

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1285
Ways and Means

(Delegate Summers, *et al.*)

Education, Health, and Environmental Affairs

Election Law - Campaign Finance - Requirements

This bill allows for the responsible officers of a campaign finance entity to consent to receiving notice of campaign finance report filing dates only by electronic mail, establishes a requirement that responsible officers notify the State Board of Elections (SBE) of a change of address (including an electronic mail address if consent is given to receive notice by electronic mail), and modifies a requirement of when a campaign contribution receipt must be issued by the treasurer of a campaign finance entity.

The bill takes effect June 1, 2012.

Fiscal Summary

State Effect: General fund expenditures may decrease on average by approximately \$3,000 per fiscal year, if the vast majority of campaign finance entities consent to receiving notice of campaign finance report filing dates by electronic mail.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary:

Electronic Mail Notice of Campaign Finance Report Filing Dates

The bill allows for the responsible officers of a campaign finance entity to affirmatively consent to receiving notice provided by SBE of each campaign finance report required to be filed by that entity only by electronic mail instead of first class mail. The bill also

requires, in the event the chairman and treasurer of a political committee consent to receiving notice only by electronic mail, that the form appointing the chairman and treasurer filed with SBE include the electronic mail address of the chairman and the treasurer.

Addresses of Responsible Officers

The bill also requires the chairman or treasurer of a political committee to notify SBE of a change in the residence address of the chairman or treasurer or, if the chairman and treasurer have affirmatively consented to receiving notice only by electronic mail, a change in the electronic mail address of the chairman or treasurer, no later than 21 days before the due date for the political committee's next campaign finance report.

Issuance of Contribution Receipts

Lastly, the bill modifies a requirement of when the treasurer of a campaign finance entity must issue a campaign contribution receipt to require that the receipt be issued by the next deadline for filing a campaign finance report after receiving a contribution instead of upon receiving and before depositing a contribution.

Current Law:

Notice of Campaign Finance Report Filing Dates

SBE is required to notify campaign finance entities of each campaign finance report required to be filed by each entity. The notice must be provided by first class mail at least 10 but not more than 20 days before the filing date of each campaign finance report. The notice must include the filing date; the telephone number, business hours, and location of SBE; and the penalty for failure to file a timely campaign finance report.

Addresses of Responsible Officers

There is not a statutory requirement that the responsible officers of a campaign finance entity keep their addresses and any other contact information up-to-date with SBE.

Issuance of Contribution Receipts

The treasurer of a campaign finance entity is required to issue a campaign contribution receipt on a form prescribed by SBE upon receiving and before depositing contributions from a person who:

- makes one or more contributions, other than the purchase of tickets for a campaign event, in the cumulative amount of \$51 or more; or
- purchases one or more tickets for a campaign event at a cost of \$51 or more per ticket or in the cumulative amount of \$251 or more.

Background: The bill implements recommendations 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. The commission's report indicated that being able to provide notice of campaign finance report filing dates by email instead of first class mail would increase efficiency and reduce costs for SBE. With respect to addresses of responsible officers, the report indicated that SBE has consistently had mail sent to responsible officers returned because the address SBE has on file is not up-to-date. Lastly, the report indicated that, based on feedback and questions received by SBE from campaign finance entities, the current requirement of when contribution receipts must be issued has proven to be difficult for campaign finance entities to comply with on a consistent basis.

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.

State Fiscal Effect: General fund expenditures decrease minimally to the extent campaign finance entities consent to receiving notices of campaign finance report filing dates by email. If the vast majority of campaign finance entities consent to receiving the notices by email, general fund expenditures could decrease on average by approximately \$3,000 per fiscal year. Annual savings would vary by year since the number of campaign finance entities required to file reports varies by the type (gubernatorial, presidential, Baltimore City) and number of elections in a given fiscal year.

Additional Information

Prior Introductions: None.

Cross File: SB 1033 (Senator Jennings) – Education, Health, and Environmental Affairs.

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

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