

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulations
State Board of Elections
(DLS Control No. 15-213)**

Overview and Legal and Fiscal Impact

The regulations repeal a definition and add provisions governing campaign account books.

The regulations present no legal issue of concern.

There is no fiscal impact on State or local agencies.

Regulations of COMAR Affected

State Board of Elections:

Campaign Financing: Campaign Accounts: COMAR 33.13.06.01 and .06

Legal Analysis

Summary of Regulations

The State Board of Elections is amending Regulation .01 and adding Regulation .06 under COMAR 33.13.06, which governs campaign accounts.

The regulations amend Regulation .01 to repeal the definition of “statement of organization.” This definition is superfluous – the term is defined for the entire subtitle in COMAR 33.13.01.01

New Regulation .06 governs campaign account books. First, the regulation requires a political committee to maintain and retain an account book of its campaign finance activity. It also specifies that campaign finance reports are not considered the account book and that all disbursement or expenditures entries must be supported by receipts or invoices from the vendor or contracts for services provided. Second, the regulation requires that the account book have detailed and accurate records of all assets received, disbursements and expenditures made, obligations incurred, and other records used in the preparation of campaign finance reports. Additionally, the regulation requires that, for every asset received and expenditure made, the account book have (1) the amount or value of the asset receive or expenditure made; (2) the date the asset was received or the expenditure was made; (3) the name and address of the person from whom the asset was received or to whom the expenditure was made; and (4) a description of the asset received or the purpose for which the expenditure was made. Finally, the regulation

authorizes the State board to request to inspect and receive a copy of all account books and related records of account book entries. All account books and related records must be (1) retained and available until the earlier of 10 years after the creation of an entry or related records or two years after the political committee files its final campaign finance report and (2) stored and retained in the original format, as a photocopy, or as a scanned pdf format.

Legal Issue

The regulations present no legal issue of concern.

Statutory Authority and Legislative Intent

The State board cites § 2-102(b)(4) and Title 13, Subtitle 2, Part IV of the Election Law Article as statutory authority for the regulations. More specifically, § 2-102(b)(4) requires the State board to adopt regulations to implement its powers and duties. Title 13, Subtitle 2, Part IV of the Election Law Article governs campaign finance activity and records. The section that is applicable as legal authority for the regulations is § 13-221 which governs books and records. The regulations do not conflict with that section.

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

Technical Corrections and Special Notes

The Department of Legislative Services contacted the State board regarding an omitted conjunction in COMAR 33.13.06.06C(2)(a)(ii). The period will be replaced with an “; and.” The above description of the regulation reflects this change.

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 in part implement Chapters 322 and 323 of 2012 and Chapter 419 of 2013 by addressing retention of records and State Board of Elections inspection of campaign account books and records. The fiscal and policy notes for Senate Bill 919 and House Bill 1007 of 2012 (enacted as Chapters 322 and 323) did not include a fiscal impact. The fiscal and policy note for House Bill 1499 of 2013 (enacted as Chapter 419) included an increase in general fund expenditures for additional State Board of Elections personnel, due in part to newly granted authority under the bill for the board to audit campaign finance and other records. The fiscal and policy note also included a potential increase in general fund revenues from penalties due in part to the board’s expanded

auditing authority under the bill. These regulations should not result in any additional fiscal impact.

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.

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