



# Summary Guide

## Maryland Candidacy & Campaign Finance Laws

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## Chapter 1 – Introduction and Overview

### 1.1 Message from the Director

*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. Maryland Campaign Finance Laws are complicated and require great attention to detail. In addition, failure to comply with the law carries substantial fines and penalties. However, this office is dedicated to providing you the information and resources 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-*

### 1.2 Definitions

- Campaign Finance Entity - Almost all campaign finance activity for any election conducted under the Election Law Article, Annotated Code of Maryland, must be conducted through a campaign finance entity which must be established through a filing with either the State Board of Elections (SBE) or a county board of elections. Campaign finance entities include candidate committees, slates, party central committees, personal treasurers, and political action committees (PACs).
- Campaign Finance Law – Refers to Title 13 of the Election Law Article.
- Campaign Finance Report – The campaign finance report is the report of contributions, transfers, expenditures, outstanding obligations, and loans as required under § 13-304 of the Election Law Article.
- County Board – One of the 24 county boards of elections (includes the Baltimore City Board of Elections).
- Committee – The following campaign finance entities are all committees: candidate committees; slates; party central committees; political action committees (PACs); and ballot issue committees. Accordingly, the only types of campaign finance entities that are not committees are personal treasurers and political clubs.

- Election Law Article – Refers to the Election Law Article of the Annotated Code of Maryland.
- ELECTTrack – The electronic campaign finance filing software provided by the State Board of Elections to all campaign finance entities.
- Party Office – An elected position with a State or local party central committee.
- Public Office - 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 or 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.
- State Candidates – Candidates for Governor, Lt. Governor, Comptroller, Attorney General, State Senator, State Delegate, and judicial positions (except Judge of the Orphans’ Court).
- Local Candidates - Candidates for all county offices and Judge of the Orphans’ Court.
- Federal Candidates – Candidates for President, Vice-President, Representatives in Congress, United States Senator, delegate to a national party convention.

### 1.3 General Information

As a candidate, treasurer, or chairman, you are required to follow Maryland’s campaign finance laws. Those laws dictate the manner in which you must 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 SBE.

This Summary Guide has been prepared to assist you in understanding the law. You should use the Summary Guide as a basic reference tool, but not as a substitute for the law itself (a copy of which is included as an appendix to this document).

In addition to the Summary Guide, the Campaign Finance Report (and ELECTTrack) contains instructions to help you properly complete the report and avoid the need to file amended reports. Please refer to these instructions before filling out your report.

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

### 1.4 Municipal<sup>≈</sup> Elections Not Covered

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. A campaign finance entity established under Maryland law may not be used to support a municipal candidate. Contact the municipality for applicable reporting and registration requirements.

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<sup>≈</sup> A municipality is any city other than Baltimore City.

### 1.5 Division of Candidacy and Campaign Finance Staff

- Ross Goldstein, Director
- Terry Holliday, Deputy Director
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- Peggy Wilkerson
- Ruth Maynard
- Victoria Molina
- Renada Crankfield
- Sheela Khatri

### 1.6 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	<a href="http://www.gov.allconet.org/elections/election_home.htm">www.gov.allconet.org/elections/election_home.htm</a>
Anne Arundel	P.O. Box 490 Glen Burnie, MD 21060-0490	410-222-6600 410-222-6833 fax	<a href="http://www.co.anne-arundel.md.us/agencies_bse_home.htm">www.co.anne-arundel.md.us/agencies_bse_home.htm</a>
Baltimore City	Charles L. Benton Building 417 E. Fayette Street, Room 129 Baltimore, MD 21202-3432	410-396-5550 410-962-8747 fax	<a href="http://www.baltimorecity.gov/government/elections/index.html">www.baltimorecity.gov/government/elections/index.html</a>
Baltimore Co.	305 W. Chesapeake Avenue, Suite 310 Towson, MD 21204-4408	410-887-5700 410-887-5714 fax	<a href="http://www.baltimorecountyonline.info/p.cfm/agencies/elections/index.cfm">www.baltimorecountyonline.info/p.cfm/agencies/elections/index.cfm</a>
Calvert	P.O. Box 798 Prince Frederick, MD 20678-0798	410-535-2214 410-535-5009 fax	<a href="http://www.co.cal.md.us/gov/election.htm">www.co.cal.md.us/gov/election.htm</a>
Caroline	Health and Public Services Building 403 S. Seventh Street, Suite 247 Denton, MD 21629-1335	410-479-8145 410-479-5736 fax	<a href="http://www.carolinemd.org/government/elections/index.html">www.carolinemd.org/government/elections/index.html</a>
Carroll	225 N. Center Street, Room 105 Westminster, MD 21157-5194	410-386-2080 410-876-3925 fax	<a href="http://www.carr.org/election/">www.carr.org/election/</a>
Cecil	129 E. Main St., Room 332 Court House Elkton, MD 21921-5970	410-996-5310 410-996-5066 fax	<a href="http://www.ccmagazine.org/ccboe.htm">www.ccmagazine.org/ccboe.htm</a>
Charles	P.O. Box 908 La Plata, MD 20646-0908	301-934-8972 301-934-6487 fax	<a href="http://www.govt.co.charles.md.us/boe/">www.govt.co.charles.md.us/boe/</a>
Dorchester	P.O. Box 414 Cambridge, MD 21613-0414	410-228-2560 410-228-9635 fax	
Frederick	Winchester Hall, 12 E. Church Street Frederick, MD 21701-5447	301-694-1005 301-631-2344 fax	<a href="http://www.co.frederick.md.us/elections/">www.co.frederick.md.us/elections/</a>
Garrett	203 S. Fourth Street, Room 108 Oakland, MD 21550-1584	301-334-1962 301-334-5001 fax	<a href="http://www.co.garrett.md.us/elections/elections.html">www.co.garrett.md.us/elections/elections.html</a>
Harford	18 Office Street Bel Air, MD 21014-3778	410-638-3565 410-638-3310 fax	<a href="http://www.co.ha.md.us/elections/">www.co.ha.md.us/elections/</a>
Howard	8900 Columbia 100 Parkway Columbia, MD 21045	410-313-5820 410-313-5899 fax	<a href="http://www.co.ho.md.us/voting.html">www.co.ho.md.us/voting.html</a>
Kent	215 Washington Avenue Chestertown, MD 21620-1312	410-778-0038 410-778-0265 fax	<a href="http://www.kentcounty.com/gov/elections/">www.kentcounty.com/gov/elections/</a>
Montgomery	P.O. Box 4333 Rockville, MD 20849-4333	240-777-8500 240-777-8505 fax	<a href="http://www.777vote.org/">www.777vote.org/</a>
Prince George's	14741 Governor Oden Bowie Drive County Administration Bldg, L205 Upper Marlboro, MD 20772-3070	301-952-3270 301-952-4889 fax	<a href="http://www.goprincegeorgescounty.com/Government/AgencyIndex/Elections/index.asp">www.goprincegeorgescounty.com/Government/AgencyIndex/Elections/index.asp</a>
Queen Anne's	P.O. Box 274, County Annex Building Centreville, MD 21617-0274	410-758-0832 410-758-1119 fax	
St. Mary's	P.O. Box 197 Leonardtown, MD 20650-0197	301-475-4651 301-475-4956 fax	<a href="http://www.co.saint-marys.md.us/supervisorofelections/">www.co.saint-marys.md.us/supervisorofelections/</a>
Somerset	P.O. Box 96 Princess Anne, MD 21853-0096	410-651-0767 410-651-5130 fax	

<b>County</b>	<b>Mailing Address</b>	<b>Phone \ Fax</b>	<b>Home Page</b>
Talbot	P.O. Box 353 Easton, MD 21601- 0353	410-770-8099 410-770-8078 fax	
Washington	33 W. Washington Street, Room 101 Hagerstown, MD 21740-4834	240-313-2050 240-313-2051 fax	<a href="http://www.washco-md.net/election/elect1.html">www.washco-md.net/election/elect1.html</a>
Wicomico	P.O. Box 4091 Salisbury, MD 21803-4091	410-548-4830 410-548-4849 fax	<a href="http://www.co.wicomico.md.us/election/">www.co.wicomico.md.us/election/</a>
Worcester	100 Belt Street Snow Hill, MD 21863-1310	410-632-1320 410-632-3031 fax	<a href="http://www.worc.lib.md.us/elections.html">www.worc.lib.md.us/elections.html</a>



## Chapter 2 – Candidates

### 2.1 Qualifications

Office	Qualifications	Filing Fee	Term of Office
<b>Governor – Lt. Governor</b>	<ul style="list-style-type: none"> <li>▪ Registered voter and resident of the State 5 years immediately preceding election</li> <li>▪ 30 years of age at the time of the election</li> <li>▪ Has not served 2 immediately preceding elective terms (Md. Const, Art. II, §§ 1 and 5)</li> </ul>	\$290 (each)	4 years from 3 <sup>rd</sup> Wednesday in January
<b>Comptroller</b>	Registered voter (Md. Const., Art. I, § 12 Article VI, )	\$290	4 years from 3 <sup>rd</sup> Wednesday in January
<b>Attorney General</b>	<ul style="list-style-type: none"> <li>▪ Qualified voter</li> <li>▪ Citizen of the State</li> <li>▪ Resided and practiced law in the State for 10 years (Md. Const., Art. V, § 4)</li> </ul>	\$290	4 years
<b>U.S. Senator</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter*</li> <li>▪ 30 years of age at time of the election</li> <li>▪ Citizen of United States for 9 years</li> <li>▪ Inhabitant of State at time of election</li> </ul>	\$290	6 years from January 3 <sup>rd</sup>
<b>U.S. Congress</b>	<ul style="list-style-type: none"> <li>▪ Registered voter*</li> <li>▪ 25 years of age at time of the election</li> <li>▪ Citizen of United States for 7 years</li> <li>▪ Inhabitant of State at time of the election</li> </ul>	\$100	2 years from January 3 <sup>rd</sup>
<b>State Senator</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art.I, § 12)</li> <li>▪ 25 years of age at the time of the election</li> <li>▪ Citizen of Maryland</li> <li>▪ Resident at least 1 year preceding the day of the election</li> <li>▪ Resident of legislative district at least 6 months (Md. Const., Art. III, § 9)</li> </ul>	\$50	4 years from 2 <sup>nd</sup> Wednesday in January
<b>House of Delegates</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art. I, § 12)</li> <li>▪ 21 years of age at the time of the election</li> <li>▪ Citizen of Maryland</li> <li>▪ Resident of Maryland at least 1 year preceding the day of the election</li> <li>▪ Resident of legislative district or subdistrict for at least 6 months (Md. Const., Art. III, § 12)</li> </ul>	\$50	4 years from 2 <sup>nd</sup> Wednesday in January
<b>Judge of the Circuit Court</b>	<ul style="list-style-type: none"> <li>▪ Qualified Voter</li> <li>▪ 30 years of age at the time of the election</li> <li>▪ Resident of the State at least 5 years</li> <li>▪ Resident of the judicial circuit for which he/she is seeking election at least 6 months prior to election</li> <li>▪ Member of Maryland Bar (Md. Const., Art. IV, § 2)</li> </ul>	Circuits 1-7: \$50 Circuit 8: \$300  (Fees based on candidates cross-filing)	15 years (or until the age of 70)
<b>County Executive</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art. I, § 12)</li> <li>▪ Qualifications specified in local charters.</li> </ul>	\$25	4 years

\* The registration requirement only applies to candidates seeking nomination by Primary Election. Candidates for federal office seeking nomination by petition need not be registered, but must meet the other listed criteria.

Office	Qualifications	Filing Fee	Term of Office
<b>County Council</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art. I § 12)</li> <li>▪ Qualifications specified in local charters</li> </ul>	\$25	4 years
<b>County Commissioners</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art. I § 12)</li> <li>▪ Qualifications specified in public local laws</li> </ul>	\$25	4 years
<b>County Treasurer</b>	<ul style="list-style-type: none"> <li>▪ Registered voter (Md. Const., Art. I § 12)</li> <li>▪ Qualifications specified in public local laws</li> </ul>	\$25	4 years
<b>State's Attorney</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter (Md. Const., Art. I, § 12)</li> <li>▪ Resident of the county for at least 2 years</li> <li>▪ Member of Maryland Bar (Md. Const., Art. V, §10)</li> </ul>	\$25 - Counties \$150 - Baltimore City	4 years
<b>Clerk of the Circuit Court</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter (Md. Const., Art. I, § 12)</li> <li>▪ Resident of the County</li> </ul>	\$25 - Counties \$150 - Baltimore City	4 years
<b>Register of Wills</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter (Md. Const., Art. I, § 12)</li> </ul>	\$25 - Counties \$150 - Baltimore City	4 years
<b>Judge of the Orphans' Court</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter (Md. Const., Art. I, § 12)</li> <li>▪ Citizen of Maryland</li> <li>▪ Resident of the County for at least 1 year at the time of the election (Md. Const., Art. IV, § 40)</li> </ul>	\$25 - Counties \$150 - Baltimore City	4 years
<b>Sheriff</b>	<ul style="list-style-type: none"> <li>▪ Registered Voter (Md. Const., Art. I, § 12)</li> <li>▪ 25 years of age</li> <li>▪ Citizen of the State at least 5 years preceding the election</li> <li>▪ Resident of the County (Md. Const., Art. IV, § 44)</li> </ul>	\$25 - Counties \$150 - Baltimore City	4 years

**Board of Education\***

County	Qualifications	Term of office
<b>Allegany</b>	Qualified voter and resident of County for at least 3 years § 3-201(c)**	4 years beginning January 2
<b>Calvert</b>	Registered voter of County or district (if a district seat) 2 years before the of beginning of term §3-301(c). Has not served 2 immediately preceding elective terms	4 years - term begins January 1
<b>Carroll</b>	Resident and registered voter of Carroll County §3-401(b)	4 years
<b>Charles</b>	Resident and registered voter of Charles County §3-501(b)	4 years beginning 3 <sup>rd</sup> Monday in December
<b>Frederick</b>	Resident and registered voter of Frederick County §3-5A-01(b)	4 years beginning 1 <sup>st</sup> Tuesday in Decembers 1 <sup>st</sup> Tuesday in December
<b>Garrett</b>	Registered voter of Garrett County Resident of County or district (if a district seat) § 3- 601(c)	4 years beginning January 1
<b>Howard</b>	Resident and registered voter of County §3- 70( b)	6 years beginning on the 1st Monday in December
<b>Kent</b>	Resident and registered voter of Kent County § 3- 801(b)	6 years beginning January 1
<b>Montgomery</b>	Registered voter of County § 3-90 ( c )	4 years beginning December 1 <sup>st</sup>
<b>Prince George's</b>	Resident of County for at least 3 years Registered voter of County before the election Resident of district §3-1002 (c)	4 years beginning 1 <sup>st</sup> Monday in December

**Boards of Education, cont.**

County	Qualifications	Term of office
St. Mary's	Registered voter of County Resident of County or district (if a district seat) § 3-1101(d)	4 years beginning on the 1 <sup>st</sup> Monday in December
Somerset	Registered voter of the County Resident of County or district (if a district seat) §3-1201(b)	4 years beginning January 1
Washington		4 years beginning 1 <sup>st</sup> Tuesday in December § 3-1301(c)

\*all filing fees for Board of Education are \$25

\*\* All references are to the Election Law Article, Annotated Code of Maryland.

