



Summary Guide

Maryland Candidacy & Campaign Finance Laws

Published by:
Maryland State Board of Elections
Linda H. Lamone, Administrator

Division of Candidacy and Campaign Finance
Jared DeMarinis, Director

151 West Street, Suite 200
P.O. Box 6486
Annapolis, MD 21401-0486

Local – 410.269.2880
Toll Free – 800.222.8683 x 4
MD Relay – 800.735.2258

Revised: August 2010

TABLE OF CONTENTS

CHAPTER 1 – INTRODUCTION AND OVERVIEW..... 1

1.1 MESSAGE FROM THE DIRECTOR 1

1.2 DEFINITIONS 1

1.3 GENERAL INFORMATION..... 3

1.4 MUNICIPAL ELECTIONS NOT COVERED 3

1.5 DIVISION OF CANDIDACY AND CAMPAIGN FINANCE STAFF 3

1.6 INFORMATION TECHNOLOGY STAFF 3

1.7 COUNTY BOARDS OF ELECTIONS 4

1.8 DECLARATORY RULINGS 5

CHAPTER 2 – CANDIDATES 6

2.1 QUALIFICATIONS..... 6

2.2 FILING REQUIREMENTS – GENERALLY 10

2.3 FILING REQUIREMENTS – WRITE-IN CANDIDATES 11

2.4 FILING REQUIREMENTS – PETITION CANDIDATES 11

2.5 FILING REQUIREMENTS – NON-PRINCIPAL POLITICAL PARTY CANDIDATES 13

2.6 FILING REQUIREMENTS – FEDERAL CANDIDATES 14

2.7 CANDIDATES FOR GOVERNOR..... 16

2.8 RESPONSIBILITIES AND LIABILITIES OF A CANDIDATE 16

CHAPTER 3 –ESTABLISHING AND CLOSING A POLITICAL COMMITTEE 17

3.1 ESTABLISHING A POLITICAL COMMITTEE STATEMENT OF ORGANIZATION 17

3.2 WHEN DOES A POLITICAL COMMITTEE NEED TO BE ESTABLISHED 19

3.3 WHEN TO CLOSE A CAMPAIGN FINANCE ENTITY 19

3.4 HOW TO CLOSE A POLITICAL COMMITTEE 19

CHAPTER 4 – CANDIDATE COMMITTEES AND SLATES..... 22

4.1 CANDIDATE COMMITTEES..... 22

4.2 TESTING THE WATERS/EXPLORATORY COMMITTEES..... 22

4.3 SLATES 23

CHAPTER 5 – PACS, BALLOT ISSUE COMMITTEES, PARTY CENTRAL COMMITTEES..... 25

5.1 POLITICAL ACTION COMMITTEES (PACs) 25

5.2 BALLOT ISSUE COMMITTEES..... 26

5.3 BALLOT PETITION EFFORT 27

5.4 PARTY CENTRAL COMMITTEES..... 27

5.5 FORMING A POLITICAL PARTY 28

CHAPTER 6 – OUT-OF-STATE POLITICAL COMMITTEE..... 30

6.1. OUT- OF- STATE POLITICAL COMMITTEE 30

6.2 FEDERAL COMMITTEES..... 31

6.3 OTHER POLITICAL ORGANIZATIONS..... 31

CHAPTER 7 – COMMITTEE OFFICERS 32

7.1 WHO CAN SERVE AS AN OFFICER..... 32

7.2 DUTIES AND RESPONSIBILITIES OF THE TREASURER 33

7.3 DUTIES AND RESPONSIBILITIES OF THE CHAIRMAN 33

7.4	HOW TO RESIGN.....	34
CHAPTER 8 – CONTRIBUTIONS AND TRANSFERS.....		36
8.1	THE DIFFERENCE BETWEEN CONTRIBUTIONS AND TRANSFERS	36
8.2	CONTRIBUTION LIMITS	36
8.3	TRANSFER LIMITS	37
8.4	IN-KIND CONTRIBUTIONS AND INDEPENDENT EXPENDITURES.....	38
8.5	TICKET PURCHASES	39
8.6	CONTRIBUTIONS BY BUSINESS ENTITIES.....	39
8.7	TRANSFERS BY AFFILIATED POLITICAL COMMITTEES.....	40
8.8	FORM OF PAYMENT (CASH, CHECK, OR CHARGE)	40
8.9	DETERMINING WHEN A CONTRIBUTION IS RECEIVED	40
8.10	PROHIBITED CONTRIBUTIONS AND TRANSFERS	41
8.11	RECEIPTS	43
8.12	CONTRIBUTIONS BY THE CANDIDATE.....	43
8.13	RAFFLES AND WHEELS	43
8.14	PAYROLL DEDUCTIONS.....	44
8.15	COLLECTION BY MEMBERSHIP ENTITIES.....	46
8.16	ADMINISTRATIVE CONTRIBUTIONS (PARTY CENTRAL COMMITTEES AND PACS ONLY)	47
8.17	CONTRIBUTIONS BY MINORS	48
CHAPTER 9 – EXPENDITURES.....		49
9.1	GENERALLY	49
9.2	HOW TO MAKE EXPENDITURES.....	49
9.3	PETTY CASH	50
9.4	EXPENDITURES TO FEDERAL CANDIDATES AND COMMITTEES.....	50
9.5	EXPENDITURES TO A MUNICIPAL CANDIDATE AND COMMITTEE.....	50
9.6	LEGISLATIVE NEWSLETTERS.....	51
9.7	PROHIBITED EXPENDITURES	51
9.8	CHARITIES	51
9.9	LEGAL DEFENSE	52
CHAPTER 10 – LOANS		53
10.1	GENERALLY	53
10.2	RECEIPT OF LOANS	53
10.3	INTEREST	53
10.4	LOAN AND REPAYMENT EXAMPLES.....	54
CHAPTER 11 – CAMPAIGN FINANCE REPORTS		55
11.1	WHEN REPORTS MUST BE SUBMITTED.....	55
11.2	FILING EXCEPTION- AFFIDAVIT OF LIMITED CONTRIBUTIONS AND EXPENDITURES.....	56
11.3	WHERE REPORTS MUST BE SUBMITTED	56
11.4	HOW TO FILE A CAMPAIGN FINANCE REPORT OR AFFIDAVIT	56
11.5	LIABILITY FOR FAILURE TO FILE.....	58
11.6	REPORT FORMS.....	59
11.7	SUMMARY PAGE	59
11.8	REPORTING RECEIPTS – SCHEDULES 1, 1A, & 1B	59
11.9	REPORTING EXPENDITURES – SCHEDULE 2	61
11.10	REPORTING LOANS - SCHEDULE 3.....	62
11.11	REPORTING BILLS	63
11.12	REPORTING ITEMS SOLD	64

11.13	REPORTING CREDIT CARD CONTRIBUTIONS	64
11.14	CREATING AN AMENDMENT.....	64
CHAPTER 12 – CAMPAIGN LITERATURE AND PARAPHERNALIA		66
12.1	AUTHORITY LINES	66
12.2	COPIES OF CAMPAIGN MATERIALS	68
12.3	PLACEMENT OF CAMPAIGN SIGNS.....	68
12.4	GIVEAWAY ITEMS	69
12.5	ROBOCALLS.....	69
12.6	CAMPAIGNING ON ELECTION DAY	70
CHAPTER 13- PUBLIC CAMPAIGN FINANCING LAWS		71
13.1	GENERALLY	71
13.2	INITIAL REQUIREMENTS.....	71
13.3	SEED MONEY	71
13.4	RECEIVING THE PUBLIC FUNDS	71
13.5	POST ELECTION REQUIREMENTS.....	72
13.6	MAXIMUM CAMPAIGN EXPENDITURE LIMIT	72
13.7	HOW THE MONEY WILL BE DISBURSED	72
13.8	SPENDING PUBLIC FUNDS	73
13.9	LIABILITY AND PENALTIES.....	73
CHAPTER 14- CAMPAIGN MANAGEMENT		74
14.1	ACCOUNT BOOKS.....	74
14.2	CAMPAIGN BANK ACCOUNTS	75
14.3	TAX-RELATED QUESTIONS	75
CHAPTER 15 – ENFORCEMENT		76
15.1	AUDIT	76
15.2	PENALTIES	76
CHAPTER 16 – FORMS.....		78
MARYLAND ELECTION LAWS		108

Chapter 1 – Introduction and Overview

1.1 Message from the Director

The Summary Guide gives you a basic understanding of candidacy and campaign finance law. Maryland Campaign Finance Laws are complicated and require great attention to detail. Failure to comply with the law may result in substantial fines and penalties. Perhaps the most common mistake that people make as candidates, chairmen, or treasurers is underestimating the seriousness and complexity of the task that they have undertaken. This office is dedicated to providing you with the information and resources needed to successfully comply with all of the requirements of the law. I strongly urge you to familiarize yourself with this Summary Guide and to constantly refer to it while you are acting in the capacity of a candidate, chairman, or treasurer.

Finally, my staff and I are always available by telephone, fax, or e-mail to answer your questions.

- Jared DeMarinis

1.2 Definitions

- **Campaign Finance Law** – refers to Title 13 of the Election Law Article of the *Annotated Code of Maryland*.
- **Campaign Finance Activity** – means the raising and spending money in connection with an effort to promote or assist in the promotion of the success or defeat of a candidate, political party, or question.
- **Campaign Finance Report** – means a detailed accounting of contributions, transfers, expenditures, outstanding obligations, and loans, by a political committee as required under § 13-304 of the Election Law Article.
- **County Board** – refers to one of the 24 county boards of elections (includes the Baltimore City Board of Elections).
- **Election Law Article** – refers to the Election Law Article of the *Annotated Code of Maryland*.
- **ELECTrack EFS** – refers to the electronic campaign finance filing software provided by the State Board to all political committees.
- **Party Office** – An elected position with a State or local party central committee.

- Political Committee – A combination of two or more individuals that assist or attempt to assist in promoting the success or defeat of a candidate, political party, or question. Committees include candidate committees, slates, party central committees, and political action committees (PACs) and must be established through a filing with the State Board.
- Person – means an individual, corporation, partnership, business trust or limited liability company.
- Principal Political Party – means a political party whose candidate for Governor received the highest or second highest number of votes at the last gubernatorial election.
- Public Office – means an elected office in State, county, or Baltimore City government. For example: Governor, Lt. Governor, Comptroller, Attorney General, State Delegates, State Senators, member of the County Council, County Commissioner, County Executive, State’s Attorney, Register of Wills, Sheriff, Judge of the Circuit Court, Clerk of the Circuit Court, and Judge of the Orphans Court.
- Responsible Officers – means the chairman and the treasurer of a political committee.
- State Candidates – means candidates for Governor, Lt. Governor, Comptroller, Attorney General, State Senator, State Delegate, and judicial positions (except Judge of the Orphans Court).
- Local Candidates -- means candidates for all county offices, Judge of the Orphans Court, and Baltimore City offices.
- Federal Candidates – means candidates for President, Vice-President, United States Senator, Representatives in Congress, or delegate to a national party convention.
- State Board- means the State Board of Elections.
- Statement of Organization- means the document signed by the responsible officers and if applicable the authorizing candidate establishing a political committee with the State Board.

The Election Law Article uses the terms “political committee” and “campaign finance entity” to refer to groups that are established to engage in campaign finance activity. Under prior law, campaign finance activity could be conducted through either a “personal treasurer” or a “political committee,” both of which were required to register with the State Board and referred to collectively in Title 13 of the Election Law Article as “campaign finance entities.” However, the “personal treasurer” form is no longer recognized. Under current law, therefore the term “political committee” is for almost all purposes synonymous with the term “campaign finance entity.” Accordingly, the Summary Guide may sometimes use the more familiar term “political committee,” even where the statute makes reference to “campaign finance entities.”

1.3 General Information

As a candidate, treasurer, or chairman, you are required to follow Maryland campaign finance laws. These laws dictate how you collect, spend, and report money and other things of value. Accordingly, before beginning any financial activity, you should be familiar with the campaign finance laws and how they have been implemented by the State Board.

This Summary Guide has been prepared to aid you in understanding the law. You should use the Summary Guide as a basic reference tool, not as a substitute for the law itself (a copy of which is included as an appendix to this document). Moreover, the Summary Guide will reference policies and advice given by the Office of Attorney General concerning the implementation and enforcement of the statute.

In addition to the Summary Guide, the ELECTTrack EFS User Manual and help feature on the program contain instructions to assist you in properly completing a campaign finance report and how to file amended reports. Please refer to those instructions before filing your report.

Moreover, the State Board periodically sends out the *Campaign Finance Newsletter*. The newsletter contains important information and updates on the law and reporting requirements. Please take the time to carefully review each newsletter.

Finally, the State Board issues guidance on topics of campaign finance law. The guidance, newsletters, and ELECTTrack User Guide are available online at http://www.elections.state.md.us/campaign_finance/index.html.

1.4 Municipal Elections Not Covered¹

Maryland election law does not regulate the conduct of municipal elections (except in Baltimore City). Accordingly, the candidacy and campaign finance provisions described in this Summary Guide do not apply to municipal campaigns or candidates. Generally, a political committee established at the State Board may not be used to support a municipal candidate. Contact the municipality for applicable reporting and registration requirements.

1.5 Division of Candidacy and Campaign Finance Staff

- Jared DeMarinis, Director
- Ruth Maynard
- Victoria Molina
- Ebony Parran
- Victorica Smith

1.6 Information Technology Staff

- Michael Kortum – Chief Information Officer
- Kurt Snyder
- Natasha Walker
- Daniel O’Connell

¹ A municipality is any city other than Baltimore City.

1.7 County Boards of Elections

County	Mailing Address	Phone \ Fax	Home Page
Allegany	701 Kelly Road, Suite 213 Cumberland, MD 21502-3401	301-777-5931 301-777-2430 fax	www.gov.allconet.org/elections/election_home.htm
Anne Arundel	P.O. Box 490 Glen Burnie, MD 21060-0490	410-222-6600 410-222-6833 fax	http://www.aacounty.org/elections
Baltimore City	Charles L. Benton Building 417 E. Fayette Street, Room 129 Baltimore, MD 21202-3432	410-396-5550 410-727-1775 fax	http://www.baltimorecity.gov/Government/BoardsandCommissions/ElectionsBoard.aspx
Baltimore Co.	106 Bloomsbury Avenue Catonsville, MD 21228	410-887-5700 410-887-0891 fax	http://www.baltimorecountymd.gov/Agencies/elections/
Calvert	P.O. Box 798 Prince Frederick, MD 20678-0798	410-535-2214 410-535-5009 fax	http://www.co.cal.md.us/government/elections/
Caroline	Health and Public Services Building 403 S. Seventh Street, Suite 247 Denton, MD 21629-1335	410-479-8145 410-479-5736 fax	www.carolinemdelections.org/
Carroll	300 S. Center Street, Room 212 Westminster, MD 21157-5248	410-386-2080 410-876-3925 fax	www.ccgovernment.carr.org/ccg/election/
Cecil	200 Chesapeake Boulevard, Suite 1900 Elkton, MD 21921-6395	410-996-5310 410-996-5066 fax	http://www.ccgov.org/election_bd/index.cfm
Charles	P.O. Box 908 La Plata, MD 20646-0908	301-934-8972 301-934-6487 fax	www.CharlesCounty.org/boe/
Dorchester	P.O. Box 414 Cambridge, MD 21613-0414	410-228-2560 410-228-9635 fax	http://www.msa.md.gov/msa/mdmanual/36loc/do/html/doe.html#elections
Frederick	Winchester Hall 12 E. Church Street Frederick, MD 21701-5447	301-600-8683 301-600-2344 fax	http://www.frederickcountymd.gov/index.aspx?Nid=1198
Garrett	2008 Maryland Highway, Suite 1 Mountain Lake Park, MD 21550	301-334-6985 301-334-6988	http://www.garrettcountry.org/elections/elections.aspx
Harford	133 Industry Lane Forest Hill, MD 21050	410-809-6000 410-638-3310 fax	www.harfordcountymd.gov/elections
Howard	9700 Patuxent Wood Dr, Suite 200 Colombia, MD 21046	410-313-5820 410-313-5899 fax	http://www.co.ho.md.us/BOE/BOE_HomePage.htm
Kent	135 Dixon Drive Chestertown, MD 21620	410-778-0038 410-778-0265 fax	www.kentcounty.com/gov/elections/
Montgomery	P.O. Box 4333 Rockville, MD 20849-4333	240-777-8500 240-777-8505 fax	http://montgomerycountymd.gov/eletmpl.asp?url=/content/elections/index.asp
Prince George's	16201 Trade Zone Avenue Upper Marlboro, MD 20774	301-430-8020 301-430-8080 fax	http://www.princegeorgescountymd.gov/Government/AgencyIndex/Elections/index.asp
Queen Anne's	P.O. Box 274 Centreville, MD 21617-0274	410-758-8032 410-758-1119 fax	www.qacelections.com/
St. Mary's	P.O. Box 197 Leonardtown, MD 20650-0197	301-475-7844 301-475-4077 fax	www.co.saint-marys.md.us/supervisorofelections/
Somerset	P.O. Box 96 Princess Anne, MD 21853-0096	410-651-0767 410-651-5130 fax	http://www.co.somerset.md.us/elections.html
Talbot	P.O. Box 353 Easton, MD 21601-0353	410-770-8099 410-770-8078 fax	www.talbotcountymd.gov/index.php?page=Election_Board
Washington	35 W. Washington Street, Room 101 Hagerstown, MD 21740-4834	240-313-2050 240-313-2051 fax	www.washco-md.net/election/elect1.html
Wicomico	P.O. Box 4091 Salisbury, MD 21803-4091	410-548-4830 410-548-4849 fax	http://www.wicomicocounty.org/departments/elections/about.asp
Worcester	100 Belt Street Snow Hill, MD 21863-1310	410-632-1320 410-632-3031 fax	www.worc.lib.md.us/library/LBE.html

1.8 Declaratory Rulings

An interested person may petition the State Board for a declaratory ruling on the manner in which the Board would apply any of the following on the facts set forth in the petition:

- A Board regulation;
- A Board order; or
- A statute that the Board enforces.

The petition must be in writing and filed with the State Administrator. The petition must contain the following information:

1. Name, address, and telephone number of the petitioner,
2. A detailed statement of the facts underlying the questioned applicability of the stated regulation, order, or statute; and
3. Pose the question of whether or in what manner the stated regulation, order, or statute applies to the facts contained in the petition.

Upon receipt of a petition, the State Administrator will mail the petitioner a notice of filing, indicating the date the petition was received. Within 60 days after the petition is submitted, the State Board shall consider the petition and issue a written declaratory ruling as requested, or notify the petitioner in writing of the reasons for not issuing a declaratory ruling.

A declaratory ruling binds the State Board, the local boards, and the petitioner on the facts set forth in the petition.

-COMAR 33.01.02

Chapter 2 – Candidates

2.1 Qualifications

Federal Offices

Office	Qualifications	Filing Fee	Term of Office
President–Vice President	<ul style="list-style-type: none"> • Natural born citizen • 35 years old at the time of election • 14 years of being a resident of the United States (US Const. Article II, sec. 1) 	No fee	4 years from January 20
U.S. Senator	<ul style="list-style-type: none"> • Registered voter² • 30 years of age at time of the election • Citizen of United States for 9 years • Inhabitant of State at time of election (US Const. Art. I, sec. 3) 	\$290	6 years from January 3
U.S. Congress	<ul style="list-style-type: none"> • Registered voter³ • 25 years of age at time of the election • Citizen of United States for 7 years • Inhabitant of State at time of the election (US Const. Art. I, sec. 2) 	\$100	2 years from January 3

State Offices

Office	Qualifications	Filing Fee	Term of Office
Governor – Lt. Governor	<ul style="list-style-type: none"> • Registered voter and resident of the State 5 years immediately preceding election • 30 years of age at the time of the election • Has not served 2 immediately preceding elective terms (Md. Const, Art. II, §§ 1 and 5) 	\$290 (each)	4 years from 3 rd Wednesday in January
Comptroller	<ul style="list-style-type: none"> • Registered voter (Md. Const., Art. I, § 12) 	\$290	4 years from 3 rd Wednesday in January
Attorney General	<ul style="list-style-type: none"> • Registered voter • Citizen of the State • Resided and practiced law in the State for 10 years (Md. Const., Art. V, § 4) 	\$290	4 years

² The voter registration requirement only applies to candidates seeking nomination by political party. Candidates for federal office seeking the nomination by petition are not required to be a registered voter, but must still meet the other listed criteria. *See § 5-203 of the Election Law Article*

³ See footnote 2

State Senator	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) 25 years of age at the time of the election Citizen of Maryland Resident at least 1 year preceding the day of the election Resident of legislative district for at least 6 months (Md. Const., Art. III, § 9) 	\$50	4 years from 2 nd Wednesday in January
House of Delegates	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) 21 years of age at the time of the election Citizen of Maryland Resident of Maryland at least 1 year preceding the day of the election Resident of legislative district or sub district for at least 6 months (Md. Const., Art. III, § 9) 	\$50	4 years from 2 nd Wednesday in January

County Offices

Offices	Qualifications	Filing Fee	Term of Office
County Executive	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) Qualifications specified in local charters. 	\$25	4 years
County Council	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I § 12) Qualifications specified in local charters 	\$25	4 years
County Commissioners	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I § 12) Qualifications specified in public local laws 	\$25	4 years
County Treasurer	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I § 12) Qualifications specified in public local laws 	\$25	4 years
State's Attorney	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) Resident of the county for at least 2 years Member of Maryland Bar (Md. Const., Art. V, §10) 	\$25 - Counties \$150 - Baltimore City	4 years from the 1 st Monday in January
Clerk of the Circuit Court	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) 	\$25 - Counties \$150 - Baltimore City	4 years
Register of Wills	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) 	\$25 - Counties \$150 - Baltimore City	4 years
Sheriff	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) 25 years of age Citizen of the State for at least 5 years preceding the election Resident of the County (Md. Const., Art. IV, § 44) 	\$25 - Counties \$150 - Baltimore City	4 years

Judicial Offices

Office	Qualifications	Filing Fee	Term of Office
Judge of the Circuit Court	<ul style="list-style-type: none"> Registered voter 30 years of age at the time of the election Resident of the State at least 5 years Resident of the judicial circuit for which he/she is seeking election at least 6 months prior to election Member of Maryland Bar (Md. Const., Art. IV, § 2) 	Circuits 1-7: \$50 Circuit 8: \$300 (Fees based on candidates cross-filing)	15 years (or until the age of 70)
Judge of the Orphans Court	<ul style="list-style-type: none"> Registered voter (Md. Const., Art. I, § 12) Citizen of Maryland Resident of the County for at least 1 year at the time of the election (Md. Const., Art. IV, § 40) 	\$25 - Counties \$150 - Baltimore City	4 years

Baltimore City Offices

Office	Qualifications	Filing Fee	Term of Office
Mayor	<ul style="list-style-type: none"> Registered voter 25 years of age Citizen of the US A resident and qualified voter of Baltimore City for at least 1 year preceding the election 	\$150	4 years
Comptroller	<ul style="list-style-type: none"> Registered voter 25 years of age Citizen of the US A resident and qualified voter of Baltimore City for at least 1 year preceding the election 	\$150	4 years
City Council President	<ul style="list-style-type: none"> Registered voter 25 years of age Citizen of the US A resident and qualified voter of Baltimore City for at least 1 year preceding the election 	\$150	4 years
City Council	<ul style="list-style-type: none"> Registered voter 21 years of age Citizen of the US A resident and qualified voter of Baltimore City for at least 1 year preceding the election 	\$50	4 years

Boards of Education⁴

County	Qualifications ⁵	Term of Office
Allegany	Registered voter and resident of Allegany County for at least 3 years (§ 3-201(c)).	4 years beginning January 2
Calvert	Registered voter of Calvert County and district (if a district seat) 2 years before the beginning term (§ 3-301(c)). Has not served 2 immediately preceding elective terms.	4 years beginning January 1
Carroll	Resident and registered voter of Carroll County (§ 3-401(b)).	4 years
Cecil	Registered voter of Cecil County and resident of district for at least 3 years (§ 3-4A-01).	4 years beginning 1 st Monday in December
Charles	Resident and registered voter of Charles County (§3-501(b)).	4 years beginning 3 rd Monday in December
Dorchester	Registered voter of Dorchester County and resident of district.	4 years beginning on January 1
Frederick	Resident and registered voter of Frederick County (§ 3-5A-01(b)).	4 years beginning 1 st Tuesday in December
Garrett	Registered voter of Garrett County Resident of County or district (if a district seat) (§ 3- 601(c)).	4 years beginning January 1
Howard	Resident and registered voter of Howard County (§ 3-70(b)).	6 years beginning on the 1 st Monday in December
Kent	Resident and registered voter of Kent County (§ 3- 801(b)).	6 years beginning January 1 st
Montgomery	Registered voter of Montgomery County (§ 3-901(c)).	4 years beginning December 1 st
St. Mary's	Registered voter and resident of county and district (if a district seat) (§ 3- 1101(d)).	4 years beginning 1 st Monday in December
Somerset	Registered voter of Somerset County Resident of county and district (if a district seat) (§3-1201(b)).	4 years beginning January 1 st
Washington	Registered voter of Washington County (§ 3-1301(b)).	4 years beginning 1 st Tuesday in December
Worcester	Registered voter of Worcester County. Resident of district (§ 3-1401).	4 years beginning January 1 st

⁴ All filing fees for the Boards of Education are \$25

⁵ All references are to the Education Article, *Annotated Code of Maryland*

Party Offices

Office	Qualifications	Filing Fee	Term of Office
Democratic Central Committee Member	<ul style="list-style-type: none"> Registered voter Resident of county, Other qualifications specified by the party's bylaws. 	\$10	4 years
Republican Central Committee Member	<ul style="list-style-type: none"> Registered voter Resident of county, Other qualifications specified by the party's bylaws. 	\$10	4 years
Delegate to the National Convention	<ul style="list-style-type: none"> Registered party voter Resident of congressional district Other qualifications specified by the party's bylaws. 	\$0	

2.2 Filing Requirements – Generally

For a candidate to appear on the ballot, the following requirements must be met by the candidate:

- Certificate of Candidacy - A Certificate of Candidacy must be filed in person at:

 - The State Board of Elections for federal and state candidates; or
 - A local board of elections for county candidates.

- § 5-302 of the Election Law Article
- Authorized Candidate Campaign Committee - Before filing a Certificate of Candidacy, each candidate must establish an authorized candidate campaign committee by filing a **Statement of Organization** with the State Board. There is no fee for filing this form and the form does not have to be filed in person. However, the Statement of Organization must be signed by the candidate, treasurer and chairman. (See Section 3.1 of this Summary Guide.)

- § 13-202 of the Election Law Article
- Filing Fee - Filing fees must be paid at the time of filing the Certificate of Candidacy. The amount of the filing fee depends on the office sought and can be found in Section 2.1 of this Summary Guide.

- § 5-401 of the Election Law Article
- Financial Disclosure –

The type of financial disclosure and due date vary for the office sought.

 - State candidates: A Financial Disclosure Statement must be either on file with the State Ethics Commission or filed at the time of filing the Certificate of Candidacy.
 - Local candidates: Contact the county or Baltimore City ethics agency.
 - Judicial candidates: Contact the Administrative Office of the Courts.
 - Board of Education Candidates: Financial disclosure statements are prescribed by each county's Board of Education.

- § 5-304(d) of the Election Law Article

The **State Ethics Commissions** has jurisdiction over State Financial Disclosure Statements. Accordingly, any question about completing this form should be directed to the Commission at **(410) 260-7770**.

5. Identification - A candidate will be asked to provide photo identification at the time of filing the Certificate of Candidacy. A driver's license, military identification, passport, or other government issued identification is acceptable.
6. Registered voter – All candidates except for President, Vice-President, and federal petition candidates, must be registered voters. We strongly recommend that you check with your county board of elections to make sure that your voter registration is current.
- § 5-203 of the Election Law Article
7. Party Affiliation- An individual may not be a candidate seeking the nomination from a recognized political party unless the individual is a registered voter of that political party. The requirements of party affiliation do not apply to judicial and board of education candidates.
- § 5-203 of the Election Law Article

2.3 Filing Requirements – Write-In Candidates

Write-in candidates are not required to pay a filing fee or file in person, but are required to:

- File a Certificate of Candidacy by the earlier of:
 - Seven days after a total of \$51 is spent to promote the candidacy, or
 - 5:00 PM on the Wednesday before the election.
- § 5-303(c) of the Election Law Article
- File a Financial Disclosure Statement; and
- Establish an authorized candidate campaign committee.

2.4 Filing Requirements – Petition Candidates

1. Generally

An individual who is not affiliated with a recognized political party must be nominated by petition to become a general election candidate. To qualify, the candidate must file the following with the appropriate election board by the statutory established deadlines:

- **Deadline #1 – Filing of the Declaration of Intent to seek nomination by petition**
 - When to file:
 - In Gubernatorial and Baltimore City Election Years: 9:00 p.m. on the Monday 70 days before the Primary Election
 - In Presidential Election Year: 5:00 p.m. on July 1 of the year of the election
 - What needs to be filed:
 - In person, at the appropriate board of elections, the Declaration of Intent
- **Deadline #2 – Petition Filing**
 - When to file:
 - First Monday in August of the year of the election
 - What needs to be filed:
 - Petition signed by not less than 1% of the total number of registered voters in the district for the office for which the nomination is sought;
 - Certificate of Candidacy and filing fee;

- Statement of Organization to form an authorized candidate committee (except federal candidates) and;
- Financial Disclosure Statement (except federal candidates).

- § 5-703 of the Election Law Article

The Declaration of Intent must be filed in person. For petition candidates, the Statement of Organization, financial disclosure statement, petition, Certificate of Candidacy and filing fee are not required to be filed in person. However, they must be received by the appropriate election office by the deadline. Postmarks will not be accepted as proof of timely filing.

