

CAMPAIGN FINANCE NEWS



Maryland State Board of Elections, 151 West Street, Suite #200, Annapolis, MD 21401 (410) 269-2880

Volume 10, Spring 2007

MARYLAND STATE BOARD OF ELECTIONS

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Jared DeMarinis, Director of Candidacy
& Campaign Finance Division

Karen Simpson, Deputy Director of
Candidacy & Campaign Finance Division

UPCOMING BALTIMORE CITY ELECTION & CAMPAIGN FINANCE DATES

June 18, 2007

Deadline for Party Affiliation Change for the 2007 Baltimore City elections -- election offices will close at 9:00pm

July 2, 2007

Baltimore City Candidate Filing and Declaration of Intent deadline (filing at the Baltimore City Board of Elections only) -- office will close at 9:00pm

July 12, 2007

Baltimore City Candidate Withdrawal deadline (filing at the Baltimore City Board of Elections only)

July 17, 2007

Deadline for the Baltimore City Central Committee to file a *Certificate of Designation* to fill a candidate vacancy (filing at the Baltimore City Board of Elections only)

August 6, 2007

Baltimore City Petition and Party Designated candidate deadline to file a *Certificate of Candidacy* (filing at the Baltimore City Board of Elections only)

August 6, 2007

Non-Principal Political Parties deadline to submit the *Certificate of Nomination* (filing at the Baltimore City Board of Elections only)

August 6, 2007

Contribution Disclosure Form due for Person doing Business with the State (filing at SBE only)

August 14, 2007

Baltimore City Pre-Primary 1 Report due (Transaction period from 1/11/07-8/7/07) (filing at SBE only)

Announcement

The State Board of Elections is pleased to welcome Robert Walker as Chairman of SBE. He was appointed by Governor O'Malley and looks forward to serving on what he considers the most important Board in the State.

CANDIDATE FILING

NAME ON CERTIFICATES AND COMMISSION OF ELECTIONS

Pursuant to Election Law Article §5-301(c)(3), a candidate may file a *Certificate of Candidacy* in a name other than the candidate's given name if the candidate files an affidavit that the candidate is generally known by that other name in either press accounts concerning the candidate or everyday encounters with members of the community. However, the name the candidate chooses to use on the *Certificate of Candidacy* and the ballot will also be the same name on all reports and official documents produced by the board of elections. These documents including election results, the *Certificate of Nomination*, and the formal *Commission of Election* signed by the Governor. Please consider this when filing with a nickname or alternative name.

LOANS

Any outstanding non-candidate/spouse loans received by the political committee prior to January 1, 2003 shall be converted to a contribution. Pursuant to Election Law Article §13-230, any loan to a committee is considered a contribution unless the loan is repaid by the end of the next election cycle. As of January 1, 2007, a new election cycle began. Therefore, if a loan from the 2002 election cycle was not repaid by December 31, 2006, the loan will convert to a contribution and should be reported as such. Please note that converted loans are subject to the contribution limit of \$4,000 and the aggregate limit of \$10,000. If the converted loan plus other contributions from the same individual or person exceeds the \$4,000 contribution limit or \$10,000 aggregated limit, a violation may have occurred.

CAMPAIGN FINANCE FILINGS AND AUDIT

The Candidacy and Campaign Finance Division (CCF) received 1,298 2007 Annual Campaign Finance Reports, of which 81% were timely filed. 180 committees filed their reports late and owe late fees. 87 committees owe both the 2007 Annual Report and late fees. It is imperative for the committees to be in compliance. Non-compliant committees will be referred to the State Prosecutor's Office for enforcement. CCF recently mailed out Notice to Show Cause letters to all the committees not in complete compliance.

In addition, CCF has commenced auditing the campaign finance reports for the 2006 Pre-Primary 1 and 2, Pre-General and Post-General campaign finance reports. If a committee has any deficiencies, CCF will notify the responsible officers of the deficiencies and the corrective action needed to be in compliance. Deficiencies range from simple oversights, such as a missing signature, to more serious infractions, such as illegal expenditures. Failure to file a corrected or amended campaign finance report will be deemed a failure to file and renders the report overdue. Accordingly, late fees can be assessed.

REPORTING DATES

Remember all reports are to be filed with SBE,
not with the local boards!

BALTIMORE CITY DESIGNATED

POLITICAL COMMITTEES

Baltimore City Pre-Primary 1 Report due
8/14/07

Baltimore City Pre-Primary 2 Report due
8/31/07

Baltimore City Pre-General Report due
10/26/07

Baltimore City Post General Report due
11/27/07

ALL POLITICAL COMMITTEES

- Annual Report due 1/16/08

CONTACTING THE CANDIDACY AND CAMPAIGN FINANCE DIVISION

Phone - 410-269-2880 or 800-222-8683 x4

Help Desk

410-269-2840 x6 or 800-222-8683 x6

Website - www.electionsmaryland.com

Email - CCF@elections.state.md.us

CLASSES

There will be a compliance seminar on July 17, 2007 from 5:30-7:30 p.m. at the War Memorial Building, 101 N. Gay Street, Baltimore. You can enter on either the Lexington Street or Fayette Street side of the building. (The handicapped entrance is on the Lexington Street side.)