**Central Committee**

Party	Qualifications	Filing Fee	Term of Office
Democratic Central Committee Member	Registered voter, resident of county, and other qualifications specified by the party's bylaws.	\$10	4 years
Republican Central Committee Member	Registered voter, resident of county and other qualifications specified by the party's bylaws.	\$10	4 years

**2.2 Filing Requirements – Generally**

For their names to appear on the ballot, candidates are required to complete the following:

1. **Certificate of Candidacy** A Certificate of Candidacy must be filed in person at:
  - The State Board of Elections for State candidates; or
  - A county board of elections for county candidates.

- § 5-302 of the Election Law Article
2. **Campaign Finance Entity** Before to filing a Certificate of Candidacy, each candidate must establish a campaign finance entity (either a personal treasurer or a candidate committee). A campaign finance entity is established by filing a **Statement of Organization** with the State or county board of elections. There is no fee for filing this form and it does not have to be filed in person. However, the signature of a treasurer and, in most cases, a chairman is required. (See Section 3.1 of this Summary Guide.)
3. **Filing Fee** Filing fees are required at the time of filing the Certificate of Candidacy. The amount of the filing fee can be found in Section 2.1 of this Summary Guide.
4. **Financial Disclosure** For 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. The type of financial disclosure and due date may vary for county candidates. Contact your county election office for details. – § 5-304(d) of the Election Law Article

The **State Ethics Commissions** has jurisdiction over Financial Disclosure Statement. Accordingly, any question about completing your financial disclosure form should be directed to the Commission at **(410) 974-2068**.

**Reminder:** All 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.

## 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:

1. File a Certificate of Candidacy:
  - a) 7 days after a total of \$51 is spent to promote the candidacy, or
  - b) By 5:00 PM on the Wednesday before the election;

*- § 5-303(c) of the Election Law Article*
2. File a Financial Disclosure Statement; and
3. Establishing a campaign finance entity. (If the write-in candidate does not anticipate having any financial activity, a personal treasurer should be named and an Affidavit of Limited Contributions and Expenditures should be filed.)

## 2.4 Filing Requirements – Unaffiliated and Third- Party Candidates

### 1. Generally

A candidate who is affiliated with a recognized political party other than the two principal parties or who is not affiliated with any political party must be nominated by petition as a general election candidate. To qualify, the candidate must file the following with the appropriate election board by certain deadlines:

- Declaration of Intent;
- Petitions containing signatures of 1% of the registered voters who are eligible to vote for the office sought, with a minimum requirement of 250 signatures;
- Certificate of Candidacy and filing fee;
- Statement of Organization to form a campaign finance entity (except federal candidates); and
- Financial Disclosure Statement (except federal candidates).

*- § 5-703 of the Election Law Article*

### 2. Qualifications

To be nominated by petition a person must:

- a) Meet the legal qualifications for the public office sought;
- b) Register to vote as:
  - “Unaffiliated (decline to join a party )”or “Other (specifying a non-recognized partisan organization)” or
  - A member of a recognized party other than the two principal parties.

### 3. Nominating Petition Format

The petition form prescribed by the State Board of Elections must be used, and all required information must be completed by each registered voter signing the petition.

Upon written request, a candidate may seek an advance determination of the sufficiency of the completed nominating petition form from the State Board of Elections or the appropriate county board of elections.

#### **Contact the Election Offices for Further Details**

- If you are running for a *county office*, contact the appropriate county board of elections for detailed information concerning the candidacy and petition process.
- If you are running for a *State or federal office*, contact the State Board of Elections for detailed information concerning the candidacy and petition process.

#### 4. Nomination by Convention

A recognized political party other than the two principal parties may nominate its candidate by convention, instead of by petition, if at least one percent of the registered voters in the State are affiliated with that party.

#### 5. Identification

A candidate is required to show identification at the time of filing the Certificate of Candidacy. A driver's license, military identification, passport, or other government issued identification is acceptable.

### **2.5 Filing Requirements – Federal Candidates**

Federal candidates (U.S. House and U.S. Senate) must file the following documents with the State Board of Elections by the filing deadline:

1. A Certificate of Candidacy (along with some form of official identification); and
2. The appropriate filing fee.

Since Maryland campaign finance laws do not apply to federal candidates, those candidates are not required to establish a campaign finance entity 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*

### **2.6 Other Responsibilities and Liabilities**

If a candidate has a personal treasurer, or is serving as the chairman of the candidate's own committee, the candidate:

1. Will be liable for any fees assessed against the campaign finance entity for failure to file a Campaign Finance Report on time; and
2. Will not be permitted to file for or 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 Campaign Finance Entity

### 3.1 Establishing a Campaign Finance Entity - Statement of Organization

#### 1. Generally

A Statement of Organization must be filed to establish a campaign finance entity (see page 53). There is no fee charged for establishing a campaign finance entity. The Statement of Organization can be used to form every type of campaign finance entity, including a:

- Personal Treasurer;
- Candidate Committee;
- Slate;
- Political Action Committee (PAC);
- Local Ballot Issue Committee;
- State Ballot Issue Committee; and
- Party Central Committee.

These entities may be continuing or non-continuing (except a Personal Treasurer which is always non-continuing, and a central committee, which is always continuing).

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

**Political fundraising and spending is unlawful unless a Statement of Organization establishing a Campaign Finance Entity has been filed with the appropriate election board.**

#### 2. Where to file

All continuing campaign finance entities file the Statement of Organization with the State Board. Non-continuing campaign finance entities associated with a local candidate or a local ballot issue file the Statement of Organization with the appropriate county board. Non-continuing campaign finance entities associated with a State candidate or State ballot issue file the Statement of Organization with the State Board. Non-continuing campaign finance entities supporting both State and local candidates file the Statement of Organization with the State Board.

#### 3. Pre-filing

A prospective candidate can establish a campaign finance entity and begin raising and spending money in support of a future candidacy before filing for office. To do so, simply file the Statement of Organization with the appropriate election board. Remember, the Statement of Organization must be on file no later than the date the Certificate of Candidacy is filed.

4. Name of the Campaign Finance Entity

The name assigned to the campaign finance entity on the Statement of Organization must be consistent with the following:

Type of Entity	Rule	Example
Personal Treasurer	This entity must disclose the name of the candidate and may not use a committee name.	John A. Pressly, Personal Treasurer Account
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 2002 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. “PAC” must be used in the committee’s name.	Speech Therapists PAC Insurance Company PAC
Ballot Issue Committee	A ballot issue committee’s name must indicate what position is being taken on the issue.	Committee in Support of Proposition 22

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

3.2 **When to Close a Campaign Finance Entity**

Generally, the decision on when to close a campaign finance entity is left up to the chairman and treasurer of the entity. However, there are two instances when a campaign finance entity must be closed.

1. A non-continuing campaign finance entity must close immediately following the election for which the entity was established. The only reason the entity may remain open and active is to pay off outstanding obligations. *-§ 13-309(b)(4) of the Election Law Article*
2. A candidate’s authorized continuing candidate committee must close within 8 years after the latest of:
  - The end of the individual’s most recent term of office;
  - The date of the election in which the individual last was a filed candidate; and
  - 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*

3.3 **How to Close a Campaign Finance Entity**

1. Generally

To close a campaign finance entity you must file a final report. Any report that you are required to file may be a “final report” if you mark it as such. On either ELECTrack or the paper forms, simply check the “final” box on the Summary Page to indicate that the report is a final report. However, your campaign finance entity is not closed until you receive confirmation from the election office. The election office will close a campaign finance entity if:

- a) There is no cash balance or deficit, and there are no outstanding loans (including loans from the candidate); and
- b) There are no outstanding reports due.

If your account has a cash balance or outstanding obligations, you are required to continue to file Campaign Finance Reports until no cash balance and no outstanding debts remain.

- § 13-311 of the Election Law Article

## 2. Negative Balance

If a report reflects a negative balance, an amended report that accounts for the negative balance must be filed. A negative balance usually results from the failure to report all income (including money from the candidate).

## 3. Outstanding 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 are unlimited). The campaign report must reflect the conversion of the loan to a contribution (by way of a statement on the report) and must include a copy of a letter of forgiveness from the candidate (attached to the report). If the candidate's loan is the only outstanding balance in the account and no surplus funds remain, a final report may then be filed.

Outstanding loans from persons other than the candidate and the candidate's spouse may be forgiven only up to the contribution limit and must be documented in the same manner described above.

### **3.4 Disposition of Surplus Funds**

#### 1. Generally

If you have a non-continuing campaign finance entity\* and the election that the entity was formed to support is over, the committee can no longer be active or fundraise, except for the purpose of paying off a debt. If there is no debt, any money remaining is considered surplus funds and must be disposed of in the following manner:

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

- § 13-247 of the Election Law Article

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\* Continuing committees must also dispose of surplus funds as provided in this section. However, since continuing committees are not required to stop their activity after an election, they can carry any surplus funds forward to be spent on a future election.

<sup>†</sup> To determine what 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](http://www.sos.state.md.us).

<sup>‡</sup> To determine what 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](http://www.mhec.state.md.us).



## 2. Liquidation of Property

When a campaign finance entity closes, items purchased by the entity, 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.

### 3.5 Continuing versus Non-Continuing Campaign Finance Entities

Most campaign finance entities have the option to be either a continuing or non-continuing entity. The exceptions are personal treasurers, which are always non-continuing, and central committees, which are always continuing.

The following chart explains the difference between continuing and non-continuing accounts.

<b>Continuing</b>	<b>Non-Continuing</b>
<ul style="list-style-type: none"><li>▪ The account continues in existence from year to year and election to election.</li><li>▪ The account does not have to be closed.</li><li>▪ Funds accumulated by the account may be used in future election years.</li><li>▪ The account must file its Campaign Finance Reports electronically.</li></ul>	<ul style="list-style-type: none"><li>▪ The account is designated for one election only.</li><li>▪ The account must be closed after the election.</li><li>▪ All funds become surplus after the election.</li><li>▪ The account may not be changed to continuing once the entity is established.</li><li>▪ The account is not required to file electronically unless it is filed with the State Board of Elections.</li></ul>

## Chapter 4 – Candidate Committees, Slates, and Personal Treasurers

### 4.1 Candidate Committees

#### 1. Generally

- A candidate 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.
- This committee may register as either a continuing or non-continuing entity. *(See Section 3.5 of this Summary Guide)*
- This type of campaign finance entity requires the appointment of both a committee chairman and a treasurer. The candidate can serve as the chairman.

- §§ 1-101(ff) and 13-207 of the Election Law Article

#### 2. Necessary Forms

In order to establish a candidate committee, a Statement of Organization must be filed with the appropriate election board before any financial activity occurs. (See page 53)

#### 3. Authorized versus Unauthorized

Candidate committees can be authorized or unauthorized, depending on whether the candidate has given his or her authority to the committee to act on the candidate's behalf. A candidate committee formed to oppose a candidate is always an unauthorized candidate committee.

### 4.2 Slate Accounts

#### 1. Generally

- A slate is a combination of two or more individuals that assists or attempts to assist in promoting the success of two or more candidates who join together to conduct and pay for joint campaign activities. - §1-101(pp) of the Election law Article
- A slate, like other committees, may register as either a continuing or non-continuing account. *(See Section 3.5 of this Summary Guide)*
- A slate requires the appointment of both a committee chairman and a treasurer.
- A slate account is required to have candidate members at all times. If there are no members, the slate is required to file a final report to close the committee.

## 2. Necessary Forms

- In order to form a slate, a Statement of Organization must be filed with the appropriate election board before any financial activity occurs.
- For a candidate to join a slate, the candidate must have established his or her own campaign finance entity. In addition, the candidate must file notification with the election board where the candidate filed a certificate of candidacy. The notification must be on the Slate Designation/Resignation Form prescribed by the State Board. *(See page 61 of this Summary Guide)*
- 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 of Elections).  
*- § 13-209 of the Election Law Article*

### 4.3 Personal Treasurer

- A personal treasurer is a campaign finance entity composed of only a candidate and a treasurer. The candidate and personal treasurer share the responsibility for submitting timely Campaign Finance Reports and are jointly and severally liable for late fees.
- A personal treasurer is always a non-continuing entity and may only be used for the primary and general election of the designated year. Following the election, any surplus funds must be disposed of *(see Section 3.4 of this Summary Guide)* and the account must be closed. However, if there are outstanding obligations, the account must remain open for the sole purpose of paying those obligations.

*-§ 13-206 of the Election Law Article*

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

### 5.1 Political Action Committees (PACs)

#### 1. Generally

A PAC is a combination of two or more individuals that assists or attempts to assist in promoting the success or defeat of more than one candidate or that promotes the group's purposes by supporting or opposing candidates. *- § 1-101(ee) of the Election Law Article*

#### 2. How to Form a PAC

In order to form a PAC, a Statement of Organization must be filed with the appropriate election board. *(See Section 3.1 of this Summary Guide.)* The PAC must identify on its Statement of Organization the purpose of the PAC. In addition, the name of the PAC must include the name of every entity sponsoring the PAC.

