

Department of Legislative Services
Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE
Revised

House Bill 826

(Montgomery County Delegation)

Ways and Means

Education, Health, and Environmental Affairs

Montgomery County - Regulation of Local Campaign Finance Activity
MC 803-08

This bill authorizes Montgomery County to enact specified laws to regulate public campaign finance activity for county elective officers and candidates for election to those offices who choose to accept public campaign financing. The Montgomery County Board of Elections must administer any such enacted laws.

Fiscal Summary

State Effect: None.

Local Effect: The bill would not directly affect local government finances; however, in the event laws regulating public campaign finance activity are enacted, expenditures could increase for the Montgomery County Board of Elections to administer those laws.

Small Business Effect: None.

Analysis

Current Law/Background: State campaign finance law applies to each election conducted under State election law, but does not apply to campaign finance activity governed solely by federal law. Except for municipal elections other than in Baltimore City, State election law generally applies to all primary, general, and special elections, including those for county offices.

In County Council for Montgomery County, Maryland v. Montgomery Association, Inc., 274 Md. 52, 333 A.2d 596 (1975), the Court of Appeals held that three Montgomery County ordinances designed to regulate the campaign finance activities of candidates for county offices were invalid because the General Assembly “had preempted the field of election financing practices” through the enactment of detailed State campaign finance laws.

The Public Financing Act provides for a system of public financing for election for candidates for Governor and Lieutenant Governor. To become an eligible participant, a candidate must agree to limit campaign expenditures per election (primary or general) to an amount based on the population of the State, which was approximately \$2,087,000 for the 2006 elections. The Act originally provided a public fund match for all statewide, legislative, and local candidates in the general election, but subsequent revisions to the Act, primarily in 1986, narrowed the scope of its provisions to include only gubernatorial candidates. Throughout the Act’s history, the special fund that was created by the Act and capitalized by a tax-add system rarely reached a functional level. With the exception of the 1994 gubernatorial race, the fund has remained essentially unused to date.

A number of states offer public funds to candidates through full or partial campaign financing. Arizona and Maine, states that provide full campaign financing, had participation rates of 60% and 80% in their respective programs in 2006.

Additional Information

Prior Introductions: HB 918 of 2007, a bill authorizing counties to enact laws to regulate campaign finance activity of county elective officers and candidates for election to those offices, received a hearing in the House Ways and Means Committee but no further action was taken.

Cross File: None.

Information Source(s): Montgomery County, Maryland State Board of Elections, National Conference of State Legislatures, Maine Commission on Governmental Ethics and Election Practices, Arizona Clean Elections Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 3, 2008
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