

Department of Legislative Services  
Maryland General Assembly  
2016 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

Senate Bill 459

(Senator Conway)

Education, Health, and Environmental Affairs

Ways and Means

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Campaign Finance - Ballot Issue Committees - Prospective Questions

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This bill modifies specified State campaign finance law definitions to include activity relating to prospective questions to be placed on a ballot and establishes campaign finance requirements relating to specified State referendum, local referendum, and charter-related petitions.

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Fiscal Summary

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

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** Definitions of “ballot issue committee,” “campaign material,” “contribution,” “expenditure,” and “political committee” are modified to account for activity relating to prospective questions to be placed on a ballot.

The campaign finance requirements established by the bill apply to specified State referendum, local referendum, and charter-related petitions under the Maryland Constitution and specified State law.

A circulator may not collect signatures for a petition until the sponsor of the petition establishes a ballot issue committee. “Ballot issue committee” is defined as a political

committee (campaign finance entity) that is formed to promote the success or defeat of a question or prospective question to be submitted to a vote at an election.

A petition sponsor's ballot issue committee must file a campaign finance report at the time the petition is filed for verification of signatures and determination of the petition's sufficiency. If the petition sponsor's ballot issue committee fails to provide proof of filing a campaign finance report, the chief election official may not certify the petition. The responsible officers of the petition sponsor's ballot issue committee (chairman and treasurer) must be a party to any proceeding to test the validity of the petition.

A ballot issue committee opposing a prospective question must file a campaign finance report within 10 business days after the petition to place the question on the ballot is filed for verification of signatures and determination of its sufficiency.

Existing provisions requiring, with respect to State law referendum and charter-related petitions, that the person who files the petition also file a signed statement, under penalty of perjury, showing the contributions and expenditures for the petition are repealed.

### **Current Law/Background:**

#### *Contributions and Expenditures for Petitions*

At the time of filing State law referendum and charter-related petitions, a statement showing the contributions and expenditures for the petition must be filed that includes:

- the name and post office address of every contributor to the expense of the petition;
- the amount contributed by each contributor; and
- the name and address of each person to whom any money was paid or promised for providing a service related to the petition.

If the statement is not filed with the petition, the petition may not be certified. The individual who signed the statement must be a party to any proceeding to test the validity of the petition.

#### *Verification of Signatures and Determination of Petition Sufficiency*

When a petition is filed with an election authority, the chief election official must review the petition and declare the petition deficient if, among other reasons, the information provided by the sponsor or an examination of unverified signatures indicates that the petition does not satisfy any requirements of law for the number or geographic distribution of signatures. Unless a petition is initially declared deficient, upon the filing of a petition, the staff of the election authority proceeds to verify the signatures and count the validated

signatures contained in the petition. At the conclusion of the verification and counting processes, the chief election official determines whether the validated signatures contained in the petition are sufficient to satisfy all requirements relating to the number and geographical distribution of signatures. If the chief election official determines that a petition has satisfied all requirements relating to the petition, the chief election official must certify that the petition process has been completed and, with respect to a petition seeking to place the name of an individual or a question on the ballot, certify that the name or question has qualified to be placed on the ballot.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 963 (Delegate Luedtke, *et al.*) - Ways and Means.

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

**Fiscal Note History:** First Reader - February 24, 2016  
min/hlb Revised - Senate Third Reader - March 28, 2016

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