If you are planning to attend the seminar, please RSVP by calling 1-800-222-8683 ext 4 or 410-269-2880. Please check the SBE's website for future classes.

The Candidacy and Campaign Finance staff is available to conduct seminars in the Basics of Campaign Finance Compliance and Electronic Filing for groups of over 15 people. If interested, contact Jared DeMarinis at 410-269-2853.

LEGISLATIVE UPDATES

This legislative session was busy for election law. Here is a synopsis of the changes in State law.

House Bill 18/ Senate Bill 392- Election Law - Voting Systems - Voter-Verifiable Paper Records - Provides for a voter-verified paper record of votes cast for the 2010 Gubernatorial election.

House Bill 148/Senate Bill 634 - Presidential Elections - Agreement Among the States to Elect the President by National Popular Vote - Alters the method of choosing the President and Vice President of the United States. Maryland's Electoral College votes will be given to President and Vice President who win the national popular vote, not the pair who wins Maryland. The legislation becomes effective when the states cumulatively possessing a majority of the electoral votes (270) have passed similar legislation. Maryland is the first in the nation to pass the legislation.

House Bill 181/Senate Bill 376 - Baltimore County- Election Law - Compensation for Election Judges - Increases the salary for Baltimore County election judges to \$225 for chief judges and \$162.50 for other judges.

House Bill 613 - Election Law - Board of Elections Members - Montgomery County MC 704-07 - Increases the number of members of the Montgomery County Board of Elections.

House Bill 637 - Election Law - Compensation for Election Judges - Prince George's County PG 404-07 - Increases the salary for Prince George's County election judges to \$250 for chief judges and \$200 for other judges.

House Bill 1042 - Election Law- Campaign Finance - Period Reporting Requirements - Authorizes a political committee to file an affidavit of limited contributions and expenditures instead of election related campaign finance reports under certain circumstances.

House Bill 1091/Senate Bill 959 - Frederick County Board of Elections - Salary Increase - Increases the salary of the Frederick County Board Members.

House Bill 1434/Senate Bill 1025 - Election Law - Presidential Primary Election Date - This changes the date of the Presidential Primary Election from the 1st Tuesday in March to the 2nd Tuesday in February. For the 2008 election, the primary election will change from March 4th to February 12th. In addition, the Democratic Convention Delegate filing deadline now coincides with the regular filing deadline (December 3, 2007). Furthermore, political committees participating in the Presidential Election do not need to file a Pre-Primary 1 campaign finance report. This was due to the fact that the deadlines for the Annual Report and Pre-Primary 1 report are only a day apart.

Senate Bill 1 - Elective Franchise - Early Voting and Polling Places - Places a question on the 2008 General Election ballot authorizing the General Assembly to provide for voting at a polling place outside an individual's election district or ward and prior to election day.

Senate Bill 128 - Education -Public Schools - Constitution Day and Citizenship Day and Civic Responsibility for Students - Provides a program on the referenced issues, which includes the opportunity for students to register to vote.

Senate Bill 488 - Voter Registration Protection Act - Alters the provisions for becoming a registered voter following a conviction. It allows for an individual who has been convicted of a felony to register to vote after completion of the court-ordered sentence.

POLLING PLACE COMPLAINTS

After the recent gubernatorial election, SBE received numerous complaints about the number of campaign signs and trash left at polling places and the general disregard for property outside of the 100 foot "no electioneering" zone. It is a challenge for the local boards of elections to find accessible polling places and we don't want to lose polling places because of the damage and trash left behind on Election Day. Please instruct all individuals working at the polls on a candidate's behalf to pick up all trash and campaign signs when the polls close and respect the polling place's property.

Thank you for help on this matter.

DID YOU KNOW?

The first statutory reference in Maryland to Election Day as a legal holiday was in 1882. Chapter 23 of the Laws of Maryland (1882) designated "all days of general and congressional elections throughout the State" as legal holidays. The law related to presenting for payment or acceptance of bills of exchange, bank checks, drafts and promissory notes on the designated legal holiday.

SIGN UP FOR UPDATES ELECTRONICALLY

If you wish to receive this publication and other updates in the future via email, please call the Campaign Finance Division, 410-269-2880 with your email address or register your email address at CCF@elections.state.md.us. Thank you.

2006 ELECTION CYCLE SUMMARY

SBE has compiled some statistics from the 2006 Election Cycle (January 1, 2003 to December 31, 2006) which turned out to be the most expensive election cycle in Maryland history.

