

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 619 (Delegate Simmons)
Ways and Means

Election Law - Campaign Contributions Made by Public Service Companies -
Prohibition

This bill prohibits a public service company under the jurisdiction of the Public Service Commission (PSC), and a person who owns an interest in the operation of a public service company under PSC's jurisdiction, from making a contribution to the campaign finance entity of a candidate for any nonfederal public office in the State or any other campaign finance entity organized in support of such a candidate.

The bill takes effect January 1, 2015.

Fiscal Summary

State Effect: Any penalties imposed for violations of the bill's prohibition are not expected to materially affect State finances.

Local Effect: Any penalties imposed for violations of the bill's prohibition are not expected to materially affect local government finances.

Small Business Effect: None.

Analysis

Current Law: Unless otherwise expressly authorized by law, all campaign finance activity for an election governed by State law must be conducted through a campaign finance entity. In general, a person is limited to contributing \$4,000 to any one campaign finance entity and \$10,000 to all campaign finance entities within a four-year election cycle. Beginning January 1, 2015, pursuant to Chapter 419 of 2013, those limits will

increase, so that a person will be able to contribute up to \$6,000 to any one campaign finance entity and up to \$24,000 to all campaign finance entities within a four-year election cycle.

Certain individuals and entities are prohibited from making contributions to a campaign finance entity. An applicant for, or a holder of, a video lottery operation license, or a person who owns an interest in the operation of a video lottery facility in the State, may not make a contribution to the campaign finance entity of a candidate for any nonfederal public office in the State or any other campaign finance entity organized in support of such a candidate. In addition, an entity that at any time during a four-year election cycle derives the majority of its operating funds from the State may not make a contribution to any campaign finance entity during that election cycle.

Unless otherwise provided for specific offenses, a person who knowingly and willfully violates State campaign finance laws is guilty of a misdemeanor and on conviction is subject to a fine of up to \$25,000 and/or imprisonment for up to one year. Unknowing violations are subject to a civil penalty of up to \$5,000.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Board of Elections, State Prosecutor's Office, Public Service Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2014
mm/hlb

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