

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE

House Bill 791  
Ways and Means

(Delegates Summers and George)  
Education, Health, and Environmental Affairs

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**Election Law - Declaration of Intent - Establishment of Campaign Finance Entity**

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This bill specifies that an individual may not file a declaration of intent to seek nomination by petition or nomination by a political party that does not nominate its candidates by party primary until the individual establishes, or causes to be established, an authorized political committee.

The bill takes effect June 1, 2012.

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**Fiscal Summary**

**State Effect:** None. The bill is not expected to directly affect State finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:**

*Nomination and Filing of a Declaration of Intent*

Nominations for public office are made:

- (1) by party primary, for candidates of a principal political party (majority party and principal minority party);
- (2) by petition, for candidates not affiliated with any political party; or

- (3) in accordance with the constitution and by-laws of the political party, for candidates of a political party that does not nominate by party primary.

A candidate for public office who seeks nomination by petition or nomination by a political party that does not nominate its candidates by party primary must file a declaration of intent to seek nomination by petition or political party nomination.

A candidate that files a declaration of intent must then also file a certificate of candidacy by a later date. In a gubernatorial election year, a declaration of intent must be filed by a specified date in April, the same deadline for a certificate of candidacy to be filed by an individual seeking nomination in the primary election. The deadline for a certificate of candidacy to be filed by an individual who filed a declaration of intent is later in the year, in August. Similarly, in a presidential election year, a declaration of intent must be filed by July 1 and the subsequent deadline to file a certificate of candidacy for an individual who filed a declaration of intent is in August.

#### *Establishment of a Campaign Finance Entity*

Unless otherwise expressly authorized by law, all campaign finance activity for an election conducted under State law must be conducted through a campaign finance entity. An individual may not file a certificate of candidacy until the individual establishes, or causes to be established, an authorized political committee (campaign finance entity).

**Background:** The bill implements a recommendation of the Commission to Study Campaign Finance Law, which was established by Joint Resolution 1 of 2011. The commission issued an initial report in January 2012. In its report, the commission recommended that the General Assembly consider amending State campaign finance law to state that an individual may not file a certificate of candidacy or a declaration of intent until the individual establishes, or causes to be established, an authorized political committee. The commission's report indicated that filing of a certificate of candidacy for a primary election candidate and filing of a declaration of intent for a person seeking nomination by petition or by a nonprincipal political party are functionally similar acts. The report indicated that it would make more sense to require candidates who file a declaration of intent to have established a campaign finance entity at that time, both for administrative reasons and to help to prevent individuals seeking nomination by petition or by a nonprincipal political party from engaging in campaign finance activity (whether knowingly or unknowingly) without having established, or caused to be established, a campaign finance entity.

The Commission to Study Campaign Finance Law is given relatively broad discretion to examine the State's campaign finance laws and activity in the State and other jurisdictions, but is also charged with considering or examining various specific issues

ranging from contribution limits to public campaign financing to enforcement of election laws. The commission held its first two meetings in December 2011 and January 2012 and the commission's recommendations in the initial report originated from an effort to develop a list of noncomplex proposals that would offer immediate improvements to the existing campaign finance system. The commission must submit a final report by December 31, 2012.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 1011 (Senator Jennings) – Education, Health, and Environmental Affairs.

**Information Source(s):** State Board of Elections, Commission to Study Campaign Finance Law, Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2012  
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Analysis by: Scott D. Kennedy

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