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## THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

### **SB633: Stop Scam PACs Act**

House Ways & Means Committee

Tuesday, March 25, 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.

This bill and its cross-file have each passed their chamber of origin unanimously.

**I urge a favorable report on SB633.**