

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	07/15/2014	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 8/22/2014

2. COMAR Codification

Title Subtitle Chapter Regulation

33 13 15 01,.02..03,.04,.05,.06,.07

3. Name of Promulgating Authority

State Board of Elections

4. Name of Regulations Coordinator Telephone Number
Erin Perrone 410-269-2845

Mailing Address

151 West Street

City State Zip Code
Annapolis MD 21401

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5. Name of Person to Call About this Document Telephone No.
Jared DeMarinis 410-269-2853

Email Address

jared.demarinis@maryland.gov

6. Check applicable items:

X- New Regulations

- Amendments to Existing Regulations
 - Date when existing text was downloaded from COMAR online: .
 - Repeal of Existing Regulations
 - Recodification
 - Incorporation by Reference of Documents Requiring DSD Approval
 - Reproposal of Substantively Different Text:
 - : Md. R
 - (vol.) (issue) (page nos) (date)
- Under Maryland Register docket no.: --P.

7. Is there emergency text which is identical to this proposal:

- Yes No

8. Incorporation by Reference

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

9. Public Body - Open Meeting

- OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to State Government Article, §10-506(c), Annotated Code of Maryland.

OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

10. Children's Environmental Health and Protection

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

11. Certificate of Authorized Officer

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Jeffrey Darsie, Assistant Attorney General, (telephone #410-576-6356) on 04/17/2014. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Linda H. Lamone

Title

State Administrator

Telephone No.

410-269-2840

Date

07/14/2014

STATE BOARD OF ELECTIONS

Subtitle 13 CAMPAIGN FINANCING

33.13.15 Political Action Committees

Authority: Authority: Election Law Article, §2-102(b)(4), Annotated Code of Maryland

Notice of Proposed Action

□

The State Board of Elections proposes to adopt Regulations .01 - .07 under COMAR 33.13.15 Political Action Committees.

This action was considered by the State Board of Elections at its July 10, 2014 meeting, notice of which was given in accordance with State Government Article, §10-506(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to outline the registration and reporting requirements of political action committees that make exclusively independent expenditures (commonly referred to as Super PACs). The reporting requirements are identical to the regularly scheduled campaign finance reports. Additionally, the regulations recognize the recent Supreme Court decisions to allow unlimited contributions to a political action committee that makes exclusively independent expenditures.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Erin Perrone, Administrative Assistant, State Board of Elections, PO Box 6486, Annapolis, MD 21401-0486, or call 410-269-2845, or email to erin.perrone@maryland.gov, or fax to 410-974-2019. Comments will be accepted through September 22, 2014. A public hearing has not been scheduled.

Economic Impact Statement Part C

- A. Fiscal Year in which regulations will become effective: FY 0
- B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?
- C. If 'yes', state whether general, special (exact name), or federal funds will be used:
- D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:
- E. If these regulations have no economic impact under Part A, indicate reason briefly:
- F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.
- G. Small Business Worksheet:

Attached Document:

Title 33 State Board of Elections

Subtitle 13 Campaign Financing

Chapter 15 Political Action Committees

Authority: Election Law Article, §2-102(b)(4), Annotated Code of Maryland

.01 Scope.

This chapter applies to political action committees registered with the State Board under §§13-207 and 13-208 of the Election Law Article, Annotated Code of Maryland.

.02 Registration.

At the time of filing a Statement of Organization at the State Board, a political action committee shall:

- A. Select a name of the political action committee that identifies its purpose and does not deceive or intentionally confuse the voter;
- B. Appoint responsible officers;
- C. File a statement of purpose identifying:
 - (1) The special interests promoted by or associated with the political action committee or its responsible officers, or the business or occupation that the contributors have in common;
 - (2) If applicable, the name of each candidate or ballot issue the political action committee was primarily formed to promote or defeat; and
 - (3) If applicable, the sponsor or affiliated entity identified or associated with the political action committee;
- D. State whether or not the political action committee will exclusively make:
 - (1) Independent expenditures;
 - (2) Disbursements for electioneering communications; or

(3) Both; and

E. State the elections the political action committee will participate in on a recurring basis until the political action committee files a final campaign finance report.