- a) A PAC must file with the State Board:
  - If the PAC is a continuing committee; or
  - If the PAC is supporting State candidates, candidates from multiple counties, or State and county candidates.
- b) A PAC must file with a local board if the PAC is a non-continuing committee supporting candidates running for local office in a single county.

#### 3. Financial Activity

PACs may transfer funds to other campaign accounts up to the transfer limit of \$6,000. *(See Section 7.3 of this Summary Guide.)*

#### 4. Additional Issues Regarding PACs

- **Example:** The Environment Group, Inc. is a non-profit organization that advocates on behalf of environmental issues. Some of its work includes educating the public about environmental concerns, writing letters to legislators about environmental issues, and sponsoring environmental youth programs. The Environment Group, Inc. realizes that government decisions will have a dramatic impact on Maryland's environmental future. In an effort to help shape that future, the organization decides it is necessary to support candidates who are pro-environment and oppose candidates who take adverse stands on environmental issues. Since the Environment Group, Inc. has a very small operating budget, it will need to raise money to support pro-environmental candidates. Accordingly, the Environment Group Inc., forms the Environmental Group PAC by filing a Statement of Organization with the State Board of Elections. Once the PAC is formed, it may begin to raise and spend money to support or oppose candidates.

- Q. Why was the Environment Group, Inc. able to advocate about environmental issues before it formed the PAC?
- A. There is a difference between political activity (i.e. lobbying and issue advocacy) and campaign finance activity. A PAC is only necessary for conducting campaign finance activity (i.e. raising or spending money in connection with supporting or opposing candidates in an election). Since Environment Group, Inc. was originally only conducting political activity, a PAC was not required.
- Q. Is forming the PAC the only way the Environment Group, Inc. can contribute to candidates?
- A. No. Like any individual or business entity, the Environment Group, Inc. can make campaign contributions to candidates. However, as discussed in Chapter 7 of this Summary Guide, the amount that can be contributed by an individual or business entity is less than the amount that a PAC can transfer to a candidate or committee, and a PAC has no aggregate contribution limit, whereas an individual or business entity does. In addition, without a PAC, money that is contributed must come directly from the individual or business making the contribution. Therefore, unless the Environment Group, Inc. forms a PAC, it cannot raise money for the purpose of making campaign contributions.
- Q. Why the name Environmental Group PAC?
- A. Maryland law has specific guidelines for naming PACs (*see Section 3.1 of this Summary Guide*). In this instance, the name of the company, the Environment Group, Inc., must be used in the name of the PAC, since the law requires that if the PAC is sponsored by, or affiliated with, another entity or group, the entity or group name must be included in the PAC's name. 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.

## 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 appropriate election office. (*See Section 3.1 of this Summary Guide.*) The ballot issue committee must identify on its Statement of Organization the ballot issue and whether the committee is being formed to support or oppose the issue.

### 3. When the committee must be formed.

- Once the petition process to place a question on the ballot is completed, a committee must be formed before money is collected or spent to promote the success or defeat of the ballot issue.
- A committee need not be formed to support or oppose the petition proposing to place a question on the ballot. However, a group formed to support a petition does have to submit a

Petition Fund Report listing contributions, expenditures, and loans received in support of the petition effort. Contact the State Board of Elections for more information and reporting forms.

- § 7-105(c) of the Election Law Article

#### 4. Where to File

- a) A ballot issue committee must file with the State Board of Elections:
  - If the committee is a continuing committee; or
  - If the committee is supporting a State or multi-county issue (an issue appearing on ballots statewide or in more than one county in the State).
- b) A ballot issue committee must file with a county board if the committee is a non-continuing ballot issue committee supporting a ballot question in a single county.

#### 5. Financial 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. If the members of a ballot issue committee want to collect or spend money to support or oppose candidates, a separate campaign must be established with the election office, and a separate bank account must be established. The funds may not be co-mingled.

However, if a ballot issue committee wants to make a contribution to a candidate, it may do so without establishing a separate campaign finance entity, provided that:

- The committee does not collect money for the purpose of supporting candidates;
- The contribution is an isolated occurrence; and
- The amount of the contribution is de minimis in comparison to money spent supporting or the opposing ballot issue.

These contributions are subject to the \$4,000/\$10,000 contribution limits discussed in Chapter 7.

#### 6. Money Given to Ballot Issue Committees

- a) There are no limits on the amount of money an individual, business entity, or any other organization may contribute to a ballot issue committee.
- b) There are no limits on the amount of money that can be transferred between ballot issue committees.
- c) Money from a non-ballot issue campaign finance entity (including a candidate committee, PAC, party committee, or slate) to a ballot issue committee is subject to the \$6,000 transfer limit discussed in Chapter 7 of this Summary Guide. However, the money transferred by a non-ballot issue committee must be isolated in occurrence and de minimis in comparison to money collected and spent for candidates.

#### 7. Reporting Responsibilities

A ballot issue committee must file the same reports filed by any other political committee. However, if the ballot issue committee is a non-continuing committee, its first report is not due until the second Friday preceding the general election. (**Note:** if the non-continuing 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 election office.

## 5.3 Party Central Committees

### 1. Generally

A central committee is a continuing campaign finance entity formed by a political party. 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 bylaws are approved. The central committee must constantly maintain a chairman and treasurer with the State Board. 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.

### 2. Reporting Responsibilities

A central committee must report like any other type of continuing political committee. The committee must submit a series of reports in connection with each presidential, gubernatorial, and Baltimore City election, unless the committee files an Affidavit of Non-participation for a particular election.

#### **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 by John Doe filing a resignation form and Jane Smith filing 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 arise.

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

### 3. 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) are unlimited, but must be identified as such on the Campaign Finance Reports filed by the central committee. The contributor must earmark the contribution for administrative purposes. The central committee is required to segregate the administrative funds from its other funds.

### 4. Contributions and Transfers by a Central Committee

Central committees can make *coordinated campaign contributions*<sup>§</sup> to party candidates 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 January 1 following the preceding gubernatorial election.
- For a local central committee, not more than \$1 for every two registered voters in the county (regardless of party affiliation) as of January 1 following the preceding gubernatorial election.     -§ 13-226(d) of the Election Law Article

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<sup>§</sup> A *coordinated campaign contribution* is an in-kind contribution to a candidate or a group of candidates. For example, if it is run by a party central committee, a television ad campaign to support the candidacy of one or more candidates is a coordinated campaign expenditure

In addition to these coordinated campaign expenditures, a central committee may also transfer funds (up to \$6,000) to another campaign finance entity. *(See Section 7.3 of the Summary Guide.)*

## 5.4 Out-of-State Political Committees

### 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 generally transfer up to \$6,000 to a Maryland campaign finance entity. *(See Section 7.3 of this 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.

***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 PAC is not required to file Campaign Finance Reports in Maryland. However, the out-of-state PAC is required to submit a written statement to the State Board of Elections at the time of the transfer of funds to a Maryland campaign finance entity. The statement must include:

- The name of the Maryland campaign finance entity receiving the transfer of funds;
- The name of the treasurer of that campaign finance entity;
- The date of the transfer; and
- The amount of the transfer.

## 5.5 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 allowed to make contributions to Maryland campaign finance entities. The contribution limits described under *Section 7.2 of this Summary Guide* apply to federal committees. A federal committee is not required to file any additional reports or statements with the State Board of Elections.

Campaign finance information for federal committees is available to the public on the FEC website ([www.fec.gov](http://www.fec.gov)). In addition, the State Board of Elections office in Annapolis has a computer terminal supplied by the Federal Election Commission for the purpose of allowing citizens access to federal campaign finance data via the Internet.



## Chapter 6 – Committee Officers

### 6.1 Who can serve as an officer

#### 1. Generally

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

#### 2. Multiple Appointments

A person may serve as chairman or treasurer for more than one committee.

#### 3. Candidate as Officer

- A candidate **may not** serve as the **treasurer** for the candidate’s own campaign finance entity or any other Maryland campaign finance entity. 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. 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

#### 4. 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.

### 6.2 Duties and Responsibilities of the Treasurer

#### 1. General Duties

The treasurer is responsible for the receipt and expenditure of funds for political purposes. A treasurer may not transfer his or her responsibilities to the candidate or to any other person (except for the restricted role allotted to a properly designated sub-treasurer).

- § 13-218 of the Election Law Article

#### 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. However, the treasurer may **not** permit anyone other than a properly designated sub-treasurer to perform the

duties that the General Assembly has entrusted to the treasurer, including signing checks, making proper expenditures, receiving contributions, ensuring complete and accurate books and records, and ensuring the timely filing of complete and accurate Campaign Finance Reports. The ultimate responsibility for compliance with the requirements of the law always rests with the treasurer, and it is the treasurer's signature that is required on the Campaign Finance Reports.

### 3. Keeping Information Current

The chairman and treasurer must keep their addresses and phone numbers current to ensure receipt of periodic notices and compliance materials. *(See page 60 of this Summary Guide.)*

## 6.3 Sub-Treasurers

### 1. Generally

While there is no statutory provision for an "assistant treasurer," the law does permit a treasurer to appoint a sub-treasurer for a county or political subdivision. Apart from the treasurer, only a properly designated sub-treasurer appointed for a county or political subdivision may sign checks, receive contributions, and make disbursements. *For example*, a candidate for Governor may want to appoint a sub-treasurer for each county in the State. Or a candidate running for a State Senate seat that encompasses multiple counties may want to appoint a sub-treasurer for each county.

- § 13-211 of the Election Law Article

### 2. Duty to Open a Separate Bank Account

The sub-treasurer must open a bank account in the county or subdivision for which he or she is appointed, and the sub-treasurer may sign checks for that account only. A sub-treasurer may *not* "share" the treasurer's bank account.

### 3. Accountability

A sub-treasurer's accountability under Title 13 of the Election Law Article is identical to the treasurer's. Accordingly, the sub-treasurer must receive and disburse funds, place funds in a campaign bank account, maintain books and records, and channel financial reports to the treasurer who, in turn, must incorporate the sub-treasurer's reports into the treasurer's own report. *Only* the treasurer's report is filed with the election office.

- § 13-219 of the Election Law Article

## 6.4 Duties and Responsibilities of the Chairman

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.

## 6.5 How to Resign

### 1. Written and Signed Resignation Required

- A chairman or treasurer may resign by submitting a written and signed resignation to either the State Board or a local board, depending on where the Statement of Organization was filed.

- §§ 13-206(e) and 13-207(d) of the Election Law Article

- A resignation will not be accepted if it will leave the campaign finance entity with no officers. In such an instance, the officer will have to close the campaign finance entity before resigning.

- A resignation should be filed on the form prescribed by the State Board. *(See page 59 of this Summary Guide )*

<p style="text-align: center;"><b>CAUTION!</b></p> <p>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 election office.</p>
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### 2. When Resignation is Effective

The resignation is effective as of the date the form is received by the appropriate election office. The election board will acknowledge receipt of a resignation in writing.

### 3. Remaining Liability

An officer who resigns is still liable for any outstanding reports or late fees incurred during the time he or she was an officer and may be responsible for filing the report (and for any associated fees) following the resignation, if the resignation was received in the middle of a transaction period.

### 4. Vacancies

When a vacancy occurs in the position of chairman or treasurer, financial activity must cease and cannot resume until a new appointment is filed with the election board. However, a vacancy in chairman or treasurer **does not** relieve the campaign finance entity 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 books and records (see Section 12.1 of this Summary Guide for details);
- The electronic filing software and the database; and
- The bank account information.

# Chapter 7 – Contributions and Transfers

## 7.1 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 any thing of value given to a Maryland campaign finance entity 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 campaign finance entity to another. *For example*, a PAC may transfer money to a candidate committee. In addition, the law also allows an out-of-state political committee to transfer money to a Maryland campaign finance entity 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(tt) and § 13-227 of the Election Law Article

## 7.2 Contribution Limits

### 1. Generally

A person 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 cycle.

- § 13-226 of the Election Law Article

Four-Year Cycle
2002 Cycle – 1/1/1999 through 12/31/2002
2006 Cycle – 1/1/2003 through 12/31/2006
2010 Cycle – 1/1/2007 through 12/31/2010

*For example*, Sidney Giver contributes \$4,000 to the Committee to Elect Bob D. Candidate on April 3, 2003. Sidney Giver cannot make any more contributions to the Committee to Election Bob D. Candidate until the next four-year cycle begins (in this case January 1, 2007). Sidney Giver next contributes \$3,000 to the ABC PAC and \$3,000 to the committee, Friends of Joe Incumbent, on March 3, 2005. Since Sidney has now contributed \$10,000, he cannot make any more contributions until the next four-year cycle begins.

### 2. Contributions to Candidate

The \$4,000 limit on contributions to the campaign finance entity of a candidate applies regardless of the number of offices sought by the candidate or the number of authorized candidate committees formed to support the candidate.

### 3. Exceptions

- *Ballot Issue Committee* - There is no limit on how much a contributor may contribute to a ballot issue committee. Contributions to a ballot issue committee do not count towards 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 towards the contributor’s aggregate contribution limit.

## 7.3 Transfer Limits

### 1. Transfers – General Limitations

Generally, a campaign finance entity may transfer no more than \$6,000 to another campaign finance entity during the four 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, 1999. ABC PAC then transfers another \$2,000 to the Committee to Elect Bob D. Candidate on January 31, 2001. 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, 2003). However, the ABC PAC can still make transfers to any other campaign finance entity not associated with Bob D. candidate, since there is no aggregate limit on transfers.

### 2. Transfers – When Limitations Do Not Apply

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

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

*\*The above committees are also exempt from the affiliated committee provisions of the law.*

### 3. Transfers to and from Ballot Issue Committees

- a) Transfers between ballot issue committees are unlimited.
- b) Transfers between ballot issue committees and non-ballot issue committees are permissible, but are limited in occurrence and amount. In other words, this type of transfer is allowed, but cannot be made regularly and cannot account for a significant amount of the transferor's funds. In no case may a transfer be more than \$6,000.

### 4. Transfers – Money Only

A transfer is always money. However, there are instances when a campaign finance entity may want to give something of value (other than money) to another campaign finance entity. This is permissible, but it is **not** a transfer, it is an in-kind contribution, and it is subject to the contribution limits, not the transfer limits. While a campaign finance entity can make in-kind contributions, if the campaign finance entity gives money, it is always considered a transfer, as opposed to a contribution.

