

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 331
Ways and Means

(Delegate Guyton, *et al.*)

Education, Energy, and the Environment

Election Law - Candidate Expenditures - Campaign-Related Caregiving
Expenses

This bill alters the definition of “expenditure” under State campaign finance law, to include reasonable expenses for caregiving services that a candidate incurs as a direct result of campaign activity and that are necessary to promote the candidacy of the candidate. The bill defines “caregiving services” as direct care, protection, and supervision of a child or an individual with a disability for whom a candidate has direct caregiving responsibility. “Caregiving services” does not include private school tuition, tutoring services, or nursing home care. **The bill takes effect January 1, 2025.**

Fiscal Summary

State Effect: The bill is not anticipated to materially affect State operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law:

“Expenditure” under State Campaign Finance Law

Under State campaign finance law, “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, question, or prospective question at an election; (2) pay expenses associated with contesting an election; or (3) pay for the publication expense of a legislative newsletter.

State Board of Elections Regulations

Pursuant to State Board of Elections (SBE) regulations, a political committee may only make expenditures that are for an electoral purpose. The regulations prohibit specified expenditures of campaign funds, including expenditures for the personal use or the personal benefit of a candidate, the candidate’s family, or any other individual. The regulations define “electoral purpose” as an action that promotes or enhances the success or defeat of a candidate, a political party, or a question in an election and would not have occurred but for the existence of the candidacy, political party, or question. It includes actions that increase the visibility or viability of a candidate, political party, or question, such as (1) appearing on campaign material of a political or advocacy committee or organization or (2) attending charitable or political events.

Campaign Finance Entities and Reporting

Unless otherwise expressly authorized by law, all campaign finance activity for an election under the Election Law Article must be conducted through a campaign finance entity (defined as a political committee established under Title 13 of the Election Law Article). An individual may not file a certificate of candidacy or a declaration of intent until the individual establishes, or causes to be established, an authorized candidate campaign committee (a campaign finance entity authorized by the candidate to promote the candidate’s candidacy). For each election in which a campaign finance entity participates, it generally must file campaign finance reports at various times prior to and after the primary and general elections, as well as an annual report. The reports must contain information required by SBE with respect to all contributions received and all expenditures made by or on behalf of the campaign finance entity during a reporting period.

Additional Comments: SBE has issued [guidance](#) on the circumstances in which childcare expenses are considered permissible expenditures under State campaign finance law.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1093 of 2022.

Designated Cross File: None.

Information Source(s): Maryland State Board of Elections; Department of Legislative Services

Fiscal Note History: First Reader - January 30, 2024
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