

MARYLAND REGISTER

**Proposed Action on Regulations**

<b>Transmittal Sheet</b>  <b>PROPOSED OR REPROPOSED</b>  <b>Actions on Regulations</b>	<b>Date Filed with AELR Committee</b>	<b>TO BE COMPLETED BY DSD</b>
	11/03/2014	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

**1. Desired date of publication in Maryland Register: 12/1/2014**

**2. COMAR Codification**

**Title Subtitle Chapter Regulation**

33 13 10 Prohibitions

**3. Name of Promulgating Authority**

State Board of Elections

**4. Name of Regulations Coordinator**

Erin Perrone

**Telephone Number**

410-269-2845

**Mailing Address**

151 West Street

**City State Zip Code**

Annapolis MD 21401

**Email**

erin.perrone@maryland.gov

**5. Name of Person to Call About this Document**

Jared DeMarinis

**Telephone No.**

410-269-2853

**Email Address**

jared.demarinis@maryland.gov

**6. Check applicable items:**

- New Regulations
  - Amendments to Existing Regulations
    - Date when existing text was downloaded from COMAR online: 10/10/2014.
  - 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 10/24/2014. 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**

10/30/2014

**Title 33**  
**STATE BOARD OF ELECTIONS**  
**Subtitle 13 CAMPAIGN FINANCING**

**33.13.10 Prohibitions**

Authority: Election Law Article, §2-102(b)(4), 13-218, 13-225, 13-235, 13-236, 13-237, 13-239 and 13-245, Annotated Code of Maryland

**Notice of Proposed Action**

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The State Board of Elections proposes to amend Regulation .01, .02, and .03, under COMAR 33.13.10 Prohibitions.

This action was considered by the State Board of Elections at its October 30, 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 provide clarity regarding prohibited and permissible activities during a regular Legislative Session for covered officials. Notably, it would prohibit activities of promoting fund-raising event during session but would still permit the necessary preparatory work for them. Additionally, the prohibited expenditures of a political committee were expanded to include recent inquiries such as travel overseas. Finally, the proposed regulations would permit the use of campaign funds for attending inauguration events.

**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, or call 410-269-2845, or email to

erin.perrone@maryland.gov, or fax to 410-974-2019. Comments will be accepted through December 31, 2014. A public hearing has not been scheduled.

### **Economic Impact Statement Part C**

- A. Fiscal Year in which regulations will become effective: FY
- 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:

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## **Title 33 State Board of Elections**

### **Subtitle 13 Campaign Financing**

#### **Chapter 10 Prohibitions**

Authority: Election Law Article, §2-102(b)(4), 13-218, 13-225, 13-235, 13-236, 13-237, 13-239 and 13-245, Annotated Code of Maryland

#### **.01 Definitions.**

- A. (text unchanged)
- B. Terms Defined.
  - (1) (text unchanged)
  - (2) *“Covered Official” means*
    - (a) *The Governor;*

- (b) Lieutenant Governor;
- (c) Attorney General;
- (d) Comptroller; and
- (e) A member of the General Assembly.

(3) "Electoral Purpose" means to directly influence or participate in an election or future election while promoting or assisting in the promotion of a candidate, political party or question.

(a) "Electoral purpose" includes an act of support that will result in the ultimate electoral benefit of the political committee making the expenditure.

[(2)](4) – [(3)](5) (text unchanged)

## **.02 Prohibited Contributions.**

A – E. (text unchanged)

F. During General Assembly Session. During a regular session of the General Assembly, except as provided under Election Law Article, §13-236(c) and (d), Annotated Code of Maryland, a covered official or a person acting on behalf of or as an agent for the covered official may not for the benefit of any candidate or political committee set forth in §G of this Regulation:

- (1) Receive or take possession of a contribution;
- (2) Hold or conduct a fund-raising event;
- (3) Provide information or notice to the general public or a defined group of persons regarding a fund-raising event to be held after session including:
  - (a) Time, date or location of the fund-raising event such as a "Save the Date" notice;
  - (b) Suggested contribution amounts of the fund-raising event; or
  - (c) Suggested fund-raising activities such as raffles, paddle wheels or spins;
- (4) (a) Directly or indirectly solicit a contribution or sell tickets to a fund-raising event by any means;

or

- (b) Have an active contribution or solicitation link or page on the Internet; or
- (5) Deposit or use any contribution of money that was not deposited prior to the regular session of the General Assembly except as provided in §H of this Regulation.

G. Benefiting Persons or Entities. A covered official may not engage in actions described in §F of this Regulation for the benefit of:

- (1) Any candidate for federal, State or local office;
- (2) Authorized candidate campaign committee;
- (3) A slate that a candidate has joined; or
- (4) The legislative party caucus committee with which the covered official is affiliated.

H. Permissible Activities During Legislative Session by a Covered Official. During a regular legislative session of the General Assembly, a covered official or a person acting on behalf of or as an agent for the covered official may:

- (1) Receive a loan and deposit its proceeds subject to the requirements of Election Law Article, §13-230, Annotated Code of Maryland.
- (2) Make limited expenditures for a fund-raising event not held during regular session for the purposes of securing a location, food or printing invitations; and
- (3) Solicit contributions or donations for:
  - (a) An out-of-State nonfederal candidate and any authorized entity established to elect out-of-state nonfederal candidates;
  - (b) A ballot issue committee organized under Title 13 of the Election Law Article; or
  - (c) A charitable organization;
- (4) Receive a contribution prior to the start of the legislative session but not deposited, if the contribution is reported on the campaign finance report that the political committee received the contribution and:
  - (a) Returned to the contributor within 30 business days of start of the legislative session; or
  - (b) Held by the Treasurer and deposited within 3 business days after the regular session of the General Assembly ends.

I. Anonymous Contributions Prohibited.

- (1) A political committee may not receive or use a contribution from an anonymous source.
- (2) A contribution is considered anonymous if the political committee does not know the identity and address of the contributor.

## **.03 Prohibited Expenditures.**

A. (text unchanged)

B. Prohibited Expenditures. Except as provided in §C of this regulation, a political committee may not make an expenditure of campaign funds, directly or indirectly, in any amount for:

- (1) – (3) (text unchanged)

(4) Expenses relating to the necessary and ordinary course of holding political office, except if related to legislative newsletters pursuant to Election Law Article, §13-408, Annotated Code of Maryland; [or]

(5) Expenses not relating to the electoral purposes of the political committee, except if permissible under Election Law Article, §13-247, Annotated Code of Maryland[.];

(6) *Legal defense costs or expenses except those relating to investigations or legal actions resulting from the conduct of the campaign or election;*

(7) *Expenses relating to travel outside the country;*

(8) *Tuition and any other associated costs for educational programs or schooling; or*

(9) *Administrative Accounts of the political party central committee or legislative party caucus committee.*

C. [Permissive] *Permissible Expenditures.* A political committee may make a direct expenditure to a political or advocacy committee or organization not regulated by Election Law Article, Title 13, Annotated Code of Maryland, only if:

(1) – (2) (text unchanged)

(3) The recipient of the expenditure is a:

(a) – (b) (text unchanged)

(c) Political club; [or]

(d) Federal candidate[.];*or*

(e) *Inauguration or transition committee organization for a newly elected candidate in the State.*

LINDA H. LAMONE  
STATE ADMINISTRATOR