## 7.4 In-Kind Contributions

An in-kind contribution includes any thing of value (except money). **For example**, a person can contribute bumper stickers to a candidate's committee. The amount of the contribution equals the fair market value of the bumper stickers. An in-kind contribution counts towards the donor's contribution limits.

Services provided to a campaign can also be considered an in-kind contribution if the type of service is one that the person normally charges for providing.

**Example**

- Ms. Daisy Designer, a commercial artist, designs a logo for John D. Candidate free of charge. Since designing logos is something Daisy would normally charge \$1,000 for doing, Daisy has made an in-kind contribution of \$1,000 to John D. Candidate's committee. This \$1,000 counts toward Daisy's contribution limits discussed in Section 7.2 of this Summary Guide.
- Daisy Designer still wants to do more to help John D. Candidate. She volunteers to stuff envelopes and answer phones at John D. Candidate's campaign headquarters. Since stuffing envelopes and answering phones is not a service that Daisy normally charges for providing, her activities are not considered to be an in-kind contribution to the campaign.

**7.5 Ticket Purchases**

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

**7.6 Contributions by Business Entities**

a) Contributions by different corporations\*\* are required to be considered as being 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(f) 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.

b) 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 money to a campaign finance entity does not have to report the contribution (the campaign finance entity reports the contribution). The exception to this rule is for a business entity that:

1. Does business with the State involving consideration of \$100,000 or more (see generally Title 14 of the Election Law Article); or
2. Employs a registered lobbyist for compensation in excess of \$500 during the reporting period (see generally § 15-715 of the State Government Article, Annotated Code of Maryland).

In these instances, the business entity is required to report certain contributions over \$500 made by the business entity, its officers, directors, and employees (if the employees made contributions at the direction of the business entity). Reports are due semi-annually on February 5<sup>th</sup> and August 5<sup>th</sup>. Additional information and the necessary reporting forms can be obtained by calling the State Board of Elections or visiting the State Board's website.

## 7.7 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 contribution decisions under the control of the same individual or entity. - § 13-227(d) of the Election Law Article

## 7.8 Form of Payment (cash, check, or charge)

- a) *Transfers.* All transfers must be made by check.
  - b) *Contributions.*
    - A person may not make a contribution of money in excess of \$100 except by check.
    - A person may not make a contribution by credit card greater than \$100 per transaction.
- § 13-226 of the Election Law Article

## 7.9 Determining When a Contribution is Received

Generally, a contribution or transfer should be considered received as of the date the campaign finance entity 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

<b>Four -Year Cycle</b> 2002 Cycle – 1/1/1999 through 12/31/2002 2006 Cycle – 1/1/2003 through 12/31/2006 2010 Cycle – 1/1/2007 through 12/31/2010
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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, 2002. Committee Y does not receive it until January 3, 2003. Since the check was issued in a different election cycle, Committee Y should treat the contribution as if it had been received on December 30<sup>th</sup>.

## 7.10 Joint Contributions

- a) If a campaign finance entity receives a joint contribution, the contribution should be split equally among the contributors and reported as separate contributions. For example, if you receive a \$100 joint contribution from George and Martha Washington, you should make two entries on your Campaign Finance Report: (1) A contribution of \$50 from George Washington; and (2) a contribution of \$50 from Martha Washington.
- b) If it is unclear whether or not a contribution is a joint contribution, it is the duty of the campaign to contact the contributors to confirm their intention.

## 7.11 Prohibited Contributions

### 1. 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. Include a note that states, “*This money is from an anonymous contribution 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

### 2. Pass -Through Contributions

Contributions may not be accepted if the campaign is put on notice that the contribution is from a person or entity other than the maker of the check. - § 13-602(a)(5) of the Election Law Article

### 3. Contributions During the Legislative Session

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

## 7.12 Receipts

Campaign contribution receipts must be issued for:

- a) Contributions 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 68 of this Summary Guide. Also, if you are using ELECTrack, it can generate receipts for you.

- § 13-222 of the Election Law Article

**Reminder:** While receipts are only required to be given as outlined, the name, address, and amount of every contributor, including those persons purchasing tickets and small items, regardless of the purchase amount, must be reflected in the treasurer's account books. *(See Wheels of Fortune exception for certain counties, Section 7.14 of this Summary Guide.)*

## 7.13 Contributions by the Candidate

The candidate or the candidate’s spouse may make unlimited contributions to the candidate’s campaign finance entity. 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 should be given as a loan to the campaign. Money loaned can be repaid, or if funds do not become available, converted into a contribution. *(See Section 9.3 of this Summary Guide)*



## 7.14 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, Annotated Code of Maryland

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 Chapter 11 of this Summary Guide.*)

### 2. Paddle Wheels and Wheels of Fortune

A paddle wheel or wheel of fortune may be used by a political committee (personal treasurers may not use this method of fundraising) 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.
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A treasurer is not required to identify in the account book of the committee each sum of money given by each individual who purchases a spin on the wheel, provided:

- a) The cost to purchase each spin or chance on the wheel does not exceed \$2;
- b) Total receipts from wheels do not exceed \$2,500 per election;
- c) The net income from a wheel does not exceed \$1,500 in a 24-hour period at a single fundraising event; and
- d) 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:

- a) Donate the excess funds to the charity of its choice; or
- b) 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

## 7.15 Payroll Deductions

### 1. In General

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 or subtreasurer of the appropriate campaign finance entity, which may be a political action committee (PAC) affiliated with the employer. The campaign finance entity is required to treat and report the contributions as if they came directly from the employees.

*—§ 13-241 of the Election Law Article*

### 2. Membership Entities

If an employer withholds by payroll deduction an employee's dues to an employee membership entity (generally, a union) the employee may also contribute by payroll deduction to one or more PACs affiliated with the membership entity and 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;
- The amount of the contribution to the PAC; 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*

### 3. Rules Regarding Solicitation of Employees

An employer that solicits its employees to make political contributions by payroll deduction must inform each employee of the political purposes of the campaign finance entity 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 the 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*

The rules described above for soliciting, receiving, and using contributions apply to an employee membership entity and an affiliated PAC. *—§ 13-242(f) of the Election Law Article*

## 7.16 Collection by Membership Entities

### 1. In General

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*

## Chapter 8 – Expenditures

### 8.1 Generally

An expenditure is defined as a gift, transfer, disbursement, or promise of money or valuable thing by or on behalf of a campaign finance entity to promote or assist in promoting the success or defeat of any candidate, political party, or a question at an election. - §1-101(y) of the Election Law Article

- Expenditures must be election related; that is, they must enhance the candidate's election chances, and one must be able to conclude 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.
- Expenditures must be made by the treasurer, 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.**

### 8.2 How to Make Expenditures

#### 1. Direct Expenditures

Generally, campaign expenditures should be made by the treasurer, using a check drawn from the campaign bank account. Expenditures cannot be made by credit card or by cash.

#### 2. Reimbursement

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

- The expense is supported by a receipt that is retained by the treasurer of the campaign finance entity;
- 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 10.7 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 without creating a negative cash balance.

### 8.3 Petty Cash

A petty cash fund of up to \$250 may be maintained by the treasurer. 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.

### 8.4 Expenditures to Municipal and Federal Candidates and Committees

Generally, campaign funds may not be used to support a federal or municipal candidate. However, a treasurer may make an expenditure in support of such a candidate if the expenditure is isolated in occurrence, is minimal in comparison to other expenditures made by the treasurer on behalf of the candidate or committee, and in no case exceeds \$4,000.

**Remember**, Baltimore City is not considered a municipality for these purposes.

### 8.5 Legislative Newsletters

It is a permissible expenditure for a campaign finance entity of an incumbent member of the General Assembly 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 the incumbent's performance in legislative office or an issue of public interest.

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 of Elections 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

## Chapter 9 – Loans

### 9.1 Generally

Loans are a permissible way of receiving funds for a campaign. In addition, there is no limit on the amount of money that can be loaned to the campaign. However, unless the loan is entered into properly and paid off in a timely manner, the loan will be treated as a contribution. This could have serious legal consequences if the loan exceeds applicable contribution limits.

The law provides that a loan will be considered a contribution in the amount of the outstanding principle balance (subject to the contribution limits), *unless*:

- a) The loan is from a financial institution or other entity in the business of making loans; *or*
- b) Repayment of the loan is personally guaranteed by the candidate, and the loan is repaid by the end of the next election cycle. (A loan to a non-candidate related campaign finance entity does not have to be guaranteed by anybody, but should be acknowledged by the treasurer.)

- § 13-230 of the Election Law Article

### 9.2 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 a contribution from the lender.
- 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 a 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."

### 9.3 Loans from the Candidate or the Candidate's Spouse

A candidate or the candidate's spouse may make loans to the candidate's campaign finance entity. If the candidate ( or the candidate 's spouse ) loans money to his or her own campaign, he or she may choose not to file the loan consent form, which in turn eliminates the requirements to charge or account for interest and to pay off the loan by the end of the next election cycle. If the candidate does want to charge interest, the loan consent form must be properly filled out (and filed with the Campaign Finance Report) and the loan must be repaid by the end of the next four-year cycle.

## 9.4 Loan and Repayment Examples

### Example 1

Loan Amount	\$ 1,000.00
Interest Rate Charged	8% per annum
Prime Interest Rate	8% per annum
Repayment Terms	1 year
Interest Amount	\$ 80.00

Whether the loan is from a candidate, the candidate's spouse, or another source, the loan and interest expense must be reported on the Campaign Finance Reports.

### Example 2

Loan Amount	\$ 10,000.00
Interest Rate Charged	4% per annum
Prime Interest Rate	6% per annum
Repayment Terms	In full at the end of 5 years - no installment payments
Interest Amount (based on prime)	\$600.00
Interest Amount (paid)	\$400.00

Assume the loan inception date is 10/20/02 which was in the 2002 contribution cycle (1/1/99 through 12/31/02). If the loan is not from a financial institution, the loan must be paid off before the end of the next election cycle which is the 2006 cycle (1/1/03 through 12/31/2006). If the loan is not paid off by the end of the next election cycle, it becomes a contribution and would exceed the \$4,000 contribution limit.

Additionally, 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 10.8 of this Summary Guide for information on how to report loans on the Campaign Finance Report.)*



## Chapter 10 – Campaign Finance Reports

### 10.1 When Reports Must Be Submitted

#### 1. Continuing Committees

- a) In each year in which there is an election governed by the Election Law Article (including a Baltimore City election, but not including any other municipal election), a continuing committee is required to file all of the following election related reports due on the dates indicated.
  - Annual Report – due on the 3<sup>rd</sup> Wednesday in January
  - First Pre-Primary Report – due on the 4<sup>th</sup> Tuesday before the primary election
  - Second Pre-Primary Report – due on the 2<sup>nd</sup> Friday before the primary election
  - Pre- General Report – due on the 2<sup>nd</sup> Friday before the general election
  - Post- General Report – due on the 3<sup>rd</sup> Tuesday before the general election
- b) In an off-election year, only the Annual Report is required (on the third Wednesday in January of that year).

*§ 13-309 of the Election Law Article*
- c) If the committee does not plan to spend or receive any money in connection with the current election, the committee can file an Affidavit of Non-Participation (ANP) in lieu of all of the election- related reports. The Annual Report is still required. The Affidavit of Non-Participation must be filed on or before the due date for the First Pre-Primary Report.
  - Annual Report – required
  - First Pre-Primary Report – ANP filed in lieu of the report
  - Second Pre-Primary Report – not required
  - Pre- General Report – not required
  - Post-General Report – not required

The Affidavit can be cancelled using the cancellation form. If the cancellation is filed, the committee must submit all reports remaining for that election year. *(See pages 62 through 64 of this Summary Guide for the Affidavit of Non-Participation, the cancellation form, and the instructions.)*

*-§13-305(b) of the Election Law Article*

#### 2. Non-Continuing Committees

- a) A non-continuing committee is required to state the election year for which the committee is being established. In the stated year, all of the following reports are required to be filed:
  - Annual Report – required
  - First Pre-Primary Report – required
  - Second Pre-Primary Report –required
  - Pre- General Report –required
  - Post- General Report –required
- b) If the non-continuing committee is a ballot issue committee, the two Pre-Primary Reports are not required, since issues do not appear on primary election ballots.
- c) Annual Reports are required each year that the committee is open, including any year before or after the election year for which the committee is established.

*-§ 13-309(a),(b) of the Election Law Article*

### 3. Personal Treasurer

- a) A personal treasurer is always a non-continuing campaign finance entity and is required to state the election year for which it is established. In the stated year, all reports are required to be filed (the Annual Report and all election-related reports).
- b) The reporting schedule for a personal treasurer is the same as for a non-continuing committee (see Part 2 above).
- c) If the personal treasurer does not plan to spend or receive more than \$1,000 in connection with the election for which the entity was formed, it can file an Affidavit of Limited Contributions and Expenditures in lieu of all of reports. The Affidavit must be filed on or before the due date for the first Pre-Primary Report. If the personal treasurer spends or receives more than \$1,000, the next report that is due in the reporting series must be filed. *See page 65 of this Summary Guide for the Affidavit of Limited Contributions and Expenditures.*  
- §13-305(a) of the Election Law Article

### 4. Pre-Report Notices

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

## 10.2 **Where Reports Must Be Submitted**

A campaign finance entity must file its Campaign Finance Reports with the election board where it filed its Statement of Organization (*See Section 3.1 of this Summary Guide*). Duplicate reports are no longer required.

## 10.3 **How to File a Campaign Finance Report**

Internet (FTP): (Only for campaign finance entities filing with the State) 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 electronically until 11:59 PM on the filing deadline. You must still sign and mail the Transmittal Sheet within 10 days after filing the report. Failure to submit the Transmittal Sheet will result in the assessment of late fees.

Mail: A report that is mailed is considered timely, regardless of when it is received, 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 the receipt or postmark indicates that the report was sent on or before the report due date, but only if the report is received within 3 days after the filing deadline.

Hand Delivery: A report may be hand delivered. It must arrive on or before the close of business on the report due date. The election board will issue a receipt.

