# **Department of Legislative Services**

Maryland General Assembly 2011 Session

## FISCAL AND POLICY NOTE

House Bill 2 Ways and Means (Delegate V. Turner)

#### **Elections - Candidates - Filing Fees**

This bill increases filing fees for candidates for congressional, State, and local public office. The bill also alters the manner in which filing fees received by the State Board of Elections (SBE) from candidates for statewide office are divided and distributed among local boards of elections.

#### **Fiscal Summary**

**State Effect:** General fund revenues increase in FY 2014 and 2015 due to the receipt of candidate filing fees for the 2014 elections from candidates for statewide office. Assuming the same number of candidates file for the 2014 elections as filed for the 2010 elections, general fund revenues increase by a total of \$59,000. The increased fees, however, may reduce the number of fee-paying candidates, limiting the increase in revenue.

**Local Effect:** Assuming the same number of candidates file for the 2012 and 2014 elections as filed for the 2008 and 2010 elections, local filing fee revenues from the 2012 and 2014 elections increase overall by \$276,000 and \$1.8 million, respectively. The increased fees, however, may reduce the number of fee-paying candidates, limiting the increase in revenue.

Small Business Effect: None.

## Analysis

#### **Bill Summary/Current Law:**

#### Fee Increase

## Exhibit 1 Comparison of Filing Fees under Current Law and HB 2

	Fee Amount	Fee Amount
<u>Office</u>	Current Law	<u>HB 2</u>
Governor	\$290	\$2,000
Lieutenant Governor	290	2,000
Comptroller	290	2,000
Attorney General	290	2,000
U.S. Senator	290	2,000
Representative in Congress	100	1,500
General Assembly		
Senator	50	1,000
Delegate	50	500
Board of Education	25	500
Baltimore City Office (voted on by the entire city)	150	2,000
Baltimore City Office (voted on by less than the entire city)	50	1,000
Other County Offices (voted on by entire county)	25	2,000
Other County Offices (voted on by less than entire county)	25	1,000

Note: Under current law and HB 2, a candidate can petition for a waiver of a filing fee based on inability to pay the fee.

#### Distribution of Fees

Under current law, the \$290 filing fee received by SBE from candidates for statewide office is divided and distributed among the local boards of elections, with \$60 going to the Baltimore City Board of Elections and \$10 going to each other local board.

Under the bill, the \$2,000 filing fee received by SBE from candidates for statewide office is divided and partially distributed among the local boards of elections, with \$60 going to the Baltimore City Board of Elections and 25% (\$500) of the fee being distributed in equal amounts to each other local board.

Under current law (and not altered by the bill), filing fees received by a local board of elections are transferred to the governing body of the county.

**Background:** The filing fees for candidates for congressional, State, and local public office have not been altered since 1974, with the exception of a change in 1990 which eliminated a requirement that write-in candidates pay filing fees. The fee amounts for congressional offices and the statewide offices of Governor, Comptroller, and Attorney General have not changed since 1957. The distribution of filing fees received from candidates for statewide office among the counties and Baltimore City has also not changed since 1957.

Candidate filing requirements vary from state to state. Among nearby states, for example, New Jersey only requires candidates to file voter signatures (varying by office, up to 1,000) nominating the candidate. Pennsylvania requires both voter signatures (varying by office, up to 2,000) and, for primary election candidates, filing fees of not more than \$200. Virginia requires both voter signatures (varying by office, up to 10,000 for statewide offices) and filing fees for primary election candidates equal to 2% of the minimum annual salary for the office sought, which is upwards of \$3,000 for candidates for the U.S. House of Representatives and Governor.

**State Revenues:** General fund revenues will increase in fiscal 2014 and 2015 due to the receipt of filing fees from statewide candidates filing for candidacy in the 2014 gubernatorial election. Under the bill, \$60 of the \$2,000 filing fee for statewide candidates will be distributed to the Baltimore City Board of Elections, \$500 (25%) will be distributed in equal amounts among the other local boards of election, and the remaining \$1,440 of each filing fee will remain with SBE. The actual increase in revenue will depend on the number of candidates filing for the election.

If the fee increases under the bill are applied to the number of candidates that filed for statewide offices in the 2010 gubernatorial election, \$59,040 in general fund revenue is generated. This may overstate the potential increase in revenue generated from candidate filings for the 2014 elections to the extent the fee increases deter some candidates from filing or cause candidates to file for waivers from the fees due to inability to pay.

**Local Revenues:** Local government revenues will increase beginning in fiscal 2012 due to the receipt of increased filing fees from congressional and local candidates filing for candidacy in the 2012 presidential election. Local revenues will also increase due to the receipt of increased filing fees from candidates filing for candidacy in the 2014 gubernatorial election and the 2015 Baltimore City election. Local governments will receive \$560 (\$60 to Baltimore City; \$500 divided among other counties) of the \$2,000 filing fee paid by candidates for statewide office (in the 2014 gubernatorial election) and the full amount of fees paid by candidates for other public offices.

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If the fee increases under the bill are applied to the number of candidates that filed for public office in the 2008 presidential election and the 2010 gubernatorial election, local revenues generated from candidates filing for the presidential election increase by a total of \$276,400 and revenues generated from candidates filing for the gubernatorial election increase by a total of \$1.8 million. This may overstate the potential increase in revenue generated from candidate filings for the 2012 and 2014 elections to the extent the fee increases deter some candidates from filing or cause candidates to file for waivers from the fees due to inability to pay.

## **Additional Information**

Prior Introductions: None.

Cross File: None.

**Information Source(s):** State Board of Elections; Baltimore City; Anne Arundel, Baltimore, Charles, Frederick, Montgomery, and Somerset counties; Department of Legislative Services

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