2. Nominating Petition Format

The petition form prescribed by the State Board must be used. Each signature page of the petition must contain a statement, to which each signer subscribes, that:

- The signer supports the purpose of the petition; and
- Based on the signer's information and belief, the signer is a registered voter in Maryland and is eligible to have his/her signature counted.

Each registered voter signing the petition must provide the following information on the signature page (all information except the signature must be printed or typed in the appropriate space on the form):

- Signature (as name appears on voter registration list, or surname of registration and at least one full given name and the initial of any other names);
- Date of signing;
- Signer's printed name;
- Signer's current voter registration residence address (a business address or post office box is insufficient); and
- Date of Birth. Each registered voter is asked to include his/her date of birth on the petition. The date of birth greatly assists the local board to identify a voter and validates the voter's name. If the voter refuses to provide a date of birth, the circulator should request the month and day at a minimum. A name will not be invalidated merely because the date of birth is omitted.

- § 6-203 of the Election Law Article

Each signature page of the petition must include an affidavit, completed by an individual circulator (not a business or organization), stating that:

- All identifying information provided by the circulator is true and correct;
- The circulator personally observed each signer signing the page; and
- Based on the circulator's best knowledge and belief, each signature on the page is genuine and each signer is a registered voter at the address listed.

The circulator must sign and date the affidavit, but should wait until *after* all petition signers have signed and dated the page. Any signature on the page that is dated after the circulator's affidavit is invalid.

A petition circulator must be at least 18 years old. Maryland law does not require the petition circulator to be a registered voter or a Maryland resident.

-§ 6-204 of the Election Law Article

Upon written request, a candidate may seek an advance determination of the sufficiency of the completed nominating petition form from the State Board or the appropriate county board of elections. The appropriate elections board will make a determination of sufficiency within 5 business days after receiving the request. The petition candidate will be notified of the Board's decision within 2 business days after the determination is made.

- § 6-210 of the Election Law Article

2.5 Filing Requirements – Non-Principal Political Party Candidates

1. Generally

An individual who is affiliated with a recognized political party other than the two principal parties must be nominated by that political party as a general election candidate. To qualify, the candidate must file the following with the appropriate election board by the statutory established deadlines:

- **Deadline #1- Declaration of Intent filing**
 - When to file:
 - In Gubernatorial Election Year: 9:00pm on the Monday 70 days before the Primary Election
 - In Presidential and Baltimore City Election Years: 5:00pm on July 1 of the year of the election
 - What to file:
 - In person, at the appropriate board of elections, the Declaration of Intent
- **Deadline #2- Nomination Filing**
 - When to file:
 - First Monday in August of the year of the election
 - What to file:
 - Certificate of Nomination (signed by the officers of the political party);
 - Certificate of Candidacy and filing fee;
 - Statement of Organization to form an authorized candidate campaign committee (except federal candidates); and
 - Financial Disclosure Statement (except federal candidates).

- § 5-703.1 of the Election Law Article

The Declaration of Intent must be filed in person. The Statement of Organization, financial disclosure statement, Certificate of Nomination, Certificate of Candidacy and filing fee are not required to be filed in person. However, they must be received by the appropriate election office by the deadline. Postmarks will not be accepted as proof of timely filing.

2. Nomination

A recognized political party other than the two principal parties may nominate its candidate in accordance with its constitution and by-laws adopted by the political party.

-§4-102(f) of the Election Law Article

The chairman and secretary of the political party central committee shall submit to the State Board a signed Certificate of Nomination by the first Monday in August.

- § 5-703.1 of the Election Law Article

2.6 Filing Requirements – Federal Candidates

1. Presidential Candidates - Primary Election - Democratic and Republican only

There are two ways that a candidate for the President of the United States may be placed on the primary ballot:

- Selection by Secretary of State: Automatic ballot access is provided if the Secretary of State certifies the Presidential candidate to the State Board as a result of the Secretary's determination, that the candidate's candidacy is generally advocated or recognized in the news media throughout the United States or in Maryland; or
 - Primary Election Presidential Petition Candidate: Democratic or Republican candidates not certified by the Secretary of State may gain ballot access by filing the following with State Board by the Monday that is 70 days before the day of election:
 - A Certificate of Candidacy;
 - A Petition Information Page; and
 - Petition Signature Pages containing 400 registered voters from each of Maryland's eight congressional districts
- §8-502 of the Election Law Article*

2. Presidential Candidates - General Election – Unaffiliated Candidates- Petition⁶

A presidential candidate ticket that is not registered with a political party must file the following with State Board:

- Certificate of Candidacy
- Petition Information Page; and
- Petition Signature Pages containing the valid signatures of at least 1% of the registered voters of the State.

3. Presidential Candidates- General Election- Recognized Non-Principal Political Party⁷

A presidential candidate ticket nominated by a recognized non-principal political party must file the following with the State Board:

- Certificate of Candidacy (if not nominated by a national party convention); and
- Certificate of Nomination

-§4-102(f) of the Election Law Article

If a petition effort to form a political party is on-going in the year of the election, the new political party may nominate its Presidential and Vice Presidential candidates in accordance with its constitution and by-laws.

⁶ For further information see Section 2.4 of the Summary Guide – Petition Candidates.

⁷ In order to be recognized by the State Board as a political party, the party must: 1) meet the 10,000 petition signature requirement; 2) hold an organized meeting; and 3) file an approved constitution and bylaws with the State Board.

4. Presidential Candidates - General Election- National Party Nominating Convention

The presiding officers of the national party nominating convention must certify the candidates' names and addresses to the State Board.

-§5-301(g) of the Election Law Article

5. Presidential Electors

- Recognized Political Parties: The names and addresses of 10 individuals nominated as candidates for presidential electors shall be certified to State Board by the presiding officers of each political party.
- Petition Candidates: The names and addresses of 10 individuals nominated as candidates for presidential electors shall be certified to State Board by the candidate for President
- Deadline: Electors shall be certified to State Board not later than 30 days before the general election.

-§8-503(c) of the Election Law Article

6. All other Federal offices-

- U.S. Senate and U.S. Representative
 - Candidates for U.S. Senate and U.S. House of Representative must follow the filing requirements as mentioned in Section 2.2 –2.5 depending on the type of candidacy sought.
- National Party Convention Delegates⁸
 - Democratic Delegates
To become a candidate as a delegate or alternate delegate, you must file by the candidate filing deadline at the State Board:
 1. A Certificate of Candidacy;
 2. Designate your presidential preference; and
 3. Sign a pledge of support for the Presidential candidate

The Democratic State Party will provide the list of potential delegate candidates to the presidential campaign and the Presidential campaign will approve who will represent them on the ballot.

The percentage of vote received by the Presidential candidate will determine the allocation of the delegates.

- Republican Delegates
To become a candidate as a delegate or alternate delegate, you must file a Certificate of Candidacy by the candidate filing deadline at the State Board.

The candidate must provide written permission by the Presidential candidate to have the Presidential candidate's name appear adjacent to the delegate candidate's name on the ballot not later than the 10th day after the candidate filing deadline to the State Board otherwise the delegate candidacy will be removed.

⁸ These requirements are subject to change based on the political party's delegate selection plans.

Note:

Since Maryland campaign finance laws do not apply to federal candidates, those candidates are not required to establish a campaign finance entity with the State Board or submit State campaign finance reports. However, federal law does impose campaign finance obligations. Federal candidates should contact the Federal Election Commission (FEC) for compliance information. **FEC - (800) 424-9530**

2.7 Candidates for Governor

At the time of filing of a Certificate of Candidacy, a candidate for Governor must designate a candidate for Lieutenant Governor.

The candidates will be listed jointly on the ballot and a vote cast for Governor will also be a vote for the Lieutenant Governor.

-§5-205 of the Election Law Article

For each gubernatorial ticket, the candidate for Governor and candidate for Lieutenant Governor each must have an authorized candidate campaign committee.

-§13-202 of the Election Law Article

2.8 Responsibilities and Liabilities of a Candidate

Maryland defines an individual as a candidate once an authorized candidate campaign committee has been established with the State Board. An individual does not have to file a Certificate of Candidacy in order to be a recognized candidate for campaign finance purposes. Under Maryland law, the authorized candidate campaign committee is linked to the candidate and not the office sought. A candidate may use the same authorized candidate campaign committee for different elective office in different election years. Therefore, once the individual establishes an authorized candidate campaign committee, the individual is precluded from establishing an exploratory committee for a different elective office.

A candidate may not be:

- A candidate for more than one public office; or
-§5-204 of the Election Law Article
- A treasurer for any political committee including his or her own.
- § 13-215(1)(i) of the Election Law Article

If a candidate is serving as the chairman of a committee, the candidate:

- Will be personally liable for any fees assessed against the political committee for failure to file a campaign finance report on time; and
- Will not be permitted to file for or to take office until all campaign finance reports have been filed and all late fees have been paid. In addition, the salary of an office holder can be withheld if campaign finance reports are not filed and late fees are not paid.

- §§ 13-331 through 13-334 of the Election Law Article

Chapter 3 –Establishing and Closing a Political Committee

3.1 Establishing a Political Committee Statement of Organization

1. Generally

A Statement of Organization must be filed to establish a political committee⁹. There is no fee charged for establishing a political committee. The Statement of Organization can be used to form every type of political committee, including a(n):

- Authorized Candidate Campaign Committee;
- Slate;
- Political Action Committee (PAC);
- State Ballot Issue Committee;
- Local Ballot Issue Committee; and
- Party Central Committee

Political fundraising and spending is unlawful unless a Statement of Organization establishing a political committee has been filed with the State Board.

- §§ 13-202, 13-206 – 13-208 of the Election Law Article

2. Responsible Officers

All political committees require a chairman and treasurer. For more information regarding who may serve and the responsibilities of being an officer of a committee see Chapter 7.

- § 13-207(c) of the Election Law Article

3. Where to file

All political committees file the Statement of Organization with the State Board.

4. Name of the Political Committee

The name assigned to the political committee on the Statement of Organization must be consistent with the following:

Type of Entity	Rule	Example
Candidate Committee	The committee must disclose the name of the candidate within the name of the committee.	Friends of Susan N. Wolfe
Slate	The committee name should include the word “slate” in the title.	Victory 2010 Slate
Political Action Committee (PAC)	Committees sponsored by or affiliated with an entity or group must include the identity of the entity or group in the committee name. “Political Action Committee” must be used in the committee’s name.	Speech Therapists PAC Insurance Company PAC
Ballot Issue Committee	A ballot issue committee name must indicate what position is being taken on the issue.	Committee in Support of Proposition 22

⁹ The Election Law Article refers to both “political committee” and “campaign finance entity”. For compliance purposes, there is no difference between these terms under current law. Therefore, they can be read interchangeably wherever they are found in the statute.

-§§ 13-208(d) and 13-228 of the Election Law Article

5. Election Designation

When a political committee is formed, it must designate the election or elections in which it will participate; either the Gubernatorial, Presidential or Baltimore City (Mayoral). If the committee spends or receives any money in connection with an election, then the committee is participating in the election. The designation will be effective for the duration of the committee. Once the committee indicates that it is participating in one of the elections, the committee will be required to file all of the reports related to that election.

Election designation does not restrict political committees from receiving contributions and making expenditures for its own election in years not designated. The designation only restricts the committee's support of *other* candidates or ballot issues during non-designated election cycles.

For example, if the committee has designated the Gubernatorial election, the committee can still raise and/or spend money in connection with its own 2010 or 2014 campaign during a non-designated election year, such as the 2011 Baltimore City election year. Because the committee's activity is limited to contributions and expenditures directly related to its 2014 campaign, the committee is not required to file 2011 Baltimore election reports. However, if the committee transfers funds to a 2011 Baltimore City candidate, the political committee has participated in the election and must file all election related reports for that election year.

If the committee begins participating in an election which it did not designate, the responsible officers of the committee *must* notify the State Board immediately and begin to file all campaign finance reports in accordance with the reporting schedule, beginning with the first report due following the date of the committee's first financial transaction relating to the relevant election. ***See Section 11.1 of the Summary Guide for reporting dates.***

For example: Committee A designates the Gubernatorial Elections. This designation allows the committee to only file Annual reports during the other election years. However, on September 5, 2011 Committee A made a transfer of \$250.00 to a Baltimore City mayoral candidate. As a result of the transfer and subsequent participation in the Baltimore City election, Committee A is required to notify the State Board of its participation in the election and file the 2011 Baltimore City Pre-General and Post-General campaign finance reports.

Regardless of a committee's designation, the political committee is required to file an Annual Campaign Finance Report every third Wednesday in January.

Important: The State Board sends Pre-Report Notices to all political committees that owe a campaign finance report. If the committee receives a Pre-Report Notice, you must either file the report or immediately contact the State Board if you believe the notice was sent in error.

- §§ 13-208(c)(3) and 13-309(b) of the Election Law Article

3.2 When Does a Political Committee Need to be Established

Generally, a political committee needs to be established to conduct any campaign finance activity. Campaign finance activity is raising and spending money or receiving other things of value to promote or assist in the promotion of the success or defeat of a candidate, political party or question.

Candidates are required to open an authorized candidate campaign committee prior to filing a Certificate of Candidacy regardless of whether the candidate wishes to engage in any campaign finance activity.

- § 13-202 of the Election Law Article

3.3 When to Close a Campaign Finance Entity

In most cases, the decision on when to close a political committee is left to the chairman and treasurer of the committee. However, there are instances when a political committee *must* be closed. A candidate campaign committee must close and file a final report within 8 years after the latest of:

- The end of the individual’s most recent term of office;
- The date of the last election in which the individual was a filed candidate; or
- The payment of the final debt or other obligation of the entity that was incurred in connection with that candidacy.

-§ 13-310 of the Election Law Article

3.4 How to Close a Political Committee

1. Generally

A political committee must have:

- Zero bank balance and cash on hand (Part 4 on the Summary Page of the campaign finance report); and
- No outstanding obligations or debts (including any loans from the candidate)

If the above conditions are met and satisfied, the political committee may file a final campaign finance report.

2. Process

Committee Actions Required:

- The campaign finance report must be marked “Final” in order to close, otherwise the committee will remain open and active regardless of its financial activity or cash balance.
- § 13-311 of the Election Law Article
- For ELECTTrack EFS users, simply check the “final” box on the Summary Page to indicate that the report is a final report.

State Board Approval Required:

- The committee is not officially closed until the responsible officers for the political committee receive confirmation from the State Board. A political committee may not be officially closed if, according to the State Board records:
 1. There is an outstanding campaign finance report due (including State Board amendments required);
 2. The committee owes late fees; or
 3. The reports filed are not in compliance or are incomplete.

3. Surplus Funds

If a political committee wishes to close and file a final report and has paid off all outstanding obligations, any money remaining is considered surplus funds and must be disposed of in one or more of the following ways:

- Returned, pro rata, to the contributors; or
- Paid to a state or local party central committee, provided:
 - The candidate is a member of that party and, if the funds are paid to a local central committee, the central committee is located in the same county in which the candidate resides or seeks to represent; and
 - In the case of a non-candidate committee, the committee is acting for the party.
- Paid to the local board of education of the county in which the candidate resides or seeks to represent; or
- Paid to a recognized non-profit organization that provides services or funds for the benefit of pupils and teachers; or
- Paid to a charitable organization registered or exempt from registration under the Maryland Charitable Solicitations Act¹⁰; or
- Paid to any public or private institution of higher education in this State provided:
 - The institution possesses a certificate of approval from the Maryland Higher Education Commission; and
 - The funds are designated for use by the institution solely to award scholarships, grants, or loans to students attending the institution¹¹.

- § 13-247 of the Election Law Article

Note: When a political committee closes, items purchased by the committee, such as equipment and furniture, must be sold, and the money from the sale must be disposed of in the same manner as other surplus funds. These items cannot be retained by the candidate or a committee officer unless purchased.

4. Negative Balance

A committee may not close with a negative cash balance. A negative balance usually results from the failure to report all income (including money from the candidate). If a report reflects a negative balance, the committee will need to review its past reports and account books and file an amended report(s) eliminating the negative balance.

¹⁰ To determine which charitable organizations are registered or exempt from registration under the Maryland Charitable Solicitations Act, please call the Secretary of State's Office at (410) 974-5534. *Also see* www.sos.state.md.us.

¹¹ To determine which public or private institutions of higher education have received certificates of approval from the Maryland Higher Education Commission, please call 410-260-4516. *Also see* www.mhec.state.md.us.

5. Outstanding Obligations

A. Candidate Loans

In the case of an outstanding loan to the campaign from the candidate or the candidate's spouse, the candidate has the option of forgiving the loan and converting it into a contribution (contributions or monies from a candidate or the candidate's spouse to the candidate's campaign account are unlimited). In order to file a final report, the campaign finance report must reflect the conversion of the loan to a contribution and must include a copy of a letter of forgiveness from the candidate (attached to the report).

B. Other Loans

Outstanding loans from persons other than the candidate or the candidate's spouse may be forgiven only up to the contribution limit and must be documented in the same manner described above. If the converted loan plus other contributions from the same individual or person exceeds the \$4,000 contribution or the \$10,000 aggregate limit for that person, a violation may have occurred.

C. Bills

The political committee must make every effort to repay the debt. However, if the political committee, due to extenuating circumstances, is unable to pay the debt, the political committee may close only after producing documentation satisfactory to the State Board of the political committee's inability to pay. The State Board's action to close a political committee does not limit the right of a creditor to bring an action against the responsible officers or candidate of the political committee.

Chapter 4 – Candidate Committees and Slates

4.1 Candidate Committees

1. Generally

- An authorized candidate campaign committee is any combination of two or more individuals that assists or attempts to assist in promoting the success or defeat of a specific candidate that has been authorized by that candidate.
- A candidate may serve as the chairman for his/her candidate committee. However, the candidate may not serve as the candidate committee's treasurer
- §§ 1-101(c) and 13-207 of the Election Law Article

2. Necessary Forms

In order to establish an authorized candidate campaign committee, a Statement of Organization must be filed at the State Board before:

1. Any campaign financial activity; or
2. Filing a Certificate of Candidacy

3. Authorized versus Unauthorized

All candidate committees must be authorized by the candidate. If the committee is unauthorized or formed to oppose particular candidates, the committee should be formed as a political action committee or PAC.

4. Closing a Candidate Committee

A candidate committee does not automatically close after the election in which the candidate appeared on the ballot. The candidate committee will remain open and active until a final report is filed with the State Board.

4.2. Testing the Waters/Exploratory Committees

1. Generally

There are no statutory provisions that expressly authorize exploratory committees. However, the Office of the Attorney General has advised that some exploratory or “testing the waters” activities are permissible, but only for non-candidates. Exploratory Committees may not file a Statement of Organization with the State Board and may not engage in campaign finance activities. Monies raised exclusively for exploratory activities, and before the individual becomes a candidate, do not count against the person's contribution limits.

After an authorized candidate campaign committee is established, the exploratory committee must cease all its activities until the election is over. The exploratory committee may contribute up to \$4,000 to the authorized candidate campaign committee. No other surplus funds from the exploratory committee may be used or expended on behalf of the candidate.

2. Scope

Exploratory committees are limited in their scope and purpose to raising and spending funds for conducting surveys, polls, mailings, or other activities in an effort to determine if the individual is a viable candidate. Once the exploratory committee exceeds these limitations and engages in campaign finance activity, registration of an authorized candidate campaign committee is required, i.e. by filing the Statement of Organization with the State Board. While the establishment of an authorized candidate campaign committee does make the individual a candidate under Maryland law, the individual considering a run is not required to file a Certificate of Candidacy at that time. Instead, the potential candidate may raise funds and make expenditures out of the authorized candidate campaign committee until he or she finally makes the decision whether to run for office. If the candidate decides to run and files a Certificate of Candidacy, the candidate may continue to use the authorized candidate campaign committee throughout the campaign. If not, the political committee should close by filing a final report. But note, so long as the political committee continues to exist, the individual remains a candidate under Maryland law.

3. Draft Committees

An exploratory committee that is not authorized by the potential candidate, i.e. Draft Candidate X for office, have similar restrictions as those referenced in Summary Guide section 4.2.B. It too would be limited to only exploratory activities. If the persons involved in the exploratory draft committee later intend to engage in campaign finance activity, a political committee must be established with the State Board. Additionally, if coordination exists between the draft committee and the candidate, the candidate must treat any campaign expenditures made by the draft committee as an in-kind contribution subject to the contribution limits.

4. Authority Line Requirements

It is important to note that regardless of the reporting requirement, certain activities fall within the purview of the campaign finance regulations. Any campaign material sent out by the exploratory committee regarding a potential candidate must include an authority line. For example, if a potential candidate sends out letters that indicate an interest in running for office but that do not solicit support, the candidate still must include an authority line with the potential candidate's name and address. *See section 12.1 of the Summary Guide on authority line requirements.*

4.3 Slates

A slate is a political committee of two or more candidates who join together to conduct and pay for joint campaign activities.

-§1-101(o) of the Election Law Article

1. Requirements

- A slate is required to have at least two candidate members at all times. If there are less than two members, the slate is required to close the committee and file a final report.
- Prior to joining a slate, the candidate must establish a separate individual candidate committee.

- §13-209 of the Election Law Article

Note: A candidate will remain a member of the slate until the slate closes or the candidate resigns from the slate (using the Slate Designation/Resignation Form prescribed by the State Board). If a candidate closes out his/her own candidate committee, then the candidate has effectively resigned from the slate.

2. Necessary Forms

In order to form a slate the following must be filed at the State Board:

- Statement of Organization- a Statement of Organization must be filed with the State Board before any financial activity occurs.
- Slate Designation/Resignation Form- For a candidate to join a slate, the candidate must file the designation form with the election board where the candidate filed a certificate of candidacy.

- § 13-209 of the Election Law Article

3. Special Campaign Finance Limits

Unlimited transfers between a slate and the candidate committees of its members are permitted. However, a member's candidate committee may not make an unlimited transfer directly to another member's candidate committee in the slate.

- §13-227 (b)(2)(ii) of the Election Law Article

Chapter 5 – PACs, Ballot Issue Committees, Party Central Committees

5.1 Political Action Committees (PACs)

1. Generally

A PAC is a political committee that seeks to advance its political interests or purposes through the promotion of candidates, political parties, or questions.

- § 1-101(ff) of the *Election Law Article*

Any political committee whose purpose is to support a single candidate or ballot issue cannot be a PAC.

2. How to Form a PAC

In order to form a PAC, a Statement of Organization must be filed with the State Board. The PAC must identify its purpose on the Statement of Organization.

In addition, the law requires that the name of the PAC include the name of any entity that sponsors or affiliates with the PAC. For example, if a company, Environment Group, Inc., sponsors a PAC, then the name of the company, the Environment Group, Inc., must be used in the name of the PAC (Environment Group PAC). PACs that are not affiliated with or sponsored by a group or entity have more flexibility when choosing a name, but must choose a name that does not deceive people as to the true nature or character of the PAC.

- §13-208(c) and(d)(3) of the *Election Law Article*

3. Financial Activity

PACs may transfer funds to other political committees up to the transfer limit of \$6,000. (*See Section 8.3 of the Summary Guide.*)

4. When does a PAC need to be formed?

A state PAC is required when two or more persons contribute or spend money to support or oppose candidates, political party, or ballot questions for a State election. For most organizations—including unions and corporations—the advantages of a PAC include the ability to receive contributions from members or employees and to direct campaign expenditures on their behalf.

Without a PAC, an organization may make “independent expenditures” in support of or opposition to a candidate, political party, or ballot question, but the organization is limited in its ability to make direct contributions to political committees (*i.e.* the organization is subject to the \$4,000 and \$10,000 limits on contributions). Additionally, the contribution must come directly from the organization’s general operation funds. However, by establishing a PAC, the organization can take advantage of the higher contribution limit applicable to transfers (\$6,000 to any candidate or political committee), which is not subject to the aggregate contribution limit. Additionally, the PAC can raise money to support its campaign expenditures.

5.2 Ballot Issue Committees

1. Generally

A ballot issue committee is a political committee formed to promote the success or defeat of one or more questions to be submitted to a vote at an election.

-§1-101(f) of the Election Law Article

2. How to form a ballot issue committee

In order to form a ballot issue committee, a Statement of Organization must be filed with the State Board. (*See Section 3.1 of the Summary Guide.*) The ballot issue committee must identify the ballot issue and whether the committee is being formed to support or oppose the issue.

3. When a ballot issue committee needs to be formed

Once the petition process to place a question on the ballot is completed, a ballot issue committee must be formed before money is collected or spent to promote the success or defeat of the ballot issue.

A political committee does not need to be formed to support or oppose the petition process. (*See section 5.3 of the Summary Guide.*)

-§ 7-104(c) of the Election Law Article

4. Where to File

A ballot issue committee must file with the State Board.

5. Campaign Finance Activity

The primary function of a ballot issue committee is to promote the success or defeat of one or more questions appearing on the ballot.

A ballot issue committee can receive unlimited contributions from an individual, business entity, or any other organization. In addition, there is no restriction on the amount that a political committee may transfer to a ballot issue committee.

-§§13-226(a) and 13-227(b) of the Election Law Article

6. Reporting Responsibilities:

A ballot issue committee must file campaign finance reports like any other political committee. However, its first report is not due until the fourth Friday preceding the general election.

Note: If the ballot issue committee is established a year or more before the election, it is required to file an Annual Report each year until the year of the election. The committee will remain open and liable for filing reports until it files a final report with the State Board.

-§ 13-309 of the Election Law Article

5.3 Ballot Petition Effort

1. Generally

Prior to forming a ballot issue committee, a petition effort is needed to put a question on the ballot. The petition effort needs a sponsor who coordinates the collection of signatures for a petition and who, if the petition is filed, is named on the information page.

A petition organization does not have to register with the State Board nor does it need to file campaign finance reports. However, the petition sponsor must file a Petition Fund Report detailing all contributions and expenditures related to the petition effort. A new Petition Fund Report must be submitted each time petition signatures are filed with the appropriate election official whether or not financial transactions have occurred.

Please consult the Petition Manual on the State Board website or contact the appropriate local board for more information including the number of signatures required and deadlines to file the petition.

5.4 Party Central Committees

1. Generally

A central committee is the governing body of the political party and may be composed of members of the central committee of the counties.

-\$4-201 of the Election Law Article

Central committees must be established for the State party organization and may be formed for each county. For example, the Republican and Democratic Parties each have a State central committee and 24 county central committees, all of which have Statements of Organization on file with the State Board. The central committee must constantly maintain a chairman and treasurer with the State Board.

2. Necessary Forms

The political party must file the Statement of Organization creating the central committee with the State Board at the time the new party petition process is successfully completed and the constitution and by-laws are approved.

3. Reporting and Disclosure Responsibilities

A central committee must report like any other type of political committee.

In addition to campaign finance reporting, each State and local central committee is required to file and maintain a current version of its constitution and by-laws with the State Board.

-\$4-204(d) of the Election Law Article

Common reporting problems

Central Committees often forget to inform the State Board when officers change. For example, if John Doe loses the election and therefore stops serving as treasurer and Jane Smith takes over, this must be reported to the State Board. John Doe must file a resignation form and Jane Smith files an appointment form for a new officer. Failure to do so will cause John Doe to remain liable for all reports and late fees, should any issue arise.

4. Campaign Finance Activity

- Contributions to a Central Committee

Campaign contributions to a central committee are subject to the \$4,000/\$10,000 contribution limits discussed in Chapter 7 of this Summary Guide. However, contributions to a central committee for strictly administrative purposes (such as maintaining the party's normal headquarters and staff) do not count against the contributor's contribution limit, but must be identified as such on the campaign finance reports filed by the central committee. Additionally the contributor must earmark the contribution for administrative purposes. The central committee is required to segregate the administrative funds from its other funds.

- Contributions and Transfers by a Central Committee

Central committees may make *coordinated campaign contributions*¹² to party candidates during an election cycle in the following amounts:

- For a State central committee, not more than \$1 for every two registered voters in the State (regardless of party affiliation) as of first day of the election cycle.
- For a local central committee, not more than \$1 for every two registered voters in the county (regardless of party affiliation) as of first day of the election cycle.

-§ 13-226(c) of the Election Law Article

In addition to these coordinated campaign contributions, a central committee may also transfer funds (up to \$6,000 each) to other political committees. (*See Section 8.3 of the Summary Guide.*)

5. Control over Campaign Funds

Unlike other political committees, a treasurer of a central committee may not make any disbursements or incur any liability on its behalf, without authority and direction from the chairman. However, the chairman may not make any disbursements; only the treasurer has that responsibility.

-§13-218(c) of the Election Law Article

5.5 **Forming a Political Party**

1. Generally

A partisan organization is a combination of two or more individuals joining together to form a new political party. Any group of registered voters may form a new political party by filing with the State Board a petition stating:

- The intent to organize a State political party;
- The name of the partisan organization;
- The name and signature of the State Chairman of the partisan organization;
- The names and address of 25 registered voters, including the State Chairman, who shall be designated as constituting the initial governing body of the partisan organization; and

¹² A coordinated campaign contribution is an expenditure made by the party central committee for the purpose of supporting one or more candidates and done with direct approval, knowledge, and cooperation of the candidate(s). For example, a coordinated campaign contribution could be a television ad campaign that is paid for by the party but that was coordinated with the candidates benefiting from the campaign.

- Signatures of 10,000 registered voters.

The petition to form a new political party may be filed at any time except after the first Monday in August until voter registration opens after the general election. Additionally, in a presidential election year, a petition cannot be filed during the period when voter registration is closed prior to and after the primary election.

-§4-102 of the Election Law Article

2. Retention of Political Party status

A new political party retains its status as a political party until December 31 in the year of the second statewide general election after the party first qualified. Thereafter, a political party may retain its status in either one of two ways:

- a. If the party nominated candidate for the highest office on the ballot in a statewide general election receives 1% of vote for that office, then the political party retains its status through end of the year of the following general election; or
- b. If the party achieves 1% of the registered voters of the State as of December 31, then it retains its status through the end of the next year.

Once political party status is lost, the central committee of the political party can no longer exist and will need to re-register with the State Board as a PAC.

