

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 465

(Senator Pinsky)

Education, Health, and Environmental Affairs

Ways and Means

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**Election Law - Not-for-Profit Organizations - Attribution of Contributions by  
Officers**

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This bill exempts campaign contributions made by an “officer” of a not-for-profit organization from the requirement that an officer, director, or partner of a business entity doing public business be attributed to the business entity and be reported to that entity’s chief executive officer.

The bill defines the term “officer” to include an organization’s president or chairman, vice-president or vice-chairman, secretary, treasurer, executive director, or any individual exercising duties comparable to those typically exercised by an individual holding one of these titles. The definition does not include an individual holding a title but not exercising substantial independent responsibility on behalf of the organization similar to the responsibility typically exercised by an individual holding one these titles.

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**Fiscal Summary**

**State Effect:** None. The bill would not materially affect governmental operations.

**Local Effect:** None.

**Small Business Effect:** None. The bill only applies to nonprofit organizations and could reduce the number of campaign contributions attributed to these entities. The bill would not impact the transaction costs of nonprofit organizations.

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## Analysis

**Current Law:** State election law generally requires disclosure of campaign contributions by persons doing public business with the State; in the case of a contribution made by an officer, director, or partner of a business entity doing public business, that contribution must be attributed to the business entity and reported to the chief executive officer of the business entity. Unless a contribution is made on the recommendation of a not-for-profit business entity doing public business, or by an individual who is paid by the not-for-profit organization, contributions by trustees and directors of these organizations are exempted from the attribution and reporting requirements.

“Doing public business” means making, during any 12-month period, one or more contracts with one or more governmental entities involving cumulative consideration of at least \$100,000.

**Background:** The bill’s provisions mirror the lobbying ethics provisions of the Public Ethic Law, which require an individual who has compensated a registered lobbyist and has made a campaign contribution to a candidate for the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, or member of the General Assembly, to disclose those contributions on a statement submitted to SBE. Contributions from an officer, director, or partner of a business entity are similarly attributed to the business entity, but the exemption for nonprofits applies to both directors and officers.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** HB 178 (Delegate Bobo) – Ways and Means.

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

**Fiscal Note History:** First Reader - March 1, 2005  
ncs/jr Revised - Enrolled Bill - May 9, 2005

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