[.]; and

(7) The base amount of the consideration to be received by the person doing public business from the governmental entity for the contract.

C. (text unchanged)

D. Omission of Contract. The registration statement may omit:

(1) Contract information if the State Board has approved the person's request to waive the requirement to disclose the contract; or

(2) The base amount of the consideration to be received for the performance of the contract if the person doing public business files, for the entire period of performance of the contract, an affidavit of limited applicable contributions under COMAR 33.20.04.

E. Initial Report. A person doing public business shall file the initial statement of contributions within 15 business days of filing the registration statement.

.03 Required Contents for Statement of Contributions.

The statement of contributions filed by the person doing public business shall include:

A. The name of the candidate to whom the applicable contribution was made or who benefited from the applicable contribution;

B. The name of the political committee affiliated with the candidate or the independent expenditure entity that received the applicable contribution;

C. (text unchanged)

D. The aggregate applicable contributions attributed to the filer during the reporting period;

E. The aggregate applicable contributions to date attributed to the filer during the election cycle in which the applicable contribution was made;

F. If the applicable contribution was made by a person other than the filer but attributed to the filer, the filer must provide:

(1) The name and address of:

(a) The individual who made the applicable contribution; or

(b) The organization, business[, corporation, limited liability company, partnership] entity, union, or other legal entity that made the applicable contribution;

(2) The amount of the applicable contribution;

(3) The date the applicable contribution was made; and

(4) (text unchanged)

G. The transaction method of the applicable contribution [transaction] and any other information on the transaction method required by the State Administrator;

H. The aggregate amount or value, to date, of applicable contributions made to or for the benefit of [to date to] each candidate from the contributor for the election cycle in which the statement of contributions is filed;

I. Unless already provided on the registration statement or exempt under COMAR 33.20.07:

(1) The nature and amount of the contract awarded;

(2) The name of the governmental entity that awarded the contract; and

(3) The name of the business entity or person awarded the contract, if different from the filer; and

[J.] The name of the governmental entity that awarded the contract;

[K.] The name of the business entity or person awarded the contract, if different from the filer; and

[L.] J. (text unchanged)

33.20.04 Affidavit of Limited Applicable Contribution

Authority: Election Law Article, §§2-102(b)(4), 14-104, and 14-109, Annotated Code of Maryland

.02 Required Contents.

The affidavit shall include:

A. (text unchanged);

B. The name of the governmental entity that the person does public business with;

[B.] C. — [C.] D. (text unchanged)

33.20.06 Contributions

Authority: Election Law Article, §§2-102(b)(4), 14-105, and 14-109, Annotated Code of Maryland

.01 Contributions.

A. Attributed Contributions. Any contribution or donation, regardless of the amount, that is made to a political committee or independent expenditure entity by an officer, director, or partner of a business entity doing public business shall be attributed to the

business entity for reporting purposes under Election Law Article, Title 14, Annotated Code of Maryland.

B. Contributions by Other Persons. Any contribution or donation, regardless of the amount, to a political committee or independent expenditure entity that is made at the suggestion or direction of the business entity, or an officer, director, or partner of the business entity by an employee, agent or other affiliated person of the business entity shall be attributed to the business entity for reporting purposes under Election Law Article, Title 14, Annotated Code of Maryland.

C. Subsidiary. Any contribution or donation made to a political committee or independent expenditure entity by a subsidiary of the filer shall be attributed to the filer.

D. Attributed Contributions for Subsidiary. Any contribution or donation, regardless of the amount, that is made to a political committee or independent expenditure entity by an officer, director, or partner of a subsidiary of the filer shall be attributed to the filer for reporting purposes under Election Law Article, Title 14, Annotated Code of Maryland.

E. Other Employees of the Subsidiary. Any contribution or donation made by an employee, agent, or other affiliated person of the subsidiary, regardless of the amount, to a political committee or independent expenditure entity is attributed to the filer for reporting purposes under Election Law Article, Title 14, Annotated Code of Maryland, if made at the suggestion of:

- (1) The filer, including officers, directors, or partners of the filer;
- (2) The subsidiary of the filer; or
- (3) The officer, director, or partner of a subsidiary of the filer.