Chapter 6 – Out-of-State Political Committee

6.1. Out- of- State Political Committee

1. Generally

- An out-of-state political committee is a political committee that is lawfully registered with another state’s election authority.
- A PAC or other committee that is registered with the Federal Election Commission is not considered an out-of-state political committee.
- There are no registration requirements for out-of-state political committees.

2. Transfer Limitations

An out-of-state political committee may transfer up to \$6,000 to a Maryland campaign finance entity (*See Section 8.3 of the Summary Guide*). However, if affiliated with a Maryland political committee, the contributions of the out-of-state and in-state political committees are attributed to one another.

-§13-227(d)(2) of the Election Law Article

Example

Sunshine Corporation is interested in supporting a Maryland gubernatorial candidate. Sunshine Corporation has a Maryland PAC and a West Virginia PAC. Since the PACs are affiliated, they can only transfer a combined total of \$6,000 to the gubernatorial candidate.

3. Reporting Requirements

An out-of-state political committee must report all campaign related expenditures made within the State for an election.

-§13-301 of the Election Law Article

A. Transfer Reporting

If the expenditure made is a transfer to a Maryland political committee, then the out-of-state political committee is required to submit a written statement to the State Board including:

- The name and address of the out-of-state political committee;
- The name of the treasurer or person responsible for the transfer by the out-of-state political committee;
- The name of Maryland political committee receiving the transfer of funds;
- The name of the treasurer of the Maryland political committee;
- The date of the transfer; and
- The amount of the transfer.

B. Independent Expenditures Reporting

If the out-of-state political committee makes an independent expenditure in Maryland to support or oppose a candidate, political party or ballot issue, the out-of-state political committee must file a detail expenditure report that would include of the information on Schedule 2 at the designated reporting periods regarding all disbursements made in connection with the independent expenditure to the State Board.

-§ 13-301 of the Election Law Article

The expenditure report must include the name and address of the out-of-state political committee and must be signed by the treasurer or person responsible for the disbursements by the out-of-state political committee.

6.2 Federal Committees

A federal committee is any political committee registered with the Federal Election Commission (FEC). Like other entities or associations, a federal committee is considered a person under the law and allowed to make contributions, not transfers, to Maryland political committees. A federal committee is not required to file any additional reports or statements with the State Board.

Campaign finance information for federal committees is available to the public on the FEC website (www.fec.gov). The State Board provides a public computer at its office in Annapolis for the purpose of allowing citizens access to federal campaign finance data via the Internet.

6.3 Other Political Organizations

Other political committees not registered with either a state or with the FEC, i.e. 527 organizations or political clubs, may make contributions to a Maryland political committee. Additionally, they are not required to file any campaign finance reports or statements with the State Board.

However, if the political organization engages in campaign finance activity or express advocacy regarding a candidate for a State election, then the organization may be required to form as Maryland PAC.

Chapter 7 – Committee Officers

7.1 Who can serve as an officer

1. Generally

To serve as a chairman or treasurer, an individual must be a registered voter of the State of Maryland and be in good standing with the State Board. The officers are not required to live in the same district as the candidate or to have the same party affiliation as the candidate.

-§13-215 and 13-332 of the Election Law Article

2. Multiple Appointments

An individual may serve as chairman or treasurer for more than one committee.

3. Current Addresses

The chairman and treasurer must keep their addresses and phone numbers current to ensure receipt of periodic notices and compliance materials.

4. Candidate as Officer

- A candidate **may not** serve as the **treasurer** for the candidate's own political committee or any other Maryland political committee. The one exception to this prohibition is that a candidate for an office of a party central committee may serve as treasurer for the central committee.
- A candidate **may** serve as **chairman** of his or her own committee. In addition, a candidate may also serve as the chairman of any other committee, provided the candidate does not exercise general overall responsibility for the conduct of that committee.

- § 13-215 of the Election Law Article

5. Lobbyists

Under § 15-714 of the State Government Article of the Code, lobbyists are prohibited from:

- Serving on a fundraising committee or a political committee;
- Acting as treasurer for a candidate, or as treasurer or chairman of a political committee; and
- Organizing or establishing a political committee to solicit or transmit contributions from any person.

7.2 Duties and Responsibilities of the Treasurer

1. General Duties

The treasurer is responsible for the receipt and disbursement of campaign funds for political purposes. All assets received by or on behalf of the campaign finance entity must be delivered to and maintained by the treasurer. Only the treasurer can disburse or expend campaign funds except when temporarily unable to perform the duties of the office (*see Section 7.3 of the Summary Guide*). In addition, the treasurer’s signature is required on all campaign finance reports. Maryland law requires that the treasurer keep a detailed and accurate account book on behalf of the political committee. The account books must be preserved for two (2) years after the political committee files a final campaign finance report.

The ultimate responsibility for compliance with the campaign finance law rests with the Treasurer. A Treasurer may not serve “in name only” and may not delegate any statutory responsibility to another person including the candidate, except as provided by law.

§13-218 of the Election Law Article

(a) All assets received by or on behalf of a campaign finance entity shall be:

- Delivered to the treasurer; and
- Maintained by the treasurer for the purposes of the campaign finance entity.

(b) Assets of a campaign finance entity may be disbursed only:

- If they have passed through the hands of the treasurer; or
- In accordance with the purposes of the entity.

2. Delegation of Duties

The treasurer is not prohibited from using an employee or member of the campaign staff, with appropriate supervision, to perform mechanical functions like filling out deposit tickets, writing out (but not signing) checks, typing election reports, or making bank deposits. Except in the limited circumstances where a chairman may act as a temporary treasurer of the committee. The treasurer may *not* permit anyone to perform the duties that the Law has entrusted to the treasurer, including signing checks, making proper expenditures, receiving contributions, ensuring complete and accurate account books and records, and ensuring the timely filing of complete and accurate campaign finance reports.

7.3 Duties and Responsibilities of the Chairman

1. Generally

The chairman is not assigned any specific duties under the law. However, the chairman does share responsibility with the treasurer for submitting timely campaign finance reports and is jointly and severally liable for late fees resulting from late or missing reports.

Since the chairman shares in the liability for late campaign finance reports and may be required to submit a report if the treasurer has resigned or is absent, it is recommended that the chairman have access to the committee’s books, records, and bank account.

The chairman does exercise control over campaign funds for a central committee. The treasurer of a state or county central may not make any disbursements or incur any liability without the authority or direction from the chairman.

2. Chairman as Temporary Treasurer

The chairman may make a disbursement only when the treasurer is temporarily unable to perform the duties of the office. After the chairman makes a disbursement, the chairman must submit within 7 days a detailed report to the treasurer including:

1. A statement of the expenditures;
2. The name and address of the person to whom the expenditure was made;
3. The purpose of the expenditure; and
4. A copy of the receipt.

A candidate who is a chairman may not make any disbursement and may not temporarily assume the duties of the treasurer under any circumstances.

Examples of a treasurer unable to perform the duties of the office are:

1. Medical emergency or disability
2. Death in the family
3. Extended travel out-of-state.

7.4 **How to Resign**

1. Written and Signed Resignation Required

- A chairman or treasurer must resign by submitting a written and signed resignation to the State Board.
- §§ 13-206(e) and 13-207(d) of the *Election Law Article*
- A resignation will not be accepted if it will leave the political committee with no officers. By practice, when both the Chairman and Treasurer resign together without any new appointments, the State Board will accept the resignation of the Chairman and deny the resignation of Treasurer until another officer is appointed.
- A resignation should be filed on the form prescribed by the State Board.

2. When Resignation is Effective

The resignation is effective as of the date the form is received by the State Board. The State Board will acknowledge receipt of a resignation in writing.

3. Remaining Liability

A responsible officer who resigns is still liable for any outstanding reports or late fees incurred during the time he or she was an active officer. Additionally, the officer may be responsible for subsequent campaign finance report and for any associated late fees following the resignation, if the resignation was received in the middle of a reporting period. Therefore, it is recommended that a resignation occur at the end of a reporting period.

CAUTION

Many officers make the mistake of giving their resignations to the candidate or to another committee officer. While the candidate or officer should certainly be informed of the officer's decision to resign, the resignation will not be effective, and the officer will remain liable under the law, until the resignation is received by the appropriate elections office.

As previously noted, central committee officers must still inform the State Board that they are no longer acting officers. Chairmen and Treasurers constantly change with elections, and it is the responsibility of both old and newly elected officers to inform the State Board. If no notice was ever sent to the State Board, then the names of the previous responsible officers will remain on record and those officers will remain responsible for the reporting requirements.

4. Vacancies

When a vacancy occurs in the position of chairman or treasurer, all financial activity of the political committee must cease and cannot resume until a new appointment is filed. It is the responsibility of the other officer to promptly appoint a new officer.

- §13-207 of the Election Law Article

Note: A vacancy for chairman or treasurer *does not* relieve the political committee from filing timely campaign finance reports.

5. Transfer of Information

When a treasurer resigns, he or she is required to transfer to the new treasurer (or the chairman or candidate if a new treasurer has not been appointed) the following:

- The account books and records (**see Section 14.1 of the Summary Guide for details**);
- The electronic filing software and the entire database; and
- The bank account information.

Chapter 8 – Contributions and Transfers

8.1 The Difference Between Contributions and Transfers

Maryland law makes a distinction between *contributions* and *transfers*. It is important to understand the difference, since there are separate contribution and transfer limits and contributions and transfers are reported differently on your campaign finance report.

A *contribution* is money or anything of value given to a political committee to promote or assist in promoting the success or defeat of a candidate, political party, or question. A contribution can be made by any individual or by an entity, including a corporation or other business entity, a political club, a federal committee, or a labor union.

-§ 1- 101 (o) and § 13-226 of the Election Law Article

A *transfer* is a monetary contribution made by one political committee to another. *For example:* a PAC may transfer money to a candidate committee. In addition, the law allows an out-of-state political committee to transfer money to a Maryland political committee if the out-of-state committee is properly registered with its own state's election authority. Federal committees are not considered out-of-state political committees and therefore cannot make transfers but can make contributions.

-§ 1-101(ss) and § 13-227 of the Election Law Article

8.2 Contribution Limits

1. Generally

A person may contribute directly or indirectly no more than \$4,000 to one political committee, and a total of \$10,000 to all political committees, during the four-year cycle.

-§ 13-226 of the Election Law Article

Four-Year Cycle

<p>2010 Cycle – 1/1/2007 through 12/31/2010 2014 Cycle – 1/1/2011 through 12/31/2014 2018 Cycle – 1/1/2015 through 12/31/2019</p>

For example, Sidney Giver contributes \$4,000 to the Committee to Elect Bob D. Candidate on April 3, 2007. Sidney Giver cannot make any more contributions to the Committee to Elect Bob D. Candidate until the next four-year cycle begins (in this case January 1, 2011). Sidney Giver next contributes \$3,000 to the ABC PAC and \$3,000 to the committee, Friends of Joe Incumbent, on March 3, 2007. Since Sidney has now contributed \$10,000, he cannot make any more contributions until the next four-year cycle begins.

2. Contributions to a Candidate

The \$4,000 limit on contributions to the political committee of a candidate applies regardless of the number of offices sought by the candidate in separate elections during the 4 year election cycle or the number of authorized candidate committees formed to support the candidate, including slates.

-§ 13-226(d) of the Election Law Article

3. Exceptions

- *Cash* – A person may make cash contributions in the aggregate up to \$100 in an election cycle to a political committee.

-§ 13 – 226(a)(1) of the Election Law Article

- *Ballot Issue Committee* - There is no limit on how much an individual may contribute to a ballot issue committee. Contributions to a ballot issue committee do not count toward the contributor's aggregate contribution limit.
- *Administrative Contribution* - An administrative contribution earmarked as such, is not subject to the \$4,000 limit and does not count toward the contributor's aggregate contribution limit. ***See Section 8.17 of the Summary Guide for more information on Administrative Contributions.***

4. Duty of the Committee

Every political committee has a duty to assist contributors to ensure compliance with Maryland law. The political committee must issue a receipt upon receiving one or a series of contributions of \$51.00 or more from a contributor; or upon request by the contributor regardless of the amount given. It is unlawful for a committee to knowingly accept a contribution over the legal contribution limits. Additionally, the contributor has a duty to inquire about contribution limits. See 70 *Opinions of the Attorney General* 96 (1985)

8.3 Transfer Limits

1. Generally

A political committee may transfer no more than \$6,000 to another political committee during the four (4) year cycle. There is no aggregate limit.

- §13-227 of the Election Law Article

For example: the ABC PAC transfers \$4,000 to the Committee to Elect Bob D. Candidate on February 16, 2007. ABC PAC then transfers another \$2,000 to the Committee to Elect Bob D. Candidate on January 31, 2008. The ABC PAC cannot make any more transfers to the Committee to Elect Bob D. Candidate until the next four-year cycle begins (in this case January 1, 2011). However, the ABC PAC can still make transfers to any other political committee not associated with Bob D. Candidate, since there is no aggregate limit on transfers.

2. Exceptions

The transfer limit of \$6,000 does not apply to transfers between the following committees:

- State and local party central committees of the same political party;
- A slate and its candidate members (provided the slate member first files a slate designation with the election office); and
- A candidate's authorized campaign committees

3. Transfers to and from Ballot Issue Committees

- Transfers between ballot issue committees are unlimited.
- Transfers from ballot issue committees to non-ballot issue committees are permissible, but cannot be made regularly and cannot account for a significant amount of the transferor's funds. The maximum transfer can be no more than \$6,000.
- Transfers from other political committees to a ballot issue committee is are not subject to transfer limits. §13-227(a) of the Election Law Article.

8.4 In-Kind Contributions and Independent Expenditures

1. In-Kind Contributions

An in-kind contribution is a contribution given to a political committee in a form other than money. Normally, there are two types of transaction that may be considered an in-kind contribution: (1) a contribution given to a political committee in non-monetary form (e.g. services or property); or (2) a coordinated expenditure made on behalf of the candidate where the candidate knows of and consents to the expenditures. In-kind contributions include items, services, goods and anything of value provided to the political committee. The amount of an in-kind contribution is the fair market value of the item or items (at the time of the contribution).

Example: a person may contribute bumper stickers to a candidate's committee. The amount of the contribution equals the fair market value of the bumper stickers or in this case, what the individual paid for the bumper stickers. It is important to remember that an in-kind contribution counts toward the donor's contribution limits.

Services provided to a campaign for free or at a reduced cost will also be considered an in-kind contribution unless permitted as an individual's volunteer activity for a campaign. The contribution limits do not apply when an individual volunteers his or her own time to a campaign, or uses the individual's personal vehicle to provide transportation incident to an election. §13-233(1) of the Election Law Article.

An individual is not considered a volunteer when a business or other person compensates the individual, directly or indirectly, for working on behalf of the campaign.

Example

- Sheets of Color, a commercial business, designs a logo for John D. Candidate, free of charge. Since Sheets of Color would normally charge \$1,000 for designing logos, the business has made an in-kind contribution of \$1,000 to John D. Candidate's committee. This \$1,000 counts toward Sheets of Color contribution limits discussed in Section 7.2 of this Summary Guide.

2. Independent Expenditures

Independent expenditures occur when a person or organization makes an expenditure to promote the success or defeat of a candidate without coordinating with, or acting at the request or suggestion of the candidate, a political committee of the candidate, or an agent of the candidate. If cooperation or coordination exists between the person and the candidate, then the expenditure would be an in-kind contribution subject to the contribution limits.

3. Personal Expenditures

Personal expenditures by an individual incurred to express purely personal political views are not subject to the contribution limits. The individual must act independently and the expenditure may not be made in coordination with or at the request or suggestion of the candidate, a political committee of the candidate or an agent of the candidate.

- § 13-102 and 1-101(z) of the Election Law Article

8.5 Ticket Purchases

Purchasing a ticket to attend a campaign fundraiser is considered a contribution or a transfer to the political committee selling the tickets. It is a transfer if the ticket is purchased by another political committee or by an out-of-state political committee. It is a contribution if it is purchased by a person.

8.6 Contributions by Business Entities

Contributions made by business entities are subject to the \$4,000/\$10,000 contribution limit. Contributions by different corporations** are considered made by one contributor if:

- The corporations that made the contributions were owned by the same stockholders; or
- One of the corporations wholly owns the other.

-§ 13-226(e) of the Election Law Article

**Under current law, only corporations are required to attribute contributions made by identically owned corporations. This rule does not apply to other business entities such as partnerships, LLCs and LLPs.

If a contribution is from a business entity, the name and address of the entity (not the name of the person who signed the check on behalf of the business) should be entered in the treasurer's records, as well as in the campaign finance reports.

Disclosure by Business Entities

Like all other contributors, a business entity that contributes to a campaign finance entity does not have to file a report of the contribution. The political committee reports the contribution. The exception to this rule is for a business entity that:

- Makes a contribution or series of contributions to a candidate in the cumulative amount greater than \$500; **and either**
- Does business with the State involving consideration of \$100,000 or more (see Title 14 of the Election Law Article); **or**
- Employs a registered lobbyist for compensation in excess of \$500 during the reporting period (see §15-715 of the State Government Article, Annotated Code of Maryland).

Contributions by the business entity, its officers, directors, partners, and employees (if the employees made contributions at the direction of the business entity) and affiliated political committees are attributed to the business entity for this limited purpose. In these instances, the business entity is required to file a report of the contributions semi-annually on February 5th and August 5th. Additional information and the necessary reporting forms may be obtained by calling the State Board or visiting the State Board's website.

8.7 Transfers by Affiliated Political Committees

Transfers by committees that are affiliated with one another are treated as if they were made by one contributor. Committees are “affiliated” if they are organized and operated in coordination and cooperation with each other or otherwise conduct their operations and make their transfer or disbursement decisions under the control of the same individual or entity.

-§ 13-227(d) of the Election Law Article

8.8 Form of Payment (cash, check, or charge)

1. Contributions

A person may not make a contribution of money in excess of \$100 except by check or credit card.

-§ 13-226 of the Election Law Article

A person can make cash contributions up to \$100 for an election cycle. Once the threshold is reached, the person is prohibited from making further cash contributions for the remainder of the election cycle to any political committee.

2. Transfers – Check Only

A transfer must be in monetary form and must be made by check. However, there are instances when a political committee may want to give something of value (other than money) to another political committee. This is permissible, but it is *not* a transfer. A non-monetary donation in non-monetary form would be, an in-kind contribution, and subject to the *contribution limits, not the transfer limits*.

8.9 Determining When a Contribution is Received

Generally, a contribution or transfer should be considered received as of the date the political committee takes possession of it. However, if the date that a contribution or transfer by check is received is in a different election cycle than the date the check

was issued, the date the check was issued is considered the received date. For example: Mr. X issues a check on December 30, 2006. Committee Y does not receive it until January 3, 2007. Since the check was issued in a different election cycle, Committee Y should treat the contribution as if it had been received on December 30th.

-§ 13-232 of the Election Law Article

Four -Year Cycle
2010 Cycle – 1/1/2007 through 12/31/2010
2014 Cycle – 1/1/2011 through 12/31/2014
2018 Cycle – 1/1/2015 through 12/31/2018

8.10 Prohibited Contributions and Transfers

1. No Joint Contributions

Maryland law does not recognize joint contributions. A contribution made to a political committee must be attributed to a single person. If a political party receives a contribution with two names on the check, the contribution should be reported as a contribution by the signer of the check.

If the campaign has knowledge that the check is meant to be from both named individuals on the check, then the contribution should be split equally between the contributors and reported as separate contributions. For example: if you receive a \$100 check from George and Martha Washington, and the political committee has knowledge that both George and Martha Washington intended to make a contribution to the political committee, the \$100 check may be evenly split between both of them and reported on the committee's campaign finance report as (1) A contribution of \$50 from George Washington; and (2) a contribution of \$50 from Martha Washington.

If it is unclear whether or not a contribution is from both individuals, it is the duty of the campaign to contact the contributors to confirm their intention.

2. Anonymous Contributions

Anonymous contributions are strictly prohibited. Accordingly, the campaign treasurer may not accept money or things of value unless the identity of the contributor is known. If an anonymous contribution is received, it must be paid over to the Treasurer of the State of Maryland. When reporting the expenditure on the campaign finance report, please include a remark that states, "*This money is from an anonymous source and is being turned over to the State Treasurer in accordance with §13-239 of the Election Law Article, Annotated Code of Maryland.*"

Maryland State Treasurer 80 Calvert Street, Rm 109 Annapolis, MD 21401
--

-§ 13-239 of the Election Law Article

3. Pass -Through Contributions

A contribution may not be accepted in the name of any other person or entity but the name of the person making the contribution. A person may not use another person as a conduit to conceal the source of the contribution. For example, Johnny Fatcat gives \$4,000 to Sally, a family member, so she can make a contribution to the Committee to Elect Rebecca Goodie. Because the actual source of the contribution is Johnny Fatcat and not Sally, this would be considered a pass-through contribution. Johnny Fatcat is using Sally as a conduit for the contribution to conceal the fact he is actual source of the funds.

- § 13-602(a)(5) of the Election Law Article

4. Contributions During the Legislative Session

Generally

Contributions may not be solicited, accepted, or deposited by the Governor, Lieutenant Governor, Attorney General, Comptroller, a member of the General Assembly, or a person acting on behalf of any of these individuals, during the Legislative Session, which begins on the second Wednesday in January of each year and continues for 90 days.

- §13-235 of the Election Law Article

The prohibition applies to any political committee attached to the Governor Lieutenant, Governor, Attorney General, Comptroller, and members of the General Assembly. For example, a slate with a member of General Assembly on it is prohibited from receiving a contribution even if all other members of slates are not in the General Assembly.

Fundraising for other political committees

The use of a restricted official's name on a fundraising invitation gives the impression that the official is actively engaging in the solicitation for the fundraising event. In addition, others soliciting and selling tickets to the event may even use the name of the official as an incentive for attending. Therefore, the name of the official may not be placed on fundraising invitations during legislative session.

Extended or Special Legislative Session

The restriction only applies to the regular 90 day legislative session and not to an extended or special session.

Exceptions

A restricted official may fundraise during legislative session if the restricted official is a filed candidate for a federal or local office. In order to be considered a filed candidate for federal office, the restricted official must have on record with the Federal Election Commission a *Statement of Candidacy* prior to the commencement of fundraising activities. A courtesy copy of the *Statement of Candidacy* should be provided to the State Board.

In order to be considered a filed candidate for local office, the restricted official must file a *Certificate of Candidacy* with the appropriate local board of elections. Again, the restricted official may not engage in fundraising activities until the *Certificate of Candidacy* is on record.

Finally, a restricted official running for Governor who participates in public financing program may accept eligible private contributions during session only if the member has filed a *Certificate of Candidacy* and a *Notice of Intent to Qualify for Public Contribution* with the State Board.

5. State Funded Entities

An entity that at any time during the election cycle derives the majority of its operating funds from the State may not make a contribution to a political committee during the election cycle.

- §13-236 of the Election Law Article

6. Concealment of Source

Regardless of a political committee's compliance with applicable transfer limits, a political committee or contributor may be in violation of the campaign finance laws if a transfer is made for the purpose of concealing the source of the funds or the intended recipient.

- §13-229 of the Election Law Article

A contributor may not make contributions a political committee in excess of the limits by using another political committee as a conduit for the contribution.

8.11 Receipts

Campaign contribution receipts must be issued for:

- a) Contributions other than the purchase of tickets to an event made in the individual or cumulative amount of \$51 or more;
- b) The purchase of a ticket that costs \$51 or more;
- c) The purchase of several tickets (each costing less than \$51) totaling \$251 or more; and
- d) Contributions, including ticket sales, of any amount, upon request of the contributor.

For a sample contribution receipt, see page 91 of this Summary Guide. Also, if you are using ELECTTrack, it can generate receipts for you.

- § 13-222 of the Election Law Article

Reminder:

All information recorded on a receipt must be included on the campaign finance report. While receipts are not always required (see above), the name, address, and amount of every contributor, including those persons purchasing tickets and small items, regardless of the purchase amount, must be recorded in the treasurer's account books. (*See Wheels of Fortune exception for certain counties, Section 8.14 of the Summary Guide.*)

8.12 Contributions by the Candidate

The candidate or the candidate's spouse may make unlimited contributions to the candidate's campaign committee. The money contributed must be given directly to the campaign treasurer to be deposited in the campaign bank account. Money contributed by the candidate cannot be repaid to the candidate. If the candidate gives money to the campaign with the expectation of possibly being repaid, the money must be reported as a loan to the campaign. Money loaned can be repaid, or if funds do not become available, converted into a contribution.

- §13-231 of the Election Law Article

8.13 Raffles and Wheels

1. Raffles

A political committee, or a candidate for public office, may conduct a raffle in which prizes in the form of cash or merchandise are awarded. The cost of a raffle ticket may not exceed \$5 and an individual may not purchase more than \$50 worth of tickets.

-§ 12-106 (b) of the Criminal Law Article

This section does not relieve the candidate or political committee from the reporting and record keeping requirements of the Election Law Article. Accordingly, the name and address of the purchaser and the amount of each purchase of raffle tickets (regardless of the number of tickets purchased) must be kept as part of the treasurer's books and records.

The raffle tickets must bear an authority line. (*See Section 12 of the Summary Guide.*)

2. Paddle Wheels and Wheels of Fortune

A paddle wheel or wheel of fortune may be used by a political committee at a political fundraiser only in:

- Anne Arundel County;
- Baltimore City; or
- Baltimore County.

The licenses and permits departments within these jurisdictions regulate the use of wheels at political fundraising events and should therefore be consulted before a wheel is used.

A treasurer is not required to identify in the account book of the committee each contribution given by each individual who purchases a spin on the wheel, provided:

- The cost to purchase each spin or chance on the wheel does not exceed \$2;
- Total receipts from wheels do not exceed \$2,500 per election;
- The net income from a wheel does not exceed \$1,500 in a 24-hour period at a single fundraising event; and
- The account book includes the total net amount received at the fundraising event at which the wheel is used and a listing of the names and addresses of the individuals who attended.

If a political committee raises or receives funds from a wheel in excess of any of the limitations, the political committee must either:

- Donate the excess funds to the charity of its choice; or
- Identify in the account book the amount received from each individual who purchased a spin or chance on the wheel.

- *§13-240 of the Election Law Article and §§ 13-406, 13-506, and 13-605 of the Criminal Law Article*

8.14 Payroll Deductions

1. Employer

An employer may accumulate in a separate, segregated escrow account the combined, voluntary, and periodic campaign contributions of employees made by payroll deduction.

The employer is required to keep detailed and accurate records of all payroll deductions, including:

- The names of the individual contributors;
- The date on which each contribution is withheld;
- The amount of each contribution withheld from an employee's paycheck; and
- The disposition of the amounts withheld.

Within 3 months after withholding a contribution, the employer must transfer the contribution (along with the information listed above) to a treasurer of the appropriate political committee, which may be a political action committee (PAC) affiliated with the employer. The political committee is required to treat and report the contributions as if they came directly from the employees.

–§ 13-241 of the Election Law Article

An employer who solicits its employees to make political contributions by payroll deduction must inform each employee of the political purposes of the political committee to which the money will be transferred. The employee must also be informed of his or her right to refuse to contribute without reprisal. Finally, the employer may not receive or use money or anything of value if it is obtained:

- By physical force,
- By job discrimination;
- By financial reprisals;
- By threat of force, job discrimination, or financial reprisals;
- As a result of a commercial transaction; or
- As dues, fees, or other assessment required as a condition of membership in a labor organization or employment.

–§ 13-241(e) and (f) of the Election Law Article

2. Employee Membership Entities

If an employer withholds by payroll deduction an employee's dues to an employee membership entity, for example, a union, the employee may also contribute by payroll deduction to one or more PACs affiliated with the membership entity. The employer is required to collect the contributions and transmit them to the employee membership entity designated by the employee.

The money accumulated by an employer under such a program must be deposited in a segregated escrow account maintained solely for that purpose. The funds in the account must be transferred along with the information specified below, to the employee membership entity within 30 days after being withheld.

Within 30 days after receiving the money, the employee membership entity must transmit the employee contributions:

- To its affiliated PAC; or
- To a State or local chapter of the membership entity, if the contribution was designated for a PAC affiliated with the State or local chapter. The State or local chapter must transmit the funds to its affiliated PAC within 5 days after receipt.

The affiliated PAC, in conjunction with its employee membership entity and the employer, must keep detailed and accurate records of each contribution, including:

- The names of the individual contributors;
- The date on which the payroll deduction was made;
- The amount of the contribution to the PAC;
- The name of the affiliated PAC designated by the employee to receive the contribution; and
- The date on which the contribution was received by the employee membership entity and the affiliated PAC.

The PAC is required to treat and report the contributions as if they came directly from the employees.

–§ 13-242 of the Election Law Article

The rules for soliciting, receiving, and using contributions by an employer payroll deduction to a political committee apply to an employee membership entity and the affiliated PAC.

–§ 13-242(f) of the Election Law Article

3. Reporting Payroll Deductions

Payroll deductions may be reported on campaign finance reports as a lump sum. However, once an individual has contributed \$51 or more in the election cycle, that individual is required to be reported separately on the campaign finance report and receive a receipt.

8.15 Collection by Membership Entities

1. Generally

A membership entity (an organization that collects dues from its members) may establish a program for periodically collecting voluntary contributions from its members for the membership entity's affiliated PAC. The contributions must be collected along with:

- Membership dues invoiced and collected by the affiliated entity on a periodic basis; or
- Voluntary contributions made to a federal PAC, if the federal PAC is also affiliated with the membership entity.

The membership entity is required to transfer the contributions to the affiliated PAC within 30 days of receiving the contributions.

The membership entity is required to maintain a detailed and accurate record of all contributions collected. The records must include:

- The names of the individual contributors;
- The date on which each contribution was received;
- The amount of each contribution; and
- The disposition of the contributions.

Example

The State Jugglers Association collects monthly dues from its members. The Association may collect a voluntary PAC contribution from each member along with the dues. Members will be able to write one check to the Association with the understanding that a portion of the money will be sent to the PAC by the Association within 30 days after receipt.

