

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 853
Ways and Means

(Delegate Lisanti, *et al.*)

Election Law - Campaign Finance Entities - Disbursements by Debit and Credit
Cards

This bill authorizes a campaign finance entity to make a disbursement by credit card or debit card, in addition to any other electronic method the State Board of Elections (SBE) authorizes by regulation.

The bill takes effect January 1, 2017.

Fiscal Summary

State Effect: The bill does not directly affect State finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

Campaign Finance Entities

Unless otherwise expressly authorized by law, all campaign finance activity for an election under the Election Law Article of the Annotated Code must be conducted through a campaign finance entity. 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 candidate campaign committee (a campaign finance entity authorized by the

candidate to promote the candidate's candidacy). Campaign finance entities must have a chairman (which the candidate may be) and treasurer (which the candidate may not be) as responsible officers; must have one or more designated campaign accounts; and are subject to reporting, recordkeeping, and other requirements under the Election Law Article.

Campaign Accounts and Disbursements

All assets received by or on behalf of a campaign finance entity must be delivered to and maintained by the treasurer for the purposes of the campaign finance entity. A campaign finance entity must deposit all funds received in a designated campaign account. Assets may be disbursed only if they have passed through the hands of the treasurer and only in accordance with the purposes of the entity. Generally, a campaign finance entity may make a disbursement only from a designated campaign account and only by check or an electronic method authorized by SBE by regulation. A petty cash fund may be maintained, however, and expenses paid from other funds may be reimbursed from the campaign account if supported by a receipt.

SBE regulations currently authorize a campaign finance entity to make a disbursement with a debit card issued by a financial institution.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 25, 2016
kb/hlb

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