

SB0633_Stop_Scam_PACs_Act_MLC_FAV.pdf

Uploaded by: Cecilia Plante

Position: FAV



TESTIMONY FOR SB0633

Campaign Finance – Political Organizations – Disclosures on Solicitations (Stop Scam PACs Act)

Bill Sponsor: Senator Kagan

Committee: Education, Energy, and the Environment

Organization Submitting: Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in strong support of SB0633 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Running a campaign is hard. Running a campaign and having fraudulent groups use a candidate's image to collect money for themselves can be damaging to the candidate, and also pulls money away from the campaign.

This bill, if enacted, requires that anytime an organization fundraises using the pretext that they are supporting a particular candidate using the candidate's name, image or likeness in the solicitation, they must clearly and conspicuously include language stating –

- the name or likeness of the candidate was included without their knowledge or authorization
- that any charitable donations to the candidate are not necessarily used for charitable purposes and may not be tax deductible

There are both civil and criminal penalties for violating these rules and the entity violating them would also be prohibited from soliciting donations for a period of time specified by the state board. Our members feel that this is a reasonable way to deter this type of fraudulent activity.

We strongly support this bill and recommend a **FAVORABLE** report in committee.

SB 633 - Campaign Finance – Political Organization

Uploaded by: Morgan Drayton

Position: FAV

February 26, 2025

Testimony on SB 633

**Campaign Finance – Political Organizations – Disclosures on Solicitations (Stop Scam PACS Act)
Education, Energy, and the Environment**

Position: Favorable

Common Cause Maryland is in strong support of SB 633, which increases transparency requirements for scam political action committees – also known as “scam PACs” – as well as empower the State Administrator of Elections to fully investigate any future violations.

Scam PACs are entities that raise money, purportedly to help candidates win their campaigns. However, instead of spending those funds on the candidate, the PAC effectively pockets the money. This erodes trust in the political process and discourages people from engaging with the process – making it that much harder for legitimate PACs and campaigns to raise campaign funds.

SB 633 would increase transparency requirements around these scam PACs, mandating additional disclosures to potential donors about who and what the money is being used for. It also empowers the State Board of Elections to issue subpoenas, impose civil penalties, and prohibit offenders from raising any further money.

Without knowing the signs, it is too easy for well-intentioned and unsuspecting donors to mistake a scam PAC for a legitimate charity or political group. This legislation takes necessary steps to protect Marylanders and provides tools for the relevant bodies to investigate and prevent wrongdoing.

For these reasons, we urge a favorable report on SB 633.

2-26-25 SB 633 Campaign Finance - Political Organi

Uploaded by: Nancy Soreng

Position: FAV



**TESTIMONY TO THE SENATE EDUCATION, ENERGY AND THE ENVIRONMENT
COMMITTEE**

**SB 633 Campaign Finance - Political Organizations - Disclosures on Solicitations
(Stop Scam PACs Act)**

POSITION: Support

BY: Linda Kohn, President

DATE: February 26, 2025

The League of Women Voters believes that campaign finance laws should combat corruption and provide for maximum transparency about who raises funds and for what purpose. SB 633 seeks to prevent unscrupulous individuals from raising money under the pretext of raising funds for a candidate or cause — when they are actually raising money for themselves.

The bill applies to Political Action and Independent Expenditure Committees. If they solicit for a political party or candidate and use a candidate's name or image, they must clearly include a disclaimer that the name or image was used without the candidate's or political party's knowledge or permission. If they solicit for what appears to be a charitable purpose, they must include a conspicuous statement that the contributions are not necessarily used for the charitable purpose and are not tax-deductible.

SB 633 also authorizes the State Board of Elections to investigate a suspected scam entity. If the entity is found in violation of the disclosure requirements, they may prohibit them from making further solicitations and impose a civil penalty not to exceed \$10,000.

We urge a favorable report on SB 633.

Testimony in support of SB0633 - Campaign Finance

Uploaded by: Richard KAP Kaplowitz

Position: FAV

02/26/2025

Richard Keith Kaplowitz
Frederick, MD 21703

TESTIMONY ON SB#/0633- POSITION: FAVORABLE

Campaign Finance - Political Organizations - Disclosures on Solicitations (Stop Scam PACs Act)

TO: Chair Feldman, Vice Chair Kagan, and members of the Education, Energy and the Environment Committee

FROM: Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of SB#/0633, **Campaign Finance - Political Organizations - Disclosures on Solicitations (Stop Scam PACs Act)**

The misuse of technology has now made possible new techniques for influencing a voter's voting decision by spreading false misinformation for that purpose. And who is responsible for that fraud is hidden from the voters.

