**HB 378**

# Department of Legislative Services
Maryland General Assembly
2007 Session

## FISCAL AND POLICY NOTE

House Bill 378 (Delegate Simmons)
Ways and Means

### Election Law - Loans to Candidates

This bill shortens the maximum repayment period during which a loan to a campaign finance entity is not considered a contribution, and therefore not subject to contribution limits, if personally guaranteed by the candidate and repaid within a specified period. Under the bill, the loan would have to be repaid by the later of the end of the election cycle in which the loan is made or one year after the loan is made.

## Fiscal Summary

**State Effect:** None. The bill's changes would not directly affect State operations or finances.

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** In general, a person may not, either directly or indirectly, make aggregate contributions of more than $4,000 to any one campaign finance entity or $10,000 to all campaign finance entities during an election cycle. An election cycle begins on the January 1 following a gubernatorial election and continues until December 31, four years later.

A loan is not considered a contribution if the loan is from a financial institution or other entity in the business of making loans or is guaranteed by the candidate and repaid within the election cycle immediately following the election cycle in which the loan is made.

---

## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 26, 2007
nas/jr

---

Analysis by: Scott D. Kennedy

Direct Inquiries to:
(410) 946-5510
(301) 970-5510