

**Department of Legislative Services**  
Maryland General Assembly  
2010 Session

**FISCAL AND POLICY NOTE**

Senate Bill 679 (Senator Harrington, *et al.*)

Education, Health, and Environmental Affairs

**Campaign Finance Entities - Contribution Records and Reports**

This bill specifies that the treasurer of a campaign finance entity must, to the extent practicable, record the occupation and employer of an individual who makes contributions to the campaign finance entity in a cumulative amount of \$200 or more during a calendar year. The recorded information must be included in campaign finance reports filed by the campaign finance entity.

The bill takes effect January 1, 2011.

**Fiscal Summary**

**State Effect:** General fund expenditures increase by approximately \$200,000 in FY 2011. Revenues are not affected.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	200,000	0	0	0	0
Net Effect	(\$200,000)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

**Analysis**

**Current Law:** For each election in which a campaign finance entity participates, it generally must file campaign finance reports at various times prior to and after the

primary and general elections. The reports must contain information required by the State Board of Elections (SBE) with respect to all contributions received and all expenditures made by or on behalf of the campaign finance entity during a reporting period. Annual reports generally must also be filed on the third Wednesday in January.

Under SBE regulations, a campaign finance report generally must include, among other things, the amount of money or fair market value of each contribution and the name and address of the contributor. The occupation and/or employer of an individual who makes a contribution is not required to be included.

**State Fiscal Effect:** General fund expenditures increase by approximately \$200,000 for software programming and testing to modify the electronic campaign finance report filing system to allow the occupation and employer of a contributor to be reported. SBE advises that modifications will need to be made to its internal agency software and electronic filing software offered to campaign finance entities at no cost. In addition, testing of the modification will need to be conducted with respect to the electronic filing software offered by SBE and software supplied by other vendors that is compatible with SBE's software, which some campaign finance entities use to file their campaign finance reports. The estimate is based on a vendor estimate provided to SBE.

SBE advises that developing an entirely new online campaign finance reporting system would be more cost-effective overall than making costly changes to SBE's existing system. Initial costs of such development are expected to be higher than \$200,000, but future costs of maintenance and modifications will be reduced.

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### **Additional Information**

**Prior Introductions:** HB 666 of 2003 received an unfavorable report from the House Ways and Means Committee. It's cross file, SB 259, was withdrawn. In addition, similar bills were introduced in the 1999 through 2002 sessions.

**Cross File:** HB 1329 (Delegate Rice) – Ways and Means

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

**Fiscal Note History:** First Reader - March 10, 2010  
ncs/mwc

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