

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

House Bill 769 (Delegate Turner)
Ways and Means

Election Law - Persons Doing Public Business - Statements of Contributions

This bill requires a person who had at least one contract with a single governmental entity involving cumulative consideration of at least \$200,000 on December 31, 2014, to file a semiannual statement regarding specified contributions to or for the benefit of a candidate for an office of the governmental entity if performance remains uncompleted on the contract. The bill also makes political contribution disclosure requirements applicable to persons doing business with the State or a local government, in general, applicable to contributions *for the benefit of* a candidate in addition to contributions to the candidate.

The bill takes effect June 1, 2015.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Under Maryland campaign finance law, reporting requirements regarding contributions to campaign finance entities of candidates (through which all campaign finance activity generally must be conducted) largely apply to the campaign finance entities receiving the contributions as opposed to the individuals or entities contributing to the campaign finance entities. One exception is persons “doing public business” with the State or a local government who make certain political contributions.

Title 14 of the Election Law Article, which contains the political contribution reporting requirements for persons doing public business, was recently amended under Chapter 419 of 2013 (Campaign Finance Reform Act of 2013), with the changes taking effect January 1, 2015. Chapter 419, among other things, redefined “doing public business” to mean making a single contract with a single governmental entity of at least \$200,000 and also limited the disclosure requirements to only apply to contributions to a candidate for an office of a governmental entity with which the person is doing public business.

A person doing public business must file an initial statement with the State Board of Elections at the time the contract is awarded, covering specified political contributions in the preceding 24 months and then must file a semiannual statement covering the 6-month reporting periods ending on January 31 and July 31 if performance remains uncompleted on the contract that caused the person to be doing public business. This bill clarifies that the semiannual reporting requirements are applicable to a person who had at least one contract with a single governmental entity of at least \$200,000 on December 31, 2014, just prior to the changes under Chapter 419 taking effect.

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 23, 2015
md/hlb

Analysis by: Scott D. Kennedy

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