## 10.4 Report Forms

The Campaign Finance Report forms are made up 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 – Report on Loan to Campaign Fund Account

Regardless of whether you have anything to report, you must file at least the Summary Page. You are not required to file the schedules that you did not use.

## 10.5 Summary Page

On the Summary Page, you must provide general information including the name of the campaign finance entity, the entity number, your bank account information (including your bank account balance), and the report date for which the report is being filed. Next you must enter the receipt and expenditure subtotals from the different schedules. Finally, the Summary Page must be signed and dated by the treasurer and the chairman (unless you are filing electronically, in which case the Transmittal Sheet needs to be signed and dated). The candidate is required to sign the report if the campaign finance entity is a personal treasurer . *See* pages 69 through 70 of this Summary Guide for the Summary Page form and instructions and page 82 for the Transmittal Sheet).

## 10.6 Reporting Receipts – Schedules 1, 1A, & 1B

### 1. Receipts Entry

When your campaign finance entity receives money or other things of value, you must be careful to enter the receipt on the proper form and in the proper column.

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

## 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 contribution cycle ends. (See Section 7.2 of this Summary Guide.) 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 contribution cycle because of the \$4,000 contribution limit.

### 10.7 Reporting Expenditures – Schedule 2

#### 1. Generally

Expenditures are recorded on Schedule 2 in the column that relates to that type of expenditure. (**For example**, a payment for a radio commercial would be listed under column 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 of Payee	Name of Reimbursee	Amount
1/5/03	007	Office Mart	Bob Jones	\$50
1/5/03	007	Office Warehouse	Bob Jones	\$60
1/5/03	007	Office Emporium	Bob Jones	\$60

#### 3. Returned Contributions

Occasionally, a campaign finance entity needs to return a contribution to the contributor. Report this transaction as an expenditure made to the contributor. Indicate expenditure type Z.

## 10.8 Reporting Loans

### 1. Reporting the Receipt of a Loan

- Loans received must be recorded on Schedule 3. If it is a new loan, enter the total amount of the loan in row K.
- Additionally, Schedule 4 must be completed. 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. A copy of the consent of the candidate (Schedule 4) must be attached to the appropriate Campaign Finance Report. Schedule 4 also 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. If it is a non-candidate campaign finance entity, the treasurer should acknowledge receipt of the loan by signing the Schedule.
- If the actual interest amount charged (which can be zero) is less than the prime rate, the difference is an in-kind contribution which must be entered on Schedule 1B, Column J. 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..
- Additionally, the loan balance amount is updated on Schedule 3, Column L. 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 enter 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 Electrack Software, the loan will automatically be carried forward until paid off. However, the filer does have to enter the reduction in the loan balance.
- If a loan remains unpaid at the end of the four- year cycle after when the loan was initially made, it may become a contribution that must be reported on Schedule 1.(*See Chapter 9 of this Summary Guide* )
- The amount converted to a contribution is also entered in Schedule 2, Code X. This is done to keep the cash balance accurate, since the contribution amount has been increased by the funds that made up the loan balance.
- Finally, record the current loan balance (which will be zero) on Schedule 3, Column L.

## 10.9 Reporting Unpaid Bills

Unpaid bills must be recorded on Schedule 3, Column M, 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 repaid is entered on Schedule 2, in the column that best represents the purpose of the payment. The unpaid bill is reported on each report (and the balance is updated) until it is completely paid off.

## 10.10 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. Accordingly, the name and address of the purchaser must be obtained and a receipt must be given if the price of the item or items sold is \$51 or more.

If the campaign sells an item that it owns, such as a piece of equipment, the amount received from the sale and the name and address of the purchaser must be reported on Schedule 1B, Column I.

## 10.11 Lump Sum Reporting

Certain contributions, including ticket sales, may be reported on Schedule 1 of the Campaign Finance Report as a lump sum, pursuant to the following guidelines:

- ❖ Contributions under \$51 from different contributors may be aggregated and characterized on the Campaign Finance Report as "lump sum contributions".
- ❖ Ticket purchases under \$251 from different contributors (provided the purchase price of each individual ticket is \$50.99 or less) may be aggregated and characterized on the report as "lump sum ticket purchases".
- ❖ Once a contributor exceeds \$51 or \$251 through a series of contributions or ticket purchases for that election cycle, the contributor must thereafter be reported by name and address.
- ❖ If you choose the lump sum option, even though you may lump receipts as described above on the Campaign Finance Reports, the books and records required to be kept by the treasurer must identify all contributors, including ticket purchasers, by name, address, date of contribution, and amount, regardless of the amount.

**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.

## 10.12 Liability for Failure to File

### 1. Fees for late reports

- a) There is a late filing fee for each Campaign Finance Report or affidavit that is not filed on or before the due date. The fee is \$20 per day for the first six days that a pre-election report or affidavit is overdue and \$10 per day thereafter. If the report is a post-election report the fee is \$10 for each day the report is late. The maximum fee chargeable per report is \$250. Please note that Maryland law does not authorize extension of the report deadlines under any circumstance. *- §13-331 of the Election Law Article*
- b) Late fees are computed from the day after the due date through and including the day the report is received by the election office.
- c) The late fee is the personal liability of:
- The candidate and treasurer if the campaign finance entity is a personal treasurer; and
  - The chairman and treasurer for all other campaign finance entities.
- Late fees may not be paid directly or indirectly from campaign funds.**
- d) A report is not considered officially filed until all late fees associated with that report have been paid.
- e) Failure to correct an incomplete report within 30 days after receipt of a written notice of deficiency from the election office will result in the assessment of daily late fees.

### 2. Consequences of unpaid late fees and missing reports

- a) An individual may not become a candidate for a public or party office in this State, or become a treasurer for a campaign finance entity if, as to a Campaign Finance Report due from, or on behalf of, that individual during the preceding five calendar years:
- There exists a failure to file; or
  - The individual has failed to pay a late filing fee that is due.
- § 13-332 of the Election Law Article*
- b) An individual may not be sworn into office until the State Board certifies that all Campaign Finance Reports due from or on behalf of the individual have been filed. 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 this certification from the State Board. *- § 13-333 of the Election Law Article*

## 10.13 Electronic Filing of Campaign Finance Reports

### 1. Generally.

All campaign finance entities that are filed with the State Board of Elections are required to file Campaign Finance Reports electronically on a diskette or via the Internet. The State Board provides free software (ELECTrack) to each campaign for the purpose of electronic filing. Campaigns also have the option of using their own software or software created by a private vendor, provided that the software meets the exact data structure requirements established by the State Board.

– § 13-324 of the Election Law Article

### 2. Waiver of the Requirement to File Electronically

A campaign finance entity that has minimal financial transactions may request a waiver of the electronic filing requirements from the State Board. To obtain a waiver, a campaign must maintain a cash balance of less than \$5,000, minus any outstanding obligations. The waiver must be requested, in writing, on the form supplied by the State Board, before the report due date. (*Note:* Campaigns that have waivers will be required to file electronically if they have over 30 transactions during any given reporting period).

### 3. Resources for Filers

Campaigns that are required to file electronically but do not have access to computer equipment should contact the State Board for assistance.

### 4. How and What to File

Campaign finance entities that are required to file electronically may file their data either on a diskette or via the Internet. Either way, the campaign is required to file the transmittal sheet that is automatically generated by ELECTrack when the report is exported. Campaign finance entities that are not using ELECTrack can fill out and use the attached Transmittal Sheet form (*see* page 82). The transmittal sheet must be signed by the officers of the campaign finance entity. Campaigns that file electronically are not required to file a paper of the report.

### 5. Late Fees

If a campaign finance entity is required to file electronically, the report will not be considered filed until the electronic version of the report is received.



# Chapter 11 – Campaign Literature and Paraphernalia

## 11.1 Authority Lines

### 1. Generally

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 or a county election board) of the person is responsible for production and distribution of the campaign material. *Campaign material* includes signs, buttons, letters, tickets, solicitations, radio and television advertisements, web sites, bumper stickers, and paraphernalia such as pencils, hats, and t-shirts.

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

### 2. Campaign Materials Produced by a Campaign Finance Entity

If the campaign material is produced by a campaign finance entity, 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.	Example of authority line for a Personal Treasurer .
<i>John Jones, Treasurer Committee for James Smith</i>	<i>Edith Williams, Treasurer Edward Brown, Candidate</i>

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 treasure.

**Example:** John Jones, Treas.

The Office of the Attorney General has taken a very strict approach to what constitutes material 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 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 bear the authority line.

4. Campaign Materials Not Produced by a Campaign Finance Entity

Campaign materials paid for by someone other than a campaign finance entity are either an ***in-kind contribution*** to the campaign or an ***independent expenditure***. The distinction affects the contents of the authority line.

- ***In-Kind Contribution***: If an individual or an entity pays for signs in support of a candidate with the candidate’s cooperation and coordination, this is considered an in-kind contribution to the campaign. Since it is an in-kind contribution, the signs should have the authority line of the candidate’s campaign finance entity.
- ***Independent Expenditure***: If an individual or entity pays for a sign in support of a candidate without the candidate’s cooperation or coordination, this is an independent expenditure. 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 of the entity; and
- The name and title of the president, treasurer, or person responsible for the campaign material.

If the independent expenditure was produced by an individual acting alone, the Maryland Attorney General has issued an opinion advising that an authority line is not required.<sup>≈</sup>

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

5. Campaign Material Produced by Multiple Campaign Finance Entities

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

- a) If the committees each wrote a check to purchase the materials, the authority line of both Committee A and B must be included; or
- b) 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).

<sup>≈</sup> The opinion by the Attorney General, 80 OAG 110 (1995), is based on the Supreme Court case, ***McIntyre v. Ohio Elections Commission***. 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.

## 11.2 Copies of Campaign Materials

Each campaign finance entity that was responsible for the 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 a copy on an electronic medium that can be produced as a paper facsimile on request. These requirements do not apply to a billboard or a sign.

-§ 13-403 of the Election Law Article

## 11.3 Placement of Campaign Signs

The State Board of Elections 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.

**It is strongly recommended that you contact either the State Highway Administration or the appropriate city or county agency before placing any signs.**

## 11.4 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 of Elections for clarification.

## 11.5 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" is broadly interpreted to mean the wearing of any article of clothing, hat, sticker, or button that indicates support of or opposition to any candidate, question, or political party.

The Chief Election Judges at each polling place post signs designating the "No Electioneering" zone. Election judges are instructed to strictly enforce the “No Electioneering” prohibition, including calling the police to enforce it, 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, either directly or indirectly, is prohibited. Walk-around services include any of the following activities when performed for money on the day of the election, while the polls are open: distributing campaign material; communicating a voting preference or choice in any manner; stationing any person or object in the path of any voter; or electioneering or canvassing

*-§13-245 of the Election Law Article*

## Chapter 12 – Campaign Management

### 12.1 Account Books

#### 1. Generally

Every treasurer must keep detailed and accurate records of all contributions (including ticket sales and in-kind contributions), transfers from treasurers, any other income, disbursements, and outstanding debts. These records are used in the preparation of Campaign Finance Reports and must be retained for at least 2 years after the campaign finance entity 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:
  - 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.
- ❖ This information is required, regardless of the amount given.
- ❖ 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 books and records of the treasurer, 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.

### 12.2 Bank Accounts

#### 1. Generally

A separate bank account, registered in a manner that identifies it as the account of a campaign finance entity, must be established with a Maryland bank or other Maryland financial institution for the exclusive use of the campaign finance entity. All income (including loans), must be deposited in the campaign bank account. *Personal bank accounts may not be used.* Campaign funds may not be placed in a campaign bank account where the contributions themselves are at risk, or in an account that does not permit checks to be drawn without penalty, in any amount, at any time. Interest earned must be recorded as income on the Campaign Finance Reports.

## 2. Opening a Campaign Bank Account

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

- A Form SS-4, Application for Employer Identification Number (the form can be obtained by calling 800-829-3676);
- Personal identification of the person opening the account; and
- A Resolution of Authority (generally required to be signed by the treasurer and chairman).

### **12.3 Tax-Related Questions**

You may contact IRS Customer Service at (877) 829-5500 (toll free number) for information about tax-exempt organizations. 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 13 – Enforcement

### 13.1 Audit

The State Board employs a full-time staff person to review Campaign Finance Reports for compliance and to work with filers to correct shortcomings in their reports. Periodically, requests are sent to filers requiring them to correct deficiencies by amending their reports. Failure to submit a requested amendment can result in a report being considered not filed and in late fees being assessed.

### 13.2 Penalties

#### 1. Failure to File Reports or Pay Late Fees

If a campaign finance entity fails to file a report, or fails to pay late fees assessed, the matter must be turned over to the Office of the State Prosecutor. A responsible officer (i.e., the candidate or treasurer if the campaign finance entity is a personal treasurer, or the chairman or treasurer if the entity is a political committee) found in violation is guilty of a misdemeanor and on conviction is subject to a fine not exceeding 25,000, or imprisonment

*-§1-101(nn), §13-335 (b), and §13-603 of the Election Law Article*

#### 2. Campaign Material

A person convicted of publishing campaign material without the required authority line (*see Section 11.1 of this Summary Guide*) may be fined up to \$1,000, or imprisoned for up to 1 year, or both, and is ineligible for public or party office for 4 years. *-§13-602(a)(9) and (b) of the Election Law Article*

#### 3. Personal Expenditures by a Candidate

A candidate convicted of making a payment, contribution, or expenditure from the candidate's personal funds may be fined up to \$1,000, or imprisoned for up to 1 year, or both, and is ineligible for public or party office for 4 years. However, it is not a crime for a candidate or the candidate's spouse to:

- Make a contribution or loan to the campaign (*see Section 9.3 of this Summary Guide*),
- Pay for a campaign expense and be reimbursed (*see Section 8.2.2 of this Summary Guide*); or
- Pay, personal expenses, including filing fees, telephone, travel, and food.

