

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

House Bill 362

(Delegate Cardin)

Ways and Means

Education, Health, and Environmental Affairs

Elections - Campaign Finance - Candidates

This bill makes various changes to State campaign finance laws relating to political committees, use of campaign funds, and campaign finance accounts. The bill also adds notification requirements and makes other procedural and clarifying changes.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: None. The bill's changes would not directly affect State operations of finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary:

Campaign Finance Entities (Political Committees)

A campaign finance entity may not directly or indirectly use campaign funds for the personal use of the candidate or a responsible officer of the campaign finance entity and a treasurer of a campaign finance entity may not authorize expenditures outside the scope of campaign expenditures as defined in State law. The bill repeals specified exceptions

from provisions governing prohibited expenditures for meals, beverages, and refreshments served to campaign workers; salaries of campaign headquarters personnel; media advertising; and others. A political committee may not engage in campaign finance activity while there is a vacancy in the office of chair or treasurer. The bill also requires campaign finance reports to be filed under oath.

Campaign Finance Accounts

Campaign finance accounts must make campaign funds accessible at all times and may not impose a penalty for a withdrawal or a risk of depreciation. Only the treasurer of a political committee has signatory authority over the campaign account.

Current Law:

Political Committees

Before filing a certificate of candidacy, an individual must have established an authorized political committee through which the individual's campaign finance activity will be conducted (Chapter 510 of 2006 eliminated a personal treasurer as a campaign finance entity, leaving a political committee as the remaining form of campaign finance entity under State election law). A political committee must have an appointed chairman and treasurer and must submit a filing to SBE containing the names and addresses of the chairman and treasurer; the name of the committee; and a statement of purpose containing information on the candidate(s) or ballot question(s) the committee was formed to promote or defeat, common special interests of the organizers, and what elections the committee will participate in. Candidates with independent political committees may form or join slates to engage in and pay for joint campaign activities. The chairman and treasurer of a political committee are jointly and severally responsible for the filing of campaign finance reports and all other actions of the committee.

All assets received by or on behalf of a political committee must pass through the hands of the treasurer and only be disbursed in accordance with the purposes of the committee. Treasurers may appoint subtreasurers for different counties or political subdivisions. The political committees must keep detailed records of assets received, expenditures made, and obligations incurred by or on behalf of the committee.

Reporting

For each election a campaign finance entity has indicated it will participate in (presidential, gubernatorial, Baltimore City, or multiple elections) on its statement of purpose filed with SBE, the campaign finance entity generally must file campaign

finance reports at various times prior to and after the primary and general elections and on the third Wednesday in January. The reports must contain information required by the State board with respect to all contributions received and all expenditures made by or on behalf of the campaign finance entity during a reporting period.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Howard County, State Board of Elections, Department of Legislative Services

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