

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

Senate Bill 708 Senator Hughes)

Economic and Environmental Affairs

Commerce and Government Matters

Election Law - Campaign Loans by a Candidate or the Candidate's Spouse

This bill exempts loans by a candidate or the candidate's spouse from the procedural requirements for making a loan to a candidate's campaign committee under specified circumstances. If the requirements are not complied with, the loan is authorized on the condition that the loan may not accrue interest. Any interest foregone is not considered a contribution to the campaign. As long as the loan has an outstanding principal balance, the candidate is exempted from provisions requiring a candidate to close out campaign accounts after the candidate is no longer an officeholder or candidate for re-election and where a balance of surplus funds remains after all outstanding debts of the campaign have been satisfied.

Fiscal Summary

State Effect: The bill would not directly affect State operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A candidate and spouse must follow specific procedures for making loans to the candidate's campaign. All loans require written consent of the candidate, written terms, the lender's name, address, and signature, a schedule of repayment, and a stated interest rate. Loan documents must also be attached to the appropriate campaign finance report.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Board of Elections, Department of Legislative Services

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jm/jr

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