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If you have any questions regarding the matters discussed in this memorandum, please contact the following attorneys or call your regular Skadden contact.

Ki P. Hong

Partner / Washington, D.C. 202.371.7017 ki.hong@skadden.com

Kenneth A. Gross Partner / Washington, D.C. 202.371.7007 kenneth.gross@skadden.com

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Four Times Square New York, NY 10036 212.735.3000

1440 New York Avenue, N.W. Washington, D.C. 20005 202.371.7000

Enforcement Sweep Under Maryland Pay-to-Play Reporting Law and Reminder of November Filing

The Maryland State Board of Elections recently sent out a notice to pay-to-play law filers for whom it is missing an Initial Report.

The Law

Within 15 business days of a company or its subsidiary being awarded a new Maryland state or local government contract worth \$200,000 or more, the company must file an Initial Report disclosing reportable contracts and reportable contributions made during the prior 24 months. A filer with such existing contract has to file regular semi-annual reports (the next one due on November 30, 2018 covering May 1-October 31 of 2018) during the life of the contract. Prior to an amendment to this requirement in 2015, a filer did not have to file either the Initial Report or the semi-annual report if there was no reportable contribution. The 2015 amendment required that these filings be made regardless of whether there was a reportable contribution (*i.e.*, merely if there was an award of a contract or an existing contract).

The Notice

As a result of the 2015 amendment, a filer with existing Maryland state or local government contracts worth \$200,000 or more had to start filing the semi-annual reports even if it had no reportable contribution. The Maryland State Board of Elections recently sent the notice to companies it identified as filing these semi-annual reports but which had not filed an Initial Report, requiring them to file such Initial Report within 30 days. Assuming the company did not historically have any reportable contributions, it did not have a duty to file an Initial Report unless a covered contract was awarded after the 2015 amendment.

Many of the filers did not receive the mailed notice and only discovered they were a subject of the sweep from an email received four days before the due date. We suggest checking the "Documents/Correspondence" section of your company's registration from the Maryland State Board of Elections website <u>here</u> to ensure your company also was not a subject of the sweep.

Political Law Alert

Additional Contacts

Melissa L. Miles Counsel / Washington, D.C. 202.371.7836 melissa.miles@skadden.com

Matthew Bobys Counsel / Washington, D.C. 202.371.7739 matthew.bobys@skadden.com

Charles M. Ricciardelli Counsel / Washington, D.C. 202.371.7573 charles.ricciardelli@skadden.com **Tyler Rosen** Associate / Washington, D.C. 202.371.7035 tyler.rosen@skadden.com

Shayla K. Parker Associate / Washington, D.C. 202.371.7534 shayla.parker@skadden.com

Jeremy F. Regan Associate / Washington, D.C. 202.371.7073 jeremy.regan@skadden.com Samuel Levor Associate / Washington, D.C. 202.371.7921 samuel.levor@skadden.com

Theodore R. Grodek Associate / Washington, D.C. 202.371.7262 theodore.grodek@skadden.com

Kelvin Reese Head Political Reports Analyst 202.371.7498 kelvin.reese@skadden.com