.03 Contribution Limits.

A. In General. Except as provided for in §B, a person may make a contribution to a political action committee subject to the contribution limits set forth in Election Law Article, §13-226.

B. Exception. A person may make an unlimited contribution to a political action committee that is registered to make exclusively independent expenditures, disbursements for electioneering communications, or both.

.04 Disclosure.

A. Reports. A political action committee shall file campaign finance reports required under Election Law Article, §13-309.

B. Disclosure Reports. In addition to the reports required under §A of this regulation, a political action committee registered to make exclusively independent expenditures or disbursements for electioneering communications, or both, shall file disclosure reports required under Election Law Article, §13-309.1.

.05 Filing Disclosure Reports.

A. In General. Except as provided in §B, for any political action committee subject to the requirements of Election Law Article, §13-309.1, a disclosure report shall be filed within 48 hours after the day on which the committee's spending on campaign material equals \$10,000 or more in the aggregate in expenditures or disbursements, outstanding obligations, orders, agreements, or any combination thereof.

B. Exception. A disclosure report is not required when the expenditures are to pay an outstanding obligation that has previously been disclosed on either a campaign finance report or a disclosure report.

.06 Required Contents for a Disclosure Report.

A. Expenditures Made. For expenditures made, the disclosure report filed by a political action committee registered to make exclusively independent expenditures or electioneering communications shall include:

- (1) The date the expenditure was made;
- (2) The transaction method, including any information on the transaction the State Administrator may require;
- (3) The name and address of the payee;
- (4) If the expenditure was to reimburse a campaign worker, the name and address of the campaign worker and the name and address of the ultimate recipient of the expenditure;
- (5) The amount of the expenditure;
- (6) A description of the goods or services for which the expenditure was made, including whether the expenditure was for a paid campaign advertisement;
- (7) If an independent expenditure:
 - (a) The identity of the candidate or ballot issue to which the campaign material relates; and
 - (b) Whether the independent expenditure supports or opposes the candidate or ballot issue;
- (8) If an electioneering communication:
 - (a) The identity of the candidate or ballot issue to which the campaign material relates; and
 - (b) Whether the electioneering communication advocates support or opposition to a candidate or ballot issue; and
- (9) If the expenditure was made to a person to engage in online advocacy on behalf of the political action committee, the name and Internet address of any social media identifier, online website, web log, blog, or microblog used by that person.

B. Outstanding Obligations. For outstanding obligations, the disclosure report filed by a political action committee registered exclusively for independent expenditures or electioneering communications shall include:

- (1) The name and address of the person to whom an outstanding obligation is owed;
- (2) The date the outstanding obligation was incurred;
- (3) The current balance of the outstanding obligation as of the end of the disclosure reporting period;
- (4) For an outstanding obligation other than a loan:
 - (a) A brief description of the goods or services received (a) by the committee; and
 - (b) Whether the outstanding obligation was for campaign material and, if so, the identity of the candidate or ballot issue to which the campaign material relates; and
- (5) If the outstanding obligation is a loan, all of the information required by Election Law Article, §13-230.

C. Applicability. The disclosure requirement on whether the campaign material supports or opposes a candidate or ballot issue shall be determined by the candidate, ballot issue or issue that is prominently featured on the campaign material.

07. Filing Method.

A. Filing Method. A disclosure report shall be filed electronically by means of the browser-based software provided by the State Administrator.

B. Additional Filing Requirements.

(1) Disclosure reports shall include an attestation by the responsible officers, under penalties of perjury and in a format approved by the State Administrator, that the contents of the electronic filing are a complete and accurate statement of the expenditures made by the political action committee.

(2) The State Board will not accept a disclosure report unless it is filed with an electronic signature of the responsible officers.

LINDA H. LAMONE
STATE ADMINISTRATOR