

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

House Bill 442  
Ways and Means

(Delegate Jones, *et al.*)

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Election Law - Use of Campaign Funds for Meeting and Conference Expenses

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This bill specifies that, under the Election Law Article of the Annotated Code, the term “expenditure” includes a disbursement to pay specified costs for a candidate or elected official to attend a meeting or conference focused on legislative issues, the legislative process, or public policy analyses and discussions pertinent to the office the individual seeks or holds.

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Fiscal Summary

**State Effect:** The bill is not expected to materially affect State finances.

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Current Law:** Unless otherwise expressly authorized by law, all campaign finance activity for an election governed by State law must be conducted through a campaign finance entity. All assets received by or on behalf of a campaign finance entity must be delivered to and maintained by the treasurer for the purposes of the campaign finance entity. Assets may be disbursed only if they have passed through the hands of the treasurer and only in accordance with the purposes of the entity.

The term “expenditure” is used in a number of contexts under State campaign finance laws, including recordkeeping requirements of campaign finance entities, which specify, among other things, that the treasurer of a campaign finance entity must keep a detailed

and accurate account book of all assets received, expenditures made, and obligations incurred by or on behalf of the entity.

“Expenditure” is defined as a gift, transfer, disbursement, or promise of money or a thing of value by or on behalf of a campaign finance entity to promote or assist in the promotion of the success or defeat of a candidate, political party, or question at an election, or to pay for the publication expense of a legislative newsletter.

**Background:** The Office of the Attorney General has advised that because expenditures are limited only to electoral expenses, payment of expenses for meetings or conferences attended by legislators, that are job-related, but at which the legislator does not engage in political/electoral activities that benefit the legislator’s candidacy, would not be an appropriate use of campaign funds.

A 1983 Attorney General opinion indicated that:

*“[A]ny lawful expense, that is, an expense not prohibited by some other provision of State or federal law or Constitution, which enhances a candidate’s election chances and would not be incurred if there were no potential candidacy, is a proper expenditure so long as the expense is reported in accordance with the reporting requirements of the Election Code.”*

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Office of the Attorney General, State Board of Elections, State Ethics Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - February 8, 2010  
ncs/mwc

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Analysis by: Scott D. Kennedy

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510