

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 1250 (Delegate Hucker, *et al.*)
Environmental Matters

Ethics - Lobbying Regulation - Associations Representing Counties or Municipal Corporations

This bill repeals an exemption from regulation under the lobbying provisions of the Maryland Public Ethics Law for appearances as part of the official duties of an officer, director, member, or employee of an association engaged exclusively in representing counties or municipal corporations, to the extent the appearance in each case is not on behalf of any other entity. As a result, any person making such an appearance is subject to the lobbying provisions of the Maryland Public Ethics Law.

Fiscal Summary

State Effect: Special fund revenues increase minimally due to collection of additional lobbyist registration fees. Expenditure are not affected.

Local Effect: Local government finances are not materially affected.

Small Business Effect: None.

Analysis

Current Law: A “regulated lobbyist” is a person or entity required under the Maryland Public Ethics Law to register with the State Ethics Commission because the person or entity generally has made certain expenditures and/or received certain compensation to influence legislative or executive action. Among other specified reasons, a person or entity is a regulated lobbyist if the person or entity, for the purpose of influencing any legislative action or, as to the development or adoption of regulations or the development or issuance of an executive order, executive action:

- communicates with an official or employee of the Legislative Branch or Executive Branch in the presence of that official or employee and, exclusive of the personal travel or subsistence expenses of the entity or a representative of the entity, incurs expenses of at least \$500 or earns at least \$2,500 as compensation for all such communication and activities relating to the communication during the reporting period; or
- communicates with an official or employee of the Legislative Branch or Executive Branch and earns at least \$5,000 as compensation for all such communication and activities relating to the communication during the reporting period.

Certain activities, however, are exempt from regulation, including:

- appearances as part of the official duties of an elected or appointed official or employee of the State, a political subdivision of the State, or the United States, to the extent that the appearance is not on behalf of any other entity; and
- appearances as part of the official duties of an officer, director, member, or employee of an association engaged exclusively in representing counties or municipal corporations, to the extent that the appearance is not on behalf of any other entity.

State Revenues: Special fund revenues increase minimally due to the repeal of the exemption from regulation under the lobbying provisions of the Maryland Public Ethics Law. The registration fee for a regulated lobbyist is \$100, paid annually. It cannot be reliably estimated how many additional lobbyist registrations may result from the bill, but the impact is expected to be minimal.

Lobbyist registration fees are credited to the Lobbyist Registration Fund, which is used to defray the expenses of administering the lobbying provisions of the Maryland Public Ethics Law.

Additional Information

Prior Introductions: HB 1193 of 2013, a similar bill, received a hearing in the House Environmental Matters Committee, but no further action was taken.

Cross File: None.

Information Source(s): State Ethics Commission, Maryland Association of Counties,
Department of Legislative Services

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mc/kdm

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