Contributions:

Total Number Received: 713,540
Total \$ Amount Received: \$144,673,745.00

Administrative Contributions:

Total # Received: 3,175
Total \$ Amount Received: \$6,005,701.85

Expenditures:

Total Number Made: 147,178
Total \$ Amount Made: \$154,715,027.00

Administrative Expenditures:

Total # Made: 3,842
Total \$ Amount Made: \$3,495,138.37

Total aggregated dollar amount reported as Lump Sum contributions: \$5,525,907.16

AFFIDAVIT OF DESIGNATION/ MASS MAILING

Very shortly, committee Chairmen and Treasurers will be receiving a packet from the Candidacy and Campaign Finance Division. This packet will include the latest version of ELECTrack EFS and an *Affidavit of Designation*. During the 2006 Session of the General Assembly, changes were made regarding campaign finance reporting requirements. In previous years, a committee was deemed to be participating in every election unless the committee filed an *Affidavit of Non-Participation*. The *Affidavit of Non-Participation* relieved the committee of filing all election-related campaign finance reports for that year. With the 2006 legislation, the General Assembly eliminated the *Affidavit of Non-Participation* and now requires a committee from its onset to designate the elections in which it intends to participate. The *Affidavit of Designation* is an affidavit filed by a committee that states that the committee will participate in the election year selected. If the committee spends or receives any money in connection with the election, it is deemed to be participating in the election.

Examples of Participation:

- Participation in the 2007 Baltimore City Election includes transferring money to a candidate for mayor or making expenditure on behalf of a city council candidate.
- Participation in the 2008 Presidential Election includes transferring money to a candidate for county board of education or making expenditure on behalf of a candidate for circuit court judge.

The committee may select from three election years – Baltimore City, Presidential and Gubernatorial. For the election the committee expressly designates, it will be required to file all of the reports related to that election. Regardless of the committee's designation, the committee is always required to file an Annual Campaign Finance Report every third Wednesday in January.

The *Affidavit of Designation* only limits a committee's activity in support of other candidates or ballot issues for the current election, not its own. For example, Candidate A's committee has designated the Gubernatorial Election. It may still raise and/or spend money in connection with Candidate A's 2006 or 2010 campaign during the off years. However, Candidate A's committee may not make a transfer or actively fundraise for a mayoral candidate in Baltimore City unless it designates that election as well.

PROVISIONAL BALLOTS — PROCEDURAL CHANGE

Provisional voting is a "fail safe" voting procedure that reduces the number of voters who are turned away from the polls without voting due to a problem. At the polls, a voter may receive a provisional ballot for numerous reasons, including, for example, the voter's name does not appear on the official list of eligible voters or the voter is in the wrong polling place. The election officials will then verify the information provided by the voter on the provisional ballot application and determine whether to count the ballot.

The Court of Appeals' decision in *Lamone v. Capozzi* altered how certain provisional ballots will be canvassed in future elections. Prior to the *Capozzi* decision, a provisional ballot would be "partially counted" if a registered voter voted the provisional ballot in the wrong precinct. Therefore, only those contests for which the voter was eligible to vote (based on the residence address he or she provided on the provisional ballot application) would be counted.

As a result of the *Capozzi* decision, only provisional ballots cast in the voter's correct election district or ward will be counted. If the voter casts a provisional ballot in the wrong election district or ward, none of the contests on the provisional ballot will be counted. However, if the voter is in the correct election district or ward but the wrong precinct, then only those contests for which the voter is eligible to vote will be counted.

We encourage you to share with your supporters the importance of voting in the correct precinct. Registered voters can use SBE's on-line polling place locator (available at www.elections.state.md.us) to find out their polling place and verify that the local board of elections has their most current information.

RESIGNATION OF COMMITTEE OFFICERS

Recently, SBE has received numerous calls regarding the resignation of officers. Most of the calls were from officers that believed they resigned when they informed the candidate and/or the other responsible officer. It is important to remember that the resignation of a committee's officer is effective the date SBE receives proper notification. When a committee officer wishes to resign, he or she must notify SBE in writing to resign officially. Thereafter, SBE will notify the resigning officer of the effective date of their resignation.

Notifying the candidate, chairman and/or treasurer does not remove the resigning officer from SBE's records or from reporting responsibilities and liabilities. This is especially important with central committees and PACs. Central Committee chairmen and treasurers constantly change with the elections; the responsibility rests with both former and newly elected officers to inform SBE of the changes. If SBE does not receive notice, the names of the previous responsible officers will remain on record and these individuals will continue to be responsible for the reporting requirements.

While the resignation removes any and all responsibilities and liabilities from future reporting, a resigned officer continues to be liable for outstanding reports due during the transaction period he or she was an active officer including any and all outstanding late fees incurred during the time period. For example, Committee A has to file its Annual campaign finance report, which covers transactions from the past year. Chairman Joe Smith was active from January to June. In June, he resigned with SBE and was replaced by Jack Jones. The report is due next January. Even though, Joe Smith is no longer the Chairman for the committee, he was an active officer during the transaction period. As such, he is still liable for that report. In order to avoid that situation, SBE recommends that the officer should resign by the last day of the transaction period of the report just file if possible.

Finally, if the resignation leaves the committee without an officer, the resignation will not be accepted until a new officer is officially appointed. If both officers attempt to resign simultaneously, as a matter of policy, SBE will resign the Chairman and deny the resignation of the Treasurer.

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