The PAC is required to treat and report the contributions as if they came directly from the individual members of the membership entity.

2. Rules Regarding Solicitation of Members

In soliciting a member to contribute to its affiliated PAC, a membership entity must inform the member of the political purposes of the PAC and that the member has the right to refuse to contribute to the PAC without reprisal. A contribution may not be secured, received, or used by the membership entity or its affiliated PAC if it is obtained as dues, fees or other assessment required as a condition of membership or by actual or threatened:

- Physical force;
- Membership discrimination; or
- Financial or professional reprisals.

- § 13-243 of the Election Law Article

8.16 Administrative Contributions (Party Central Committees and PACs only)

Administrative contributions are earmarked contributions by the donor for non-campaign or non-electoral expenditures.

1. Who can receive Administrative Contributions?

Only a political party central committee and a political action committee of a corporation may receive administrative contributions.

2. Who can make Administrative Contributions and what are the limits?

A person may make unlimited administrative contributions to a party central committee. For a corporate PAC, only the corporate sponsor may make an administrative contribution. The contribution will not count against the person's \$4,000/\$10,000 contribution limit. The contribution must be expressly earmarked as an administrative contribution; otherwise it will be considered a normal campaign contribution subject to the limits.

Political committees are prohibited from making transfers for an administrative purpose.

3. Receipt and Use of an Administrative Contribution by a Central Committee

A central committee may not commingle administrative contributions with campaign funds. Administrative contributions must be maintained in a separate account and may not be directed for any other use.

Administrative funds can only be used for non-campaign related expenses such as:

- Salary for central committee employees, including part-time employees;
- Office equipment and supplies;
- Cell phones, pagers and blackberries for staff, including part-time staff and volunteers;
- Maintenance of a voter file;
- Voter registration activity;
- Generic issue polling;
- Rent, utilities and building maintenance for the central committee headquarters and offices;
- Bank charges and accounting fees for preparing taxes, or filing campaign finance report, a similar routine accounting tasks ;
- Legal fees for litigation arising from campaign activities by the central committee.

Prohibited uses of administrative funds include paying for:

- Walk around services
- Get out the vote activities
- Maryland State or local candidate specific polling
- Producing flyers, brochures, signs and other forms of public communications referencing a State or local candidate, a slate of State and/or local candidates or a political party.
- Late fees for the central committee

This is not an exhaustive list. Please contact the State Board for further information.

4. Receipt and Use of an Administrative Contribution by a Corporate PAC

A corporation may make an unlimited administrative contribution to its affiliated political action committee. Administrative expenditures may be used for the initial startup, such as modifying the payroll computers and obtaining legal advice for establishment of the PAC. The funds may also be used for yearly costs of maintaining records, filing reports and salaries.

5. Reporting Requirements

Administrative contributions and expenditures are reported separately from campaign related contributions and expenditures.

8.17 Contributions by Minors

Contributions by minors are permissible. However, the financial independence of the minor should be established. For example, a parent cannot contribute \$4,000 to a political committee and then give \$4,000 to his 2-year-old child so the child may also make a contribution. This scenario would be considered a pass through contribution and an attempt to circumvent the contribution limitations.

Chapter 9 – Expenditures

9.1 Generally

An expenditure is defined as a gift, transfer, disbursement, or promise of money or valuable thing by or on behalf of a political committee to promote or assist in promoting the success or defeat of a candidate, political party, or question at an election.

- §1-101(aa) of the Election Law Article

- Expenditures must be election related; that is, they must enhance the candidate's election chances, such that they would not have been incurred if there had been no candidacy.
- Expenditures, including loans, may not be for the personal use of the candidate or any other individual.
- Except as expressly authorized by law, expenditures must be made by the treasurer.¹³
- Except as expressly authorized by law, expenditures must be by check signed by the treasurer from the campaign bank account.
- Expenditures must be supported by receipts or vouchers, which must be kept with the treasurer's books and records.

If you are unsure whether a planned expenditure is lawful, contact the State Board of Elections.

9.2 How to Make Expenditures

1. Direct Expenditures

Expenditures made by the campaign finance entity must be by check except in limited circumstances. The only authorized signatory for checks on the account is the treasurer and when the treasurer is unable to perform its duties, the chairman. The political committee cannot use a credit card, money order or debit card to make an expenditure. Wire transfers or electronic withdrawals are also prohibited.

- § 13-218 & 220 of the Election Law Article

Automatic bank fees and charges do not require payment by check. However, such fees and charges are still expenditures by the political committee and therefore must be accounted for in the campaign finance report.

2. Reimbursement

If the payee does not accept checks, then a person, not the political committee, would have to use his or her personal debit or credit card to make the purchase and then seek a reimbursement from the political committee by check.

¹³ The exception to the rule is reference in section 7.3 of the Summary Guide.

The candidate, treasurer, or an authorized campaign worker may pay an expense of the campaign from personal funds and seek a reimbursement, provided:

- The expense is supported by a receipt that is retained by the treasurer of the political committee;
- The treasurer reimburses the person who paid the expense by check from the campaign bank account;
- The reimbursement is made within the same reporting period as the initial transaction; and
- The reimbursement is reported as specified in Section 11 of this Summary Guide.

- § 13-220(b) of the Election Law Article

Important: Reimbursements cannot be used in lieu of loans. Accordingly, if a campaign does not have sufficient funds to make a reimbursement, the expenditure should not be made. Instead, the candidate, treasurer, or authorized campaign worker should make a loan to the campaign. This will allow the campaign to make the purchase directly, and the lender can be repaid as funds become available. Further, this approach will allow the campaign to accurately and timely disclose the transaction.

9.3 Petty Cash

A petty cash fund of up to \$250 may be maintained by the treasurer in a separate account book. The fund must be established and replenished only by check. All expenditures from this fund must be supported by receipts which must be kept as part of the treasurer's account books and records. The expenditures must be reported by category on the appropriate campaign finance report. No more than \$25 in the aggregate may be disbursed from the petty cash fund to any single recipient in connection with any primary or general election.

- § 13-220(c) of the Election Law Article

Recommendation

Even though the law permits the use of petty cash, it is recommended that, whenever possible, campaign expenditures be made by check from the campaign bank account.

9.4 Expenditures to Federal Candidates and Committees

A political committee may make an expenditure to a federal candidate or federal PAC only if the expenditure directly serves a campaign purpose for the political committee making the expenditure. The political committee should contact the Federal Election Commission regarding permissible limits and registration requirement.

9.5 Expenditures to a Municipal Candidate and Committee

Generally, funds collected for a State election campaign may be used only in State and county elections. If the expenditure made to a municipal candidate serves a campaign purpose for the State political committee, the expenditure may be permissible. Consult local law for any applicable municipal campaign finance limits.

Remember, Baltimore City is not considered a municipality for this purpose. Baltimore City elections are subject to State campaign finance regulations.

9.6 Legislative Newsletters

It is permissible for a candidate committee of an incumbent member of the General Assembly to use campaign funds to pay for the publication expense of a legislative newsletter. A legislative newsletter is a document used by an incumbent to disseminate information to a constituent, voter, or potential voter about an issue of public interest or the incumbent's performance in legislative office.

Instead of using campaign funds, an incumbent may pay for the publication of a legislative newsletter from the personal funds of the incumbent or the incumbent's spouse if:

- The incumbent has not filed a certificate of candidacy;
- The legislative newsletter contains a notice that it is disseminated at the personal expense of the incumbent; and
- Within 10 days after the first mailing or distribution of the issue, the incumbent files a campaign finance report with the State Board that includes a detailed list of publication expenses and an affidavit that no funds for the newsletter have been solicited or received from any source to supplement personal funds.

–§ 13-406 through 13-409 of the Election Law Article

9.7 Prohibited Expenditures

In general, campaign expenditures must promote a candidacy, not simply the individual running for office.

Prohibited expenditures of campaign funds include:

- For personal use or expenses related to holding office.
- Paying for a personal endorsement.
- §13-245(c)(1) of the Election Law Article
- Paying late filing fees.
- §13-331(d) of the Election Law Article

For example, a candidate may not use campaign funds to pay a mortgage payment or an oil change on a personal vehicle. These types of expenditures would have occurred regardless of the individual being a candidate. Additionally the nexus between the expenditure and the promotion of the candidacy is too tenuous.

This is not a comprehensive list. If you have any questions regarding permissible expenditures, please contact The State Board.

9.8 Charities

Generally, campaign funds may not be used solely for charitable purposes. Maryland law requires campaign funds to be used for the purpose of supporting or opposing a candidate, question, or political committee. Furthermore, it is important to keep in mind that contributors give to campaign committees for one important reason – they want to support the committee's candidate, question, or political party. When campaign funds are spent for a non-campaign related purpose, it frustrates the intent of the contributor.

However, there are instances when a charitable donation is permissible because it is for a campaign purpose. For example, a candidate may permissibly use campaign funds to attend a charitable event since attending the event increases the candidate's visibility and allows the candidate to network with potential voters and donors.

9.9 Legal Defense

1. Permissible Expenditures

Contesting or Maintaining Election Results

A candidate or political committee may use campaign funds to pay reasonable legal expenses incurred to contest or maintain the results of the candidate's election. A person may donate money or legal services for this purpose and the value of the donation will not be considered a campaign contribution.

Campaign-Related Legal Defense

Campaign funds may be used to pay for legal costs associated with an investigation or criminal proceeding that has a direct connection with the individual's candidacy. *See 78 Opinions of the Attorney General 155 (1993).*

2. Impermissible Use

Non-Campaign-Related Legal Expenses

It is prohibited for any candidate or political committee to use campaign funds for legal or other expenses related to investigations or court proceedings that do not have a direct connection with the candidacy. For example, investigations or charges involving misconduct in an individual's employment or public office are not campaign-related, even if the charges first come to light as a result of the individual's decision to run for elected office. Non-campaign-related legal costs are considered "personal" expenses for purposes of the campaign finance laws.

3. Separate Legal Defense Funds

A candidate may establish a legal defense fund separate from the campaign committee and accept donations from others. A separate legal defense fund may be used to defend against any type of charge, whether campaign-related or not. Donations to a segregated legal defense fund are not considered campaign contributions.

Candidates defending against a prosecution for campaign-related improprieties who wish to use campaign funds or donations from others to defray legal defense costs are urged to contact the State Board for further guidance. Funds collected and used for legal expenses must be kept in a segregated account and may not be converted to campaign use after the legal expenses have been paid.

Please note, while a candidate may raise funds for legal defense that will not be subject to campaign finance contribution limits, if the candidate is an officeholder, ethics rules on gifts and disclosures may apply.

Chapter 10 – Loans

10.1 Generally

Loans are a permissible way for a campaign to receive funds. There is no limit on the amount of money that can be loaned to the campaign. However, unless the loan is executed properly and paid off in a timely manner, the loan will be converted into a contribution. This could have serious legal consequences for the political committee and the lender if the loan exceeds applicable contribution limits.

10.2 Receipt of Loans

1. Non-Candidate committees

Non- Candidate committees may receive a loan only from a financial institution or an entity in the business of making loans. It may not receive a personal loan from an individual.

2. Candidate Committees

A. Formal

A candidate committee may receive a loan from anyone only if the loan is:

- Personally guaranteed by the candidate; and
- Repaid by the end of the next election cycle immediately following the election cycle in which the loan was received.

B. Informal Candidate Loans

A candidate or the candidate's spouse may make an informal loan to the candidate's committee. To do so, the candidate (or the candidate's spouse) simply loans money to his or her own campaign and he or she does not file the loan consent form or charge interest. By making an informal loan, the repayment period (by the end of the next election cycle) is not applicable.

However, if the candidate does want to charge interest, the loan consent form must be filled out (and filed with the campaign finance report) and the loan must be repaid by the end of the next four-year-cycle.

- § 13-230 of the Election Law Article

10.3 Interest

Interest must be calculated and charged on all loans, based on the prime rate on the day that the loan is made.

- If the lender agrees not to be paid interest, the interest amount that should have been paid must be treated as an in-kind contribution from the lender.

Interest Rate

It is the responsibility of the candidate to document, using a commercially reasonable standard, the prime rate on the day the loan was made. For example: the Wall Street Journal publishes the prime rate every day in its "Money Rates" column. The definition of prime rate in the Journal is the rate on "corporate loans at large U.S. money center commercial banks."

- If the lender agrees to an interest rate that is less than the prime rate, the difference between interest at the agreed rate and interest at the prime rate must be treated as an in-kind contribution from the lender.

10.4 Loan and Repayment Examples

Example 1

Entity Name	Bank of Maryland
Date Loan Accepted	10/26/2010
Loan Amount	\$1,000
Interest Rate Charge	8% per annum
Prime Interest	8% per annum
Balance	\$1,080
In-Kind Interest Amount	0
Repayment Terms	1 year

The loan, amount, source of funds and interest expense must be reported on the campaign finance report.

Example 2

Candidate Committee – General Loan

Entity Name	Bank of Maryland
Date Loan Accepted	10/26/2010
Loan Amount	\$10,000
Interest Rate Charge	4% per annum
Prime Interest	6% per annum
Interest Paid	\$400
Interest Rate (prime)	\$600
In-Kind Interest Amount	\$200
Repayment Terms	5 years

Assume the loan inception date is 10/20/10, thus incurred within the 2010 contribution cycle (1/1/07 through 12/31/10). If the loan is not from a financial institution, the loan must be repaid before the end of the next election cycle or the 2014 Election Cycle (1/1/011 through 12/31/2014) and must be personally guaranteed by the candidate. If the loan is not repaid by the end of the next election cycle, it becomes a contribution and would exceed the \$4,000 contribution limit.

Additionally, in this example the interest rate charged on the loan is 4%, whereas the prime rate is 6%. The 2% difference must be accounted for as an in-kind contribution of \$200.

(See Section 11.10 of the Summary Guide for information on how to report loans on the campaign finance report.)

Chapter 11 – Campaign Finance Reports

11.1 When Reports Must Be Submitted

1. Election Years

During each election cycle, there are three different “election years” for purposes of campaign finance reporting:

- A. Baltimore City
- B. Presidential election year; and
- C. Gubernatorial election year.

The political committee must designate one or more election years in which it will participate. This designation will affect the reporting schedule of the political committee.

An authorized candidate campaign committee must at least designate the election year in which the office sought appears on the ballot. For example, House of Delegate candidates must designate the Gubernatorial election year.

2. Reporting Periods

All political committees must submit an Annual Campaign Finance Report due the third Wednesday in January.

Additionally a political committee is required to file the following campaign finance reports in the election year which it has designated for participation.

Gubernatorial and Baltimore designated committees:

- First Pre-Primary Report – due on the 4th Tuesday before the primary election
- Second Pre-Primary Report – due on the 2nd Friday before the primary election
- Ballot Issue Report – due on the 4th Friday before the general election¹⁴
- Pre- General Report – due on the 2nd Friday before the general election
- Post- General Report – due on the 3rd Tuesday after the general election

Presidential designated committees:

- Pre-Primary Report – due on the 2nd Friday before the primary election
- Ballot Issue Report – due on the 4th Friday before the general election
- Pre- General Report – due on the 2nd Friday before the general election
- Post- General Report – due on the 3rd Tuesday after the general election

3. Participating in non-designated elections

If the political committee participates, in an election it did not designate, the responsible officers must notify the State Board immediately and begin to file all campaign finance reports in accordance with the reporting schedule for that election year, beginning with the first report due following the date of the committee’s first financial transaction relating to the relevant election. This will not affect the designation of the committee for future years and reports.

¹⁴ The Ballot Issue Report is only for Ballot issue committees. All other political committees are not required to file this report.

For example: Committee A designates Gubernatorial Elections *only*. However, on September 5, 2011, Committee A made a transfer of funds to a Baltimore City mayoral candidate. Committee A is required to notify the State Board of its participation in the election and file the Baltimore City Pre-General and Post-General reports.

4. Pre-Report Notices

Pre-report notice postcards or letters are mailed 10 to 20 days before each report due date. If the committee receives a pre-report notice, then the committee must file a campaign finance report. To make sure that the notice is received, addresses of the chairman, treasurer, and candidate must be kept current.

11.2 Filing Exception- Affidavit of Limited Contributions and Expenditures

In lieu of filing a detailed campaign finance report, a political committee may file the *Affidavit of Limited Contributions and Expenditures* if the committee did not spend or receive more than \$1,000 in the aggregate, exclusive of the filing fee, within a campaign finance reporting period. Please note, the Affidavit does not relieve the committee of any future reporting requirements and must be renewed every reporting period.

Once the political committee does exceed the \$1,000 threshold, it must file a detailed campaign finance report at the subsequent filing period. This report must also include any and all transactions that occurred during the period covered by the Affidavit.

- §§ 13-305, 13-309(a) and 13-312 of the Election Law Article

11.3 Where Reports Must Be Submitted

All political committees must file their campaign finance reports or Affidavits with the State Board.

11.4 How to File a Campaign Finance Report or Affidavit

1. Electronic Filing of a Campaign Finance Report

- Electronic Filing of Campaign Finance Reports

All political committees are required to file campaign finance reports electronically, on a diskette or other electronic storage medium, or via the Internet. The State Board provides free software (ELECTrack EFS) to each political committee for the purpose of electronic filing. Political committees have the option of using their own software or software created by a private vendor, provided the software meets the exact data structure requirements established by the State Board.

- § 13-324 of the Election Law Article

2. How to Submit Your Reports

- Internet (SFTP): If you use the Maryland ELECTTrack software and have an Internet connection, you can transmit your report to the State Board via the Internet. You can file via the Internet until 11:59 PM on the filing deadline. The responsible officers must still sign and mail the Transmittal Sheet within 10 days after filing the report. A copy of the transmittal sheet should be retained by the political committee for their records.
- Mail: A campaign finance report on a diskette or other electronic storage medium that is mailed is considered timely, regardless of when it is received by the State Board, if there is a U.S. Postal Service postmark confirming that the report was mailed on or before the report due date. A report that has a private postage meter postmark, or that is supported by a receipt from a private carrier, will also be considered timely if:
 1. The receipt or postmark indicates that the report was sent on or before the report due date; and
 2. The report is received within 3 days after the filing deadline.
- Hand Delivery: A campaign finance report on a diskette or other electronic storage medium may be hand delivered. It must arrive on or before the close of business on the report due date. The State Board will issue a receipt.

Remember: All campaign finance reports must be electronically filed. If the committee mails or hand delivers the campaign finance report, the campaign finance report has to be in an electronic format, either on a floppy disk, CD or flash drive. A hard copy report will not be considered received or timely and late fees will accrue.

Additionally, the political committee is required to file a signed transmittal sheet. ELECTTrack EFS automatically generates the transmittal sheet when the report is exported. Political committees not using ELECTTrack EFS can fill out and use the attached transmittal sheet form. The transmittal sheet must be signed by the responsible officers of the political committee.

Political committees are not required to file a paper copy of the report.

3. Electronic filing of the Affidavit of Limited Contributions and Expenditures

Affidavit of Limited Contributions and Expenditures can be filed online at <http://www.elections.state.md.us/EAffidavits/index.html>. The filing requires the chairman or treasurer to sign the Affidavit electronically.

4. Waiver of the Requirement to File Electronically

A political committee that has minimal financial transactions may request a waiver of the electronic filing requirements from the State Board. To obtain a waiver, a political committee must maintain a cash balance of less than \$3,000, minus any outstanding obligations, and/or have less than 30 transactions during a reporting period. The waiver must be requested, in writing, on the form supplied by the State Board, before the report due date.

-COMAR 33.13.03.01B

5. Resources for Filers

Treasurers who do not have access to computer equipment can use the public computers at the State Board to file their campaign finance reports. Please contact the State Board to reserve a time.

11.5 Liability for Failure to File

1. Fees for late reports

- A late filing fee is assessed for each campaign finance report that is not filed on or before the due date. The fee is \$10 per day. There is an additional fee of \$10 for each of the first 6 days that a pre-election report is overdue. The maximum fee chargeable per report is \$250.

Please note that Maryland law does not authorize an extension of the campaign finance report filing deadlines under any circumstance.

- §13-331 of the Election Law Article

- Late fees are computed from the day after the due date through and including the day the report is received by the State Board, but excluding Saturdays, Sunday and holiday.
- The late fee is the personal liability of the responsible officers who include the treasurer and the chairman.
- A committee is not in compliance until all late fees have been paid.
- Failure to file a requested amended campaign finance report within 30 days after receipt of a written notice of deficiency from the State Board will result in the assessment of a daily late fee.

Late fees may <u>not</u> be paid directly or indirectly from campaign funds.
--

2. Consequences of unpaid late fees and missing reports

A. Filing for Office

The responsible officers of a committee may not become a candidate for a public or party office in this State, or become a treasurer for a political committee if:

- There exists a failure to file a campaign finance report; or
- A late filing fee is owed.

- § 13-332 of the Election Law Article

B. Taking Office

The responsible officers of a committee, *not* the candidate unless the candidate is the chairman, may not be sworn into office or receive any salary for that office until the failure to file has been corrected. An official of the State or any of its political subdivisions may not issue a commission or administer an oath of office to an individual until that official has received a certification from the State Board declaring the responsible officer is in compliance.

- § 13-333 of the Election Law Article

11.6 Report Forms

The campaign finance report consists of a summary page and the following schedules:

- Schedule 1 – Contributions
- Schedule 1A – Transfers in from Maryland and Out-of State Campaign Finance Entities
- Schedule 1B – Other Receipts and In-Kind Contributions
- Schedule 2 – Expenditures
- Schedule 3 – Outstanding Obligations
- Schedule 4 – Loan Consent Form

The committee must file at least the Summary Page. It is not required to file the schedules that are not used.

11.7 Summary Page

On the summary page, the committee must provide general information including the name of the political committee, the entity number, the committee’s bank account information (including bank account balance), and the report date for which the report is being filed. Additionally the receipt and expenditure subtotals from the different schedules and the political committee’s calculated cash balance must be on the page. If the committee has a waiver of electronic filing, then the summary page must be signed and dated by the treasurer and the chairman.

11.8 Reporting Receipts – Schedules 1, 1A, & 1B

1. Receipts Entry

When your political committee receives money or other things of value, you must be careful to properly identify the type of entity that contributed the money or other things of value.

Type of Receipt	Entity	Schedule*	Column*
Contribution	Individual or business entity	1	A
Contribution	Ticket purchased by individual or business	1	B
Contribution	Federal Committee	1	C
Contribution	Political Club	1	D
Transfer	Candidate account (including slate)	1A	E
Transfer	Party Central Committee	1A	F
Transfer	Maryland PAC	1A	G
Transfer	Non-Federal Out-of-State Political Committee	1A	H
Other (refund, interest)	All entities	1B	I
In-Kind Contribution	All entities	1B	J
Loan	All entities	3	K
Outstanding Obligation	All entities	3	M

* If you are using the paper form make sure you enter receipts on the correct schedule and column.

2. Aggregate to Date

When entering receipts you must indicate the aggregate-to-date received from each contributor, transferor, or lender. **For example:** if you receive \$2,000 from Ken Tribuder, and that was your first contribution from Ken, you would indicate the contribution amount as \$2,000 and the aggregate-to-date amount as \$2,000. When you receive a second contribution from Ken Tribuder for \$1,900 you would indicate the contribution amount as \$1,900 and the aggregate-to-date as \$3,900. You would continue to aggregate the contributions received from Ken Tribuder until the four-year election cycle ends. The aggregate-to-date column is useful in helping you to avoid accepting an over-contribution. In the current example, you would know that you can only receive another \$100 from Ken Tribuder during the current election cycle because of the \$4,000 contribution limit.

3. Required Elements

For contributions received, the campaign finance report filed by a political committee shall include:

- The date that the contribution was received by the campaign finance entity;
- The amount of money or fair market value of the contribution; and
- The name of:
 - The individual who made the contribution;
 - The business, corporation, limited liability corporation, partnership, union, or other legal entity that made the contribution;
 - The campaign finance entity that made the contribution; or
 - The non-federal out-of-state political committee that made the contribution;
- The address of the contributor, provided that:
 - If the contributor is an individual, the address where the individual resides or receives residential mail; or
 - If the contributor is a business entity, including a corporation, limited liability corporation, union, or other legal entity, the address where that business entity is registered or does business;
- Whether the contribution transaction was cash, check, credit card, or payroll deduction;
- Whether the contribution is from:
 - An individual or corporation;
 - A ticket purchased by an individual or corporation including the amount per ticket;
 - A federal committee;
 - A political club;
 - The campaign finance entity of a Maryland candidate committee;
 - The campaign finance entity of a Maryland party central committee;
 - The campaign finance entity of a Maryland political action committee; or
 - A non-federal, out-of-state political committee;
- The aggregate amount of contributions received to date from the contributor for the election cycle in which the campaign finance report is filed;
- For a political party central committee or a political action committee associated with a business entity, whether the contribution was an administrative contribution; and
- If an in-kind contribution, a description of the in-kind contribution.

4. Lump Sum Reporting

Lump-sum record keeping and reporting of campaign contributions on the campaign finance report is permitted only in very narrow circumstances. Recording contributions in a political committee's account books as a "lump sum" is prohibited, except for certain qualified gaming receipts. The following contributions, including ticket sales, may be reported on Schedule 1 of the campaign finance report as a lump sum.

- A monetary contribution, other than a ticket purchase, that is \$50.99 or less;
- The purchase of one or more tickets for a campaign event provided:
 - the cost of a ticket is \$50.99 or less; and
 - The cumulative amount per person is less than \$250.99; or
- The purchase of a spin or chance on a paddle wheel or wheel of fortune

Reporting lump sum contributions on a campaign finance report does not relieve the treasurer of the responsibility for maintaining all required information in the account book of the political committee. The treasurer must identify all contributors, including ticket purchasers, by name, address, date of contribution, amount, (regardless of the amount) and form of the contribution (i.e., check, credit card, description of asset and services received). Failure to include the requisite information shall be considered non-compliance and subject to penalties.

Hint: It is recommended that you not lump sum report contributions. First, it is difficult to keep track of the aggregate for each contributor. Second, if you are using ELECTrack, you will not be able to take advantage of the automatic aggregate feature. Finally, if you are using ELECTrack or any other software, you will not have the benefit of having that contributor's information as part of your database.

11.9 Reporting Expenditures – Schedule 2

1. Generally

Expenditures are recorded on Schedule 2 and informatively coded. (*For example:* a payment for a radio commercial would be listed under code Q, media.)

2. Reimbursements

When reporting an expenditure that was made from personal funds and then reimbursed, the treasurer must report the name and address of:

- The person who ultimately received the campaign funds (payee); and
- The person who received the campaign check as a reimbursement for the expenditure.

For example: Bob Jones has been authorized by the campaign finance entity to spend personal funds on behalf of the campaign. Bob goes to Office Mart and buys \$50 worth of paper and office supplies. The treasurer promptly pays Bob back, identifying:

- Office Mart as the person who ultimately received the campaign funds (payee); and
- Bob Jones as the person who received the campaign check as a reimbursement.

Assume that Bob also went to Office Warehouse and Office Emporium and spent \$60 at each. The treasurer could write one check for \$170 to Bob to reimburse him for all three expenditures. However, when it comes time to report this information, the treasurer must make three separate entries on the reporting form as follows:

Date	Check No.	Name and Address of Payee	Name and Address of Reimbursee	Amount
1/5/10	007	Office Mart 123 Main St. Annapolis, MD 21401	Bob Jones 234 Bay Blvd. Annapolis, MD 21401	\$50
1/5/10	007	Office Warehouse 523 Defense Hwy Annapolis, MD 21401	Bob Jones 234 Bay Blvd. Annapolis, MD 21401	\$60
1/5/10	007	Office Emporium 135 West Street Annapolis, MD 21401	Bob Jones 234 Bay Blvd. Annapolis, MD 21401	\$60

3. Returned Contributions

Occasionally, a political committee needs to return a contribution to the contributor. Report this transaction as an expenditure made to the contributor. Select expenditure code Z on ELECTrack EFS. Do not report a returned contribution as a negative contribution.

4. Funding an In-Kind Contribution

If the expenditure funded an in-kind contribution to another political committee, the campaign finance report must also disclose the name of the political committee receiving the in-kind contribution.

-COMAR 33.13.02.02C(7)

11.10 Reporting Loans - Schedule 3

1. Reporting the Receipt of a Loan

- Loans received must be recorded on Schedule 3. The political committee needs to report the name and address of the creditor, the date the loan was accepted, the total amount of the loan, interest rate charged and the prime rate as of that date.
- When the loan is first received, the loan consent form (Schedule 4) must be filled out completely and filed with the State Board at the time the next campaign finance report is due. A loan cannot be made to the campaign of a candidate, or accepted on behalf of the campaign, without the express written consent of the candidate. Schedule 4 specifies the terms of the loan, the schedule for repayment, the interest rate charged, and the prime rate on the day the loan was accepted. Accordingly, when entering a new loan in ELECTrack EFS, the treasurer needs to click the “Written Consent Filed Herewith” button.

- If a candidate (or spouse) makes loans to the political committee, click on the “Informal Candidate Loan.” A loan consent form (Schedule 4) will not required. Informal Candidate loans may not charge any interest and there is no requirement to record the in-kind contribution of the difference from the prime rate.
- If a non-candidate political committee accepts a loan, the treasurer shall acknowledge receipt of the loan by signing the Schedule 4.
- If the actual interest amount charged (which can be zero) is less than the prime rate on the date the loan was received, the difference is an in-kind contribution which must be reported. The in-kind contribution does count against the creditor’s contribution limits to the campaign and may not exceed \$4,000 in an election cycle. The prime rate is published daily in the Wall Street Journal under its “Money Rates” column.

2. Reporting the Repayment of a Loan

- When loans are repaid, the amount repaid is entered on Schedule 2, Code X.
- Until the loan is completely repaid, the loan balance amount needs to be updated on Schedule 3. The original loan amount does not get altered.
- If you are reporting a loan repayment on the same report that the loan was first made, you should have two entries: one with the original balance and one with the current balance.

