Chapter 7 – Committee Officers

7.1 Who can serve as an officer

1. Generally

To serve as a Chair or Treasurer, an individual must be a registered voter of the State of Maryland and be in good standing with the State Board. The officers are not required to live in the same district as the candidate or to have the same party affiliation as the candidate. -<u>§§</u> 13-215 and 13-332 of the Election Law Article

To be in good standing, one must not owe or have outstanding any late fees, civil penalties, or missing campaign finance reports to the State Board during the preceding five (5) calendar years.

2. Multiple Appointments

An individual may serve as Chair or Treasurer for more than one committee.

3. Current Addresses

The Chair and Treasurer must keep their mailing addresses, email addresses, and phone numbers current to ensure that they receive periodic notices and compliance materials.

The Chair or Treasurer must notify the State Board of a change in the residential address no later than 21 days before a campaign finance report is due. Failure to keep the address current will not relieve the political committee of any fines or penalties. - §§ 13-207(c)(3) and 13-214(c) of the Election Law Article

A responsible officer may elect to receive notices via email only rather than by mail and email if the responsible officer affirmatively consents.

4. <u>Candidate as Officer</u>

- A candidate *may not* serve as the *Treasurer* for the candidate's own political committee or any other Maryland political committee. The only exception is a candidate for an office of a party central committee may serve as Treasurer for the central committee.
- A candidate *may* serve as *Chair* of the candidate's own committee.
- Candidates are prohibited from exercising general overall responsibility for the conduct of a political committee that is not the authorized candidate's campaign committee or slate.

- § 13-215 of the Election Law Article

5. Lobbyists

Section 5-715 of the General Provisions Article of the Annotated Code of Maryland prohibits lobbyists from doing certain activities that benefit a State official or candidates for State

office. Lobbyists are prohibited from:

- Serving on a fundraising committee or a political committee;
- Organizing or establishing a political committee for the purpose of soliciting or transmitting contributions from any person;
- Forwarding tickets for fundraising events or other solicitations for political contributions to a potential contributor;
- Being a Treasurer for a candidate or a Treasurer or Chair of a political committee; or
- Soliciting or transmitting contributions from any person, including a political committee.

6. Members of the Board of Regents

Pursuant to §12-115 of the Education Article of the Annotated Code of Maryland, a member of the Board of Regents is prohibited from:

- Serving on a fundraising committee or a political committee;
- Organizing or establishing a political committee for the purpose of soliciting or transmitting contributions from any person;
- Forwarding tickets for fundraising events, or other solicitations for political contributions, to a potential contributor;
- Being a Treasurer for a candidate or a Treasurer or Chair of a political committee; or
- Soliciting or transmitting contributions from any person, including a political committee.

7.2 Duties and Responsibilities of the Treasurer

1. General Duties

The Treasurer is responsible for the financial activity of the committee and compliance with the campaign finance laws. The Treasurer must:

- Receive and maintain all assets received by or on behalf of the campaign finance entity;
- Approve the disbursement or expending campaign funds;
- Verify and sign all campaign finance reports;
- Provide a copy of the bank statement to the Chair and candidate within 30 days of filing a campaign finance report;
- Keep a detailed and accurate account book on behalf of the political committee; and
- Preserve the account books for 2 years after the political committee files a final (closeout) campaign finance report

A Treasurer may not serve "in name only" and may not delegate any statutory responsibility to another person, including the candidate, except as provided by law.

The only exception to these duties is when the treasurer is temporarily unable to perform the duties

§ 13-218 of the Election Law Article

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

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

Assets of a campaign finance entity may be disbursed only:

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

of the office (see Section 7.3 of the Summary Guide). - <u>§§</u> 13-214, 13-215, 13-218, 13-221(a)(b) of the Election Law Article

2. Delegation of Duties

The Treasurer may use campaign staff, with appropriate supervision, to perform ministerial or routine functions. These include filling out deposit slips, writing (but not signing) checks, entering data for the campaign finance reports, or making bank deposits.

