

Department of Legislative Services  
 Maryland General Assembly  
 2020 Session

FISCAL AND POLICY NOTE  
 Third Reader

House Bill 1222  
 Ways and Means

(Delegate Wilkins)

Education, Health, and Environmental Affairs

State Board of Elections - Campaign Finance Enforcement and Compliance -  
 New State Positions

This bill requires that, for fiscal 2021, the Department of Budget and Management (DBM) create two new State positions for the State Board of Elections (SBE) for the purpose of employing staff to enforce campaign finance violations and to ensure compliance with campaign finance law. **The bill takes effect July 1, 2020.**

Fiscal Summary

**State Effect:** General fund expenditures increase by \$161,600 in FY 2021; future years reflect ongoing costs. Revenues are not directly affected.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	161,600	146,400	149,800	155,000	160,400
Net Effect	(\$161,600)	(\$146,400)	(\$149,800)	(\$155,000)	(\$160,400)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** None.

**Small Business Effect:** None.

Analysis

**Current Law/Background:** Statute requires SBE to manage and supervise elections in the State and ensure compliance with the requirements of the Election Law Article (which includes Title 13, Campaign Finance) of the Maryland Code and any applicable federal law by all persons involved in the elections process. In exercising its authority under the

Election Law Article, and in order to ensure compliance with the Election Law Article and any requirements of federal law, SBE must, among other things, (1) have a staff sufficient to perform its functions and (2) receive, or in its discretion audit, campaign finance reports, account books and records, and various other campaign finance-related reports and records.

Varying criminal and civil penalties apply to violations of State campaign finance laws under Title 13. The State Prosecutor generally handles prosecutions of violations, including those referred by SBE, and SBE is authorized to impose civil penalties for certain violations.

**State Fiscal Effect:** General fund expenditures increase by \$161,565 in fiscal 2021, which accounts for the bill’s July 1, 2020 effective date. This estimate reflects the cost of hiring (1) a deputy director in SBE’s Candidacy and Campaign Finance Division to assist the director in overseeing campaign finance enforcement and compliance and (2) a paralegal to assist with investigations, legal research, and pursuit of civil citations. This estimate assumes that the positions created by DBM pursuant to the bill are filled by SBE. The estimate includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	2
Salaries and Fringe Benefits	\$150,515
Operating Expenses	<u>11,050</u>
<b>Total FY 2021 State Expenditures</b>	<b>\$161,565</b>

Future year expenditures reflect full salaries with annual increases and employee turnover and ongoing operating expenses.

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### Additional Information

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** Department of Budget and Management; State Board of Elections; Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2020  
mm/hlb Third Reader - March 12, 2020

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