3. Reporting Unpaid loans

- Even if no payment was made on a loan during the reporting period, you must still report the loan and the outstanding balance on Schedule 3 (and continue to do so until the loan is paid off).

Note: If you are using the ELECTTrack Software, the loan will automatically be carried forward until paid off. When entering a repayment of a loan, please consult the ELECTTrack EFS Help Guide to do so properly.

- If a loan to a candidate committee remains unpaid at the end of the four-year cycle after the loan was initially made, it becomes automatically a contribution that must be reported on Schedule 1 and subject to the contribution limits. (See *Chapter 9 of this Summary Guide*)
- If a loan is forgiven by a lender, the date on which the loan was forgiven must be entered. It will automatically zero out the remaining balance and convert to an in-kind contribution.

11.11 Reporting Bills

A bill is any expenditure that is unpaid at the end of a reporting period.

Bills must be recorded on Schedule 3 whenever the campaign receives goods or services that will not be paid for during the current reporting period. When the bill is paid, the amount paid is entered on Schedule 2, and coded with what best represents the purpose of the payment. The bill is reported on each report (and the balance is updated) until it is completely paid off.

11.12 Reporting Items Sold

If the campaign sells items for the purpose of fundraising, the money from the sale should be treated as a campaign contribution and reported on Schedule 1. Furthermore, if the item sold was donated to the political committee, the person who donated the item must be reported as making an in-kind contribution for the fair market value of the item.

11.13 Reporting Credit Card Contributions

Generally, for every credit card contribution, a fee is assessed for the transaction. The political committee must report the entire amount of the contribution and report separately the expenditure made for the transaction.

For example: A person makes a credit card contribution of \$100 to a candidate committee. The candidate committee hired a service to process the transaction. The hired service charges 1% of the amount per transaction. The candidate committee reports receiving a contribution of \$100 from the person and also reports making an expenditure of \$1 to the hired service.

11.14 Creating an Amendment

When you need to correct deficiencies, add or change information in a previously exported report (i.e., one already sent to the State Board), you **MUST** file an amendment.

In order to execute the amendment option, the report which you want to amend MUST have been already created and exported (i.e. filed with the State Board).

For ELECTrack EFS users to create an amendment:

- Go to the EFS Main Window
- Click on the “Create or Edit a Report” button (which will open the “Report Entry” window)
- Click on the report that you want to amend (i.e. 2010 Annual Report).
- A message will appear with the question “Has this report been sent to the State Board of Elections.”
- If you answer “yes” the amendment field will automatically display an amendment sequence number (i.e., if it is the first time amending the report, the number “1” will appear). Click on the save button.
- If you answer “no”, *you will not be creating an amendment*. Therefore, you should only indicate “no” if you have exported the report but have not sent it to the State Board. This situation only occurs if you do not file the report via FTP but save it to a CD or disk and mail it to the State Board; and, it has not been entered into the State Board database.

NOTE: We highly recommend that you print a copy of the old report before you amend it since ELECTrack EFS DOES NOT save prior versions of reports.

Once you have entered in the changes and are ready for exporting, EFS will automatically perform a review of the new, amended report. EFS will compare the contents of the new amended report with the most recent version of the same report contained in the EFS database.

An Amendment Description Report will be generated detailing line by line the differences found between the two reports with the Schedule and Item number as well as a description of the change.

The treasurer and chairman must sign the Amendment Review Report and file it with the amended report.

Chapter 12 – Campaign Literature and Paraphernalia

12.1 Authority Lines

1. Generally

Campaign material includes signs, buttons, letters, tickets, solicitations, radio and television advertisements, websites, bumper stickers, and paraphernalia such as pencils, hats, and t-shirts.

Each item of campaign material must include an authority line, set apart from the other printing or content of the campaign material. The authority line must state the name and address (unless the address is on file with the State Board) of the person who is responsible for the production and distribution of the campaign material.

-§ 1-101(k) and § 13-401 of the Election Law Article

2. Campaign Materials Produced by a Political Committee

If the campaign material is produced by a political committee, the authority line must contain:

- The name of the treasurer; and
- The name of the campaign finance entity.

Example of authority line for a committee.
Committee to Elect Mary Smith, John Jones, Treasurer

If the material is too small to permit the inclusion of all required information in a legible manner, the material need only contain the name and title of the treasurer.

Example: John Jones, Treas.

The Office of the Attorney General has stated that almost no material is too small to permit inclusion of the complete authority line. Accordingly, every effort should be made to include the entire authority line.

3. Mailings

If there is more than one piece or item bearing the candidate's name in a mailing (*for example*, a brochure, a cover letter, a bumper sticker, a reproduction of a newspaper article), each piece must bear the authority line. An envelope that does not include the name of a candidate, the name of a campaign finance entity, or a campaign slogan need not contain an authority line.

4. Campaign Materials Produced by a Person

Campaign materials paid for by a person other than the political committee mentioned in the campaign materials are either an *in-kind contribution* to the political committee or an *independent expenditure*. This distinction dictates the contents of the authority line.

- ***In-Kind Contribution:*** If an individual or an entity pays for a sign or other item in support of a candidate with the candidate's cooperation and coordination, the sign or other item should have the authority line of the candidate's campaign finance entity.

- **Independent Expenditure:** If an individual or an entity pays for a sign, giveaway item or other campaign item in support of or in opposition to a candidate without the candidate’s cooperation or coordination, the authority line should include the following statement.

“This message has been authorized and paid for by (insert). This message has not been authorized or approved by any candidate.”

- The name and address of the entity; and
- The name and title of the president, treasurer, or person responsible for the campaign material.

Exception: According to the Attorney General of Maryland, an individual acting alone, i.e. without the use of vendors, consultants or other paid services, may create campaign materials without including an authority line.¹⁵

- §§13-102 and 13-401 of the Election Law Article

5. Campaign Material Produced by Multiple Political Committees

If campaign materials are produced jointly by more than one political committee (Committee A and Committee B), the authority line on the materials is as follows:

- If the committees each wrote a check to purchase the materials, the authority line of both Committee A and B must be included; or
- If Committee A paid for the materials, only Committee A’s authority line is required. It should be noted that Committee A must show on its campaign finance report that an in-kind contribution was made to Committee B (and Committee B must report receiving an in-kind contribution).

NOTE: A political committee may not reimburse another political committee. Any monies received by a political committee from another political committee will be considered a transfer. Therefore, it is important when sharing an expense either to establish a slate or to write separate checks to the vendor.

6. Campaign Materials on Electronic Media

Social Network and Micro-Blog sites:

Maryland enables political committees that have established a social network or micro-blog account to comply with the authority line requirements of § 13-401 by placing an authority line on the home or landing page, or in the case of the micro-blog, where it is not feasible to place an authority line on the landing page, to register the account name with the State Board.

¹⁵ 80 *Opinions of the Attorney General* 110 (1995), the Attorney General applied, *McIntyre v. Ohio Elections Commission* to Maryland’s election law. In *McIntyre*, the Supreme Court ruled that Ohio’s law prohibiting anonymous campaign literature, as that law applied to an individual acting independently, was unconstitutional. Accordingly, the Attorney General concluded that the Court’s decision does not invalidate prohibitions on anonymous campaign materials (or the requirement that disclosures be made on campaign materials) except as applied to an individual acting independently.

Electronic Media Advertisement:

Electronic media advertisement by a political committee is required to have an authority line. If the electronic media advertisement is too small for an authority line then:

1. The ad must allow the viewer to click on the ad and take the viewer to a home or landing page that displays the authority line; or
2. Register the ad with the State Board.

Examples of electronic advertisements ads deemed too small:

- A paid text advertisement that is 200 characters or less in length
- A micro-bar
- A button ad

12.2 Copies of Campaign Materials

Each campaign finance entity responsible for publishing and distributing an item of campaign material is required to keep a sample copy of the item for at least 1 year after the general election next following the date when the item was published or distributed. For each item of campaign material disseminated through the Internet, the sample copy may be either a paper facsimile copy or an electronic copy that can be produced as a paper facsimile on request. These requirements do not apply to a billboard or a sign distributed by a political committee.

- § 13-403 of the Election Law Article

12.3 Placement of Campaign Signs

The State Board does not have regulatory authority over the placement or location of campaign signs. However, there are State and local laws that regulate where and when you can put up campaign signs.

Placement of signs on *State roads and highways* is regulated by the State Highway Administration.

<i>County</i>	<i>SHA District Offices</i>
Dorchester Somerset Wicomico Worcester	P.O. Box 2679 660 West Road – Salisbury, MD 21802 410-543-6715 or 800-825-4742
Caroline Cecil Queen Anne’s Talbot Kent	MD Route 291, 617 Morgnec Road P.O. Box 299 – Chestertown, MD 21620 410-778-3061 or 800-637-9740
Montgomery Prince George's	P.O. Box 327 9300 Kenilworth Avenue Greenbelt, MD 20770 301-513-7489 or 800-749-0737
Baltimore Harford	2323 W. Joppa Road Brooklandville, MD 21022 410-321-2794 or 800-962-3077

Anne Arundel Charles Calvert St. Mary's	138 Defense Highway Annapolis, MD 21401 410-841-1022 or 800-331-5603
Allegany Garrett Washington	1251 Vocke Road LaVale, MD 21502 301-729-8440 or 800-760-7138
Carroll Frederick Howard	5111 Buckeystown Pike Frederick, MD 21704 301-624-8122 or 800-635-5119

Placement of signs on *city and county* roads and on public property in the cities and counties is regulated by local ordinances. In addition, many cities and counties regulate when signs can be put up and when they must be taken down. You can call the county election board for assistance in obtaining information on the laws in your county or municipality.

12.4 Giveaway Items

Campaigns often give out small items, such as buttons, stickers, refrigerator magnets, and emery boards, to help advertise their campaign. While such traditional campaign memorabilia are not prohibited, it should be noted that certain non-traditional giveaway items (regardless of their cost) may cross the line from mere advertising to being a gift to induce a vote, which is prohibited. (*See - § 13-602(a)(1) of the Election Law Article.*) Accordingly, the State Board advises against the use of non-traditional campaign giveaway items. If you are not sure if an item is acceptable, please call the State Board for clarification.

12.5 RoboCalls

Maryland has no statute that specifically addresses the use of automated or “RoboCalls” in political campaigns. However, the federal Telephone Consumer Protection Act (TCPA) requires that all automated calls using pre-recorded messages comply with the technical and procedural requirements set forth under 47 U.S.C §227(d).

Federal law requires that all artificial or prerecorded telephone messages must include:

1. At the beginning of the message, the identity of the business, individual, or other entity initiating the call; and
2. During or after the message, the telephone number or address of the business, individual, or other entity initiating the call.

-47 U.S.C. §§227(d)(3)(A) and (f)(1)

Federal regulations bar RoboCalls after 9pm.

12.6 Campaigning on Election Day

1. Electioneering

Maryland law prohibits electioneering within 100 feet of the entrance or exit to a polling place on Election Day. The 100-foot “No Electioneering” zone is measured from the entrance/exit of the building closest to the room in which voting actually takes place.

No electioneering means that no canvassing, electioneering, campaigning, or posting of any campaign material is permitted within the zone. "Posting of any campaign material" includes wearing clothing shirt, hat, sticker, or button that indicates support of or opposition to any candidate, question, or political party if worn by any person allowed to remain in the ‘No Electioneering’ zone. However, electioneering does not apply to a voter going to vote in his or her polling place. A person on his or her way to vote may wear campaign paraphernalia or carry campaign literature if the voter leaves the zone promptly after voting.

The chief election judges at each polling place will post signs designating the "No Electioneering” zone. Election judges are instructed to strictly enforce the “No Electioneering” prohibition, including calling the police, if necessary.

A person who violates the prohibition is guilty of a misdemeanor and subject to a fine of not less than \$50 nor more than \$500, or imprisonment for not more than 60 days, or both.

- §16-206 of the Election Law Article

2. Walk-Around Services

Payment for "walk-around services" on Election Day, is permitted. All payments shall be made by check from the political committee.

- §13-245 of the Election Law Article

Chapter 13- Public Campaign Financing Laws

13.1 Generally

Maryland has a public financing system for candidates for Governor and Lieutenant Governor. It is a voluntary program where, if the candidate chooses to accept public funds, the ticket must abide by strict expenditure limits.

13.2 Initial Requirements

To be eligible to receive public contributions for the Primary Election, the following documentation must be filed at the State Board no later than the deadline to file a Certificate of Candidacy:

- A Certificate of Candidacy for Governor and Lt. Governor;
- A notice of intent to qualify for public contributions; and
- A certification, signed by the candidate's treasurer, that the required seed money was raised and received after March 1 of the preceding year of the election year.

A candidate who did not receive public funds in the Primary Election may become eligible to receive public funds in the General Election if:

- The candidate's expenditures in the Primary Election did not exceed the maximum campaign expenditure limit; and
- The candidate files the notice of intent and the certification of seed money with the State Board not later than 5 days after the State Board declares the candidates for Governor and Lieutenant Governor in the general election.

13.3 Seed Money

The amount of seed money that must be raised is equal to 10% of the maximum campaign expenditure limit.

Seed money must consist of eligible private contributions. An eligible private contribution can only be made by an individual and may not exceed \$250. Accordingly, money from business entities, political action committees, and other organizations or associations may not be counted as seed money. An in-kind contribution from an individual may be counted as seed money.

13.4 Receiving the Public Funds

The first distribution of public funds will occur on February 1 of the year of the election. Subsequent distributions will occur on the first Tuesday in April, May, June July, August, and September. The last distribution for the Primary Election will occur on the second Tuesday after the primary.

General Election funds will distributed no later than 5 days after candidates for Governor and Lieutenant Governor have been declared.

13.5 Post Election Requirements

Not later than the 6th Monday after the primary election or the general election, a candidate who received public funds must report to the State Board the amount of the public funds that were spent and how those funds were spent. This is in addition to filing the campaign finance reports required under Election Law Article § 13-309. Within 60 days following the election for which public funds were received, a candidate must return to the Comptroller any unspent portion of the funds (private contributions being presumed to be spent first).

13.6 Maximum Campaign Expenditure Limit

A candidate who receives public funds may not exceed the expenditure limit. The expenditure limit is calculated as follows:

$$30¢ \text{ (adjusted for inflation)} \times \text{State Population} = \text{Expenditure Limit}$$

The State Population is determined as of January 1 of the year of the election and the 30¢ amount is adjusted annually beginning in 1997 in accordance with the Consumer Price Index. In 2010, the expenditure per resident was \$0.4079.

Expenditures made on behalf of a candidate by a State or local party central committee are not subject to the expenditure limit.

However, the following expenditures do count towards the candidate's expenditure limit:

- An expenditure by a political committee that is coordinated with the candidate, an agent of the candidate, or an authorized committee of the candidate;
- An expenditure by a slate of which the candidate is a member (the amount attributed to the candidate is the amount of the expenditure divided by the number of members of the slate); and
- An in-kind contribution of \$51.00 or more made to the candidate's campaign.

13.7 How the Money Will Be Disbursed

It is the responsibility of the State Board to order the disbursements of the public funds. Generally, the amount disbursed is as follows:

Primary Election:

- Candidates with opposition: \$1 in public funds for every \$1 in eligible private contributions
- Candidate without opposition: \$1 in public funds for every \$3 in eligible private contributions

General Election:

- Candidates with opposition: Equal shares of the remainder of the fund (including unspent money from the primary)
- Candidate without opposition: No funds will be provided.

However, the actual amount disbursed is dependent on the amount of money in the fund and the number of eligible candidates. If the State Board determines that there is not enough money in the fund to provide a full disbursement to all eligible candidates, the State Board is required to allocate the available money so that each eligible candidate will receive a pro rata share of the full disbursement to which the candidate would otherwise be entitled.

13.8 Spending Public Funds

A candidate may not spend public funds for:

- Any purpose that violates any law or regulation of the State;
- Any expense incurred later than 30 days after the election; or
- Any real or personal property that will be retained more than 30 days after the election.

13.9 Liability and Penalties

The Gubernatorial ticket candidates, and any chairman or treasurer associated with an expenditure that exceeds the maximum campaign expenditure limit are jointly and severally liable, both civilly and criminally, for that violation.

The Gubernatorial ticket candidates, the chairman and treasurer are also jointly and severally liable, personally, to repay any obligation arising from a failure to refund unspent public funds or any amount spent improperly.

Chapter 14- Campaign Management

14.1 Account Books

1. Generally

The treasurer must keep detailed and accurate records of all contributions received (including ticket sales and in-kind contributions), transfers in, any other income (for example, interest earned), disbursements made, and outstanding debts incurred. These records are used in the preparation of campaign finance reports.

All records and account books must be retained for at least 2 *years* after the political committee files its final campaign finance report. The treasurer's books may be audited.

- § 13-221 of the Election Law Article

2. Contents

- Each asset received, expenditure made, and obligation incurred must be included in the account book along with the following information regardless of the amount of the contribution or expenditure:
 - The amount or value of the receipt or expenditure;
 - The date of the receipt or expenditure;
 - The name and address of the person from whom the asset was received or to whom the expenditure was made; and
 - A description of the asset received or the purpose for which the expenditure was made.
- The account books and records must contain the date, name and address of all persons making any in-kind contributions, a description of the in-kind contribution, and the fair market value of the in-kind contribution.
- Expenses must be supported by receipts and the receipts must be maintained as part of the books and records of the treasurer.

Hint: As a result of the information required to be recorded in the account books and records, it is recommended that when selling tickets or other small items that you use a book of tickets that has a stub for recording the name and address of each ticket purchaser. The stub, with the name and address, can then serve as part of the books and records of the treasurer.

3. Lump Sum Entry v. Account Books

Under certain circumstances, lump sum entry may be used as a contribution entry on the campaign finance reports. However, the committee is not relieved of its duty to keep detailed and accurate records of all the contributions making up the lump sum entry in the account book. If the account book does not have the names and address of each contribution made, any entries lacking this information will be deemed anonymous contributions and the committee may be subject to penalties of Election Law Article §13-239.

The only exception to the law is for spins, chances on a paddle wheel or wheels of fortune. For those expressly authorized exceptions, the account book must include the net amount received by the committee and a list of the name and address of each individual who attended the event.

-§ 13-221 and 13-240 of the Election Law Article

14.2 Campaign Bank Accounts

1. Generally

Every political committee must establish a checking account for its exclusive use. The checking account must be established at a financial institution that is located or operates branches in Maryland and the political committee should be the name on the account. All income (including loans) must be deposited in the campaign bank account. *Personal bank accounts of the responsible officer or the candidate may not be used.*

Besides the required checking account, the only other permissible account is a savings account. As a general rule, campaign funds must be maintained only in accounts where the principal is not at risk, e.g. in FDIC or state-insured bank accounts. Mutual funds, the stock market, and/or other investment arrangements where the principal is at risk are prohibited. Furthermore, the treasurer must be able to withdraw all of the funds immediately. If the campaign funds are invested in a manner where withdrawal at anytime incurs a penalty, e.g. certificates of deposit, this is also prohibited.

Interest earned must be recorded as income on the campaign finance report.

2. Opening a Campaign Bank Account

Most banks will require the following three items before allowing you to open a campaign bank account:

- Employer Identification Number. The form can be obtained by calling 800-829-3676 or at www.irs.gov. You need to file a Form SS-4 with the IRS to receive an EIN;
Note: It is not required that you be an employer to receive an EIN.
- Personal identification of the person opening the account; and
- A Resolution of Authority forms (required to be signed by the treasurer and chairman). The Statement of Organization usually satisfies this requirement by the bank.

14.3 Tax-Related Questions

You may contact IRS Customer Service at (877) 829-5500 (toll free number) for information about tax liabilities of a political committee. The call center is open from 8:00 am to 9:30 pm Eastern Time. Alternatively, you may write to the IRS at the following address:

Internal Revenue Service
TE/GE Division, Customer Service
P.O. Box 2508
Cincinnati, OH 45201

Chapter 15 – Enforcement

15.1 Audit

The State Board conducts an audit of every campaign finance report filed to ensure compliance with its laws and regulations. Political committees will be notified in writing by the State Board of any deficiencies, errors or omissions on their reports. The committee has thirty (30) days from the date of the notice to correct any deficiencies. Failure to correct the deficiencies and file a properly amended report will result in a report being considered not filed and late fees will be assessed.

- §13-327 of the Election Law Article

The most common deficiencies are typically: missing or incomplete address information on Schedule 1 and Schedule 2; incorrect entries for reimbursements; and a lack of explanation for certain expenditures. Remember that it is required to get the full address when receiving contributions or making expenditures. As for reimbursements, the campaign finance report must include the ultimate payee of campaign funds.

15.2 Penalties

1. General Enumerated Offenses

The following offenses may be fined up to but not exceeding \$1,000, or imprisonment for up to one (1) year, or both:

- A person may not directly or indirectly give, offer, or promise money or any other valuable thing to another person for the purpose of inducing or procuring that person to vote or refrain from voting for or against a candidate
- A person may not directly or indirectly receive, accept, request, or solicit money, or any other valuable thing from another person for the purpose of inducing or procuring a third person to vote or refrain from voting for or against a candidate.
- A person may not vote or refrain from voting for or against a candidate, in consideration of money or any other valuable thing paid, received, accepted, or promised to that person or to another person.
- A person may not directly or indirectly pay, give, or promise money or any other valuable thing to defray the costs of an expenditure of the campaign finance entity.
- An employer who pays employees in envelopes may not mark on or enclose in the envelopes a political motto, device, or argument that contains express or implied threats intended to influence the political opinions or actions of those employees.
- A person may not publish or distribute, or cause to be published or distributed, campaign material that does not include an authority line as required by law.

2. Concealing the Source or Intended Recipient

A. A transfer is not allowed if it is intended to conceal the source of the funds or intended recipient.

- §13-229 of the Election Law Article

B. The responsible officers of a political committee may not knowingly receive a payment or promise of payment and enter it into an account book if the responsible officers know that it is not the name of the person that made the payment or promise of payment.

C. Furthermore, a person may not directly or indirectly pay or promise to pay a political committee in the name of another.

A person found guilty of making a campaign contribution under a false name may be fined up to \$1,000 and/or imprisoned for up to one (1) year and is ineligible for public or party office for four (4) years.

- §13-602(a)(5) and (6) of the Election Law Article

3. Failure to File Reports or Pay Late Fees

If a political committee fails to file a report, or fails to pay late fees assessed, the matter will be referred to the Office of the State Prosecutor for prosecution.

A responsible officer found in violation for failure to file is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$25,000 and/or imprisonment not exceeding one (1) year.

- §§13-335(b) and 13-603 of the Election Law Article

4. False Reports or Statements

In addition to the penalty provided under the Criminal Law Article for perjury, a person may not willfully make a false, fraudulent, or misleading statement or entry in any campaign finance report.

- §13-601 of the Election Law Article

Additionally, an individual may not sign the name of any other individual or make an electronic submission on behalf of another individual on any form or other document under this title, without the authority and express consent of the individual whose name is signed.

- §13-602(11) of the Election Law Article

5. Criminal Penalties

A person who knowingly and willfully violates a provision of Title 13 is subject to a fine of no more than \$25,000 and/or imprisonment up to one (1) year.

- §13-603 of the Election Law Article

Chapter 16 – Forms

Statement of Organization

Change of Officer

Resignation of Chairman or Treasurer

Change of Address or Telephone

Slate Designation/Resignation

Fundraising Ticket

Campaign Contribution Receipt

Campaign Finance Report – Summary Page

Schedule 1

Schedule 1A

Schedule 1B

Schedule 2

Schedule 3

Schedule 4

Transmittal Sheet

Amendment Description Form

Affidavit of Limited Contributions and Expenditures

Public Financing Form

Contribution Chart



Statement of Organization for Campaign Finance Entities

1. Name of Campaign Finance Entity: _____

- The law provides that a committee may not use a name, the intent or effect of which is to deceive people as to the true nature or character of the committee.
A committee established by and for a single candidate must disclose the name of the candidate within the name of the committee. For example: Citizens for John Smith.
A non-candidate committee that is sponsored by or affiliated with an entity or group must include the name of the entity or group in the committee name. For example: Health Insurance Corporation PAC or Agriculture Association PAC.

2. Type of campaign finance entity: (select only one)

[] Candidate Committee (committee formed to support a particular candidate)

I hereby authorized the above named committee to raise and spend campaign funds for my candidacy.

Authorization of Candidate: _____
Signature of the Candidate

[] Slate (committee formed by two or more candidates who agree to run as a group; candidates must file a Slate designation form with the appropriate election office when they join a Slate. Prior to joining a Slate, the candidate must have established a candidate committee)

[] Political Action Committee - PAC (committee formed to support/oppose various candidates)

[] Ballot Issue Committee (committee formed to support/oppose a question or questions appearing on the ballot)

[] Party Central Committee (committee formed for a State or County Political Party)

3. Election Designation: (select all that apply)

The committee must indicate the election in which it intends to participate. During a designated election, the committee will be responsible for filing all election related reports, i.e. the Pre-Primary reports, Pre and Post-General report. Participating in an election means raising or spending money to support or oppose a candidate or question on the ballot in that election. The committee is always required to file the Annual campaign finance report. If none is selected, the committee is deemed to be participating in all election years.

[] Gubernatorial

[] Presidential

[] Baltimore City (Mayoral)

Examples:

- A candidate for House of Delegates participates in the Gubernatorial Election.
A candidate for House of Delegates participates in the Baltimore City Election if the candidate raises money or spends money to support a candidate in that election. A candidate for House of Delegates is not participating in the Baltimore City election if the candidate hosts a fundraiser in the Baltimore City election year for his own candidacy.
A judicial candidate participates in either the Gubernatorial or Presidential elections.

File this Statement of Organization with: Maryland State Board of Elections
Division of Candidacy and Campaign Finance
151 West Street, Suite 200, P.O. BOX 6486
Annapolis, MD 21401-0486

Questions or Additional Information (410) 269-2880 (800) 222-VOTE, EXT. 4
MD RELAY (800) 735-2258
www.elections.state.md.us

Please note that all of the information on this form is public information and will be made available upon request. In addition, the information will be posted on the Internet with the exception of residence address and contact phone.

4. This section applies to Political Action Committees (PACs) only.

- **If you are sponsored by, or affiliated with, an entity or group, list the name of The entity or group:** _____
- **Check the category that identifies your purpose, nature or special interest.**
(Include business or occupation, if any, that members of, or contributors to, the committee have in common.
For example: *Nurses PAC* would check *Medical/Health Care*.)

- | | | |
|--|--|---|
| <input type="checkbox"/> Animal Rights | <input type="checkbox"/> Real Estate | <input type="checkbox"/> Medical / Health Care |
| <input type="checkbox"/> Banking | <input type="checkbox"/> Environmental | <input type="checkbox"/> Partisan Organization |
| <input type="checkbox"/> Beverage Industry | <input type="checkbox"/> Insurance | <input type="checkbox"/> Retail / Wholesale |
| <input type="checkbox"/> Business (list type below) | <input type="checkbox"/> Labor / Union | <input type="checkbox"/> Teachers / Education |
| <input type="checkbox"/> Community Association | <input type="checkbox"/> Legal | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Construction / Housing | <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Utility / Energy / Oil |
| <input type="checkbox"/> Other (if categories don't apply – explain purpose below) | | |

Other:

5. This section applies to Ballot Issue Committees only.

Identify the Ballot Issue that the Committee is formed to *support*: _____

Identify the Ballot Issue that the Committee is formed to *oppose*: _____

Important Notices:

Conducting campaign finance activity prior to the filing of the statement of organization is prohibited. Once you have completed this form in its entirety, including all required signatures and filed it with the State Board of Elections, the entity named herein can open a bank account and begin raising and spending money.

To serve as a chairman or treasurer an individual must be:

- A registered voter of the State of Maryland and
- In good standing with the Candidacy and Campaign Finance Division.

It is permissible for an officer to serve on more than one committee. A candidate may not serve as a treasurer for a committee.

The treasurer is responsible for all receipts and expenditures of the political committee. All assets received by or on behalf of the campaign finance entity must pass through the hands of the treasurer. Additionally, only the treasurer can disburse campaign funds. Maryland law requires that the treasurer keep a detailed and accurate account book on behalf of the campaign finance entity.

A treasurer may not serve “in name only” and may not delegate any statutory responsibility to another person, including the candidate.

The responsible officers are jointly and severally responsible for filing all campaign finance reports. Late fees assessed against the committee may not be paid with campaign funds.

All committees are continuing accounts and must file their reports electronically with State Board of Elections. Non-continuing accounts no longer exist.

Candidate

Candidate		
Full Name:	County of Residence:	Date of Birth:
Residence Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	Mailing Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	
Contact Phone (for Board use): ()	Public Phone: ()	
E-Mail Address:	Fax: ()	

Appointment of Chairman

Appointment of Chairman		
Full Name:	Date of Birth:	Is the Chairman also the candidate? <input type="checkbox"/> Yes <input type="checkbox"/> No
Residence Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	Mailing Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	
Contact Phone (for Board use): ()	Public Phone: ()	
E-Mail Address:	Fax:	
<p>I am a registered voter of: State: MARYLAND County: _____</p> <p><u>I accept the appointment of Chairman</u> until the final campaign finance report required by § 13-311 of the Election Law Article is filed or until a successor is duly chosen and qualifies. I understand that I am required to follow the provisions of Title 13 of the Election Law Article, Annotated Code of Maryland with regard to the manner in which this committee receives, spends, and reports money or valuable things to support/oppose State and local candidates or ballot issues. I understand that if I wish to resign, I must do so in writing, on the proper form, and file the resignation with the State Board of Elections.</p>		
_____ Signature		_____ Date

Appointment of Treasurer	
Full Name:	Date of Birth:
Residence Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	Mailing Address: _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code
Contact Phone (for Board use): ()	Public Phone: ()
E-Mail Address:	Fax: ()
I am a registered voter of: State: MARYLAND County: _____	
<u>I accept the appointment of Treasurer until the final campaign finance report required by § 13-311 of the Election Law Article is filed or until a successor is duly chosen and qualifies. I understand that I am required to follow the provisions of Title 13 of the Election Law Article, Annotated Code of Maryland with regard to the manner in which this committee receives, spends, and reports money or valuable things to support/oppose State and local candidates or ballot issues. I understand that if I wish to resign, I must do so in writing, on the proper form, and file the resignation with the State Board of Elections.</u>	
Signature _____	Date _____

Important: Even if no transactions have occurred during the reporting period, the committee is required to file a campaign finance report. The State Board will send the responsible officers of the committee a pre-report notice indicating the next required report. The report must be filed timely to avoid the assessment of late fees. Until the last campaign finance report is marked final, the campaign finance entity is presumed active.