*- § 13-602(a)(10) and (b) of the Election Law Article*

#### 4. Contributions

A person convicted of making a campaign contribution under a false name may be fined up to \$1,000, or imprisoned for up to 1 year, or both, and is ineligible for public or party office for 4 years. *- § 13-602(a)(5) and (b) of the Election Law Article*

## **Chapter 14 – Forms**

Statement of Organization

Change of Officer

Resignation of Chairman or Treasurer

Change of Address or Telephone

Slate Designation/Resignation

2004 Affidavit of Non-Participation

2004 Cancellation of Affidavit of Non-Participation

2004 Affidavit of Limited Contributions and Expenditures

Amendment Description Form

Fundraising Ticket

Campaign Contribution Receipt

Campaign Finance Report – Summary Page

Schedule 1

Schedule 1A

Schedule 1B

Schedule 2

Schedule 3

Schedule 4

Transmittal Sheet



# Statement of Organization for Maryland Campaign Finance Entities\*

## Maryland 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-VOTE, Ext. 4 • MD Relay (800) 735-2258

#### 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*.
- If the campaign finance entity is a personal treasurer, the candidate's name followed by "Personal Treasurer" is required for the name. For example: *John Smith, Personal Treasurer*.

#### 2. What is the type of campaign finance entity? (select only one)

- Personal Treasurer** (an entity formed by one candidate and one treasurer only and always non-continuing)
- State Candidate  
 Local Candidate  
(Choose one)

- Candidate Committee** (committee formed to support or oppose a particular candidate)
- State Candidate      Support      Authorized  
 Local Candidate      Oppose      Unauthorized  
 Both     (Choose one)     (Choose one)  
(choose one)

- 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)
- State Candidates      Both  
 Local Candidates

- Political Action Committee - PAC** (committee formed to support/oppose various candidates)
- State Candidates      Both  
 Local Candidates

- Local Issue Committee** (committee formed to support/oppose a question or questions appearing on the ballot in a single jurisdiction)

- State Issue Committee** (committee formed to support/oppose a question or questions appearing on the ballot in more than one jurisdiction)

- Party Central Committee** (committee formed for a State or County Political Party – always a continuing committee)

**State:** Governor, Lt. Governor, Comptroller, Attorney General, State Senator, House of Delegates, and Judicial candidates, except Orphan's Court Judge.

**Local:** All other non-federal candidates including Judge of the Orphan's Court.

**Authorized:** The committee is formed with the knowledge and consent of the candidate.

**Unauthorized:** The committee is formed without the candidate's knowledge or consent.

### Where to File Your Statement of Organization

#### State Board of Elections

- All continuing campaign finance entities
- Non-continuing campaign finance entities associated with a State candidate or State ballot issue
- Non-continuing campaign finance entities supporting both State and local candidates

#### Local Board of Elections

- Non-continuing campaign finance entities associated with a local candidate or a local ballot issue

# Statement of Organization for Maryland Campaign Finance Entities

**3. Is the campaign finance entity a Continuing Committee?** (If your committee is a non-continuing committee, it may only be used for the Primary and General elections of the year that you indicate. A continuing committee may remain in effect until the committee files a final Campaign Finance Report. A personal treasurer is always non-continuing.)

- Yes  
 No → Provide the year and election for which the committee is being established:

Year \_\_\_\_\_

Election \_\_\_\_\_

**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"/> Party Central Committee |
| <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*: \_\_\_\_\_

### Please Note

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.

## Statement of Organization for Maryland Campaign Finance Entities

<b>Candidate</b> (If the entity is a candidate committee or personal treasurer)		
<b>Full Name:</b>	<b>County of Residence:</b>	<b>Date Of Birth:</b>
<b>Residence Address:</b> _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	<b>Mailing Address:</b> _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	
<b>Contact Phone</b> (for Board use): (      )	<b>Public Phone:</b> (      )	
<b>E-Mail Address:</b>	<b>Fax:</b> (      )	
<b>I am a registered voter of:</b> <b>County:</b> _____ <b>Election District or Ward:</b> _____ <b>Precinct:</b> _____		
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 campaign finance entity receives, spends, and reports money or valuable things to support my candidacy.		
_____ Signature – only necessary if a Personal Treasurer is being established		_____ Date

<b>Appointment of Chairman</b> (Not if the entity type is a Personal Treasurer)		
<b>Full Name:</b>	<b>Date of Birth:</b>	<b>Is the Chairman also the candidate?</b> Yes    No
<b>Residence Address:</b> _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	<b>Mailing Address:</b> _____ Number, Street, Apt. or Suite Number _____ _____ City, State, and Zip Code	
<b>Contact Phone</b> (for Board use): (      )	<b>Public Phone:</b> (      )	
<b>E-Mail Address:</b>	<b>Fax:</b>	
<b>I am a registered voter of:</b> <b>County:</b> _____ <b>Election District or Ward:</b> _____ <b>Precinct:</b> _____		
<b>I accept the appointment of chairman</b> 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 appropriate election board.		
_____ Signature		_____ Date

**Statement of Organization for Maryland Campaign Finance Entities**

**Appointment of Treasurer  
(All Entity Types)**

<b>Full Name:</b>	<b>Date of Birth:</b>
<b>Residence Address:</b> _____ Number, Street, Apt. or Suite Number  _____ City, State, and Zip Code	<b>Mailing Address:</b> _____ Number, Street, Apt. or Suite Number  _____ City, State, and Zip Code
<b>Contact Phone</b> (for Board use): (      )	<b>Public Phone:</b> (      )
<b>E-Mail Address:</b>	<b>Fax:</b> (      )
<b>I am a registered voter of: County:</b> _____ <b>Election District or Ward:</b> _____ <b>Precinct:</b> _____	
<p><b>I accept the appointment of treasurer</b> until the final campaign fund 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 campaign finance entity 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 appropriate election board.</p>	
_____ Signature	_____ Date

**Important: If this campaign finance entity does not function, the election office must be notified prior to the first required reporting deadline to terminate reporting requirements and to avoid the assessment of late fees.**

<b>For Board Use Only</b>	
<b>Entity #:</b> _____	
<b>The above information is correct:</b>	
<b>Chairman / Candidate:</b> ___yes ___no <b>If no, our records show:</b> <b>Name:</b> _____	<b>Treasurer:</b> ___yes ___no <b>If no, our records show:</b> <b>Name:</b> _____
<b>Address:</b> _____	<b>Address:</b> _____
<b>Election District/Ward:</b> _____ <b>Precinct:</b> _____ <b>County:</b> _____	<b>Election District/Ward:</b> _____ <b>Precinct:</b> _____ <b>County:</b> _____
<p><b>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: _____</b></p>	

**Compliance materials will be provided to the chairman, treasurer, and candidate upon receipt of this document.**  
 Compliance information is available on the State Board of Elections website → [www.electionsmaryland.com](http://www.electionsmaryland.com)  
 (Under topics, link to Campaign Finance and then Summary Guide)

## Change of Officer - Chairman

### 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 # \_\_\_\_\_

### Appointment of New Chairman

<b>Full Name:</b>	<b>Date of Birth:</b>	<b>Is the Chairman also the Candidate? Yes No</b>
<b>Residence Address:</b> _____ Number, Street, Apt. or Suite Number _____ _____ City State, and Zip Code	<b>Mailing Address:</b> (will be made available to the public) _____ Number, Street, Apt. or Suite Number _____ _____ City State, and Zip Code	
<b>Contact Phone</b> (for Board use): (      )	<b>Public Phone:</b> (      )	
<b>E-Mail Address:</b>	<b>Fax:</b>	
<p><b>I am a registered voter of:</b>    <b>County:</b> _____    <b>Election District or Ward:</b> _____    <b>Precinct:</b> _____</p> <p><b>I accept the appointment of chairman</b> 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 appropriate election board.</p> <p>_____ Signature of new Chairman <span style="float: right;">Date</span></p>		
<p><b>Acknowledgment of new appointment by treasurer.</b></p> <p>_____ Signature of current Treasurer <span style="float: right;">Date</span></p>		

#### For Board Use Only

**The above information is correct:** \_\_\_yes \_\_\_no

**If no, our records show:**

**Name:** \_\_\_\_\_

**Election District/Ward:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Precinct:** \_\_\_\_\_

**County:** \_\_\_\_\_

**The signed statement authorizes local boards to make changes in records in all categories except party affiliation.**

**Notice of changes must be mailed to the voter. Date notice sent** \_\_\_\_\_ **Staff:** \_\_\_\_\_



# Officer Resignation 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

In accordance with §§ 13-206(e)(1) and 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's or entity's cash balance, the amount of money in the checking account, and any outstanding obligations.

# Change of Address or Telephone

**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

Date	Entity Information
_____	<div style="border-bottom: 1px solid black; margin-bottom: 5px;"></div> <div style="display: flex; justify-content: space-between;"> <span>Name</span> <span>Entity #</span> </div>

Name: _____ <span style="margin-left: 20px;"><input type="radio"/> Chairman</span> <span style="margin-left: 20px;"><input type="radio"/> Treasurer</span> <span style="margin-left: 20px;"><input type="radio"/> Candidate</span>
(Choose one)

New Address	
Residence Address	Mailing Address

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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



**Slate Designation/Resignation Form**

**Maryland State Board of Election**  
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 Slate:** \_\_\_\_\_

**Slate Chairman:** \_\_\_\_\_ **Slate Treasurer:** \_\_\_\_\_

<b>Candidate Information</b>	
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.**

<b>For Board Use Only</b>
Slate Entity Number: _____
Candidate Entity Number: _____

# 2004 Affidavit of Non-Participation

## 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

Many campaign committees will not be involved in supporting or opposing candidates or issues that will appear on either the Baltimore City or the Presidential Election ballots. However, every continuing campaign committee is presumed to be participating in every election unless an Affidavit of Non-Participation is filed. By filing this Affidavit, your campaign is excused from filing the Campaign Finance Reports associated with the election.

We, the chairman and treasurer of \_\_\_\_\_,   A  , hereby certify that the committee: Committee Name Number

- #1 Will not participate in the Baltimore City Election (Mayor, Comptroller, City Council President, City Council);
- #2 Will not participate in the Presidential Election (Convention Delegates, County School Boards, and Judges of the Circuit Court – *federal candidates will also appear on the Presidential Election ballot; however, State campaign funds generally may not be expended in support or opposition of federal candidates*);
- #3 Will not participate in either the Baltimore City Election or the Presidential Election; or
- #4 Will participate in the Baltimore City and the Presidential Elections. (If you select this option, you do not need to complete the rest of this form or file it with this office.)

(Note: See the filing schedule below that corresponds to your selection.)

We further declare that we do not intend to raise, receive, transfer, or spend money or make in-kind contributions in connection with candidates or ballot issues appearing on the ballot in an election in which we have indicated we will not participate.

We also understand that:

1. If the committee files this affidavit for only one of the elections listed above, the committee is responsible for all of the reports associated with the other election (see schedule below). Further, all committees are required to file the Annual Campaign Finance Report due January 21, 2004. The Annual Report must be filed whether or not financial transactions occurred;
2. The affidavit does not prohibit the committee from conducting financial activity for an election unrelated to the Baltimore City and/or the Presidential Election; and
3. If, subsequent to the filing of the affidavit, the committee receives contributions or makes expenditures in connection with the Baltimore City and/or the Presidential Election, the committee must:
  - Notify this office in writing within 14 days after the first financial transaction related to the Baltimore City and/or Presidential Election by filing the Cancellation of 2004 Affidavit of Non-Participation form (included in your Summary Guide); and
  - File all Campaign Finance Reports in accordance with the applicable reporting schedule, beginning with the first report due following the date of the committee's first financial transaction relating to the Baltimore City and/or the Presidential Election. Failure to file that report (as well as subsequent reports) will result in the automatic assessment of daily late fees.

---

Signature of Chairman Date Printed Name of Chairman

---

Signature of Treasurer Date Printed Name of Treasurer

Reporting Schedule based on above selection.

	#1	#2	#3	#4
<b>File Affidavit</b>	8/12/2003	B.C. Pre Primary 1	8/12/2003	<b>File Affidavit</b>
Annual Report	1/21/2004	B.C. Pre Primary 2	8/29/2003	Annual Report
Pres. Pre Primary 1	2/3/2004	Annual Report	1/21/2004	Annual Report
Pres. Pre Primary 2	2/20/2004	<b>File Affidavit</b>	2/3/2004	Pres. Pre Primary 1
Pre General	10/22/2004	Pre General	10/22/2004	Pres. Pre Primary 2
Post General	11/23/2004	Post General	11/23/2004	Pre General
				Post General

B.C. = Baltimore City Election    Pres. = Presidential Election

# Instructions For Filing The Affidavit Of Non-Participation

## 1. What is the Affidavit of Non-Participation (ANP)?

The ANP is an affidavit filed by a continuing committee that states that the committee will not have any financial activity in connection with the current election. For example, if your committee does not plan to actively participate in one or both of the upcoming elections (Baltimore City and Presidential Elections), you may file the ANP.

### Examples of Participation

- Participation in the Baltimore City Election includes transferring money to a candidate for mayor or making an expenditure on behalf of a city council candidate.
- Participation in the Presidential Election includes transferring money to a candidate for county school board or making an expenditure on behalf of a candidate for circuit court judge.

## 2. When do I have to file the Affidavit of Non-Participation?

The ANP must be filed on or before the day the first report in the reporting series is due. If you are filing the report only for the Baltimore City Election or for both the Baltimore City and the Presidential Elections, the affidavit should be filed on or before the 8/12/2003. If you are filing the affidavit only for the Presidential Election, the affidavit should be filed on or before 2/3/2004.

## 3. If the ANP is filed, do I have to file Campaign Finance Reports?

Yes. The report(s) that you will be required to file will depend on how you filled out the form. For example, if you indicate that you will not be participating in either the Baltimore City Election or the Presidential Election, you will only be required to file the Annual Report. However, if you indicate that you are participating in one of the elections, you will be required to file all of the reports related to that election. Please review the schedule on the reverse side for more details.

**Important.** The State Board of Elections sends Pre Report Notices to all campaign committees that our records indicate owe a Campaign Finance Report. If you receive a Pre Report Notice, you must either file the report or immediately contact SBE if you believe the notice was sent in error.

## 4. Can I raise or spend money in connection with a past or future election if I file the ANP?

Yes. The ANP only limits your activity for the current election. For example, if you file the Affidavit of Non-Participation for both the Baltimore City and Presidential Elections, you can still raise money to pay off outstanding obligations from your 2002 campaign or begin to raise money for your 2006 campaign.

