

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 733
Ways and Means

(Delegate Patterson, *et al.*)

Education, Health, and Environmental
Affairs

Campaign Finance - Contributions - Credit Cards

This bill removes the \$100 per transaction limit on credit card campaign contributions and permits contributions of up to \$4,000 to be made with a credit card.

Fiscal Summary

State Effect: None. The bill would not directly affect State operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: An individual may not directly or indirectly in an election cycle make a contribution of money in excess of \$100 except by check. Contributions by credit card are limited to an amount not exceeding \$100.

Background: The widespread use of the Internet for political campaign activity has encouraged the use of credit cards as a cheaper and more convenient means of soliciting and contributing money. Prior to 1999, the Federal Election Commission (FEC) did not recognize credit card payments as eligible contributions for purposes of the Presidential Election Campaign Fund, which provides matching funds to candidates for U.S. president. In June 1999, FEC reversed its position in light of the increased popularity of the Internet. Since this decision, political campaigning on the Internet has increased

substantially for candidates in all types of elections. Other states, such as Virginia and New Jersey, allow credit card contributions to candidates without any added limitation on the amount that may be contributed.

Additional Information

Prior Introductions: HB 681 of 2002, a similar bill, was unfavorably reported from the House Commerce and Government Matters Committee.

Cross File: None.

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

Fiscal Note History: First Reader - March 16, 2004
n/mdr

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