## **Department of Legislative Services**

Maryland General Assembly 2021 Session

### FISCAL AND POLICY NOTE First Reader

House Bill 1066 Ways and Means (Delegate Feldmark)

#### Local Public Campaign Financing - Expansion to Additional Offices

This bill authorizes the governing body of a county that has implemented a system of public campaign financing for elective offices in the executive or legislative branches of county government for at least one complete election cycle, to establish, by law, a system of public campaign financing for the offices of (1) State's Attorney; (2) sheriff; (3) register of wills; (4) judge of the circuit court; (5) clerk of the circuit court; (6) judge of the orphans' court; or (7) an elected member of the county board of education. The bill takes effect June 1, 2021.

#### **Fiscal Summary**

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

**Local Effect:** To the extent counties use the authority under the bill, county expenditures increase by a significant amount. Revenues are not affected.

Small Business Effect: Potential meaningful.

#### Analysis

**Current Law:** Pursuant to Chapter 419 of 2013, the governing body of a county may establish, by law, a system of public campaign financing for elective offices in the executive and legislative branches of county government. When establishing such a system, the governing body of a county must specify the criteria for determining whether an individual is eligible for public campaign financing. Chapter 376 of 2019 also requires the governing body of a county, when establishing a system, to provide the funding and

staff necessary for the operation, administration, and auditing of the system of public campaign financing.

Various requirements apply to a system established by a governing body of a county, including that it must (1) be strictly voluntary; (2) not regulate candidates who choose not to participate in public campaign financing; and (3) be subject to regulation and oversight by the State Board of Elections to ensure conformity with State law and policy to the extent practicable.

The following jurisdictions have enacted local laws establishing public campaign financing systems for executive and legislative offices, under the authority provided in Chapter 419 of 2013.

- Baltimore City beginning with the 2024 elections;
- Baltimore County beginning with the 2026 general election;
- Howard County beginning with the 2022 elections;
- Montgomery County beginning with the 2018 elections; and
- Prince George's County beginning with the 2026 elections.

**Local Fiscal Effect:** To the extent counties uses the authority in the bill, county expenditures increase by a significant amount to provide the public funding distributed to participating candidates for the offices added by the bill and for any increased administrative costs (*e.g.*, contractual personnel) associated with administering the program for those candidates.

A total of \$5.2 million (net of returned funds) was spent by Montgomery County in the 2018 elections for distributions to county executive and county council candidates.

**Small Business Effect:** To the extent the bill results in additional campaign spending that otherwise would not occur, small businesses providing campaign consulting services and materials may meaningfully benefit.

# **Additional Information**

Prior Introductions: None.

**Designated Cross File:** None.

**Information Source(s):** Montgomery County; Department of Legislative Services

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**Fiscal Note History:** First Reader - February 21, 2021 rh/hlb

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