

Department of Legislative Services  
Maryland General Assembly  
2007 Special Session

**FISCAL AND POLICY NOTE**

House Bill 28  
Ways and Means

(Delegate Simmons)

---

**Election Law - Campaign Contributions by Persons Authorized by the State to Engage in Gaming Activity - Prohibition**

---

This bill prohibits direct and indirect contributions by specified persons and entities involved in “gaming activity” in the State to a State candidate, political party, or other campaign finance entity organized in support of a State candidate or political party.

The bill takes effect July 1, 2008.

---

**Fiscal Summary**

**State Effect:** The bill would not directly affect governmental operations or finances.

**Local Effect:** None.

**Small Business Effect:** None.

---

**Analysis**

**Bill Summary:** The bill prohibits the following individuals and entities from making contributions to State candidates, political parties, or any other campaign finance entities organized in support of State candidates or political parties:

- an applicant for a license to engage in gaming activity in the State;
- an individual authorized to engage in gaming activity in the State;

- a holding company, intermediary company, subsidiary company, or “key employee” of an applicant for a license to engage in gaming activity or a person authorized to engage in gaming activity in the State; and
- a person entitled by contract to receive any proceeds from the gaming operations of any applicant or person authorized to engage in gaming activity in the State.

Gaming activity is defined as a video lottery terminal or a casino authorized by the State. Key employee is defined as an individual who, acting as an agent or employee of a person or licensee, supervises more than two agents or employees of the person or licensee authorized to engage in gaming activity in the State.

The bill exempts gaming activity that an eligible organization is authorized to conduct under the Criminal Law Article.

**Current Law:** State campaign finance law prohibits: (1) anonymous contributions; (2) contributions received in relation to State office candidacies by or on behalf of General Assembly members, the Governor, Lieutenant Governor, Attorney General, or the Comptroller during the legislative session; and (3) contributions from State funded entities. Other than statutory restrictions on acceptance of money received from the sale of a spin or chance on a paddle wheel or wheel of fortune at a campaign fund-raising event, there are no provisions restricting contributions from individuals or entities involved in gaming activity.

---

### **Additional Information**

**Prior Introductions:** HB 576 of 2006, a similar bill, had a hearing in the House Ways and Means Committee but no further action was taken. HB 817 of 2005, a similar bill, received an unfavorable report from Ways and Means. Another similar bill, HB 274 of 2004, had a hearing in Ways and Means but no further action was taken. HB 105 of 2003, an almost identical bill, also had a hearing in Ways and Means but no further action was taken.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - November 2, 2007  
ncs/jr

---

Analysis by: Scott D. Kennedy

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