

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 518 (Delegate Carr, *et al.*)
Environment and Transportation Education, Health, and Environmental Affairs

Public Ethics - Former Legislators - Lobbying

This bill prohibits a former member of the General Assembly from assisting or representing another party for compensation in a matter that is the subject of legislative action until the later of (1) the conclusion of the next regular session that begins after the member leaves office or (2) six months after the date that the campaign finance entity of the member makes a transfer to another campaign finance entity. The prohibition does not apply to the former member's representation of a municipality, county, or State governmental entity.

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law/Background:

Lobbying by a Former Member of the General Assembly

A "regulated lobbyist" is a person or entity required under the Maryland Public Ethics Law to register with the State Ethics Commission because the person or entity generally has made certain expenditures and/or received certain compensation to influence legislative or executive action.

A former member of the General Assembly may not assist or represent another party for compensation in a matter that is the subject of legislative action until the conclusion of the next regular session that begins after a member leaves office. The prohibition does not apply to a former member's representation of a municipality, county, or State governmental entity.

A former official or employee other than a General Assembly member may not assist or represent a party, other than the State, in a case, contract, or other specific matter for compensation that involves State government if the former official or employee participated significantly in the matter while employed by the State.

Campaign Finance Entities

Generally, a candidate must establish a campaign finance entity to raise and spend money or receive other things of value to promote, or assist in the promotion of, the candidate's success. A candidate must establish a campaign finance entity before filing a certificate of candidacy or declaration of intent. The State Board of Election's *Summary Guide to Maryland Candidacy and Campaign Finance Laws* indicates that in most cases, the decision of when to close a campaign finance entity is left to the chairman and treasurer of the campaign finance entity, but a campaign finance entity is required to close and file a final report within eight years of the latest of (1) the end of the individual's most recent term of office; (2) the date of the last election in which the individual was a filed candidate; and (3) the payment of the final debt or other obligation of the entity that was incurred in connection with that candidacy.

During an election cycle, a campaign finance entity may not transfer a cumulative amount in excess of \$6,000 to any other *single* campaign finance entity; however, there is no limit on the amount that may be transferred to *all other* campaign finance entities.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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min/kdm

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