F. Acquisition, Merger, or Change in Ownership. If a business entity acquires, merges with, or changes ownership or control over another business entity:

(1) Contributions made prior to the acquisition or merger by the acquired, merged, or newly owned or controlled business entity, including by its officers, directors, and partners, will not be attributed to the filer; and

(2) Contributions made during the reporting period by the acquired, merged, or newly owned or controlled business entity, including by its officers, directors, or partners, will be attributed to and reported by the filer.

G. Contributions Made at the Suggestion or Direction of Directors, Partners, or Officers of a Business Entity. An act or communication by a director, a partner or an officer of the business entity to an employee, agent, or other affiliated person of the business entity that a reasonable person would understand to be a solicitation or request for a contribution to a political committee affiliated with a candidate or a donation to an independent expenditure entity shall be considered a suggestion for a contribution or donation, and any contribution or donation that results from the suggestion must be reported by the filer.

H. Email Solicitation. An officer, director, or partner of a business entity doing public business who initiates, or forwards to an employee, agent or other affiliated person of the business entity, an email solicitation or similar request for a contribution to a political committee affiliated with a candidate or a donation to an independent expenditure entity shall be considered to have made a suggestion for a contribution or donation and any contribution or donation that results from the suggestion must be reported by the filer.

I. Endorsements. Acts or communications by officers, directors, or partners of a business entity that endorse a candidate, display public support for a candidacy, or express public support through social media are not, by themselves, suggestions for contributions or donations to a candidate that are attributable to the business entity.

.02 Report to Chief Executive Officer or Designee.

A. Notice to Employees.

(1) Except as provided for in §C of this regulation, the chief executive officer or a designee of the chief executive officer of a business entity doing public business shall notify the persons covered under Regulation .01 of this chapter that contributions and donations made from the persons covered must be reported to the chief executive officer or the designee of the chief executive officer no later than 5 business days after the last day of the reporting period.

(2) A business entity that requires the persons covered under this chapter to preclear their contributions through a legal or compliance department shall be deemed to satisfy the notice requirement if the preclearance policy is:

- (a) In writing; and
- (b) Annually reviewed by the covered employees.

B. Report. The persons covered under Regulation .01 of this chapter shall report to the chief executive officer or a designee of the chief executive officer of the business entity doing public business any contributions and donations made during the reporting period.

C. Exemption from Notification.

(1) The chief executive officer, or the officer's designee, is not required to notify officers, directors, partners, or employees of a subsidiary that does not itself do public business if the business entity doing public business has a written and well publicized policy prohibiting officers, directors, or partners from making contributions or donations for State elections.

- (2) The policy must be:
 - (a) In writing; and
 - (b) Annually reviewed by the covered employees.
- (3) The business entity shall provide the State Board a copy of the:

- (a) Written policy;
- (b) The subsidiaries to which the policy applies;
- (c) A description of how the policy is delivered to the covered employees subject to the policy; and
- (d) A statement that the business entity is not aware of any violations of the policy.

(4) The policy must be submitted to the State Board annually, no later than the due date for the first semi-annual statement of contributions filing of that year by the person doing public business.

33.20.07 Waivers

Authority: Election Law Article, §§2-102(b)(4) and 14-109, Annotated Code of Maryland

.02 Waiver — Initial Statement of Contributions.

A. Availability. A person doing public business is not required to file an initial statement of contributions if the person doing public business has previously filed statements of contributions covering the transaction period of the initial statement of contributions for that level of government.

B. Updates. The person doing public business shall update the registration statement with any new contracts within 30 business days of the date of the award for that contract.

33.20.08 Penalties

Authority: Election Law Article, §§2-102(b)(4), 14-107[(c)(2)], and 14-109, Annotated Code of Maryland

.01 Late Filing Fee

A. — B. (text unchanged)

C. Retention Penalty. An officer or partner of a business entity doing public business who knowingly and willfully fails to retain records required under Election Law Article, §14-105(g), Annotated

Code of Maryland may be subject to a fine not exceeding \$1,000, or imprisonment not exceeding 1 year, or both.