For Board Use Only	
Account #: _____	Candidate # (if applicable): _____
The voter registration information provided has been verified and correct:	
Chairman: ___yes ___no	Treasurer: ___yes ___no Staff: _____
If no, our records show:	If no, our records show:
Name: _____	Name: _____
Address: _____	Address: _____
County: _____	County: _____
The signed statement authorizes local boards to make changes in records in all categories <u>except</u> party affiliation. Notice of changes must be mailed to the LBE. Date notice sent _____ Staff: _____	

Compliance materials will be provided to the chairman, treasurer, and candidate upon receipt and acceptance of this document.

Compliance information is available on the State Board of Elections website → www.electionsmaryland.com
(Under topics, link to Campaign Finance and then Summary Guide)

State of Maryland
Change of Officer- Chairman

Name of Campaign Entity: _____ Entity # _____

Appointment of New Chairman		
Full Name:	Date of Birth:	Is the Chairman also the Candidate? <input type="checkbox"/> Yes <input type="checkbox"/> No
Residence Address: _____ Number, Street, Apt. or Suite Number _____ _____ City State, and Zip Code	Mailing Address: (will be made available to the public) _____ Number, Street, Apt. or Suite Number _____ _____ City State, and Zip Code	
Contact Phone (for Board use): ()	Public Phone: ()	
E-Mail Address:	Fax:	
<p>I am a registered voter of: County: _____ Election District or Ward: _____ Precinct: _____</p> <p><u>I accept the appointment of Chairman until the final Campaign Finance Report required by §13-311 of the Election Law Article is filed or until a successor is duly chosen and qualifies. I understand that I am required to follow the provisions of Title 13 of the Election Law Article, Annotated Code of Maryland with regard to the manner in which this committee receives, spends, and reports money or valuable things to support/oppose state and local candidates or ballot issues. I understand that if I wish to resign, I must do so in writing, on the proper form, and file the resignation with the State Board of Elections.</u></p>		
Signature of new Chairman		Date
<u>Acknowledgment of new appointment by Treasurer.</u>		
Signature of current Treasurer		Date
For Board Use Only		
<p>The above information is correct: <input type="checkbox"/> yes <input type="checkbox"/> no Staff: _____ Acct#: _____</p>		
<p>If no, our records show: Candidate ID# (if applicable): _____</p>		
<p>Name: _____ Election District/Ward: _____</p>		
<p>Precinct: _____</p>		
<p style="padding-left: 40px;">Address: _____</p>		<p style="padding-left: 40px;">County: _____</p>
<p>The signed statement authorizes local boards to make changes in records in all categories <u>except</u> party affiliation. Notice of changes must be mailed to the voter. Date notice sent _____ Staff: _____</p>		

State of Maryland



Change of Officer- Treasurer

Name of Campaign Entity: _____ Entity # _____

Appointment of New Treasurer	
Full Name:	Date of Birth:
Residence Address: _____ Number, Street, Apt. or Suite Number _____ City State, and Zip Code	Mailing Address: (will be made available to the public) _____ Number, Street, Apt. or Suite Number _____ City State, and Zip Code
Contact Phone (for Board use): ()	Public Phone: ()
E-Mail Address:	Fax:
<p>I am a registered voter of: County: _____ Election District or Ward: _____ Precinct: _____</p> <p><u>I accept the appointment of Treasurer until the final Campaign Finance Report required by §13-311 of the Election Law Article is filed or until a successor is duly chosen and qualifies. I understand that I am required to follow the provisions of Title 13 of the Election Law Article, Annotated Code of Maryland with regard to the manner in which this committee receives, spends, and reports money or valuable things to support/oppose state and local candidates or ballot issues. I understand that if I wish to resign, I must do so in writing, on the proper form, and file the resignation with the State Board of Elections.</u></p>	
_____ Signature of new Treasurer	_____ Date
<u>Acknowledgment of new appointment by Chairman</u>	
_____ Signature of current Chairman	_____ Date
For Board Use Only	
<p>The above information is correct: <input type="checkbox"/> yes <input type="checkbox"/> no Staff: _____ Acct#: _____</p> <p>If no, our records show: Candidate ID # (if applicable): _____</p> <p>Name: _____ Election District/Ward: _____</p> <p>Precinct: _____</p> <p style="padding-left: 40px;">Address: _____ County: _____</p>	
<p>The signed statement authorizes local boards to make changes in records in all categories <u>except</u> party affiliation. Notice of changes must be mailed to the voter. Date notice sent _____ Staff: _____</p>	

State Board of Elections
 Division of Candidacy and Campaign Finance
 151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
 (410) 269-2880 (800) 222-8683 ext. 4

State of Maryland
Officer Resignation Form



In accordance with §13-207(d)(1) of the Election Law Article, Annotated Code

of Maryland, as of _____, _____ **I hereby resign** as:
(month/day) (year)

Chairman for: _____
(Name of Campaign Finance Entity)

Treasurer for: _____
(Name of Campaign Finance Entity)

And, I hereby certify that I have returned all records relating to the campaign finance entity to the remaining officer or the candidate and I have completed all of my campaign finance reporting responsibilities.*

Signature of Resigning Officer

Printed Name of Resigning Officer

Date

*Depending on when you file your resignation, you may remain liable for the next Campaign Finance Report. Call the State Board of Elections to clarify your reporting responsibilities. In addition, it is recommended that you file a statement with your resignation reporting your committee or entity's cash balance, the amount of money in the checking account, and any outstanding obligations.

State Board of Elections
Division of Candidacy and Campaign Finance
151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
(410) 269-2880 (800) 222-8683 ext. 4



Change of Address or Telephone

Date _____	Entity Account Information _____ Name Entity Account #
----------------------	--

Name: _____ Chairman Treasurer Candidate
(Choose one)

New Address	
Residence Address _____ _____ _____	Mailing Address _____ _____ _____
E-Mail Address: _____	

New Telephone Number		
Contact Phone (For Board Use) ()	Public Phone ()	FAX ()

Signature

Date

Note: The change of address for a candidate may cause the candidate to reside outside the required district. Please contact the election board immediately for additional information.

State Board of Elections
Division of Candidacy and Campaign Finance
151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
(410) 269-2880 (800) 222-8683 ext. 4



Slate Designation/Resignation Form

Name of Slate: _____

Slate Chairman: _____ Slate Treasurer: _____

Candidate Information	
Name: _____	
Office sought: _____	
Date of Birth: _____	
Candidate's Address: _____	

_____	_____
Contact Phone	Public Phone

In accordance with § 13-209 of the Election Law Article, Annotated Code of Maryland I hereby certify that it is my intention to join the above referenced Slate.

Signature of Candidate Date

I wish to resign my previously filed designation to the above referenced Slate.

Signature of Candidate Date

This form should be sent to the State Board of Elections or a local election office, depending upon where the Slate is filed.

For Board Use Only
Slate Entity Number: _____
Candidate Entity Number: _____

State Board of Elections
Division of Candidacy and Campaign Finance
151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
(410) 269-2880 (800) 222-8683 ext. 4

Sample Fund Raising Ticket

<p>No. 4659 \$25 per ticket</p> <p>Please complete all information on this ticket stub.</p> <p>Name: _____ Address: _____ _____</p> <p>Amount: _____ <input type="checkbox"/>Cash <input type="checkbox"/>Check <input type="checkbox"/>Charge <input type="checkbox"/>Other</p> <p>Make Checks Payable to: Committee to Elect Bob Smith 222 North Street – Bowie, MD 20715</p> <p>Committee to Elect Bob Smith Terry Jones, Treasurer</p>	<p>No. 4659</p> <p>Committee to Elect Bob Smith</p> <p>Annual Bull Roast</p> <p>Saturday August 28, 2010 • 2:00PM to 5:00PM Quite Waters Park • Annapolis, MD 22222 <i>Entertainment and lots of great food.</i></p> <p>\$25.00</p> <p>Committee to Elect Bob Smith Terry Jones, Treasurer</p>
---	--

Revised 8/10

Maryland Campaign Contribution Receipt
mm/dd/yyyy

Contributor Information

Contributor Name:	
Address:	
City, State and Zip:	
Contribution Date:	
Contribution Type:	<input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Charge <input type="checkbox"/> Other
Contribution Amt:	

Issued By

Committee Name:	
Treasurer:	

Signature/Date

Important: A person (including an individual, business, or federal committee) can contribute no more than \$4,000 to one campaign finance entity and a total of \$10,000 to all campaign finance entities during the four-year election cycle. The four-year election cycle begins on January 1st following a Gubernatorial Election. Separate limits apply to money transferred between Maryland campaign finance entities. A campaign finance entity can transfer up to \$6,000 to another campaign finance entity during the four-year cycle and is not subject to an aggregate limit.

Maryland State Board of Elections Campaign Finance Report Summary Sheet

Part 1

Entity Name: _____ Entity # _____ Report Due Date: _____

Transaction Period → This Report covers transactions beginning _____ Date _____ and ending _____ Date _____ .

- Final Report (Check if you intend to close the account. This cannot be a final report if a cash balance or outstanding obligation remains)
- Amendment # _____ (Date amendment is being filed _____.)

Part 2

Bank Account Name	Bank Account Number	Bank Account Balance*

*As of the report transaction ending date.

Total

--

Part 3

Contributions – Schd 1, Col A	
Ticket Purchases – Schd 1, Col B	
Federal Committees – Schd 1, Col C	
Political Clubs – Schd 1, Col D	
MD Candidate and Slate Accounts – Schd 1A, Col E	
MD Party Central Committees – Schd 1A, Col F	
MD Political Action Committees – Schd 1A, Col G	
Non-Federal Out-of-State Committees – Schd 1A, Col H	
Other – Schd 1B, Col I	
Loans – Schd 3, Col K	

Enter Total in Part 4 (Total Receipts)

Expenditures

Salaries & Other Compensation – Schd 2, Col N	
Rent & Other Office Expenses – Schd 2, Col O	
Field Expenses – Schd 2, Col P	
Media – Schd 2, Col Q	
Printing & Campaign Materials – Schd 2, Col R	
Direct Mailing by Mail House – Schd 2, Col S	
Postage – Schd 2, Col T	
Purchase of Equipment – Schd 2, Col U	
Fundraising Expenses – Schd 2, Col V	
Transfers Out – Schd 2, Col W	
Loan Repayment – Schd 2, Col X	
Other – Schd 2, Col Y	
Returned Contribution – Schd 2, Col Z	

Enter Total in Part 4 (Total Expenditures)

Part 4

Prior Balance		Report calculated cash balance from Part 4 of your prior report.
	+	
Total Receipts		Total of Part 3 Receipts
	-	
Total Expenditures		Total of Part 3 Expenditures
	=	
Cash Balance		This is your report calculated cash balance. Carry forward this balance to your next report.

Part 5

Value of In-Kind Contributions – Schd 1B, Col J	
Value of In-Kind Expenditures – Schd 2, Col AA	

Part 6

Outstanding Loan Balance – Schd 3, Col L	
Outstanding Bills Due – Schd 3, Col M	
Total Outstanding Obligations	

Part 7

Under penalty of perjury, we declare that we have examined this report, including the accompanying schedules, and to the best of our knowledge and belief they are complete and accurate.

(Date)
Signature of Treasurer

(Date)
Signature of Chairman

All Reports must bear original signatures.

Warning
Failure to provide all information required by this form will be regarded as a failure to file.

Schedule 1 – Contributions
(see schedules 1A and 1B for other types of Income)

Name of Entity _____

Entity Number _____

Date Received	Received From	A D M I N ✓	Paid by	C H E C K ✓	C A S H ✓	Contributions other than ticket purchases from Individuals, Corporations, etc.	Ticket purchases by Individuals, Corporations, etc.	Contributions from Federal Committees (Include ticket purchases)	Contributions from Political Clubs (include ticket purchases)
	Name and Address of Contributor.								
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
			Aggregate to Date:						
			\$				Price Per Ticket: \$		
TOTALS THIS PAGE						A	B	C	D

Failure to provide all the information required by this form will be regarded as a FAILURE TO FILE.

Forms may be duplicated as needed.

Page _____ of _____
 Report Due Date _____

Schedule 1A – Transfers in
(see Schedules 1 and 1B for other types of Income)

Name of Entity _____

Entity Number _____

Date Received	Name of the Campaign Finance Entity from which the transfer is received.	Aggregate Date to	E	F	G	H
			From MD Candidate Campaign Finance Entities	From MD Party Central Committees	From MD PACs	From Non-Federal Out of State PACs
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
		Aggregate Date to \$				
TOTALS THIS PAGE			E	F	G	H

Failure to provide all the information required by this form will be regarded as a **FAILURE TO FILE**.

Schedule 1B
Other Receipts and In-Kind Contributions
(see Schedules 1 and 1A for other types of Income)

Name of Entity _____

Entity Number _____

Date Received	Complete Name and Address of Payer	I		J		Remarks
		Other - Refunds, Rebates, interest or misc. income. (Describe in Remarks)	Items sold, or misc. income. (Describe in Remarks)	In-Kind Contribution - Fair Market Value of In-Kind Contribution Received. (Describe in Remarks)	A D M I N ✓	
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
				<u>Aggregate to Date:</u> \$		
Totals This Page		I		J		

Failure to provide all the information required by this form will be regarded as a **FAILURE TO FILE.**

Maryland State Board of Elections
Schedule 2 – Expenditures

Entity Name _____

Page _____ of _____

Entity # _____

Report Due Date _____

Date	Check No.	Name and Address of Payee (The payee is the person who is the ultimate recipient of campaign funds)	Name and Address of Reimbursee (The reimbursee is the person who received the campaign check as a reimbursement for the expenditure. The reimbursee must be a campaign worker.)	Amount	C O D E	A D M I N ✓	Remarks

<i>Code</i>	N	O	P*	Q	R	S	T	U*	V*	W	X	Y*	Z	AA*
<i>Description</i>	Salaries and other compensation	Rent and other office expenses	Field Expenses	Media	Printing and Campaign Materials	Direct Mailing by Mail House	Postage	Purchase of Equipment	Fundraising Expenses	Transfers Out to Other Maryland Treasurers	Loan Repayment	Other	Returned Contribution	In-kind Expenditure
Totals														

*Describe in remarks (required)

Failure to provide all the information required by this form will be regarded as a failure to file.

Report Due Date _____

Schedule 3 – Outstanding Obligations

Name of Account _____

Campaign Finance Account Number _____

Name and Address of Creditor	Date Loan Accepted or obligation incurred	Loans						Unpaid Bills Other Than Loans		
		*Written Consent Previously Filed	Written Consent filed herewith.	Interest Charged	Rate	% of Prime Rate Day Loan is Accepted	In-Kind Contribution (Enter on schedule 1B Col. 17)	Interest (Enter on schedule 1B Col. 17)	Balance	Balance Due
Totals This Page										

*No loan may be made to the campaign of a candidate, or accepted on behalf of the campaign, without the written consent of the candidate. A copy of the written consent shall be furnished to the lender at the time of the loan. This consent is given on Schedule 4 of the Campaign Finance Report Form for the transaction period for which the loan is made.

Failure to provide all of the information required by this form will be regarded as a FAILURE TO FILE.

Schedule 4 – Loan Consent Form¹

Terms of Loan

Amount of Loan _____

Schedule for Repayment² _____

Interest Charged³ _____ Prime Rate on the Day Loan is Made⁴ _____

Lender Information

Name of Lender _____

Address of Lender _____

Signature of Lender _____

Date _____

Recipient Information

Name of Campaign Finance Entity _____ Entity Number

Name of Treasurer _____

Signature of Treasurer⁵ _____ Date

Consent of Candidate

I, _____, hereby acknowledge receipt on _____ of a loan in the amount of \$ _____
Name of Candidate Date

from _____
Name and address of Lender

to _____
Name of Campaign Finance Entity

A copy of this consent has been supplied to the lender.

Signature of Candidate Date

¹ The loan consent form is not required to be filed if the loan is from the candidate or the candidate’s spouse to the candidate’s own campaign committee and if interest is not being charged on the loan.

² Loans must be repaid by the end of the next election cycle. If full repayment is not made, the balance due will be considered a contribution, unless the loan is from a financial institution in the business of making loans.

³ If the interest rate charged is less than the prime rate, the difference constitutes an in-kind contribution which must be reported on Schedule 1B of the current report.

⁴ Enter the bank lending prime rate on the day the loan was made. The prime rate can be ascertained by calling your local bank or contacting the State Board of Elections.

⁵ A non-candidate committee must provide the signature of the treasurer to acknowledge receipt of the loan. Candidate committees only need to have the candidate fill out and sign the *Consent of Candidate* box.

State of Maryland

Transmittal Sheet



Account No.:	
Account Name:	
Report Name:	
Report Due Date:	

Forms Included in this Submission	
1	Schedule 1- Contributions
2	Schedule 1A- Transfers In from Treasurers
3	Schedule 1B- Other Receipts and In-Kind Contributions
4	Schedule 2- Expenditures
5	Schedule 3- Outstanding Obligations
6	Schedule 4 – Loan Consent Form
7	Summary Sheet

Please place a checkmark by each form being submitted.

Under penalty of perjury, we declare that to the best of our knowledge and belief the contents of the electronically filed data are a complete and accurate statement of our campaign finance activity.

Signature of Treasurer

(Date)

Signature of Chairman

(Date)

Revised 8/10

State Board of Elections
 Division of Candidacy and Campaign Finance
 151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
 (410) 269-2880 (800) 222-8683 ext. 4

Affidavit of Limited Contributions and Expenditures

Report Year:	Report Type:
	<input type="checkbox"/> Pre Primary I <input type="checkbox"/> Pre Primary I <input type="checkbox"/> Pre General <input type="checkbox"/> Post General <input type="checkbox"/> Annual

Pursuant to §13-305 of the Election Law Article, Annotated Code of Maryland, we, the undersigned Chairman and Treasurer, hereby declare that we do not intend to **receive contributions or make expenditures in the cumulative amount of \$1,000 or more** (exclusive of the candidate's filing fee) since:

(Please check once)

- The establishment of the campaign finance entity, or
- The filing of the last *Campaign Finance Report* dated _____

Under penalty of perjury, we declare that the matters and facts set forth above are true to the best of our knowledge and belief.

Chairman Signature **Date** **Printed Name of Chairman**

Treasurer Signature **Date** **Printed Name of Treasurer**

Name of Campaign Finance Entity

FINAL Affidavit

By checking this box, you are indicating your intention to close the campaign finance entity and that the committee meets one of the following conditions:

- It has always filed affidavits since its establishment, or
- It has a reported zero cash balance and no outstanding loans or obligations on the last filed campaign finance report to SBE dated _____.

Unless the committee meets the above-references requirements, the committee may not use the Affidavit to close. *If you have any questions, please contact the Candidacy and Campaign Finance Division.*

Filing Instructions and Deadlines

This Affidavit must be filed no later than the deadline for receipt of the *Campaign Finance Report*. An affidavit received after the deadline will be subjected to late fees and penalties.

The committee will be required to file all campaign finance reports regardless of the financial activity. The Affidavit only covers the period for that individual report. Please remember that when the committee files its next campaign finance report, it shall include all contributions and expenditures covered affidavit(s) filed by the committee.

It is recommended that the signatories keep a copy of this affidavit.

State Board of Elections
 Division of Candidacy and Campaign Finance
 151 West Street, Suite 200/P.O. Box 6486, Annapolis, MD 21401-0486
 (410) 269-2880 (800) 222-8683 ext. 4

**Campaign Finance Report
Amendment Description Form**

MARYLAND STATE BOARD OF ELECTIONS
 DIVISION OF CANDIDACY AND CAMPAIGN FINANCE
 P.O. BOX 6486 • 151 WEST STREET, SUITE 200 • ANNAPOLIS, MD 21401-0486
 410- 269-2880 • 800- 222-8683 • MD Relay 800-735-2258

Name of Campaign Finance Entity _____

Entity # _____

Due Date of Report Being Amended _____

Forms being amended	Page #	Describe Change (what is being changed and why)
<input type="checkbox"/> Summary Sheet		
<input type="checkbox"/> Schedule 1		
<input type="checkbox"/> Schedule 1A		
<input type="checkbox"/> Schedule 1B		
<input type="checkbox"/> Schedule 2		
<input type="checkbox"/> Schedule 3		
<input type="checkbox"/> Schedule 4		

 Signature of Treasurer Date

 Signature of Chairman Date

Important. This form should not be used by a campaign finance entity that files its Campaign Finance Reports using ELECTTrack EFS (the State’s free filing software). ELECTTrack EFS automatically generates an Amendment Description form that should be filed instead of this form.

CONTRIBUTIONS AND TRANSFERS LIMITS

Donors \ Recipients	Candidate Committee/ Personal Treasurer Committee	Political Action Committee (PAC)	Slate Committee	Party Central Committee- State	Party Central Committee- Local	Ballot Issue Committee- State & Local	<i>Aggregate or Special Limits</i>
Individual/ Corporation/Other Business entity/ Union/ Political Club	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	Unlimited	\$10,000 for the four year Election Cycle
Candidate Committee/ Personal Treasurer Committee	\$6,000	\$6,000	Unlimited ¹	\$6,000 ²	\$6,000	Unlimited ³	
PAC	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	Unlimited	
Slate Committee	Unlimited ⁴	\$6,000	\$6,000	\$6,000	\$6,000	Unlimited ³	
Party Central Committee- State	\$6,000 ⁵	\$6,000	\$6,000	N/A	Unlimited	Unlimited	
Party Central Committee-Local	\$6,000 ⁶	\$6,000	\$6,000	Unlimited	Unlimited	Unlimited	
Ballot Issue Committee- State & Local ⁷	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	Unlimited	

¹ It is unlimited only if the transfer occurs between the candidate committee and the Slate of which the candidate is a member, otherwise it is limited to the \$6,000 transfer amount.

² When a Candidate committee is closing, it may make an unlimited transfer of surplus funds.

³ Money transferred to a Ballot issue committee must be isolated in occurrence and de minimus in comparison to the amount of money in the candidates' account.

⁴ Only between the Slate and its candidate members, otherwise a \$6,000 transfer limit applies.

⁵ In addition to the transfer, State Central Committees can make a coordinated campaign contribution to candidates in the amount of \$1 for every two registered voters in the State.

⁶ In addition to the transfer, Local Central Committee can make a coordinated campaign contribution to candidates in the amount of \$1 for every 2 registered voters in the county.

⁷ Transfers from a ballot issue committee must be isolated in occurrence and de minimus in comparison to the overall amount of money in the ballot issue account.

July 2005

State of Maryland 

Notice of Intent to Qualify for Public Contributions from the Fair Campaign Financing Fund

Under penalty of perjury, we, the undersigned Gubernatorial ticket, intend to qualify for public contributions from the Fair Campaign Financing Fund for the 2010 Gubernatorial Elections wherein we are subject to the contribution and spending requirements and limitations set forth in Title 15 of Election Law Article of the Annotated Code of Maryland and COMAR Title 33, Subtitle 14, Chapter 02.

Additionally, we, the undersigned, will raise eligible private contributions and expend public contributions only out of the candidate campaign committee designated below to serve as the public campaign committee. All other political committees affiliated with the Gubernatorial ticket will not receive any public contributions. Furthermore, any and all expenditures made by affiliated political committees shall be attributed to the Gubernatorial ticket and count against the expenditure limit. This notice does not relieve any political committee affiliated with the Gubernatorial ticket, including dormant candidate campaign committees, from filing all campaign finance reports required by Election Law §13-309.

Information on Gubernatorial Ticket:

Candidate for Governor

Candidate for Lt. Governor

Name

Name

Signature of Candidate for Governor

Signature of Candidate for Lt. Governor

Authorized Candidate Campaign Committee

Authorized Candidate Campaign Committee

Public Campaign Committee Information for the Gubernatorial ticket:

Name and number of the Candidate Campaign Committee designated as the Public Campaign Committee

Bank Account Number

Name of Bank

Treasurer

Chairman

Signature of Treasurer

Signature of Chairman

MUST BE FILED BY:

For Democratic and Republican Primary Candidates:

July 6, 2010, 9:00 PM

For General Election Candidates Only:

October 4, 2010, 5:00PM

Contact Person: Jared DeMarinis, Director, Candidacy and Campaign Finance

Maryland State Board of Elections
Division of Candidacy and Campaign Finance
P.O. Box 6486 · 151 West Street, Suite 200 · Annapolis, MD 21401-0486
410-269-2880 · 800-222-8683 · MD Relay 800-735-2258
www.elections.state.md.us

CCF/forms/final/SBE15-1
Revised: July 2009

State of Maryland



Seed Money Certification and Initial Request for Public Contributions

Date of Request: _____

Transaction Period covered for eligible private contributions received: From: _____ To: _____

We, the undersigned, certify that as a Gubernatorial ticket in the 2010 Gubernatorial Elections, we raised the required seed money¹ and additional eligible private contributions in accordance with Title 15 of Election Law Article of the Annotated Code of Maryland and request public matching contribution funds. Furthermore, we certify that we will not expend in either the primary or the general election an amount in excess of the maximum spending limitation set forth by Election Law Article §15-105.

Total eligible private contributions constituting "Seed Money": \$ _____

Additional eligible private contributions: \$ _____

Total eligible private contributions: \$ _____

Total amount public contributions requested \$ _____

Additionally, we are submitting a contribution report detailing all additional eligible private contributions received in the above referenced transaction period.

We hereby certify under penalty of perjury that the information provided is true.

Signature of Governor Candidate Date

Signature of Lt. Governor Candidate Date

Signature of Chairman Date

Signature of Treasurer Date

Public Campaign Committee Information for the Gubernatorial ticket:

Name and number of the Candidate Campaign Committee designated as the Public Campaign Committee

Bank Account Number Name of Bank

MUST BE FILED BY:

For Democratic and Republican Primary Candidates: July 6, 2010, 9:00 PM
For General Election Candidates Only: October 4, 2010, 5:00 PM

Maryland State Board of Elections
Division of Candidacy and Campaign Finance
P.O. Box 6486 · 151 West Street, Suite 200 · Annapolis, MD 21401-0486
410-269-2880 · 800-222-8683 · MD Relay 800-735-2258
www.elections.state.md.us

¹ The amount of seed money that must be raised is equal to 10% of the maximum campaign expenditure limit. The expenditure limit equals 30¢ (adjusted annually beginning in 1997 in accordance with the Consumer Price Index) times State Population as of January 1, 2010. Seed money must consist of eligible private contributions. An eligible private contribution can only be made by an individual and may not exceed \$250. Accordingly, money from business entities, political action committees, and other organizations or associations may not be counted as seed money. An in-kind contribution from an individual may be counted as seed money.

Election Law Article

Title 1. Definitions and General Provisions

Subtitle 1. Definitions

§1-101.

(a) In this article the following words have the meanings indicated unless a different meaning is clearly intended from the context.

(b) "Absentee ballot" means a ballot not used in a polling place.

(c) "Authorized candidate campaign committee" means a political committee established under Title 13 of this article and authorized by a candidate to promote the candidate's candidacy.

(d) (1) "Ballot" or "official ballot" includes:

- (i) an absentee ballot;
- (ii) a document ballot; or
- (iii) a voting machine ballot.

(2) "Ballot" or "official ballot" does not include:

- (i) a sample ballot; or
- (ii) a specimen ballot.

(e) "Ballot face" means single sides of a sheet on which are printed some or all of the contests to be voted by a voter.

(f) "Ballot issue committee" means a political committee that is formed to promote the success or defeat of a question to be submitted to a vote at an election.

(g) "Ballot style" means a unique aggregation of contests that make up the ballot for a particular group of voters identified by common characteristics of residence location, party affiliation, or both.

(h) "Campaign finance entity" means a political committee established under Title 13 of this article.

(i) "Campaign finance report" means a report, statement, affidavit, or other document that is:

- (1) authorized or required under this article;
- (2) related to the campaign finance activities of a campaign finance entity or to expenses associated with a legislative newsletter; and
- (3) filed or submitted on a form prescribed by the State Board under this article.

(j) "Campaign manager" means a person designated by a candidate, or the candidate's representative, to exercise general overall responsibility for the conduct of the candidate's political campaign.

(k) (1) "Campaign material" means any material that:

- (i) contain text, graphics, or other images;
- (ii) relates to a candidate, a prospective candidate, or the approval or rejection of a question; and
- (iii) is published or distributed.

(2) "Campaign material" includes:

- (i) material transmitted by or appearing on the Internet or other electronic medium; and
- (ii) an oral commercial campaign advertisement.

(l) (1) "Candidate" means an individual who files a certificate of candidacy for a public or party office.

(2) "Candidate" includes:

- (i) an incumbent judge of the Court of Appeals or Court of Special Appeals at an election for continuance in office; and
- (ii) an individual, prior to that individual filing a certificate of candidacy, if a campaign finance entity has been established on behalf of that individual.

