

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 846

(Senator Harris)

Education, Health, and Environmental Affairs

Ways and Means

Campaign Finance - Contributions - Credit Cards

This bill repeals the \$100 per transaction limit on credit card campaign contributions and permits contributions up to the statutory limit of \$4,000 to an individual campaign finance entity and a maximum of \$10,000 to all campaign finance entities.

Fiscal Summary

State Effect: None. The bill would not 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 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 of 1999 the 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 would have removed the \$100 contribution limit and permitted contributions of up to \$4,000 on a credit card per election cycle. The bill was unfavorably reported from the House Commerce and Government Matters Committee in the 2002 session.

Cross File: None.

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

Fiscal Note History: First Reader - March 11, 2004
ncs/mdr Revised - Enrolled Bill - April 22, 2004

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