

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

House Bill 943  
Judiciary

(Delegate Simmons)

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Statute of Limitations - Campaign Loans Deemed Contributions

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This bill provides that the period for instituting a civil or criminal prosecution for an illegal campaign contribution arising under § 13-230 of the Election Law Article begins at the time a loan is deemed to be a contribution.

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Fiscal Summary

**State Effect:** Any increase in the Judiciary's caseload resulting from additional prosecutions for campaign finance violations could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** Generally, State law requires all campaign finance activity carried out in connection with an election to be conducted through a campaign finance entity, and limits aggregate contributions within a four-year election cycle to • \$4,000 to any one campaign finance entity; or • \$10,000 to all campaign finance entities. An election cycle begins on the January 1 following a gubernatorial election and continues until December 31 four years later.

Section 13-230 of the Election Law Article specifies the circumstances under which a loan to a campaign finance entity is deemed a campaign contribution and how to issue and account for such loans. A loan to a campaign finance entity is considered to be a

contribution unless: (1) the loan is from a financial institution or other business entity in the business of making loans; or (2) the loan is to a candidate who has personally guaranteed repayment, and the loan is repaid within the election cycle immediately following the election cycle in which the loan is made.

The statute of limitations for prosecution of a misdemeanor is generally one year from when the offense was committed. The statute of limitations for prosecuting the commission of, attempt to commit, or conspiracy to commit a misdemeanor constituting a criminal offense under the State election laws is two years from the date the offense was committed. The statute of limitations for prosecution to impose a civil fine under the Election Law Article is three years from when the offense was committed.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State's Attorneys' Association, Judiciary (Administrative Office of the Courts), State Board of Elections, State Prosecutor's Office, Department of Legislative Services

**Fiscal Note History:** First Reader - March 6, 2007  
ncs/jr

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