

Department of Legislative Services
Maryland General Assembly
2012 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 918

(Senator Ferguson, *et al.*)

Education, Health, and Environmental Affairs

Ways and Means

Election Law - Campaign Contributors - Occupation and Employer

This bill requires the occupation and employer of contributors who contribute \$500 or more to a campaign finance entity during an election cycle to be recorded and reported by the campaign finance entity, to the extent practicable. The State Board of Elections (SBE) must promptly notify the treasurer of a campaign finance entity if a contributor included on a campaign finance report has made contributions to the campaign finance entity totaling \$500 or more during the election cycle. SBE must also require a standard response from a treasurer in a campaign finance report if a contributor does not provide the contributor's occupation and employer.

The bill takes effect June 1, 2012.

Fiscal Summary

State Effect: General fund expenditures increase by approximately \$5,000 in FY 2013 for software development and testing. Revenues are not affected.

(in dollars)	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	5,000	0	0	0	0
Net Effect	(\$5,000)	\$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 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.

Background: The Maryland Attorney General's Advisory Committee on Campaign Finance recommended in its January 4, 2011 report that legislation be enacted "authorizing the State Board to require that political committees collect and report to the State Board employer and occupation information from donors who donate more than a threshold amount." The Commission to Study Campaign Finance Law (established by Joint Resolution 1 of 2011), in its initial January 2012 report, did not go as far as recommending legislation regarding employer/occupation reporting, but did recommend that hearings be held by the General Assembly to gain further information concerning such a requirement. The commission's report noted that employer/occupation requirements exist in over 30 states and in federal campaign finance law.

State Fiscal Effect: General fund expenditures increase by approximately \$5,000 in fiscal 2013. This accounts for the cost of software development and testing to make alterations to SBE's new online campaign finance reporting information system to allow for reporting of the occupation and employer of individual contributors and prompt notification of campaign finance entities when a contributor included on a campaign finance report has passed the \$500 threshold.

Additional Information

Prior Introductions: None.

Cross File: HB 1103 (Delegates Cardin and Summers) - Ways and Means.

Information Source(s): State Board of Elections, Maryland Attorney General's Advisory Committee on Campaign Finance, Commission to Study Campaign Finance Law, Department of Legislative Services

Fiscal Note History: First Reader - March 6, 2012
mlm/hlb Revised - Enrolled Bill - May 9, 2012

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