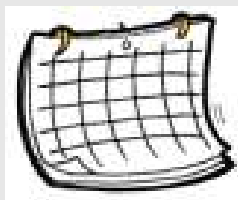


Campaign Finance News



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

Volume 8, Spring 2006



Important Dates

June 27, 2006 -
Compliance Seminar

July 3, 2006 -
Candidate Filing and
Declaration of Intent
Deadline

July 7, 2006 -
Advance Determination
Deadline for Candidate
Nomination Petition

July 13, 2006 -
Withdrawal of Candidacy
Deadline

July 18, 2006 -
Deadline for Central
Committee to file Certificate
of Designation to fill a
candidate vacancy

August 7, 2006 -
Petition and Party
Designated candidate
deadline to File a
Certificate of Candidacy

August 7, 2006 -
Contribution Disclosure Form
due for persons doing
business with the State

August 7, 2006 -
Non-Principal Political
Parties deadline to submit
the Certificate of Candidacy

August 15, 2006 -
Pre-Primary 1 Report due
(Transaction period from
01/12/06 - 08/08/06)

Becoming A Candidate

As the deadline for filing as a candidate for office approaches, this is a reminder of the legal requirements in order to be placed on the ballot. *Prior to or at the same time as filing*, you must establish a campaign finance entity, either a candidate committee or personal treasurer. A candidate may not use a slate as the candidate's only campaign finance entity. Furthermore, a financial disclosure statement should be on file with the appropriate ethics commission. As a courtesy, CCF will accept the financial disclosure statement and forward it to the appropriate ethics office. The correct form for non-incumbent State candidates is Form #1. Incumbents must file or have on file with the Ethics Commission Form #19.

The Certificate of Candidacy is required to be filed in person at the State Board of Elections for State offices or at the local board of elections for county offices. A recording of the candidate's name will be made in order to assist in the creation of the audio ballot. A filing fee and a photo identification are required at the time of filing a Certificate of Candidacy. The filing fee is not due when filing a Declaration of Intent; it is due when the candidate receives the non-principal political party nomination or submits the petitions. The fee depends on the office being sought. Consult the Summary Guide Section 2.1 for the amount.

Use of Credit Cards

We have received numerous questions concerning the use of credit cards. This section provides basic information on the legal requirements of credit card contributions and expenditures.

A committee may not receive a credit card contribution of more than \$4,000 from a person. Please note that the Summary Guide was published prior to the law being changed.

It is common and permissible for a committee to use a PayPal type of service for receiving credit card contributions over the Internet. Usually, a fee is assessed for every transaction. Both the fee and original amount of the contribution need to be reported. For example, a person makes a credit card contribution of \$100 to a candidate committee.

The candidate committee hired a service to process the transaction. The hired service charges 1% of the amount of the transaction. The candidate committee reports receiving \$100 from the contributor and also reports making an expenditure of \$1 to the hired service. These service charges can be reported on a lump sum basis for the reporting period, i.e. monthly, instead of on a per transaction basis.

A campaign finance entity may not have or use a credit card, check card or debit card to make expenditures or transfer funds. A committee may only make disbursements by a check. However, an individual with prior authorization from the campaign treasurer may use a personal credit card for purchases and then seek a reimbursement from campaign funds.



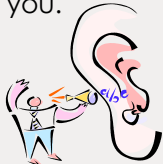
Reporting Dates:

- Pre-Primary 1 Report
Due 08/15/2006
- Pre-Primary 2 Report
Due 09/01/2006
- Pre-General Report
Due 10/27/2006
- Post-General Report
Due 11/28/2006
- Annual Report
Due 01/17/07



Sign Up for Updates Electronically:

If you wish to receive this publication and other updates in the future via email, please phone the SBE with your email address or register your email address at CCF@elections.state.md.us. Thank you.



Contacting the Division of Candidacy and Campaign Finance:

Phone: 410-269-2880 or
800-222-8683 ext 4
Help Desk: 410-269-2840 x 6
or 800-222-8683 x 6
Website:
www.electionsmaryland.com
Email:
CCF@elections.state.md.us

Legislative Updates

This was a busy legislative session for election law. Here is a synopsis of the changes in State law. All legislation passed is effective for this election unless noted otherwise.

Senate Bill 105- *Effective January 1, 2007* - Authorizes the State Prosecutor's office to refer a failure to file a campaign finance report within 30 days to the Central Collection Unit in the Department of Budget and Management and also prohibits the unauthorized signature of the Treasurer, Candidate and/or Chairman by an individual on campaign finance forms.

Senate Bill 112- *Effective January 1, 2007*- Alters the types of campaign finance entities that may be established. It abolishes personal treasurer campaign finance entities and all other non-continuing committees. All committees must be established with and report to the State Board of Elections. Additionally, the bill requires a political committee to specify (upon filing or upon implementation of the law) the elections in which it will participate. The committee will only be required to file election related campaign finance reports in the designated election years. The bill also establishes penalties for a campaign finance entities that participate in an election for which it did not declare its intent to participate unless the committee filed the election related reports.

Senate Bill 122- Requires a ballot issue committee to file a Pre-General Election Report and a Post General Election Report.