## 5. What if I file the ANP and change my mind?

You may cancel the ANP provided you do the following:

- File the **Cancellation of Affidavit of Non-Participation** (included in your Summary Guide) within 14 days after the first financial transaction related to the election for which you filed the ANP; and
- 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.

**For example:** Committee A filed the ANP for the Baltimore City and the Presidential Elections. On March 7, 2004 Committee A made a transfer of funds to a Baltimore City mayoral candidate. Committee A is required to submit the Cancellation of Affidavit of Non-Participation by March 21, 2004. In addition, Committee A is then required to file the October 22, 2004 and November 23, 2004 reports.

## 6. Federal Elections

Generally, State campaign finance entities may only spend money on State and local candidates and issues. However, a treasurer may make an expenditure in support of a federal candidate if the expenditure is an isolated occurrence, is minimal in comparison to other expenditures made by the treasurer on behalf of the candidate or committee, and in no case exceeds \$4,000.

# Cancellation of 2004 Affidavit of Non-Participation

## 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

This form is required if:

1. You are a continuing committee;
2. You filed the 2004 Affidavit of Non-Participation indicating that you did not plan to participate in the Baltimore City Election, Presidential Election or both; and
3. You have begun participating in: (check one box)
  - The Baltimore City Election;
  - The Presidential Election; or
  - Both.

We the chairman and treasurer of \_\_\_\_\_,   A    
Committee Name Number  
 hereby declare that:

- The committee received contributions or made expenditures relating to the election(s) indicated above and is therefore canceling the 2004 Affidavit of Non-Participation previously filed with the State Board of Elections; and
- The date of the committee's first transaction relating to the 2004 Elections was: \_\_\_\_\_  
Date

We also understand that:

1. This cancellation notice must be filed with the State Board of Elections within 14 days after the occurrence of the committee's first financial transaction relating to the 2004 Baltimore City or Presidential Election;
2. The failure to file within the 14 day period will result in automatic assessment of daily late fees; and
3. All Campaign Finance Reports due for the applicable election (see chart below) must be filed (beginning with the first report that is due after the occurrence of the committee's first financial transaction relating to the 2004 Baltimore City or Presidential Election).

Signature of Chairman	Date	Printed Name
-----------------------	------	--------------

Signature of Treasurer	Date	Printed Name
------------------------	------	--------------

**Reporting Schedule** – Based upon how the Affidavit of Non-Participation (ANP) was filed, the committee owes all of the applicable reports following the first occurrence of financial activity.

If the ANP was filed indicating that the committee would not be participating in one of the 2004 Elections, the reporting schedule is as follows:	If the ANP was filed indicating that the committee would not be participating in both of 2004 Elections, and now the committee is participating in the <i>Baltimore City Election</i> the reporting schedule is as follows:	If the ANP was filed indicating that the committee would not be participating in both of 2004 Elections, and now the committee is participating in the <i>Presidential Election</i> the reporting schedule is as follows:
B.C. Pre Primary 1                      8/12/2003	B.C. Pre Primary 1                      8/12/2003	Annual Report                              1/21/2004
B.C. Pre Primary 2                      8/29/2003	B.C. Pre Primary 2                      8/29/2003	Pres. Pre Primary 1                        2/3/2004
Annual Report                              1/21/2004	Annual Report                              1/21/2004	Pres. Pre Primary 2                        2/20/2004
Pres. Pre Primary 1                        2/3/2004	Pre General                                10/22/2004	Pre General                                10/22/2004
Pres. Pre Primary 2                        2/20/2004	Post General                               11/23/2004	Post General                                11/23/2004
Pre General                                10/22/2004		
Post General                                11/23/2004		

B.C. = Baltimore City Election      Pres. = Presidential Election

**2004 Affidavit of Limited Contributions and Expenditures**  
*Limiting Contributions and Expenditures to \$1,000*  
*For use only by a Personal Treasurer Campaign Finance Entity*

**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

In accordance with the provisions of §13-305 of the Election Law Article, Annotated Code of Maryland, we, the undersigned candidate and treasurer, hereby declare that we do not intend to **receive contributions or make expenditures of \$1,000 or more**, exclusive of the candidate's filing fee, in connection with the candidate's campaign in the 2004 elections. In this instance, no Campaign Finance Reports are required to be filed by us.

If, despite our current intentions, both contributions received and expenditures made reach a total of \$1,000, including personal monies of the candidate, we will notify the election board and thereafter, file all reports required by §13-309 of the Election Law Article, Annotated Code of Maryland and understand that failure to do so constitutes a failure to file and a commission of a misdemeanor subject to the penalties of § 13-603 of the Election Law Article, Annotated Code of Maryland.

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

\_\_\_\_\_  
Printed Name of Candidate

\_\_\_\_\_  
Campaign Finance Entity #

\_\_\_\_\_  
Signature of Candidate

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name of Treasurer

\_\_\_\_\_  
Signature of Treasurer

\_\_\_\_\_  
Date

This Affidavit must be filed no later than the due date of the first Campaign Finance Reporting deadline. The first report due is:

- August 12, 2003, for a campaign finance entity established for the Baltimore City Election; or
- February 3, 2004 for a campaign finance entity established for the Presidential Election.

A late affidavit is subject to daily late fees.

The following must be done if you collect and/or spend a total of \$1,000 or more:

- Notify the election office; and
- Begin filing Campaign Finance Reports in accordance with the 2004 reporting schedule beginning with the report due immediately following the transaction that placed you at or over the \$1,000 limit. Failure to report in this manner will result in the assessment of automatic daily late fees.

Contributions may be made and funds expended on behalf of the candidate through other campaign finance entities established for the candidate, such as a slate or political committee. Campaign Finance Reports for those accounts are the responsibility and liability of the chairman and treasurer of those entities.

We recommend that you keep a copy of this affidavit as a reference should you exceed the limit.

# 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 (required for all entities) Date

\_\_\_\_\_  
Signature of Chairman (required for committees or slates) Date

\_\_\_\_\_  
Signature of Candidate (required if the entity is a personal treasurer) Date

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

Sample Fund Raising Ticket

<p><b>No. 4659      \$25 per ticket</b></p> <p>Please complete all information on this ticket stub.</p> <p>Name: _____ Address: _____ _____</p> <p>Amount: _____    Cash    Check</p> <p>Make Checks Payable to: Committee to Elect Bob Smith 222 North Street – Bowie, MD 22222</p> <p><b>Committee to Elect Bob Smith Terry Jones, Treasurer</b></p>	<p>No. 4659</p> <p><b>Committee to Elect Bob Smith</b></p> <p><b>Annual Bull Roast</b></p> <p>Saturday June 4, 2004 • 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><b>Committee to Elect Bob Smith Terry Jones, Treasurer</b></p>
--	--

## 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
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 1<sup>st</sup> 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.

Revised 4/03



# 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 \_\_\_\_\_ and ending \_\_\_\_\_ .  
Date 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*
<b>Total</b>		

\*As of the report transaction ending date.

## Part 3

### Receipts

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
	=	
<b>Cash Balance</b>	[ ]	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	
<b>Total Outstanding Obligations</b>	

## 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 Candidate (not required for committee or slate)

\_\_\_\_\_  
(Date)  
Signature of Chairman (not required for personal treasurer account)

\_\_\_\_\_  
(Date)  
Signature of Treasurer

*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)

**See instructions on reverse side**

Name of Entity \_\_\_\_\_

Entity Number \_\_\_\_\_

Date Received	Received From	A D M I N ✓	Aggregate to Date:	Paid by		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.			C H E C K ✓	C A S H ✓				
			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: \$		
			Aggregate to Date: \$				Price Per Ticket: \$		
			Aggregate to Date: \$				Price Per Ticket: \$		
			Aggregate to Date: \$				Price Per Ticket: \$		
<b>TOTALS THIS PAGE</b>						<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>

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

**See instructions on reverse side**

Name of Entity \_\_\_\_\_

Entity Number \_\_\_\_\_

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

Failure to provide all the information required by this form will be regarded as a **FAILURE TO FILE.**  
*SBE-13-03 (Rev.4/03)*

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

**See instructions on reverse side**

Name of Entity \_\_\_\_\_

Entity Number \_\_\_\_\_

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

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





## Schedule 4 – Loan Consent Form<sup>1</sup>

### Terms of Loan

Amount of Loan \_\_\_\_\_

Schedule for Repayment<sup>2</sup> \_\_\_\_\_

Interest Charged<sup>3</sup> \_\_\_\_\_ Prime Rate on the Day Loan is Made<sup>4</sup> \_\_\_\_\_

### 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 Treasurer<sup>5</sup> \_\_\_\_\_

Date

### Consent of Candidate

I, \_\_\_\_\_, hereby acknowledge receipt on \_\_\_\_\_

Name of Candidate

Date

of a loan in the amount of \$ \_\_\_\_\_ from \_\_\_\_\_

Name of Lender

to \_\_\_\_\_

Name of Campaign Finance Entity

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

\_\_\_\_\_

Signature of Candidate

Date

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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.

<sup>5</sup> 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.

# Maryland Campaign Finance Report

## Instructions for Summary Page

### Part 1

- **Entity Name** – List the name of your campaign finance entity as registered with the election office.
- **Entity #** – The Entity Number assigned by the election office. Your Pre-Report Notice indicates your entity number
- **Report Due Date and Transaction Period** – Enter the appropriate report due date and transaction period. Your Pre-Report Notice contains this information.
- **Final Report** – Check the box if you intend to close the campaign finance entity.
- **Amendments** – If the report being filed is an amendment, check the box and indicate the amendment number (e.g. first amendment to a report is # 1) and the date the amendment is being filed.

### Part 2

- For each bank account that your campaign finance entity has, enter the name of the bank, the bank account number and the balance in that account as of the report ending date.
- Your bank account balance(s) should equal the reported calculated cash balance being reported in Part 4.

### Part 3

- **Receipts** – From Schedules 1, 1A, 1B, and 3, enter the grand total for each column of each schedule in the appropriate box.
- **Expenditures** – From Schedule 2, enter the grand total of each column in the appropriate box.

### Part 4

- **Prior Balance** – Enter the Cash Balance from Part 4 of your last Campaign Finance Report. (If your last report was on the old reporting form, the prior balance is found on Row LL.)
- **Total Receipts** – Enter the sum of all of the Part 3 receipt totals.
- **Total Expenditures** – Enter the sum of all of the Part 3 expenditure totals.
- **Cash Balance** – Add the prior balance to the total receipts and then subtract the total expenditures. This number should equal your total bank account balance entered in Part 2.

### Part 5

- **Value of In-Kind Contributions** – Enter the grand total for Column J of Schedule 1B.
- **Value of In-Kind Expenditures** – Enter the grand total for Column AA of Schedule 2.

### Part 6

- **Outstanding Loan Balance** – Enter the total for Column L of Schedule 3.
- **Outstanding Bills Due** – Enter the total for Column M of Schedule 3.

### Part 7 (Signatures are not required on this form if you are filing electronically. Instead, a signed Transmittal Sheet should be included with your electronic submission.)

- **Treasurer Signature** – The treasurer is always required to sign and date Summary Page.
- **Chairman Signature** – The chairman is always required to sign and date the Summary Page (if the campaign finance entity is a personal treasurer account, there is no chairman and therefore no signature is required).
- **Candidate Signature** – The candidate is only required to sign and date the Summary Page if the campaign finance entity is a personal treasurer account.



## Maryland Campaign Finance Report

### Instructions for Schedule 1

**Overview:** All money or other things of value received by your campaign finance entity must be entered on one of the following schedules.

- Schedule 1 should be used if the money was contributed by an individual, business entity, political club, or federal committee (a political committee that is registered with the Federal Elections Commission).
- Schedule 1A should be used if the money was transferred by another Maryland campaign finance entity or an out-of-state political committee (a political committee that is registered with another state's election authority).
- Schedule 1B should be used if the money received was a refund, rebate, bank interest, or other similar miscellaneous income. Additionally, all in-kind contributions are entered onto Schedule 1B.
- Schedule 3 should be used to record loans and unpaid bills.

#### Step 1

- Enter your entity name and number on each page that you use.
- Enter the page number and the total number of pages for that schedule. Each schedule should be numbered separately.
- Enter the report due date on each page.

#### Step 2

- **Date Received** - Enter the date that the contribution was received.
- **Name and Address** - Enter the name and address of the contributor.
  - If the contributor is an entity, only list the entity's name (do not include the name of the individual who signed the check).
  - If the contribution is from two individuals but written on one check, make a separate entry for each individual and attribute half the amount to each.
- **Administrative Contribution** – Only applies to party central committees and political action committees – Put a check (✓) in the “Admin” box if the contribution is for an administrative purpose (such as rent, office expenses, and regular staff salaries). Administrative contributions do not count toward the contributor's aggregate contribution limit.
- **Aggregate to Date** – Enter the contributor's aggregate to date contribution amount. This amount should cover all contributions made during the current four-year election cycle. The election cycle begins in the year after the gubernatorial election and ends in the year of the gubernatorial election.
- **Paid by** – Put a check (✓) in the appropriate box to indicate whether the contribution was made by check or cash.
- **Contribution Amount** – enter the amount of the current contribution in the appropriate column:
  - Column A – if the contribution is from an individual or corporation;
  - Column B – if the contribution is from a ticket purchase by an individual or corporation (also indicate the amount of each ticket);
  - Column C – if the contribution is from a federal committee; or
  - Column D – if the contribution is from a political club.

#### Step 3.

- After completing a page, enter in the last row the total contribution amount reported in each column.
- After completing all Schedule 1 entries, enter the totals of each column on the Summary Page.

# Maryland Campaign Finance Report

## Instructions for Schedule 1A

**Overview:** All money or other things of value received by your campaign finance entity must be entered on one of the following schedules.

- Schedule 1 should be used if the money was contributed by an individual, business entity, political club, or federal committee (a political committee that is registered with the Federal Elections Commission).
- Schedule 1A should be used if the money was transferred by another Maryland campaign finance entity or an out-of-state political committee (a political committee that is registered with another state's election authority).
- Schedule 1B should be used if the money received was a refund, rebate, bank interest, or other similar miscellaneous income. Additionally, all in-kind contributions are entered onto Schedule 1B.
- Schedule 3 should be used to record loans and unpaid bills.