Maryland has confronted this problem. In 2023 the largest authority line fine in state history was levied against 1776 PAC for texts in 2022 school board race in Carroll County. ¹

“The State Board of Elections is committed to continuing to ensure that there is no mystery about who is communicating with voters in Maryland Elections,” [State Elections Administrator Jared DeMarinis] said in a written statement. “We will be working hard with the State Prosecutor and other enforcement partners to keep Maryland elections honest and fair.”

In the November 2024 election for U.S. Senator shown that this is not just one political party or candidate skirting the law and using these tactics: ²

A controversial out-of-state Super PAC is facing criticism for what some are labeling a disinformation campaign aimed at swaying Maryland's competitive U.S. Senate race.

Thousands of registered voters in Maryland, along with hundreds of thousands nationally, are receiving automated calls and digital ads from a mysterious group called "Save Western Culture."

¹ <https://marylandmatters.org/2023/10/13/largest-authority-line-fine-in-state-history-levied-against-1776-pac-for-texts-in-2022-school-board-race/>

² <https://foxbaltimore.com/news/local/shadowy-super-pac-accused-of-deceptive-election-tactics-in-maryland-senate-race-larry-hogan-angela-alsobrooks-us-election-save-western-culture-libertarian-mike-scott>

SB0633_RichardKaplowitz_FAV

“Every election cycle, national Democrats set up dark-money groups designed to confuse voters and prop up third-party candidates who have no chance at winning,” Berg said.
“This seems to be more of the same, and voters should reject this disingenuous tactic.”

The intent behind this bill is to mandate that organizations’ fundraising using a candidate's name, image, or likeness must disclose that the candidate was not involved and that donations may not be tax-deductible. Violations incur both civil and criminal penalties, and the offending entity would be temporarily prohibited from soliciting donations

This bill will give the authorities new powers in combatting this scourge on our elections. This will occur by requiring certain political organizations to include certain disclaimers and statements on certain solicitations. It will provide the authority to the State Administrator of Elections to investigate a potential violation of the Act and authorize the State Board after the issuance of a public report of its findings to prohibit a person who violated the Act from making further solicitations for a certain period or imposing a civil penalty not to exceed \$10,000.

Voters deserve to know fully who is behind these advertisements for any candidate or party to allow them to evaluate the truth behind them and the motives of the identified sender.

I respectfully urge this committee to return a favorable report on SB#/0633.

Testimony - Scam PACs SB633.pdf

Uploaded by: Sen. Cheryl Kagan

Position: FAV

CHERYL C. KAGAN
Legislative District 17
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Vice Chair
Education, Energy, and
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THE SENATE OF MARYLAND
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SB633: Stop Scam PACs Act

Senate Education, Energy, and Environment Committee
Wednesday, February 26, 2025 1:00 PM

Scam Political Action Committees (“Scam PACs”) mislead donors into believing their contributions will support a candidate or cause-- only to pocket the money.

Both the [FBI](#) and the [Federal Election Commission \(FEC\)](#) have warned of the rising prevalence of Scam PACs, which have proliferated by exploiting a loophole in [federal and state laws on political and charitable fundraising](#). In return for tax-exempt status, nonprofits register with states, list their key employees, and disclose how they’re spending money-- generally by providing audited financial statements. These requirements do not apply to PACs.

Maryland has not been spared from the spread of scam PACs. In Catonsville, a PAC organizer stole over \$1 million by [falsely promising](#) donors a dinner with Donald Trump. In Annapolis, a PAC raised \$20 million but [donated less than 2%](#) to candidates, leading to a three-year prison sentence for its organizer. In Montgomery County, a PAC purporting to raise money for volunteer firefighters [collected \\$4.6 million](#), none of which was donated to any fire departments.

[SB633](#) establishes basic transparency and will:

- Require PACs using a candidate’s name or likeness to disclose when they do not have that candidate’s consent;
- Enable the State Board of Elections (SBE) to issue subpoenas and impose civil penalties for violations; and
- Impact only super PACs and/or participating organizations that file 48-hour reports (i.e. PACs that make independent expenditures).

Scam PACs undermine trust in political giving, exploit vulnerable donors, and divert millions of dollars away from real advocacy. Requiring basic disclosures is a simple, common sense step to ensure Marylanders can be protected from bad actors.

A broader version of this bill ([SB458](#)) passed the Senate unanimously last year.

There is a proposed amendment based on recommendations from SBE.

I urge a favorable report on SB633 as amended.