**STEPHANIE SMITH** Legislative District 45 Baltimore City

Ways and Means Committee

Education Subcommittee

House Chair Baltimore City Delegation



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## THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

## HB1352-Campaign Finance Reports - Business Contributors - Registration Status Bill Hearing: April 1st, 2021 - Education, Health, and Environmental Affairs Committee

## Chairman Pinsky, Vice Chair Kagan, and members of the Education, Health, and Environmental Affairs Committee,

HB1352 requires SDAT – by January 15 each year – to electronically transmit to SBE, in a manner and format specified jointly by the State Department and Taxation (SDAT) and the State Board of Elections (SBE), (1) a list of all businesses that are registered with the department on the date of the transmission and (2) a list of all businesses that forfeited their registrations with the department during the immediately preceding calendar year. Within 24 hours after processing a filing for revival or reinstatement of the registration of a business, SDAT must electronically transmit the name of the business to SBE.

SBE must use the information transmitted by SDAT to identify and compile contributions made by businesses that (1) have forfeited their registrations with SDAT or (2) are registered with SDAT and have not forfeited their registrations. SBE must use the compiled data to audit and investigate business contributions reported on campaign finance reports. The compiled data is not subject to inspection under the Public Information Act.

Under the current law 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). 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, as well as an annual report. 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.

We urge a favorable vote on HB1352.

Sincerely,

**Delegate Stephanie Smith**