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Testimony on HB 906

Campaign Finance – Political Organizations – Disclosures on Solicitations (Stop Scam PACS Act) Ways and Means

Position: Favorable

Common Cause Maryland is in strong support of HB 906, 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.

HB 906 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 HB 906.