

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 178

(Delegate Bobo)

Ways and Means

Education, Health, and Environmental Affairs

Election Law - Not-for-Profit Organizations - Attribution of Contributions by
Officers

This bill makes campaign contributions given by an individual serving as an unpaid volunteer officer of a nonprofit organization attributable to the individual and not attributable to the nonprofit organization.

Fiscal Summary

State Effect: None. The bill would not materially affect governmental operations.

Local Effect: None.

Small Business Effect: None. The bill only applies to nonprofit organizations and could reduce the number of campaign contributions attributed to these entities. The bill would not impact the transaction costs of nonprofit organizations.

Analysis

Bill Summary: This bill exempts campaign contributions made by an “officer” of a not-for-profit organization from the requirement that an officer, director, or partner of a business entity doing public business be attributed to the business entity and be reported to that entity’s chief executive officer.

The bill defines an officer as an individual who serves as president, chairman, vice-president, vice-chairman, secretary, treasurer, executive director, or any other individual exercising duties comparable to those typically exercised by an individual holding one of those titles in a not-for-profit organization. “Officer” does not include anyone holding one of the above titles but not exercising substantial independent responsibility on behalf

of a organization similar to the responsibility typically exercised by a person holding such title.

Current Law: State election law generally requires disclosure of campaign contributions by persons doing public business with the State; in the case of a contribution made by an officer, director, or partner of a business entity doing public business, that contribution must be attributed to the business entity and reported to the chief executive officer of the business entity. Unless a contribution is made on the recommendation of a not-for-profit business entity doing public business, or by an individual who is paid by the not-for-profit organization, contributions by trustees and directors of these organizations are exempted from the attribution and reporting requirements.

“Doing public business” means making, during any 12-month period, one or more contracts with one or more governmental entities involving cumulative consideration of at least \$100,000.

Background: The bill’s provisions mirror the lobbying ethics provisions of the Public Ethic Law, which require an individual who has compensated a registered lobbyist and has made a campaign contribution to a candidate for the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, or member of the General Assembly, to disclose those contributions on a statement submitted to SBE. Contributions from an officer, director, or partner of a business entity are similarly attributed to the business entity, but the exemption for nonprofits applies to both directors and officers.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Board of Elections, Department of Legislative Services

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