33.20.09 Retention

Authority: Election Law Article, §§2-102(b)(4), 14-105, and 14-109, Annotated Code of Maryland

.01 Records.

A. *Records Retained.* The person doing public business who has filed a registration statement shall maintain detailed and accurate records of:

- (1) All contracts awarded by governmental entities to the person or attributed to the person that caused the person to be doing public business;
- (2) Applicable contributions made by or attributed to the person, including related notifications and policy documents; and
- (3) All statements of contributions filed by the person doing public business.

B. *Length of Retention.* The records shall be retained until the earlier of:

- (1) 10 years after the creation of the record; or
- (2) 4 years after the performance is completed on the last contract that causes the person to be doing public business.

C. *Audit.* The State Board, at its discretion, may audit the records retained by the person doing public business.

LINDA H. LAMONE
State Administrator of Elections

Title 36
MARYLAND STATE
LOTTERY AND GAMING
CONTROL AGENCY
Subtitle 03 GAMING PROVISIONS

36.03.02 Investigation and Licensing

Authority: State Government Article, §9-1A-04(a) and (d), Annotated Code of Maryland

Notice of Proposed Action
[16-101-P]

The Maryland Lottery and Gaming Control Agency proposes to amend Regulation .17 under **COMAR 36.03.02 Investigation and Licensing**. This action was considered at the Maryland Lottery and Gaming Control Commission open meeting held on February 25, 2016, notice of which was given pursuant to General Provisions Article, §3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to (1) clarify that if a video lottery operator purchases goods or services from a vendor solely so that those goods or services may be given to a player, that vendor is exempt from vendor registration or certification requirements; and (2) require that an operator purchasing goods or services from an exempted vendor include in its reports under COMAR 36.03.10.09 the name of each exempted vendor it uses.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to James B. Butler, Director of Legislative and Policy Affairs, Maryland Lottery and Gaming Control Agency, 1800 Washington Blvd., Suite 330, Baltimore, MD 21230, or call (410) 230-8781, or email to jbutler@maryland.gov, or fax to (410) 230-8727. Comments will be accepted through May 30, 2016. A public hearing has not been scheduled.

.17 Vendor Registration and Certification.

A. — C. (text unchanged)

C-1. Certain Vendors Exempt from Certification or Registration Requirements.

(1) A vendor is exempt from certification or registration requirements if it provides, or anticipates providing, goods or services that a video lottery operator purchases solely to be given to a player.

(2) A vendor exempted under this section may only provide the following goods and services to a video lottery facility operator:

- (a) Leisure or recreational travel;
- (b) Lodging;
- (c) Vehicles;
- (d) Entertainment;
- (e) Dining;
- (f) Clothing;
- (g) Jewelry;
- (h) Gift cards; or
- (i) Other gift items.

(3) A video lottery operator that purchases goods or services from a vendor exempted under this section:

(a) Is subject to the requirements of COMAR 36.03.10.09; and

(b) Shall identify in a report submitted under COMAR 36.03.10.09 each exempted vendor from which it purchased goods or services during the reporting period.

D. Vendor Registration.

(1) A vendor that provides, or anticipates providing, in a calendar year nongaming related goods and services to a single video lottery applicant or licensee that are valued from [\$2,500] \$10,000 to [\$99,999] \$299,999 shall be registered with the Commission.

(2) The video lottery applicant or licensee to which a vendor provides, or anticipates providing, the nongaming related goods and services shall submit to the Commission a completed registration form in a format designated by the Commission that includes:

- (a) — (d) (text unchanged)
- (e) Verification that the vendor's business is in good standing with the Maryland Department of Assessment and Taxation; [and]
- (f) Registration fee of \$100; and
- [(f)] (g) (text unchanged)

(3) Upon receipt of [a] the registration fee and completed registration form, the Commission shall provide the applicant or licensee with written notification of whether it has registered the vendor.