

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulations  
Board of Elections  
(DLS Control No. 14-032)**

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**Overview and Legal and Fiscal Impact**

These regulations establish policies and procedures for the administration of a voluntary system of public campaign financing for elective offices for county governments that choose to institute a system of public campaign financing for local elective offices.

The regulations present no legal issues of concern.

There is no fiscal impact on State or local agencies.

**Regulations of COMAR Affected**

**Board of Elections:**

Campaign Financing: Public Financing: COMAR 33.13.14.01, .02, .03, and .04

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**Legal Analysis**

**Background**

Under Chapter 419 of 2013, counties in the State are authorized to establish a system of voluntary public campaign financing for elective offices in the executive or legislative branches of county government. The measure established various requirements applicable to such a system, including that the system must (1) provide for a public election fund administered by the chief financial officer of the county and (2) be subject to regulation and oversight by the State Board of Elections to ensure conformity with State law and policy to the extent practicable. Under Chapter 419, a county also was authorized to provide for more stringent regulation of campaign finance activity by participating candidates than is provided for by State law.

**Summary of Regulations**

The regulations require a county establishing a system of public campaign financing of local elective offices to submit the plan to the board for review and approval no later than one year before enactment of the system. The board must review the plan for conformity with State law and policy and, within 30 days after receipt, approve the plan or notify the county of the reasons for disapproval and allow the county to submit an amended plan.

The regulations also require that, under an approved plan, a candidate seeking public campaign funding must (1) establish an authorized candidate campaign committee with the board for the exclusive purpose of accepting public funds for a local election campaign; (2) file a

Statement of Organization with the board; (3) file a notice of intent to qualify for public funds with the board; and (4) cease all campaign finance activity using any other authorized candidate campaign committee affiliated with the candidate.

The regulations include provisions that (1) prohibit a candidate from using any other candidate campaign committee or being a member of a slate; (2) require a candidate to file applicable campaign finance reports; (3) adhere to applicable campaign expenditure limits; (4) allow a candidate who accepts public funds to affiliate with other candidates under certain circumstances; and (5) require any inactive authorized candidate campaign committees affiliated with a candidate to continue to file campaign finance reports in accordance with the schedule designated for the filing of campaign finance reports.

Finally, the regulations provide that the board must (1) prescribe all forms regarding campaign finance reporting; (2) determine whether a candidate has qualified for public funding; (3) determine whether a candidate has raised sufficient seed money to qualify to receive public funds (if a county's system of public financing requires that seed money be raised); and (4) after each gubernatorial election, audit all campaign finance reports and other documents submitted by a publicly funded candidate.

### **Legal Issue**

The regulations present no legal issue of concern.

### **Statutory Authority and Legislative Intent**

The regulation cites §§ 2-102(b)(4) and 13-505(b)(7) of the Election Law Article as authority for the regulations. Section 2-102(b)(4) grants the board broad authority to adopt regulations to implement its powers and duties. Paragraph 13-505(b)(7) specifies that a system of public campaign financing of elections established by a local government shall be subject to regulation and oversight by the board to ensure conformity with State law and policy to the extent practicable.

This authority is correct and complete. The regulations comply with the legislative intent of the law.

### **Special Notes**

The board has agreed that the notice of final adoption to be published in the *Maryland Register* will need to include a delayed effective date of January 1, 2015, consistent with the effective date of Section 2 of Chapter 419 of 2013. The Division of State Documents has been notified regarding the necessary addition.

### **Fiscal Analysis**

There is no fiscal impact on State or local agencies.

## **Agency Estimate of Projected Fiscal Impact**

The State Board of Elections advises that the regulations have no impact on State or local governments. The Department of Legislative Services concurs. The regulations partially implement Chapter 419 of 2013. The fiscal and policy note for HB 1499 of 2013 (enacted as Chapter 419) included general fund personnel expenditures attributed partially to regulation and oversight of any local public campaign financing systems (though those costs were also noted as potentially being billed to the applicable counties). The fiscal and policy note also included local government expenditures for any county that establishes a public campaign financing system, to fund the campaigns and for any administrative costs (including potential State Board of Elections reimbursement), and local government revenues to the extent a local government establishes a new funding source for a public campaign financing system. These regulations should not have any fiscal impact independent of the impacts identified in the HB 1499 fiscal and policy note.

### **Impact on Budget**

There is no impact on the State operating or capital budget.

## **Agency Estimate of Projected Small Business Impact**

The State Board of Elections advises that the regulations have minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

### **Contact Information**

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