# **Department of Legislative Services**

Maryland General Assembly 2022 Session

## FISCAL AND POLICY NOTE First Reader

Senate Bill 895 (Senator Smith) Education, Health, and Environmental Affairs

### **Declaration of Rights - Campaign Financing Right to Know**

This proposed constitutional amendment, if approved by the voters at the next general election to be held in November 2022, establishes that every individual has the right to know information in an open, timely, and transparent manner about how, when, and by whom money is spent and from whom money is raised to influence the vote of the individual for candidates for office and ballot questions. The proposed constitutional amendment also establishes that a publicly financed election is a right of the people.

## **Fiscal Summary**

**State Effect:** The bill does not directly affect State finances.

**Local Effect:** The bill does not directly affect local government finances.

Small Business Effect: None.

### **Analysis**

#### **Current Law:**

Disclosure of Fundraising and Spending under State Campaign Finance Law

State campaign finance law regulates various aspects of raising and spending of funds in relation to the State's elections. Various reporting requirements apply to different types of election-related fundraising and/or spending, including campaign finance activity of political committees (those affiliated with candidates and those not affiliated with candidates), raising and spending of funds to support or oppose a petition to place a

question on the ballot and to support or oppose a question on the ballot, and independent political spending by individuals or entities to influence State elections. The State Board of Elections makes reported information publicly available through its online Maryland Campaign Reporting Information System.

### Public Financing Act

The Public Financing Act provides for a system of public financing of elections for candidates for Governor and Lieutenant Governor, in addition to establishing the Fair Campaign Financing Fund. Generally, to qualify as an eligible gubernatorial ticket (eligible to receive a public contribution), a gubernatorial ticket must collect, within the qualifying period, at least (1) 1,500 eligible private contributions and (2) an aggregate total of \$120,000. The total public contribution payable to a gubernatorial ticket for either a primary or general election may not exceed \$3.0 million. A gubernatorial ticket that is unopposed in a primary election receives one-third of the public contribution amount the gubernatorial ticket would otherwise be entitled to receive. If a gubernatorial ticket withdraws from participation in the program after receiving a public contribution, the full amount of any public contribution received, with specified interest, must be repaid.

### Local Public Campaign Financing

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. The following jurisdictions have enacted local laws establishing public campaign financing systems under the authority provided in Chapter 419:

- 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.

#### Declaration of Rights

Maryland has had a Declaration of Rights since 1776. The Court of Appeals has described the Declaration of Rights and the Constitution as composing the State's form of government, to be interpreted as one instrument (*Baltimore v. State*, 15 Md. 376 (1860)).

## **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

**Information Source(s):** State Board of Elections; Department of Legislative Services

**Fiscal Note History:** First Reader - February 21, 2022

fnu2/sdk

Analysis by: Thomas S. Elder Direct Inquiries to:

(410) 946-5510

(301) 970-5510