Senate Bill 129- Authorizes recognized non-principal political parties to nominate candidates to the ballot. The bill also establishes filing requirements for those candidates and clarifies the procedure by which political parties must fill vacancies.

Reporting Requirements

It is important to report the complete address of your contributors. Listing a name and the town is not sufficient. A street address is required. If you do not report the complete address of the contributor, CCF will consider the contribution anonymous. Anonymous contributions are strictly prohibited. The committee shall remit any anonymous contribution received to the State Treasurer.

Name of Candidate

Generally, the name on the ballot is the candidate's given name and may not include the use of symbols, titles, degrees or other professional designations. However, pursuant to §5-301(c)(3) of the Election Law Article, 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. The Candidacy and Campaign Finance Division will reject names different from the given name of the candidate if the name includes any offensive term, racial slur, derogatory term or swear word.

Filings

CCF received 1,200 2006 Annual Campaign Finance Reports. 87% of the committees filed on time. 120 committees filed their reports late and owe late fees. 38 committees owe both the 2006 Annual Report and late fees. It is imperative for the committees to be in compliance - otherwise the matter will be referred to State Prosecutor's Office for enforcement. CCF recently mailed out Notice to Show Cause letters to all the committees not in full compliance.



Classes

June 27, 2006 -
6pm-8pm
State Board of Elections
Annapolis, MD

If you are planning to attend, please RSVP by calling 1-800-222-8683 ext 4 or 410-269-2880. Directions to the State Board of Elections office are available online at www.electionsmaryland.com. Please check the website for future classes.

The Candidacy and Campaign Finance Staff is available to conduct seminars for different groups. Groups must be over 15 people. At these Seminars you will learn the basics of campaign finance compliance and electronic filing.

If interested, contact Jared DeMarinis at 410-269-2853.



Did You Know?

In 1944 the first political action committee (PAC) was formed. The Congress of Industrial Organization (CIO) established the first PAC to raise money for the re-election of President Franklin D. Roosevelt.

Frequently Asked Questions

Can a campaign committee host a casino night where a participant pays \$50, receives \$20 in chips back and has an opportunity to win prizes if successful?

No, this activity violates the State's gaming laws. In general, gaming events are prohibited in the State unless subject to a local exception. While a number of jurisdictions permit other gaming activities such as paddle wheels and wheels of fortune for political fundraisers, none permit casino games, such as dice and roulette, for that purpose.

What can be a prize for a raffle?

Criminal Law Article §12-106(b) provides that a political committee or candidate may conduct a raffle if the prizes awarded are money or merchandise. Commercial Law Article §13-101(f) defines merchandise to include "any commodity, object, wares or goods."

Can banks make contributions in Maryland?

While federally chartered banks are prohibited by federal statute (Tillman Act of 1907) from making campaign contributions, no such prohibition applies to banks chartered by the State.

Guidance

Occasionally, the Candidacy and Campaign Finance Division will issue guidance on matters of campaign finance law. They are located on the Campaign Finance page of our website, http://www.elections.state.md.us/campaign_finance/index.html. Please visit this page periodically for new guidance.

On March 28, the State Board of Elections issued guidance on the use of administrative funds by central committees. Administrative funds can only be used for specific non-campaign related expenses. Collection and use of administrative funds is limited to central committees and corporate PACs (under certain limited instances). Candidate committees, slates, personal treasurers, non-corporate PACs and ballot issue committees may not have an administrative account.

Campaign Signs

The State Board of Elections does not have regulatory authority over the placement of campaign signs. However, regulations exist regarding the time, location and manner of sign placement. Accordingly, we recommend that you check with the following entities before placing a campaign sign near a road or even on private property:

- (i) Maryland State Highway Administration (SHA) should be consulted before placing a sign on a State road. Generally, SHA prohibits placement of political signs until 45 days before to the primary election. Signs must be removed 15 days after the primary election or 15 days after the general election, if victorious in the primary. Further information is available on SHA's website www.marylandroads.com.
- (ii) County or municipal governments for signs placed on their roads or property. Laws vary by jurisdiction.

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Board of Elections**

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Ross Goldstein,
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Jared DeMarinis,
*Director of Candidacy
& Campaign Finance*

Early Voting and Absentee Voting

While it is not directly related to Candidacy and Campaign Finance, we felt it is important to share with you some basic information on these issues.

Early Voting will occur from the Tuesday to the Saturday preceding both the Primary and General Election. The Early Voting locations will be open from 7:00am to 8:00pm. The following counties will have three Early Voting locations: Anne Arundel, Baltimore City, Baltimore County, Harford, Howard, Montgomery, and Prince George's. The remaining counties are required to have one early voting location in the county seat except Charles County, which must conduct early voting in Waldorf.

Maryland now has "no excuse" absentee voting. Any individual may request an absentee ballot at the local Boards of Elections or on SBE's website. The deadline to request an absentee ballot is Tuesday, September 5 for the Primary Election and Tuesday, October 31 for the General Election.

Announcement

The State Board of Elections is losing one of its most valuable treasures, Ms. Terry Harris. She has worked with the agency for over 19 years. Her professionalism, knowledge and friendship will be sorely missed. Everyone in Candidacy and Campaign Finance Division wishes her the best on all her future endeavors.