

Department of Legislative Services  
Maryland General Assembly  
2019 Session

FISCAL AND POLICY NOTE  
Enrolled - Revised

Senate Bill 950

(Senator Kagan)

Education, Health, and Environmental Affairs

Ways and Means

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**Campaign Finance – Termination of Campaign Finance Entities**

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This emergency bill requires that, within one year after a candidate dies, the candidate's authorized candidate campaign committee (1) pay all outstanding obligations; (2) dispose of any funds remaining after the payment of all outstanding obligations, in accordance with specified law governing disposition of surplus funds of a campaign finance entity; and (3) terminate and file a final campaign finance report. Before disposing of any remaining funds, the treasurer of the candidate's authorized candidate campaign committee must consider the preferences expressed by the candidate, if any, when determining where to dispose of the funds. The bill also adds, to the law governing disposition of surplus funds of a campaign finance entity, the ability for funds to be paid to the legislative party caucus committee of the political party of which the candidate is a member or for which the political committee is acting.

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**Fiscal Summary**

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

**Local Effect:** The bill does not directly affect local government finances.

**Small Business Effect:** None.

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**Analysis**

**Current Law/Background:** 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 (defined as a political committee established under Title 13 of the Election Law Article). 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).

State election law does not explicitly address the handling of an authorized candidate campaign committee if a candidate or elected official dies but does contain provisions relating to the termination of a campaign finance entity of an individual and disposition of surplus funds of a campaign finance entity (either distributed pro rata to contributors or to any of a number of other entities, including political party central committees, the Fair Campaign Financing Fund, and education-related and charitable entities).

Termination requirements apply to the campaign finance entity of an individual if (1) the individual is not a filed candidate or the incumbent in any office filled by an election under State election law and (2) the campaign finance entity has funds remaining after the payment of all outstanding debts and obligations. Under the requirements, a campaign finance entity must terminate and file a final campaign finance report within eight years after the latest of (1) the end of the individual's most recent term of office; (2) the date of the election in which the individual last was a filed candidate; and (3) the payment of the final debt or obligation of the entity that was incurred in connection with that candidacy.

A "legislative party caucus committee" is a political committee that is established to promote the election of candidates of a single political party to one of the two Houses of the General Assembly.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Board of Elections; Comptroller's Office; Department of Legislative Services

**Fiscal Note History:**  
mag/hlb

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Analysis by: Scott D. Kennedy

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510