Except in the limited circumstances where a Chair may act as a temporary Treasurer of the committee, the Treasurer may *not* permit anyone to perform the duties that the law has entrusted to the Treasurer. This includes signing checks, making proper expenditures, receiving contributions, ensuring complete and accurate account books and records, and filing complete and accurate campaign finance reports.

The Treasurer may allow an individual to file campaign finance reports on behalf of the political committee. However, the Treasurer must give that individual their express consent to make the electronic submission. This action does not relieve the Treasurer of their duties, responsibilities, or liabilities.

3. Approval of Disbursements

The law requires that the Treasurer approve all disbursements for the political committee. In practice, a Treasurer may direct agents of the campaign to make purchases on behalf of the political committee with the Treasurer's approval of the purchase. For example, the Treasurer may give access to the debit card attached to the political committee to make a purchase of campaign material. In this situation, the Treasurer was aware of the purchase and approved of it even if the Treasurer didn't actually make the purchase.

7.3 Duties and Responsibilities of the Chair

1. Generally

The Chair does not have any specific duties under the law, but the Chair shares responsibility with the Treasurer for submitting timely campaign finance reports. This means that the Chair may be required to submit a report if the Treasurer has resigned or is absent. As a result, it is recommended that the Chair have access to the committee's books, records, and bank account.

The Chair of a central committee exercises control over the committee's campaign funds. The Treasurer of a State or county central committee cannot make any disbursements or incur any liability without the authority or direction from the Chair. As such, a Chair of the central committee exercises general overall responsibility for the conduct of the political committee. - § 13-207 of the Election Law Article

2. Chair as Temporary Treasurer

With one exception, the Chair can make a disbursement only if the Treasurer is temporarily

unable to perform the duties of the office. Examples of when a Treasurer is unable to perform the duties of the office are medical emergency or disability, death in the family, or extended travel out-of-. If the Chair makes a disbursement, the Chair must submit a report to the Treasurer within seven (7) days of the disbursement. The report must include:

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

Exception: A candidate who is also the Chair cannot be the "temporary Treasurer" under any circumstances and, therefore, cannot make any disbursements.

-§ 13-218 the Election Law Article

7.4 How to Resign

1. Written and Signed Resignation Required

• A Chair or Treasurer must resign by submitting a written and signed resignation to the State Board.

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

- The State Board will not accept a resignation if it means that the political committee will have no officers. By practice, if both the Chair and Treasurer resign together without any new appointments, the State Board will accept the resignation of the Chair and deny the resignation of the Treasurer until another officer is appointed.
- A resignation should be filed on the form prescribed by the State Board or in MD CRIS.

2. <u>When Resignation is Effective</u>

The resignation is effective as of the date the form is received by the State Board. The State Board will acknowledge receipt of a resignation in writing. If the person resigns using MD CRIS, the acknowledgement will be automatic and via email.

3. <u>Remaining Liability</u>

A responsible officer who resigns may be still liable for any outstanding late fees during the time they were an active officer if the committee does not have funds to cover the fine.

4. Vacancies

If there is a vacancy in the position of Chair or Treasurer, the political committee must stop all financial activity, including fundraising, and cannot resume until a new appointment is filed. It is the responsibility of the other officer to promptly appoint a new officer. - § 13-207 of the Election Law Article

Note: A vacancy for chair or treasurer does not relieve the political committee from filing timely

campaign finance reports.

5. Transfer of Information

When a Treasurer resigns, they must transfer to the new Treasurer, Chair, or candidate if a new Treasurer has not been appointed:

- The account books and records (see Section 14.1 of the Summary Guide for details); and
- The bank account information.

7.5 Salary

A Chair or Treasurer may receive compensation or a salary in that position from the political committee. Payment for the compensation must be by check only .

Prior to any payments, the compensation agreement between the Chair or Treasurer with the political committee must be submitted to the State Board and, if applicable, signed by the candidate.

- § 13-248 of the Election Law Article