(m) (1) "Contest" means:

- (i) the aggregate of candidates who run against each other or among themselves for nomination for, or election to, an office or multiple offices of the same category; or

- (ii) the positive and negative voting options for a question submitted to the voters.
- (2) "Contest" includes, in a general election for an office, the write-in option.
- (n) "Continuing political committee" means a political committee that is permitted to continue in existence from year to year.
- (o) (1) "Contribution" means the gift or transfer, or promise of gift or transfer, of money or other thing of value to a campaign finance entity to promote or assist in the promotion of the success or defeat of a candidate, political party, or question.
- (2) "Contribution" includes proceeds from the sale of tickets to a campaign fund-raising event.
- (p) "County" means a county of the State or Baltimore City.
- (q) "Disabled" means having a temporary or permanent physical disability.
- (r) (1) "Distributor" means a person engaged for profit in the distribution of campaign material by hand delivery or direct mail.
- (2) "Distributor" does not include salaried employees, agents, or volunteers of the person.
- (s) (1) "Document ballot" means a ballot used with a voting system in which the voter individually is issued a ballot on which to indicate one or more votes.
- (2) "Document ballot" includes:
 - (i) a machine-read ballot, such as an optically scanned ballot or punch card ballot; and
 - (ii) a hand-counted paper ballot.
- (t) "Driver's license" includes an identification card issued by the Motor Vehicle Administration.
- (u) "Elderly" means 65 years of age or older.
- (v) (1) "Election" means the process by which voters cast votes on one or more contests under the laws of this State or the United States.
- (2) "Election" includes, unless otherwise specifically provided in this article, all general elections, primary elections, and special elections.
- (3) "Election" does not include, unless otherwise specifically provided in this article, a municipal election other than in Baltimore City.
- (w) "Election cycle" means the period that begins on the January 1 that follows a gubernatorial election and continues until the December 31 that is 4 years later.
- (x) "Electronic storage format" means a computer disk or other information storage and retrieval medium approved by the State Board.
- (y) "Expenditure" means a gift, transfer, disbursement, or promise of money or a thing of value by or on behalf of a campaign finance entity to:
 - (1) promote or assist in the promotion of the success or defeat of a candidate, political party, or question at an election; or
 - (2) pay for the publication expense of a legislative newsletter under Title 13, Subtitle 4 of this article.
- (z) "Independent expenditure" means an expenditure by a person to aid or promote the success or defeat of a candidate if the expenditure is not made in coordination with, or at the request or suggestion of, the candidate, a campaign finance entity of the candidate, or an agent of the candidate.
- (aa) "Infamous crime" means any felony, treason, perjury, or any crime involving an element of deceit, fraud, or corruption.
- (bb) "Local board" means a county board of elections.
- (cc) "Majority party" means the political party to which the incumbent Governor belongs, if the incumbent Governor is a member of a principal political party. If the incumbent Governor is not a member of one of the two principal political parties, "majority party" means the principal political party whose candidate for Governor received the highest number of votes of any party candidate at the last preceding general election.
- (dd) "Partisan organization" means a combination of two or more individuals formed for the purpose of organizing a new political party.
- (ee) "Political action committee" means a political committee that is not:
 - (1) a political party;
 - (2) a central committee;
 - (3) a slate;

- (4) a political committee organized and operated solely to support or oppose a single candidate; or
- (5) a political committee organized and operated solely to support or oppose a ballot issue.
- (ff) "Political committee" means a combination of two or more individuals that assists or attempts to assist in promoting the success or defeat of a candidate, political party, or question submitted to a vote at any election.
- (gg) "Political party" means an organized group that is qualified as a political party in accordance with Title 4 of this article.
- (hh) "Precinct" includes:
 - (1) an election district in a county that is not divided into precincts;
 - (2) an election precinct in an election district that is divided into precincts; or
 - (3) a precinct in a ward of the City of Baltimore.
- (ii) "Precinct register" means the list of voters for a single precinct.
- (jj) "Principal minority party" means the principal political party whose candidate for Governor received the second highest number of votes of any party candidate at the last preceding general election.
- (kk) "Principal political parties" means the majority party and the principal minority party.
- (ll) "Provisional ballot" means a ballot that is cast by an individual but not counted until the individual's qualifications to vote have been confirmed by the local board.
- (mm) "Registered voter" does not include an individual whose name is on a list of inactive voters.
- (nn) "Responsible officers" means the chairman and treasurer of a political committee.
- (oo) "Sample ballot" means a facsimile of a ballot used for informational purposes by a person or entity other than a local board.
- (pp) "Slate" means a political committee of two or more candidates who join together to conduct and pay for joint campaign activities.
- (qq) "Specimen ballot" means a facsimile of a ballot used by a local board to provide notice to registered voters of the contents of the ballot.
- (rr) "State Administrator" means the State Administrator of Elections.
- (ss) "State Board" means the State Board of Elections.
- (tt) "Transfer" means a monetary contribution that is made by one campaign finance entity to another campaign finance entity, other than one made by or to a political club.
- (uu) "Treasurer" means an individual appointed in accordance with Title 13, Subtitle 2 of this article.
- (vv) "Vote" means to cast a ballot that is counted.
- (ww) "Voting machine" includes:
 - (1) a mechanical lever machine; and
 - (2) a direct recording electronic voting device.
- (xx) "Voting machine ballot" means a ballot posted on or in the voting machine and referred to by the voter to indicate the voting locations for each contest.
- (yy) "Voting system" means a method of casting and tabulating ballots or votes.
- (zz) "Write-in candidate" means an individual whose name will not appear on the ballot but who files a certificate of candidacy in accordance with § 5-303 of this article.
- (aaa) "Write-in vote" means a vote cast, in a contest at a general election, for an individual whose name is not on the ballot for that contest.

Title 13. Campaign Finance.

Subtitle 1. General Provisions.

§ 13-101.

- (a) This title applies to each election conducted in accordance with this article.
- (b) This title does not apply to campaign finance activity required to be governed solely by federal law.

§ 13-102.

Except for a candidate, this title does not prohibit an individual who acts independently of any other person from:

- (a) expressing personal views on any subject; or
- (b) making an expenditure of personal funds to purchase campaign material.

§ 13-103.

- (a) (1) The State Board shall prepare a summary of the election law that relates to campaign finance activity and provide for distribution of the summary.
- (2) When a certificate of candidacy is filed, the board receiving the certificate shall provide the candidate with:
 - (i) a copy of the summary; and
 - (ii) each form the candidate is required to file under this title.
- (b) The State Board shall provide to a local board samples of such of the forms required under this title as the local board may request.

§ 13-104.

The State Board may accept an electronic signature for any form, document, report, or affidavit required by the State Board under this title.

Subtitle 2. Campaign Finance Organization and Activity

Part I. In General.

§13-201.

Unless otherwise provided by law, this subtitle applies to all campaign finance activity associated with an election under this article

§ 13-202.

- (a) Unless otherwise expressly authorized by law, all campaign finance activity for an election under this article shall be conducted through a campaign finance entity.
- (b) An individual may not file a certificate of candidacy until the individual establishes, or causes to be established, an authorized political committee.

§ 13-203.

Each campaign finance entity shall comply with the reporting requirements of Subtitle 3 of this title.

Part II. Organization.

§ 13-206.

Repealed by Acts 2006, Ch. 510.

§ 13-207.

- (a) This section applies to a political committee other than a political club.
- (b) A political committee may not receive or disburse money or any other thing of value unless the political committee is established in accordance with the requirements of this section.
- (c) To establish a political committee:
 - (1) a chairman and a treasurer shall be appointed on a form that the State Board prescribes and that is signed by the chairman and treasurer and includes:
 - (i) the residence addresses of the chairman and the treasurer; and
 - (ii) the information required by § 13-208 of this subtitle; and
 - (2) the form shall be filed with the board where the political committee is required to file campaign finance reports.
- (d) (1) A chairman or treasurer of a political committee may resign by completing a resignation form that the State Board prescribes and filing the form with the board where the political committee was established.

- (2) If a vacancy occurs in the office of chairman or the office of treasurer, the political committee promptly shall appoint a new chairman or treasurer in accordance with this section.

§ 13-208.

- (a) This section applies to a political committee other than a political club.
- (b) A political committee shall provide, with the filing required by § 13-207(c) of this subtitle, a statement of organization that includes its name and a statement of purpose.
- (c) The statement of purpose shall specify:
 - (1) each candidate or ballot question, if any, that the political committee was formed to promote or defeat; and
 - (2) the identity of each special interest, including any business or occupation, that the organizers of or contributors to the political committee have in common.
 - (3) whether the political committee will participate in presidential, gubernatorial, Baltimore, or multiple elections.
- (d)
 - (1) A political committee may not use a name that is intended or operates to deceive people as to the political committee's true nature or character.
 - (2) A political committee established by and for a single candidate shall disclose within the political committee's name the name of the candidate.
 - (3) A political committee sponsored by or affiliated with another entity or group shall identify within the political committee's name the other entity or group.
- (e) A change in the information reported under this section shall be disclosed in the campaign finance report next filed by the political committee.

§ 13-209.

- (a) Two or more candidates who have established separate campaign finance entities may form a slate.
- (b) After establishing a campaign finance entity in accordance with § 13-202(b) of this subtitle, a candidate may join a slate.
- (c)
 - (1) To join a slate, a candidate shall file a written notice with the board where the candidate filed a certificate of candidacy.
 - (2) The notice shall specify:
 - (i) the name of the slate that the candidate has joined; and
 - (ii) the date on which the candidate joined the slate.

§ 13-210.

- (a) In this section, "lobbyist" means a regulated lobbyist as described in the State Government Article.
- (b) A lobbyist, or person acting on behalf of a lobbyist, may be subject to the limitations on campaign finance activity prescribed in the State Government Article

§ 13-211.

Repealed by Acts 2010, Ch. 471

§ 13-212.

An individual may appoint a campaign manager by:

- (a) completing a form that the State Board prescribes and that includes the name and address of that campaign manager; and
- (b) filing the form with the board where the individual is required to file a certificate of candidacy

Part III. Campaign Finance Officers – Responsibility, Qualifications, and Eligibility

§ 13-214.

- (a) The responsible officers of a campaign finance entity are jointly and severally responsible for filing all campaign finance reports in full and accurate detail and for all other actions of the entity.
- (b) Notice shall be provided to a campaign finance entity by serving the responsible officers.

§ 13-215.

- (a) Each chairman, treasurer, subtreasurer, and campaign manager shall be a registered voter of the State.
- (b) (1) Subject to paragraph (2) of this subsection, a candidate may not act:
 - (i) as the treasurer or subtreasurer of a campaign finance entity of the candidate; or
 - (ii) with respect to any other campaign finance entity:
 - 1. as the campaign manager, treasurer, or subtreasurer; or
 - 2. in any other position that exercises general overall responsibility for the conduct of the entity.
- (2) An incumbent member of a central committee who is a candidate for election to party office may act as the treasurer of that central committee.
- (c) Subject to subsection (b) of this section, the chairman, treasurer, subtreasurer, or campaign manager of a campaign finance entity may serve as the chairman, treasurer, subtreasurer, or campaign manager of another campaign finance entity

Part IV. Campaign Finance Activity and Records.

§ 13-218.

- (a) All assets received by or on behalf of a campaign finance entity shall be:
 - (1) delivered to the treasurer; and
 - (2) maintained by the treasurer for the purposes of the campaign finance entity.
- (b) (1) Assets of a campaign finance entity may be disbursed only:
 - (i) if they have passed through the hands of the treasurer; and
 - (ii) in accordance with the purposes of the entity.
- (2) Subject to § 13-220(b)(2) and (c) of this subtitle, the treasurer shall make all disbursements for the campaign finance entity.
- (c) The treasurer of a State or county central committee of a political party may not make any disbursement of the central committee's assets, or incur any liability on its behalf, without authority and direction from the chairman of the central committee.

§ 13-219.

Repealed by Acts 2010, Ch. 471

§ 13-220.

- (a) (1) Each campaign finance entity shall designate one or more campaign accounts.
- (2) Each designated campaign account shall:
 - (i) be in a financial institution; and
 - (ii) be registered in a manner that identifies it as the account of a campaign finance entity.
- (3) A campaign finance entity shall deposit all funds received in a designated campaign account.
- (b) (1) Subject to paragraph (2) of this subsection and subsection (c) of this section, a campaign finance entity may not directly or indirectly make a disbursement except by check from a campaign account designated under subsection (a) of this section.
- (2) A campaign finance entity, or a person authorized by the campaign finance entity, may pay an expense of the campaign finance entity from funds other than a campaign account if:
 - (i) the expense is supported by a receipt that is provided to the campaign finance entity; and
 - (ii) the campaign finance entity reimburses the person who paid the expense by check from the campaign account and reports the expense as an expenditure of the campaign finance entity in accordance with Subtitle 3 of this title.
- (c) (1) A campaign finance entity may maintain a petty cash fund.
- (2) The campaign finance entity shall maintain a separate account book for the petty cash fund.

- (3) The petty cash fund:
 - (i) may not exceed \$250 at any time; and
 - (ii) may be replenished only by check from a campaign account designated under subsection (a) of this section.
- (4) Not more than \$25 may be disbursed from the petty cash fund in a primary or general election to a single recipient.
- (5) Each petty cash expenditure shall be supported by a receipt and reported by category on the appropriate campaign finance report.
- (6) This subsection does not authorize an expenditure that otherwise is unlawful under this article.

§ 13-221.

- (a)
 - (1) The treasurer of a campaign finance entity shall keep a detailed and accurate account book of all assets received, expenditures made, and obligations incurred by or on behalf of the entity.
 - (2) Except as provided in § 13-240 of this subtitle, as to each asset received or expenditure made, the account book shall state:
 - (i) its amount or value;
 - (ii) the date of the receipt or expenditure;
 - (iii) the name and address of the person from whom the asset was received or to whom the expenditure was made; and
 - (iv) a description of the asset received or the purpose for which the expenditure was made.
 - (3) Each expenditure made from a campaign account shall be supported by a receipt.
- (b) The account books and related records of a campaign finance entity shall be preserved until 2 years after the campaign finance entity files a final campaign finance report under Subtitle 3 of this title.

§ 13-222.

- (a)
 - (1) On receiving and before depositing a contribution specified in paragraph (2) of this subsection, a treasurer or subtreasurer shall issue a campaign contribution receipt on the form that the State Board prescribes.
 - (2) A campaign contribution receipt shall be mailed or delivered to each person who:
 - (i) makes one or more contributions, other than the purchase of tickets for a campaign event, in the cumulative amount of \$51 or more; or
 - (ii) purchases one or more tickets for a campaign event:
 1. at a cost of \$51 or more per ticket; or
 2. in the cumulative amount of \$251 or more.
 - (3) At the request of a contributor, a treasurer or subtreasurer shall issue a campaign contribution receipt for any other contribution.
 - (4) A campaign contribution receipt issued under this section is evidence of the contribution.
- (b) The information from a campaign contribution receipt shall be included in the campaign finance report filed by the treasurer or subtreasurer under this title.

Part V. Contributions – Limits

§ 13-225.

Except as otherwise provided by law, contributions may be made only in accordance with this Part V of this subtitle.

§ 13-226.

- (a) The limits on contributions in this section do not apply to:
- (1) a contribution to a ballot issue committee; or
 - (2) those contributions defined as transfers.
- (b) Subject to subsection (d) of this section, a person may not, either directly or indirectly, in an election cycle make:
- (1) aggregate contributions in excess of:
 - (i) \$4,000 to any one campaign finance entity; or
 - (ii) \$10,000 to all campaign finance entities; or
 - (2) a contribution of money in excess of \$100 except by check.
- (c) A person may not make a contribution by credit card greater than \$100 per transaction.
- (d) (1) Notwithstanding subsection (b) of this section, a central committee of a political party may make aggregate in-kind contributions during an election cycle that are not in excess of:
- (i) for a State central committee, \$1 for every two registered voters in the State; and
 - (ii) for a local central committee, \$1 for every two registered voters in the county.
- (2) For the purposes of paragraph (1) of this subsection, the number of registered voters is determined, regardless of party affiliation, as of the first day of the election cycle.
- (e) The limit on contributions to the campaign finance entity of a candidate applies regardless of the number of offices sought by the candidate or campaign finance entities formed to support the candidate.
- (f) Contributions by a corporation and any wholly-owned subsidiary of the corporation, or by two or more corporations owned by the same stockholders, shall be considered as being made by one contributor.

§ 13-227.

- (a) In this section, a "campaign finance entity" includes a nonfederal out-of-state political committee.
- (b) The limit on transfers set forth in subsection (c) of this section does not apply to a transfer:
- (1) by a campaign finance entity to a ballot issue committee;
 - (2) between or among:
 - (i) political committees that are State or local central committees of the same political party;
 - (ii) a slate and the campaign finance entities of its members; and
 - (iii) the campaign finance entities of a candidate.
- (c) During an election cycle, a campaign finance entity may not directly or indirectly make transfers in a cumulative amount of more than \$6,000 to any one other campaign finance entity.
- (d) (1) All affiliated campaign finance entities are treated as a single entity in determining:
- (i) the amount of transfers made by a campaign finance entity; and
 - (ii) the amount of transfers received by a campaign finance entity.
- (2) Campaign finance entities are deemed to be affiliated if they:
- (i) are organized and operated in coordination and cooperation with each other; or
 - (ii) otherwise conduct their operations and make their decisions relating to transfers and other contributions under the control of the same individual or entity.
- (e) The limit on transfers to the campaign finance entities of a candidate prescribed in subsection (c) of this section applies regardless of the number of offices sought by the candidate.

§ 13-228.

A political action committee that makes a transfer to the campaign finance entity of a candidate or to a slate shall:

- (1) display its official name, as filed with the State Board under this subtitle, in a prominent place on the face of the check by which the funds are transferred; and
- (2) include in a prominent place on the face of the check the words "political action committee" or the notation "PAC", to indicate that the transferor is a political action committee.

§ 13-229.

A transfer is not allowed if it is intended to conceal the source of the funds or the intended recipient.

§ 13-230.

(a) A loan to a campaign finance entity is considered a contribution in the amount of the outstanding principal balance of the loan unless:

- (1) the loan is from a financial institution or other entity in the business of making loans; or
- (2) the loan is to the campaign finance entity of a candidate and:
 - (i) repayment of the loan is personally guaranteed by the candidate; and
 - (ii) the election cycle immediately following the election cycle in which the loan was made has not ended.

(b) (1) Subject to subsection (c)(2) of this section, uncharged interest on a loan is a contribution.

(2) Uncharged interest is the amount by which, during a reporting period, the interest actually charged on the loan is less than the interest on the loan computed at the prime rate applicable on the day the loan was made.

(c) (1) Subject to paragraph (2) of this subsection, the terms of a loan to a campaign finance entity shall:

- (i) be in writing;
- (ii) include the lender's name, address, and signature;
- (iii) state the schedule for repayment of the loan;
- (iv) state the interest rate of the loan; and
- (v) be attached to the campaign finance report required of the entity under Subtitle 3 of this title

for the reporting period during which the loan was made.

(2) (i) A loan by a candidate or the candidate's spouse to a campaign finance entity of the candidate is not required to comply with paragraph (1) of this subsection.

(ii) Unless a loan by a candidate or the candidate's spouse to a campaign finance entity of the candidate complies with paragraph (1) of this subsection:

1. the loan may not accrue interest;
 2. any interest foregone on the loan is not a contribution under subsection (b) of this section;
- and
3. the campaign finance entity is not subject to:
 - A. § 13-310(a) and (b) of this title so long as the loan has an outstanding principal balance;
 - B. subsection (a)(2)(ii) of this section.

(d) (1) A loan may not be made to a campaign finance entity of a candidate, or accepted on behalf of the entity, without the express written consent of the candidate.

(2) The written consent of the candidate constitutes the personal guarantee of the candidate for repayment of the loan only if the document expressly so provides.

(3) A copy of the candidate's written consent shall be:

- (i) furnished to the lender when the loan is made; and
- (ii) attached to the campaign finance report required of the entity under Subtitle 3 of this title for the reporting period during which the loan was made.

§ 13-231.

(a) (1) Contributions or loans to a campaign finance entity of a candidate from the personal funds of the candidate or the candidate's spouse are not subject to the contribution limits under § 13-226 of this subtitle.

(2) Expenditures from personal funds by the candidate or the candidate's spouse for personal expenses of the candidate for filing fees, telecommunication services, travel, and food are not contributions.

(b) A contribution or loan to a campaign finance entity of a candidate by the candidate or the candidate's spouse shall pass through the hands of the treasurer of the entity and be reported in accordance with Subtitle 3 of this title.

§ 13-232.

(a) Except as provided in subsection (b) of this section, a contribution is attributable to the election cycle in which it is received.

(b) A contribution by check is attributable to the election cycle in which the check is issued.

§ 13-233.

This Part V of this subtitle does not affect the right of an individual to:

- (1) volunteer the individual's time or, for transportation incident to an election, personal vehicle; or
- (2) pay reasonable legal expenses associated with maintaining or contesting the results of an election.

Part VI. Contributions – Prohibitions.

§ 13-235.

(a) This section applies to the following officials:

- (1) the Governor;
- (2) the Lieutenant Governor;
- (3) the Attorney General;
- (4) the Comptroller; and
- (5) a member of the General Assembly.

(b) Except as provided in subsection (c) or (d) of this section, during a regular session of the General Assembly an official described in subsection (a) of this section, or a person acting on behalf of the official, may not, as to a candidate for federal, State, or local office, or a campaign finance entity of the candidate or any other campaign finance entity organized under this title and operated in coordination with a candidate:

- (1) receive a contribution;
- (2) conduct a fund-raising event;
- (3) solicit or sell a ticket to a fund-raising event; or
- (4) deposit or use any contribution of money that was not deposited prior to the session.

(c) An official described in subsection (a) of this section, or a person acting on behalf of the official, is not subject to this section when engaged in activities solely related to the official's election to an elective federal or local office for which the official is a filed candidate.

(d) Under the Public Financing Act, a gubernatorial ticket, during the year of the election only, may accept eligible private contributions and any disbursement of funds by the State Board that is based on the eligible private contributions.

(e) (1) As to a violation of this section, the campaign finance entity of the official in violation is liable for a civil penalty as provided in this subsection.

(2) The State Board, represented by the State Prosecutor, may institute a civil action in the circuit court for any county seeking the civil penalty provided in this subsection.

(3) A campaign finance entity that receives a contribution as a result of the violation shall:

- (i) refund the contribution to the contributor; and
- (ii) pay a civil penalty that equals the sum of \$1,000 plus the amount of the contribution.

§ 13-236.

An entity that at any time during an election cycle derives the majority of its operating funds from the State may not make a contribution to any campaign finance entity during that election cycle.

§ 13-239.

Except as provided in § 13-240 of this subtitle, if a campaign finance entity receives a contribution from an anonymous source, the campaign finance entity:

- (1) may not use the contribution for any purpose; and
- (2) shall remit the contribution to the State Treasurer.

§ 13-240.

(a) This section applies to a spin or chance on a paddle wheel or wheel of fortune that is authorized under the laws of this State to operate at a campaign fund-raising event.

(b) Notwithstanding § 13-239 of this subtitle or any other law that prohibits an anonymous contribution, a political committee may accept money received from the sale of a spin or chance, and need not identify the individual purchaser in its account book, if:

(1) the account book of the political committee includes:

(i) the net amount received by the political committee at the event at which the sale was made;

and

(ii) the name and address of each individual who attended the event;

(2) no spin or chance is sold at the event for more than \$2;

(3) the net income of the sponsoring political committee from spins and chances at the event does not exceed \$1,500 in a 24-hour period; and

(4) the total receipts of the sponsoring political committee from spins and chances in that election do not exceed \$2,500.

(c) If a political committee raises funds in excess of a limit specified in this section, the political committee shall:

(1) donate the excess to a charity of its choice; or

(2) identify in its account book the amount received from each individual who purchased a spin or chance.

(d) The State Board shall adopt regulations to implement this section.

§ 13-241.

(a) An employer may establish a program for collecting from employees by means of payroll deductions voluntary contributions to one or more campaign finance entities selected by the employer.

(b) Periodic contributions collected by payroll deductions under a program established under subsection (a) of this section shall be combined and accumulated in a segregated escrow account maintained solely for that purpose.

(c) An employer shall keep detailed and accurate records of each payroll deduction made under subsection (a) of this section, including:

(1) the name of the contributor;

(2) the date on which the contribution is withheld;

(3) the amount of the contribution; and

(4) the disposition of the contribution.

(d) Within 3 months after withholding a contribution under this section, the employer shall transmit the contribution to the appropriate campaign finance entity, together with the information recorded under subsection (c)(1), (2), and (3) of this section.

(e) In soliciting an employee to make a contribution to a campaign finance entity by payroll deduction, an employer shall inform the employee of:

(1) the political purposes of the campaign finance entity; and

(2) the employee's right to refuse to contribute to the campaign finance entity without reprisal.

(f) An employer may not receive or use money or anything of value under this section if it is obtained:

(1) by actual or threatened:

(i) physical force;

(ii) job discrimination; or

(iii) financial reprisal; or

(2) as:

(i) a result of a commercial transaction; or

(ii) dues, fees, or other assessment required as a condition of membership in a labor organization

or employment.

13-242.

(a) (1) In this section the following words have the meanings indicated.

(2) "Affiliated political action committee" means a political action committee affiliated with an employee membership entity.

(3) "Employee membership entity" means an organization whose membership includes employees of the employer.

(b) If an employer withholds from employees by payroll deduction the employees' dues to an employee membership entity:

(1) the employee also may make contributions by payroll deduction to one or more affiliated political action committees selected by the employee; and

(2) the employer shall collect the contributions and transmit them to the employee membership entity designated by the employee in accordance with the requirements of subsection (c) of this section.

(c) Periodic contributions collected by payroll deductions pursuant to a program established under subsection (b) of this section shall be:

(1) combined and accumulated in a segregated escrow account maintained solely for that purpose; and

(2) transmitted to the employee membership entity within 30 days of being withheld, together with the information required under subsection (d)(1) through (4) of this section.

(d) An affiliated political action committee, in conjunction with its employee membership entity and the employer, shall keep detailed and accurate records of each contribution under subsection (b) of this section, including:

(1) the name of the contributor;

(2) the date on which the contribution was made;

(3) the amount of the contribution;

(4) the name of the affiliated political action committee designated by the employee to receive the contribution; and

(5) the date on which the contribution was received by the employee membership entity and the affiliated political action committee.

(e) (1) Within 30 days after it receives a contribution under subsection (c) of this section, the employee membership entity shall transmit the contribution:

(i) to its affiliated political action committee; or

(ii) if a contribution is designated for a political action committee affiliated with a State or local chapter of the employee membership entity, to the State or local chapter of the employee membership entity.

(2) Within 5 days after it receives a contribution under paragraph (1)(ii) of this subsection, the State or local chapter of the employee membership entity shall transmit the contribution to its affiliated political action committee.

(3) An employee membership entity, including a State or local chapter, that transfers contributions in accordance with paragraphs (1) or (2) of this subsection shall include the information recorded under subsection (d) of this section that is received from the employer.

(f) An employer, employee membership entity, or affiliated political action committee, may not solicit, receive, or use employee contributions in a manner that would be prohibited under § 13-241(e) and (f) of this subtitle if performed by an employer.

§ 13-243.

(a) (1) In this section the following words have the meanings indicated.

(2) "Membership entity" means an organization that collects dues from its members.

(3) "Affiliated political action committee" means a political action committee affiliated with a membership entity.

(b) A membership entity may establish a program for periodically collecting from its members and accumulating voluntary contributions by the members to an affiliated political action committee if those contributions are collected together with:

(1) membership dues invoiced and collected by the membership entity; or

(2) contributions by the members to a political action committee established under federal law, if that political action committee is also affiliated with the membership entity.

(c) A membership entity shall keep detailed and accurate records of each contribution received under subsection (b) of this section, including:

- (1) the name of the contributor;
- (2) the date on which the contribution is withheld;
- (3) the amount of the contribution; and
- (4) the disposition of the contribution.

(d) Within 30 days after being received, a contribution under this section shall be transmitted by the membership entity, with the information recorded under subsection (c)(1), (2), and (3) of this section, to its affiliated political action committee.

(e) In soliciting a member, by joint invoice for membership dues or for a contribution to an affiliated federal political action committee, to make a contribution to its affiliated political action committee, a membership entity shall inform the member of:

- (1) the political purposes of the affiliated political action committee; and
- (2) the member's right to refuse to contribute to the political action committee without reprisal.

(f) An employee membership entity or its affiliated political action committee entity may not receive or use money or anything of value under this section if it is obtained:

- (1) by actual or threatened:
 - (i) physical force;
 - (ii) membership discrimination; or
 - (iii) financial or professional reprisal; or
- (2) as dues, fees, or other assessment required as a condition of membership.

Part VIII. Expenditures – Miscellaneous Provisions.

§ 13-245.

(a) In this section, "walk-around services" means the following activities if performed for money while the polls are open:

- (1) distributing campaign material;
- (2) stationing a person, including oneself, or an object in the path of a voter;
- (3) electioneering or canvassing as described in § 16-206 of this article;
- (4) communicating in any other manner a voting preference or choice; or
- (5) performing any other service as a poll worker or distributor of sample ballots.

(b) This section does not apply to:

- (1) meals, beverages, and refreshments served to campaign workers;
- (2) salaries of regularly employed personnel in campaign headquarters;
- (3) media advertising, including newspaper, radio, television, billboard, or aerial advertising;
- (4) rent and regular office expenses; or
- (5) the cost of telephoning voters or transporting voters to and from polling places.

(c) A campaign finance entity, or a person acting on its behalf, may not at any time, directly or indirectly, pay or incur an obligation to pay, and a person may not, directly or indirectly, receive any money or thing of value, for:

- (1) a political endorsement; or
- (2) walk-around services.

§ 13-246.

A person who claims that money is due from a campaign finance entity shall present a claim for payment to the treasurer or subtreasurer not later than 30 days after the election for which the liability was incurred.

§ 13-247.

After all campaign expenditures have been made and before filing a final campaign finance report under Subtitle 3 of this title, any remaining balance in the account of a campaign finance entity shall be returned pro rata to the contributors or paid to:

- (1) if the campaign finance entity is a personal treasurer or a political committee formed to support a candidate or act for a political party:
 - (i) the State central committee of the political party:
 1. of which the candidate is a member; or
 2. for which the political committee is acting;
 - (ii) the local central committee of the political party:
 1. of which the candidate is a member in a county in which the candidate resides or which the candidate seeks to represent; or
 2. for which the political committee is acting;
 - (iii) the board of education of a county in which the candidate resides or which the candidate seeks to represent;
- (2) a nonprofit organization that provides services or funds for the benefit of pupils or teachers;
- (3) a charitable organization registered or exempt from registration under the Maryland Charitable Solicitations Act; or
- (4) a public or private institution of higher education in the State if:
 - (i) that institution possesses a certificate of approval from the Maryland Higher Education Commission; and
 - (ii) the payment is designated for use by the institution solely to award scholarships, grants, or loans to students attending the institution.

