# **Department of Legislative Services**

Maryland General Assembly 2004 Session

### FISCAL AND POLICY NOTE

House Bill 632 Ways and Means (Delegate Owings, et al.)

## **Campaign Finance Reports - Paper Documentation**

This bill removes the requirement for a campaign finance entity to report electronically unless it has received more than \$50,000 in campaign contributions for that reporting period.

## **Fiscal Summary**

**State Effect:** General fund expenditures could increase from \$2,000 to \$10,000 annually beginning in FY 2005 for temporary data entry staff by the State Board of Elections to process paper-documented reports and enter them into electronic format.

Local Effect: None.

Small Business Effect: None.

## **Analysis**

Current Law: All campaign finance reports required under Title 13 of the Election Article must be submitted to the State Board of Elections (SBE) in an electronic format (Chapter 473 of 1999). SBE may exempt a campaign finance entity with "de minimis" activity from this requirement. All campaign finance reports that are submitted electronically must be made widely and easily accessible to the public using any public or private system for data dissemination on terms that the board determines are consistent with the purposes and requirements of the law.

**Background:** According to SBE's 2004 annual report, less than 6% of campaign finance entities reported receiving over \$50,000 in contributions in the previous year; the other 94% of entities had less than \$50,000 in contributions.

**State Fiscal Effect:** General fund expenditures could increase from \$2,000 to \$10,000 each year if SBE decides to make available campaign finance reports submitted on paper accessible to the public on the Internet in conjunction with electronically filed reports. The expenditure increase includes the cost of hiring temporary contractual employees for three weeks during the end of each reporting period for the data entry and processing required to convert the data from reports filed on paper to an electronic format. Expenditures would vary depending on the number of campaign finance entities electing to submit paper reports under the bill, and the number of reporting periods within in a particular year.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: None.

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

Services

**Fiscal Note History:** First Reader - February 10, 2004

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