### Step 1.

- Enter your entity name and number on each page that you use.
- Enter the page number and the total number of pages for that schedule. Each schedule should be numbered separately.
- Enter the report due date on each page.

### Step 2.

- **Date Received** - Enter the date that the transfer was received.
- **Name and Address** - Enter the name and address of the transferor.
- **Aggregate to Date** – Enter the transferor's aggregate to date transfer amount. This amount should cover all transfers made during the current four-year election cycle. The election cycle begins in the year after the gubernatorial election and ends in the year of the gubernatorial election.
- **Contribution Amount** – enter the amount of the current contribution in the appropriate column:
  - Column E – if the money is from the campaign finance entity of a Maryland candidate;
  - Column F – if the money is from a Maryland party central committee;
  - Column G – if the money is from a Maryland Political Action Committee (PAC); or
  - Column H – if the money is from a non-federal out-of-state PAC.

### Step 3.

- After completing a page, enter in the last row the total transfer amount reported in each column.
- After completing all Schedule 1A entries, enter the totals of each column on the Summary Page.

## Maryland Campaign Finance Report

### Instructions for Schedule 1B

**Overview:** All money or other things of value received by your campaign finance entity must be entered on one of the following schedules.

- Schedule 1 should be used if the money was contributed by an individual, business entity, political club, or federal committee (a political committee that is registered with the Federal Elections Commission).
- Schedule 1A should be used if the money was transferred by another Maryland campaign finance entity or an out-of-state political committee (a political committee that is registered with another state's election authority).
- Schedule 1B should be used if the money received was a refund, rebate, bank interest, or other similar miscellaneous income. Additionally, all in-kind contributions are entered onto Schedule 1B.
- Schedule 3 should be used to record loans and unpaid bills.

#### Step 1.

- Enter your entity name and number on each page that you use.
- Enter the page number and the total number of pages for that schedule. Each schedule should be numbered separately.
- Enter the report due date on each page.

#### Step 2.

- **Date Received** - Enter the date that the payment or contribution was received.
- **Name and Address** - Enter the name and address of the individual or entity who made the payment or contribution. If it is an entity, only list the entity's name (do not include the name of the individual who signed the check).
- **Amount** – Enter the amount of the payment or contribution
  - In *Column I* if the payment is a refund, rebate, item sold, interest, or other similar miscellaneous income; or
  - In *Column J* if the contribution is a non-money item (in this case the amount is the fair market value of the item as determined by you in consultation with the contributor).
    - *Aggregate to Date* - An in-kind contribution counts towards the contributor's aggregate limit. Accordingly, enter the aggregate to date below the contribution.
    - *Administrative Contribution* - Only applies to party central committees and political action committees – Put a check (✓) in the “Admin” box if the in-kind contribution is for an administrative purpose (such as office supplies and equipment). Administrative contributions do not count toward the contributor's aggregate contribution limit.
- **Remarks** – Each entry that you make on this schedule must include a remark that:
  - Provides an explanation or description of the miscellaneous income received; or
  - Provides a description of the in-kind contribution.

#### Step 3.

- After completing each page, enter in the last row the total income amount reported in each column.
- After completing all Schedule 1B entries, enter the totals of each column on the Summary Page.

# Maryland Campaign Finance Report

## Instructions for Schedule 2

**Overview:** All expenditures made by or on behalf of your campaign finance entity must be recorded on Schedule 2.

### Step 1.

- Enter your entity name and number on each page that you use.
- Enter the page number and the total number of pages for that schedule. Each schedule should be numbered separately.
- Enter the report due date on each page.

### Step 2.

- **Date** - Enter the date the expenditure was made.
- **Check Number** – Enter the check number for all expenditures made from the campaign’s checking account.
- **Payee** - Enter the name and address of the payee. The payee is the person who is the ultimate recipient of the campaign funds.
  - In most cases, the payee is the person who received the campaign check. However, if the check is written as a reimbursement to a campaign worker, the payee is the ultimate recipient of the funds. For example, a campaign worker makes a purchase at *Office Max* on behalf of the campaign. The treasurer writes a check to the worker. The payee is *Office Max* (even though the check was written to the worker).
  - If the payee is an entity, only list the entity’s name (do not also include the name of an individual associated with the entity).
- **Reimbursement** – Enter the name and address of the campaign worker who is receiving a campaign check as a reimbursement for an expenditure made on behalf of the campaign.
  - For example, a campaign worker makes a purchase at *Office Max* on behalf of the campaign. The treasurer writes a check to the worker. The worker’s name and address is entered as the person receiving the reimbursement (and *Office Max* is the payee).
  - A “campaign worker” includes the candidate, treasurer, sub-treasurer, or other person authorized by the candidate, treasurer, or sub-treasurer.
- **Amount** – Enter the amount of the expenditure.
- **Code** – Enter the code (as listed on the bottom of each page of Schedule 2) that best describes the type of expenditure.
- **Administrative** - Only applies to party central committees and political action committees – Put a check (✓) in the “Admin” box if the expenditure is for an administrative purpose and is being paid by funds specifically earmarked for administrative use only.
- **Remarks** – Enter a remark to describe the expenditure. A remark is required for all expenditures using a code that has an asterisk (\*) next to it.

### Step 3.

- On the bottom of each page, enter the total amount of expenditures for each code.
- After entering all expenditures, enter the totals for each code from every page on the Summary Page.

# Maryland Campaign Finance Report

## Instructions for Schedule 3

**Overview:** A new loan and an existing loan that has not yet been paid off must be entered on Schedule 3. In addition, a bill that is owed by the campaign finance entity and will remain unpaid for more than one reporting period must be reported on Schedule 3.

### Step 1.

- Enter your entity name and number on each page that you use.
- Enter the page number and the total number of pages for that schedule. Each schedule should be numbered separately.
- Enter the report due date on each page.

### Step 2.

- **Payor** – Enter the name and address of the individual or entity to which an outstanding obligation is owed.
- **Date** – Enter the date that the loan was accepted or the obligation was incurred.
- **Loans**
  - **Amount** – If you are entering a new loan, indicate the amount of the loan.
  - **Written Consent** – Indicate (yes or no) whether the written consent form is being filed.
    - The written consent form must be filed for all new loans, unless it is an informal candidate loan. (An informal candidate loan is one made by the candidate or the candidate’s spouse, where no interest is charged on the loan and the loan does not have to be paid back by the end of the next 4-year cycle.)
    - Written consent does not need to be filed if you are recording an existing loan.
  - **Prime Rate** – Enter the prime rate as of the day the loan was accepted. This must be done for all loans, except an informal candidate loan.
  - **Interest Rate Charged** – Enter the interest rate charged on the loan. If the interest rate charged is less than the prime rate, you must treat the difference as an in-kind contribution.
  - **Balance Due** – For new and existing loans, enter the balance for the loan.
- **Unpaid Bills**
  - **Balance Due** – Enter the balance due on the unpaid bill as of the report ending date.
  - **Description** – Enter a description of the unpaid bill.

### Step 3.

- On the bottom of each page, enter the total amount of new loans received and the balance of existing loans and outstanding bills.
- After entering all outstanding obligations, enter the totals from every page on the Summary Page.

# Transmittal Sheet

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

Campaign Finance Entity Name: \_\_\_\_\_

Entity # \_\_\_\_\_

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 Candidate (Required if the campaign finance entity is a personal treasurer) (Date)

\_\_\_\_\_  
Signature of Treasurer (Required for All Reports) (Date)

\_\_\_\_\_  
Signature of Chairman (Required for Committee or Slate Reports Only) (Date)

## Annotated Code of Maryland

### 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 a single side 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:

- (1) a personal treasurer established under Title 13 of this article; or
- (2) 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) contains 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;
- (ii) an oral commercial campaign advertisement; and
- (iii) any recorded telephone 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 punchcard 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:

- (1) with respect to a personal treasurer, the candidate and treasurer; and
- (2) with respect to a political committee, the chairman and treasurer.

(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:

- (1) expressing personal views on any subject; or
- (2) 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.

## **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) (1) Subject to paragraph (2) of this subsection, an individual may not file a certificate of candidacy until the individual establishes, or causes to be established, a campaign finance entity.

(2) The campaign finance entity required by paragraph (1) of this subsection may be either:

- (i) a personal treasurer; or
- (ii) a political committee that is an authorized candidate campaign committee

#### **§ 13-203.**

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

### *Part II. Organization.*

#### **§ 13-206.**

(a) This section applies only to a candidate who elects to use a personal treasurer to conduct campaign finance activity.

(b) A candidate may not receive or disburse money or any other thing of value through a personal treasurer unless the candidate establishes a personal treasurer in accordance with the requirements of this section.

(c) To establish a personal treasurer, an individual shall:

(1) appoint a treasurer on a form that the State Board prescribes and that includes the treasurer's name and address; and

(2) subject to subsection (d) of this section, file the form with the board where the individual is required to file a certificate of candidacy.

(d) An individual may not file a form appointing a treasurer, and the appointee may not act as treasurer, until:

(1) the appointee accepts the appointment in writing on a form that the State Board prescribes; and

(2) the acceptance form is filed with the board where the individual is required to file a certificate of candidacy.

(e) (1) A treasurer may resign by completing a resignation form that the State Board prescribes and filing the form with the board where the personal treasurer was established.

(2) If a vacancy occurs in the office of treasurer, the candidate promptly shall appoint a new treasurer in accordance with this section.

#### **§ 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.

(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.**

(a) A treasurer for a campaign finance entity may appoint a subtreasurer for any county or political subdivision.

(b) Notwithstanding subsection (a) of this section, as to any county, a treasurer of the State or county central committee of a political party may appoint a subtreasurer for each precinct in the county.

(c) A treasurer may appoint a subtreasurer under subsection (a) or (b) of this section by:

- (1) completing a form that the State Board prescribes and that includes the name and address of that subtreasurer; and
- (2) filing the form with the board where the campaign finance entity is established

**§ 13-212.**

An individual may appoint a campaign manager by:

- (1) completing a form that the State Board prescribes and that includes the name and address of that campaign manager; and
- (2) 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.**

(a) A subtreasurer shall:

- (1) deposit, disburse, and account for funds in the same manner as, and under the authority of, the treasurer;
- (2) submit a campaign finance report under oath to the treasurer on a form that the State Board prescribes; and
- (3) include with the report a copy of each campaign contribution receipt issued.

(b) The campaign finance report filed by the campaign finance entity under Subtitle 3 of this title shall have attached to it a copy of the campaign finance report of the subtreasurer and account for the items in the subtreasurer's report.

**§ 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; and
  - 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) 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 times, for the periods, and at the locations required by §§ 13-309, 13-312, and 13-316 of this subtitle.

(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) (1) Subject to paragraph (2) of this subsection, a campaign finance entity that is a personal treasurer is not required to file the campaign finance reports prescribed by § 13-304 of this subtitle if the responsible officers file an affidavit:

(i) on or before the day when the first campaign finance report is due; and  
(ii) stating that the personal treasurer does not intend either to raise contributions in the cumulative amount of \$1,000 or more or, exclusive of the filing fee, make expenditures in the cumulative amount of \$1,000 or more.

(2) If the personal treasurer receives cumulative contributions of \$1,000 or more or makes cumulative expenditures of \$1,000 or more, the personal treasurer shall file all subsequent campaign finance reports prescribed by this subtitle.

(3) A violation of paragraph (2) of this subsection constitutes a failure to file by the campaign finance entity, and the responsible officers are guilty of a misdemeanor and on conviction are subject to the penalties prescribed under Part VII of this title.

(b) (1) Subject to paragraph (2) of this subsection, in an election year a continuing political committee is not required to file the campaign finance reports required under § 13-309(a) of this subtitle if the responsible officers file an affidavit:

(i) on or before the day when the first campaign finance report is due; and  
(ii) stating that the continuing political committee, with respect to each election to be held in that year:

1. has not received contributions or made expenditures since the closing date of its last campaign finance report; and

2. does not intend to receive contributions or make expenditures.

(2) If the continuing political committee receives contributions or makes expenditures in connection with an election in that year, the continuing political committee shall:

(i) notify the State Board in writing within 14 days; and

(ii) file all subsequent campaign finance reports prescribed by this subtitle.

(3) A violation of paragraph (2) of this subsection is a failure to file by the campaign finance entity, and the responsible officers are guilty of a misdemeanor and on conviction are subject to the penalties prescribed under Part VII 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 a primary election;

(2) except for a ballot issue committee, on or before the second Friday immediately preceding an election; and

(3) on or before the third Tuesday after a general election.

(b) (1) This subsection does not apply to a continuing political committee.

(2) A campaign finance entity is subject to subsection (a) of this section and this subsection only as to the election for which the entity was formed.

(3) 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.

(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.**

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 to that effect.

**§ 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 one or more boards, as follows:

- (1) for a personal treasurer, with the board where the certificate of candidacy of the candidate is filed;
- (2) for a continuing political committee, with the State Board; and
- (3) for each political committee other than a continuing political committee, with:
  - (i) the State Board, if the political committee has supported or opposed a candidate whose certificate of candidacy is filed with the State Board;
  - (ii) the State Board, if the political committee has promoted the success or defeat of a political party or any question to be submitted to a vote at an election in all or part of more than one county;
  - (iii) the local board of a county, if the political committee has supported or opposed a candidate whose certificate of candidacy is filed with that board; and
  - (iv) the local board of a county, if the political committee has promoted the success or defeat of a question to be submitted to a vote at an election only in that county.

**§ 13-317.**

All campaign finance reports filed with a local board shall be filed in duplicate

*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) (1) 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.

(2) Within 10 days after the deadline for the filing of any campaign finance report that is required to be filed with a local board, the local board shall compile a list of the campaign finance entities that failed to file the campaign finance report and transmit the list to the State Board.

(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.

(c) (1) This subsection applies only to a failure to file a campaign finance report as specified in § 13-327 of this subtitle.

(2) A local board promptly shall notify the State Board of any campaign finance report that is more than 30 days overdue to be filed with that local board.

*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 preelection 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.