Subtitle 3. General Reporting Requirements.

Part I. General Provisions.

§ 13-301.

In this subtitle, the provisions that apply to a "campaign finance entity" also apply to a campaign entity located outside the State with regard to all expenditures within the State.

Part II. Reporting Requirements.

§ 13-304.

- (a)
 - (1) From the date of its organization until its termination under the provisions of this title, a campaign finance entity, except a political club, shall file a campaign finance report at the State Board at the times and for the periods required by §§ 13-309, 13-312, and 13-316 of this subtitle.
 - (2) A campaign finance report submitted using an electronic format shall:
 - (i) be made under oath or affirmation;
 - (ii) require an electronic signature from the treasurer at the time of the filing of the campaign finance report; and
 - (iii) be made subject to the penalties for perjury.
 - (b) A campaign finance report filed by a campaign finance entity under subsection (a) of this section shall include the information required by the State Board with respect to all contributions received and all expenditures made by or on behalf of the campaign finance entity during the designated reporting period.
 - (c) A campaign finance report prescribed by this subtitle for the campaign finance entity of a candidate is required whether or not:
 - (1) the candidate files a certificate of candidacy;

- (2) the candidate withdraws, declines a nomination, or otherwise ceases to be a candidate;
- (3) the candidate's name appears on the primary ballot; or
- (4) the candidate is successful in the election.

§ 13-305.

(a) Instead of filing a report required under § 13-309 of this subtitle, a treasurer may file an affidavit stating that the campaign finance entity has not raised or spent a cumulative amount of \$1,000 or more, exclusive of the filing fee, and regardless of the balance of the campaign account, since:

- (1) establishing the campaign finance entity; or
 - (2) filing the campaign finance entity's last campaign finance report.
- (b) The affidavit shall be filed on or before the date a campaign finance report is due to be filed under § 13-309 of this subtitle.

Part III. Deadlines and Reporting Periods.

§ 13-309.

(a) Subject to other provisions of this subtitle, a campaign finance entity shall file campaign finance reports as follows:

- (1) except for a ballot issue committee, on or before the fourth Tuesday immediately preceding each primary election except a presidential primary election;
- (2) except for a ballot issue committee, on or before the second Friday immediately preceding a primary election;
- (3) on or before the second Friday immediately preceding a general election; and
- (4) on or before the third Tuesday after a general election.

(b)

(1) A campaign finance entity is subject to subsection (a) of this section and this subsection only as to the election in which the entity designates that it will participate.

(2) In addition to the campaign finance reports required under subsection (a) of this section, but subject to paragraph (4) of this subsection, a campaign finance entity shall file campaign finance reports on the third Wednesday in January.

(3) (i) If subsequent to the filing of its declaration under § 13-208(c)(3) of this title, a campaign finance entity participates in an election in which it was not designated to participate, the campaign finance entity shall file all campaign reports prescribed under subsection (a) of this section for that election.

(ii) A violation of subparagraph (i) of this paragraph constitutes a failure to file by the campaign finance entity, and the responsible officer is guilty of a misdemeanor and on conviction is subject to the penalties prescribed under Part VII of this subtitle.

(4) If a campaign finance entity has neither a cash balance nor an outstanding obligation at the end of a

reporting period, a campaign finance report for that period, clearly marked as "final", shall be filed on or before the due date, and no further report is required.

(c) In addition to the campaign reports required under subsection (a) of this section, a continuing political committee shall file a campaign finance report on the third Wednesday in January of each year the committee is in existence.

§ 13-310.

(a) This section applies 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 this article; and

(2) the entity has funds remaining after the payment of all outstanding debts and other obligations.

(b) A campaign finance entity shall terminate and file a final campaign finance report within 8 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 other obligation of the entity that was incurred in connection with that candidacy.

§ 13-311.

Before a campaign finance entity files a final campaign finance report, the entity shall pay all outstanding obligations and dispose of all of its remaining assets in accordance with § 13-246 of this title.

§ 13-312.

(a) Campaign finance reports filed under § 13-304 of this subtitle shall cover the following reporting periods:

(1) the first campaign finance report shall cover the period from the date of organization of the campaign finance entity through the day specified in item (3) of this section;

(2) each subsequent campaign finance report shall cover the period from the closing date of the previous campaign finance report through the day specified in item (3) of this section;

(3) (i) except as provided in item (ii) of this item, each campaign finance report shall cover the period that includes the seventh day before the day the campaign finance report is due; but

(ii) the campaign finance report that is required on or before the second Friday immediately preceding an election shall cover the period through and including the preceding Sunday; and

(4) if no contribution is received and no expenditure is made during the period covered by a campaign finance report, the campaign finance entity shall file a campaign finance report or an affidavit under § 13-305 of this subtitle to that effect.

(b) A campaign finance report preceded by an affidavit filed in accordance with this subtitle shall cover the period from the closing date of the previous campaign finance report or date of organization of the campaign finance entity through the day specified in subsection (a)(3) of this section.

§ 13-313.

(a) The State Board may terminate a campaign finance entity if the State Board determines that good cause exists and that:

(1) the campaign finance entity could be terminated under § 13-309(b)(4) of this subtitle except for the existence of one or more outstanding obligations and each of those obligations is more than 5 years old;

- (2) no responsible officer currently is appointed and serving; or
 - (3) other extenuating circumstances exist to justify terminating the campaign finance entity.
- (b) The termination of a campaign finance entity under this section does not limit the right of:
- (1) the State Board, or the State Prosecutor or the State's Attorney, to pursue an enforcement action against the former responsible officers of, or any candidate formerly affiliated with, the campaign finance entity; or
 - (2) a creditor to bring an action against the former responsible officers of, or any candidate affiliated with, the campaign finance entity.

Part IV. Place of Filing.

§ 13-316.

A campaign finance report required by § 13-304 of this subtitle shall be filed with the State Board.

§ 13-317.

Repealed by Acts 2010, Ch. 72

Part V. Implementing Provisions.

§ 13-320.

The State Board shall prescribe the forms for the campaign finance reports and other documents required by this subtitle.

§ 13-321.

(a) (1) In accordance with paragraph (2) of this subsection, each board shall notify each campaign finance entity that is required under this subtitle to file campaign finance reports with that board of each campaign finance report required to be filed by that entity.

(2) The notice shall be provided by first class mail at least 10 but not more than 20 days before the filing date for each campaign finance report.

(b) The notice required under subsection (a) of this section shall include:

- (1) the filing date;
- (2) the telephone number, business hours, and location of the board where the campaign finance report is to be filed; and
- (3) the penalty for failure to file a timely campaign finance report.

§ 13-322.

A campaign finance report is timely if:

(1) regardless of when it is received, the United States Postal Service has affixed a mark on the envelope or on a receipt verifying that the campaign finance report was mailed on or before the filing deadline; or

(2) it is received by the State Board or the local board with which it is required to be filed within 3 days after the filing deadline and a private postal meter postmark or a receipt by a private carrier verifies that the campaign finance report was mailed or delivered to the private carrier on or before the filing deadline.

§ 13-323.

A board shall provide a receipt for a campaign finance report that is hand-delivered.

§ 13-324.

(a) (1) Except as provided in paragraph (2) of this subsection, campaign finance reports required to be filed with the State Board shall be submitted using an electronic storage medium, and in a format, that the State Board approves.

(2) The State Board may exempt a campaign finance entity with de minimis financial activity from the requirement to submit campaign finance reports using an electronic medium.

(b) On request the State Board shall supply to a person who is required to file campaign finance reports using an electronic medium the computer software and the disks or other media on which the required information is to be entered.

(c) Campaign finance reports received by the State Board in an electronic storage format shall be maintained in accordance with § 13-341 of this subtitle.

(d) The State Board shall make the campaign finance reports that are maintained in an electronic storage format under subsection (c) of this section widely and easily accessible to the public:

(1) using any existing public or private systems for data dissemination;

(2) on terms that the State Board determines are consistent with the purposes and requirements of this article; and

(3) by making any computer disk submitted by a person available for duplication.

(e) The State Board may refuse to accept or process a campaign finance report that is not submitted in accordance with the requirements of this section.

(f) The State Board shall:

(1) develop specifications for submitting campaign finance reports using an electronic medium; and

(2) adopt regulations to implement this section.

Part VI. Violations.

§ 13-327.

(a) A campaign finance entity that fails to file a campaign finance report required by this subtitle is subject to the sanctions provided in Part VII of this subtitle.

(b) The failure to provide on a campaign finance report required by § 13-304 of this subtitle all of the information required of the campaign finance entity by the State Board under this subtitle is deemed a failure to file and renders the campaign finance report overdue, only if:

(1) the State Board notifies the responsible officers in writing of the particular deficiencies; and

(2) the responsible officers fail to file a properly corrected campaign finance report within 30 days after service of the notice.

§ 13-328.

(a) Within 10 days after the deadline for the filing of any campaign finance report that is required to be filed with the State Board, the State Board shall compile a list of the campaign finance entities that failed to file the campaign finance report and distribute the list, or a portion of the list, to such local boards as is required to implement this subtitle.

(b) For the purposes of subsection (a) of this section, the failure to provide on a campaign finance report all of the information required of the campaign finance entity by the State Board under this subtitle is deemed a failure to file.

Part VII. Sanctions.

§ 13-331.

(a) In accordance with subsection (b) of this section, a board shall assess a late filing fee for a failure to file a campaign finance report, as specified in § 13-327 of this subtitle.

(b) (1) The fee is \$10 for each day or part of a day, excluding Saturdays, Sundays, and holidays, that a campaign finance report is overdue.

(2) An additional fee of \$10 is due for each of the first 6 days, excluding Saturdays, Sundays, and holidays, that a pre-election campaign finance report under § 13-309 of this subtitle is overdue.

(3) The maximum fee payable for any single campaign finance report is \$250.

(c) (1) A board shall accept an overdue campaign finance report that is submitted without payment of the late filing fee, but the campaign finance report is not considered filed until the fee has been paid.

(2) After an overdue campaign finance report is received under paragraph (1) of this subsection no further late filing fee shall be incurred.

(d) A late filing fee is the joint and several liability of the responsible officers and:

(1) may not be paid, directly or indirectly, by the campaign finance entity; and

(2) is neither a contribution to nor an expenditure of the entity.

§ 13-332.

An individual may not become a candidate for any public or party office in this State or become a treasurer for a campaign finance entity if, as to any campaign finance report due under § 13-304 of this subtitle from, or on behalf of, that individual during the preceding five calendar years:

(1) there exists a failure to file as specified in § 13-327 of this subtitle; or

(2) the individual has failed to pay a late filing fee that is due.

§ 13-333.

(a) An individual who, within the meaning of § 13-327 of this subtitle, has failed to file a campaign finance report that is due from, or on behalf of, that individual, may not, until the individual corrects the failure to file:

(1) be deemed to be elected to a public or party office in this State;

(2) take the oath or otherwise assume the duties of the office; or

(3) receive any salary or compensation for the office.

(b) An official of the State or any of its political subdivisions may not issue a commission or administer an oath of office to an individual until that official receives certification from the State Board that all campaign finance reports due under § 13-304 of this subtitle from, or on behalf of, that individual have been filed.

§ 13-334.

(a) This section applies to each individual holding public office in this State who is subject to prosecution under § 13-335(b) of this subtitle.

(b) The State Board shall:

(1) investigate each circumstance that causes an individual to become subject to this section;

(2) notify the individual; and

(3) provide the individual an opportunity to be heard.

(c) If the State Board determines, after an opportunity for a hearing, that the individual has failed to file a campaign finance report within the meaning of § 13-327 of this subtitle, was provided notice under § 13-335 of this subtitle, and has not rectified the failure and paid any late filing fee due, the State Board shall direct the appropriate financial officer to withhold the salary of the individual as to that public office until:

(1) the failure to file is rectified and any late filing fee is paid; and

(2) any salary previously paid to the individual for the public office while the individual was in violation is restored to the State or local government involved.

§ 13-335.

(a) (1) If the State Board determines that there has been, for more than 30 days, a failure to file a campaign finance report within the meaning of § 13-327 of this subtitle, the State Board shall issue the notice prescribed in paragraph (2) of this subsection to the responsible officers of the campaign finance entity in violation.

(2) The notice shall demand that, within 30 days after service of the notice, either:

(i) the failure to file be rectified and any late filing fee due be paid; or

(ii) the responsible officers show cause why the State Board should not ask the appropriate prosecuting authority to prosecute the responsible officers for a violation of this subtitle.

(b) A responsible officer who fails, without cause, to file the campaign finance report and pay the late fee within 30 days after service of the notice prescribed in subsection (a)(2) of this section is guilty of a misdemeanor and on conviction is subject to the penalties prescribed in § 13-603 of this title.

§ 13-336.

Subject to § 13-337 of this subtitle, the provisions of Part VI and this Part VII of this subtitle and the provisions of this subtitle governing the filing of campaign finance reports are mandatory and not directory.

§ 13-337.

(a) A sanction may not be imposed for failure to file a campaign finance report or to pay a late filing fee if a court of competent jurisdiction finds just cause for the failure.

(b) (1) On request of a responsible officer subject to the assessment of a late filing fee and with the approval of the State Board, the State Administrator may waive the late filing fee for just cause.

(2) The decision of the State Administrator on a waiver request shall be in writing and state the circumstances surrounding the late filing and the reasons for the decision.

(3) The State Administrator may make a decision on a waiver request without notice or hearing.

Part VIII. Administrative Procedures

§ 13-340.

(a) All late filing fees shall be treated as a special fund and distributed as provided in this section.

(b) (1) Fees relating to campaign finance reports required to be filed with the State Board shall be paid to the State Board and be applied to pay the expenses of collection and of any audits of campaign finance reports performed at the direction of the State Administrator.

(2) At the end of each fiscal year, any balance shall be transferred to the General Fund of the State.

(c) Fees relating to campaign finance reports required to be filed only with a local board shall be paid to the local board for transfer to the county.

§ 13-341.

(a) (1) Each board shall receive and preserve all campaign finance reports that are required to be filed with it under this article.

(2) Subject to paragraph (3) of this subsection, the campaign finance reports received by a board shall be kept as part of its records for:

(i) a period not to exceed 5 years after the campaign finance report is filed; or

(ii) a longer period if required by a court of competent jurisdiction or the State Board by regulation.

(3) (i) Notwithstanding paragraph (2) of this subsection, if the campaign finance report is that of a campaign finance entity of a candidate, the board shall keep the campaign finance report as a part of its records for at least 1 year after the expiration of the term of the public or party office for which the candidate sought nomination or election.

(ii) Subparagraph (i) of this paragraph applies whether or not:

1. the candidate is nominated, elected, or completes the term of office; and
2. the campaign finance report relates to more than one candidate.

(b) Campaign finance reports shall be open for public inspection during the regular office hours of the board that retains them.

(c) Subject to subsection (a) of this section, a board shall transfer the campaign finance reports filed with it to the State Archives.

(d) (1) Before transferring a campaign finance report to the State Archives, a board shall make a record of any overdue campaign finance report from the same campaign finance entity and submit a copy of the record to the State Archives and, if made by a local board, to the State Board.

(2) The record shall include:

- (i) the name of the campaign finance entity;
- (ii) the name of the treasurer;

(iii) an identification of the missing campaign finance report; and

(iv) if no later campaign finance report has been filed by the entity, the amount of any outstanding balance, and any outstanding obligations, shown on the last campaign finance report filed.

(e) A copy of a campaign finance report may be used as evidence in a court in accordance with § 10-204 of the Courts Article.

Subtitle 4. Campaign Finance Materials.

Part I. General Provisions.

§ 13-401.

(a) (1) Except as otherwise provided in this section, each item of campaign material shall contain, set apart from any other message, an authority line that states:

(i) as to campaign material published or distributed by a campaign finance entity:

1. the name and address of the treasurer of each campaign finance entity responsible for the campaign material; and

2. as to each treasurer named under item 1 of this item, the name of each campaign finance entity for which the treasurer is acting; and

(ii) as to campaign material published or distributed by any other person, the name and address of the person responsible for the campaign material.

(2) The authority line may omit an address that is on file with the State Board or a local board.

(3) If the campaign material is too small to include all the information specified in paragraph (1) of this subsection in a legible manner, the authority line need only contain the name and title of the treasurer or other person responsible for it.

(4) The authority line for campaign material that is a commercial advertisement need only contain the information specified in paragraphs (1) and (2) of this subsection for one campaign finance entity or other person responsible for the advertisement.

(b) Campaign material that is published or distributed in support of or in opposition to a candidate, but is not authorized by the candidate, shall include the following statement:

"This message has been authorized and paid for by (name of payor or any organization affiliated with the payor), (name and title of treasurer or president). This message has not been authorized or approved by any candidate."

§ 13-402.

(a) Subject to subsection (b) of this section, a person publishing a newspaper or periodical in the State may not charge a candidate for State or local public office a rate for political advertising that exceeds the local rate regularly charged for commercial advertising by the person publishing that newspaper or periodical.

(b) If a candidate uses an advertising or press agency to place a political advertisement, the person publishing the newspaper or periodical may charge the national rate regularly charged by that newspaper or periodical for commercial advertising.

§ 13-403.

(a) (1) Subject to paragraph (2) of this subsection, each campaign finance entity responsible for, publisher of, and distributor of, an item of campaign material shall keep a sample copy of the item for at least 1 year after the general election next following the date when the item was published or distributed.

(2) For each item of campaign material disseminated through the Internet, the sample copy shall be:

(i) a paper facsimile; or

(ii) a copy on an electronic medium that can be produced as a paper facsimile on request.

(b) Subsection (a) of this section does not apply to a billboard or a sign.

Part II. Legislative Newsletter.

§ 13-406.

(a) In this Part II of this subtitle the following words have the meanings indicated.

(b) "Incumbent" means a member of the General Assembly.

(c) "Legislative newsletter" means an unsolicited document used by an incumbent, without supervision by, or coordination with, the General Assembly, to disseminate information to a constituent, voter, or potential voter about:

(1) the incumbent's performance in legislative office; or

(2) one or more issues of public interest chosen by the incumbent.

(d) "Publication expense" means an expenditure relating to writing, publishing, printing, issuing, mailing, or distributing a legislative newsletter.

§ 13-407.

Part II of this subtitle does not restrict the use by the General Assembly of any funds appropriated in the State budget.

§ 13-408.

(a) Publication expenses may not be paid from public funds.

(b) Publication expenses may be paid from:

(1) a campaign account of a campaign finance entity of the incumbent if the campaign finance entity complies with all other requirements of this title regarding expenditures and campaign material; or

(2) the personal funds of the incumbent or the spouse of the incumbent if, as to each issue:

(i) the incumbent has not filed a certificate of candidacy;

(ii) the legislative newsletter contains a notice that it is disseminated at the personal expense of the incumbent; and

(iii) within 10 days after the first mailing or distribution of the issue, the incumbent files a campaign finance report with the State Board that contains:

1. a detailed list of publication expenses; and

2. an affidavit that no funds for the legislative newsletter have been solicited or received from any source to supplement the personal funds.

§ 13-409.

(a) There is a \$10 late filing fee for each day or part of a day, excluding a Saturday, Sunday, or holiday, that a campaign finance report required by § 13-408 of this subtitle is overdue.

(b) The maximum fee payable is \$250.

(c) A late fee assessed under this section shall be paid from the personal funds of the incumbent.

Subtitle 5. Local Provisions.

§ 13-501.

As to contributions to the Prince George's County Executive, a member of the Prince George's County Council, or a candidate for either of those offices, Title 15, Subtitle 8, Part IV of the State Government Article may apply.

§ 13-502.

As to contributions to the Montgomery County Executive, a member of the County Council of Montgomery County, or a candidate for either of those offices, Title 15, Subtitle 8, Part V of the State Government Article may apply.

§ 13-503.

As to contributions to the Howard County Executive, a member of the County Council of Howard County, or a candidate for either of those offices, Title 15, Subtitle 8, Part VII of the State Government Article may apply.

§ 13-504.

As to contributions to the Frederick County Board of County Commissioners or a candidate for that office, Title 15, Subtitle 8, Part VIII of the State Government Article may apply.

Subtitle 6. Prohibited Acts and Penalties.

§ 13-601.

(a) A person may not willfully make a false, fraudulent, or misleading statement or entry in any campaign finance report or other filing that is under oath and is required by this article.

(b) A person who violates this section is guilty of perjury and on conviction subject to the penalty provided under the Criminal Law Article.

§ 13-602.

(a) (1) A person may not directly or indirectly give, offer, or promise money, aid, a gift, an advantage, a preferment, an emolument, or any other valuable thing to another person for the purpose of inducing or procuring that person to vote or refrain from voting for or against:

- (i) an individual, question, or measure at an election or political convention; or
- (ii) the election of an officer by the General Assembly.

(2) A person may not directly or indirectly receive, accept, request, or solicit money, aid, a gift, an advantage, a preferment, an emolument, or any other valuable thing from another person for the purpose of inducing or procuring a third person to vote or refrain from voting for or against an individual, question, or measure at an election or political convention.

(3) A person may not vote or refrain from voting for or against an individual, question, or measure at an election or a political convention, in consideration of money, aid, a gift, an advantage, a preferment, an emolument, or any other valuable thing paid, received, accepted, or promised to the advantage of that person or of another person.

(4) (i) A person, to defray the costs of a campaign finance entity, may not directly or indirectly pay, give, or promise money or any other valuable thing to any person other than a campaign finance entity.

(ii) Subparagraph (i) of this paragraph does not apply to:

1. dues regularly paid for membership in a political club if all of the money that is spent by that political club in connection with any campaign finance activity is paid through a treasurer as provided in this title;
2. an individual volunteering the individual's time or personal vehicle in accordance with § 13-232 of this title;
3. an employer's accumulation of employee contributions in accordance with § 13-242 of this title; or
4. advertising costs or other expenses incident to the expression of personal views in accordance with § 13-102 of this title.

(5) A person may not directly or indirectly pay or promise to pay a campaign finance entity in a name other than the person's name.

(6) A responsible officer of a campaign finance entity may not knowingly receive a payment or promise of payment and enter it or cause it to be entered in an account book in a name that the responsible officer knows is not the name of the person that made the payment or the promise to pay.

(7) An employer who pays employees in envelopes may not mark on or enclose in the envelopes a political motto, device, or argument that contains express or implied threats intended to influence the political opinions or actions of those employees.

(8) During the 90 days before an election, an employer may not exhibit in the employer's workplace:

- (i) a threat, a notice, or information that, on the election or defeat of a particular ticket or candidate:
 1. work will cease, wholly or partly;

2. the workplace will close; or
3. employees' wages will be reduced; or

(ii) any other threat, expressed or implied, intended to influence the political opinions or actions of the employer's employees.

(9) A person may not publish or distribute, or cause to be published or distributed, campaign material that violates § 13-401 of this title.

(10) A candidate may not make a payment, contribution, or expenditure, or incur a liability to pay, contribute, or expend, from the candidate's personal funds any money or valuable thing in a manner not authorized by § 13-230 of this title.

(b) A person who violates this section is guilty of a misdemeanor and on conviction is:

- (1) subject to a fine not exceeding \$1,000 or imprisonment not exceeding 1 year or both; and
- (2) ineligible to hold any public or party office for 4 years after the date of the offense.

(c) (1) The State Prosecutor may prosecute, in any jurisdiction of the State, a person that the State Prosecutor believes to be guilty of a willful violation of this section.

(2) A State's Attorney may prosecute a person that the State's Attorney believes to be guilty of a willful violation of this section in the county in which the State's Attorney serves.

§ 13-603.

Except as otherwise expressly provided in this subtitle, a person who knowingly and willfully violates a provision of this title is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$25,000 or imprisonment not exceeding 1 year or both.

§ 13-604.

(a) (1) A person who violates a provision of this title without knowing that the act is illegal shall pay a civil penalty in accordance with subsections (b) through (g) of this section.

(2) The penalty imposed under this section may not exceed \$5,000.

(3) An infraction described in paragraph (1) of this subsection is a civil offense.

(4) This section does not apply to a violation of another section in which a penalty is expressly provided.

(b) (1) If the State Prosecutor or the State's Attorney with jurisdiction determines that a person unintentionally, and without criminal intent, has violated a provision of this title, the State Prosecutor, the State's Attorney, or both, shall issue to the person a civil citation that contains:

- (i) the name and address of the person cited;
- (ii) the nature, time, and place of the violation;
- (iii) the manner in which the violation occurred;
- (iv) the maximum penalty for the violation;
- (v) the manner and time in which to pay the penalty;
- (vi) where to pay the penalty; and
- (vii) a statement that the person receiving the citation has a right to a trial in the District Court.

(2) The prosecuting authority who issues a citation under paragraph (1) of this subsection shall file it in the District Court.

(c) The citation shall be served in accordance with the Maryland Rules.

(d) (1) On receipt of the return of service, the District Court shall schedule the case for trial and notify the person named in the citation of the trial date.

(2) The trial in the District Court shall be conducted in the same manner as set forth for municipal infractions under Article 23A, § 3(b)(8) through (15) of the Code.

(3) The District Court shall remit to the State Board all late fees collected.

(4) An adjudication of a violation under this subsection:

- (i) is not a criminal conviction; and
- (ii) does not carry with it any of the civil disabilities that arise from a criminal conviction.

(e) A person who is adjudicated in violation as set forth in a citation issued under subsection (b) of this section is liable for the cost of the District Court proceedings.

(f) If a person who has been served with a citation fails to appear for trial, the court, at the request of the prosecutor, may dismiss the citation or enter a civil judgment against the person:

- (1) in favor of the State Board;
- (2) in accordance with the Maryland Rules; and
- (3) in an amount not exceeding the maximum fine set forth in subsection (a) of this section and any late fees owed to the State Board.

§ 13-605.

- (a) The Secretary of State may seek an immediate injunction against any violation of this title.
- (b) A person who violates an injunction issued under this section:
 - (1) is in criminal contempt; and
 - (2) is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$250 or imprisonment not exceeding 30 days or both

State Government Article

§ 15-714

(a) In this section, "candidate", "contribution", and "political committee" have the meanings provided in § 1-101 of the Election Law Article.

(b) This section applies only to a regulated lobbyist described in § 15-701(a)(1), (2), (3), or (4) of this subtitle.

(c) The restrictions in this section apply from the starting date of the regulated lobbyist's registration to the end of the calendar year in which the registration period ends.

(d) (1) A regulated lobbyist who is subject to this section or a person acting on behalf of the regulated lobbyist may not, for the benefit of the Governor, Lieutenant Governor, Attorney General, Comptroller, or member of the General Assembly, or candidate for election to the office of Governor, Lieutenant Governor, Attorney General, Comptroller, or member of the General Assembly, engage in the following activities:

- (i) soliciting or transmitting a political contribution from any person, including a political committee;
- (ii) serving on a fund-raising committee or a political committee;
- (iii) acting as a treasurer for a candidate or official or as treasurer or chairman of a political committee;
- (iv) organizing or establishing a political committee for the purpose of soliciting or transmitting contributions from any person; or
- (v) forwarding tickets for fund-raising activities, or other solicitations for political contributions, to a potential contributor.

(2) This section does not prohibit a regulated lobbyist from:

- (i) making a personal political contribution;
- (ii) informing any entity of a position taken by a candidate or official; or
- (iii) engaging in other activities not specifically prohibited under paragraph (1) of this subsection.

(3) This section does not apply to a regulated lobbyist who is a candidate with respect to the regulated lobbyist's own campaign.

Criminal Law Article

§ 12-106.

(a) (1) Notwithstanding any other provision of this subtitle, Subtitle 2 of this title, or Title 13 of this article and except as otherwise provided in this subsection, a bona fide charitable organization in this State may conduct a raffle for the exclusive benefit of the charitable organization if the prize awarded is real property:

- (i) to which the charitable organization holds title; or
- (ii) for which the charitable organization has the ability to convey title.

(2) A charitable organization may not conduct more than two raffles of real property in a calendar year.

(3) The Secretary of State may adopt regulations governing a raffle of real property by a charitable organization under this subsection.

(b) (1) Notwithstanding any other provision of this article and except as otherwise provided in this subsection, a political committee or candidate for public office may conduct a raffle if the prizes awarded are money or merchandise.

(2) (i) The cost of a raffle ticket under this subsection may not exceed \$5.

(ii) An individual may not purchase more than \$50 worth of tickets.

(3) This subsection does not relieve a political committee or candidate from the reporting and record keeping requirements under the Election Law Article.

§ 13-406.

(a) Notwithstanding any other provision of this article, a political committee, as defined in § 1-101 of the Election Law Article, may conduct a fundraiser at which prizes of merchandise or money are awarded in a game or spin using a paddle wheel or wheel of fortune.

(b) A political committee may award a merchandise or money prize under this section that does not exceed the amount otherwise allowed for a prize in the county.

§ 13-506.

(a) Notwithstanding any other provisions of this title or Title 12 of this article, a political committee as defined in § 1-101 of the Election Law Article may conduct a fundraiser at which prizes of merchandise or money are awarded in a game or spin using a paddle wheel or wheel of fortune.

(b) A political committee may award a prize of merchandise or money at a fundraiser that does not exceed the amount otherwise allowed for a prize in Baltimore City.

§ 13-605.

(a) Notwithstanding any other provision of this article, a political committee, as defined in § 1-101 of the Election Law Article, may conduct a fundraiser at which prizes of money or merchandise are awarded in a game or spin using a paddle wheel or wheel of fortune.

(b) A political committee may award a money or merchandise prize under this section if the prize does not exceed the amount otherwise allowed for a prize in the county.