

# **SB 613 - Common Cause MD - Favorable**

Uploaded by: antoine, joanne

Position: FAV

February 20, 2020

**Testimony on SB 613**  
**Public Financing Act – Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**  
**Education, Health, and Environmental Affairs**

**Position: Favorable**

Common Cause Maryland supports SB 613, which would modernize the existing public financing system available to gubernatorial candidates available through the Fair Campaign Finance Fund (FCFF), making it similar to small donor matching systems that have been established at the local level throughout the state.

The FCFF is a vital program in Maryland that allows gubernatorial candidates to run for office without relying on moneyed interests to fund their campaigns. Currently, gubernatorial candidates who can show that they have the requisite support from Marylanders are able to qualify for a grant that will allow them to run competitive, but the program is outdated and, unlike programs established at the local level, allows participating candidates to raise private money (ie PAC, business donations).

SB 163 aims to improve the existing program by empowering participating candidates to run races that are powered by small dollars from Marylanders that are matched to ensure they are competitive.

Candidates opting into the public financing program would first have to show sufficient community interest by raising small donations from Marylanders, refraining from taking donations from non-individuals and only donations of \$250 and below. Once they meet qualifying thresholds, at least 1,500 eligible contributions totaling \$120,000 for gubernatorial tickets and at least 1,000 eligible contributions totaling \$80,000 for Attorney General and Comptroller candidates, they would then be matched by funds from the Fair Campaign Financing Fund, at different rates, depending on the size of the contribution, with no match provided for the last \$100. Gubernatorial candidates would be eligible to receive \$3,000,000 per election and other candidates up to \$750,000 per election, amounts that we believe would ensure candidates are able to run competitive campaigns.

Montgomery County, Howard County, Prince George's County, and Baltimore City have all established similar programs, with Montgomery County successfully using its program for the first time in 2018. These programs remain popular amongst Marylanders for a simple reason: particularly since the *Citizens United* decision, they feel that our campaign system is disconnected from the populace, and that LLCs and wealthy individuals render regular Marylanders' voices meaningless in the current campaign finance environment. The Public Financing Act would give these candidates another choice: focus on constituents through the campaign and keep the focus on constituents throughout your term in office. While these programs cannot fight the escalating cost of elections; only the Supreme Court can reverse that disturbing trend, SB 613 would shift the focus of campaigns away from special interests and back to everyday constituents.

Because SB 613 could significantly raise the voices of regular Marylanders to compete with the big-money spending unleashed by *Citizens United*, we ask the committee for a favorable report.



## Summary of Fair Elections Act as Drafted

<b>Threshold to Qualify for Small Donor Matching Program</b>			
	Governor	Comptroller	Attorney General
Number of Donations	1,500	1,000	1,000
Amount of Donations	\$120,000	\$80,000	\$80,000
*Must forgo contributions greater than \$250 and only accept contributions from individuals (no money from corporations, etc.). Multiple contributions from one person cannot exceed \$250.			

<b>Match Ratios</b>			
	Governor	Comptroller	Attorney General
First \$50	9 to 1	8 to 1	8 to 1
Second \$50	5 to 1	4 to 1	4 to 1
Third \$50	2 to 1	2 to 1	2 to 1
Final \$100	Accepted, no match	Accepted, no match	
*Only contributions from Maryland residents are matched. No match provided for last \$100.			

	Governor	Comptroller	Attorney General
<b>Match Cap</b>	\$3,000,000	\$750,000	\$750,000
*Once the cap is reached, candidates can continue to raise donations from individuals of \$250 or less but will not receive any matching funds. The match cap is per election.			

<b>Example Candidate Performance</b>		
	<b>Total Raised if Candidates Reach Program Cap</b>	<b>Donors &amp; Amount to Reach Program Cap</b>
Governor	\$3,562,500 (\$3mil match + \$562,500)	Raise \$150 donations from 3,750 donors
Comptroller	\$856,800 (\$749,700 match + \$107,100)	Raise \$100 donations from 1,071 donors
Attorney General	\$843,750 (\$750,000 match + \$93,750)	Raise \$50 donations from 1,875 donors

<b>Anticipated Cost to State</b>
\$6.875 million a year would cover operating costs and 4 primary and 2 general election candidates for each Governor, Comptroller, and Attorney General, assuming a full match.



# The Fair Elections Maryland Act

*This bill modernizes our Gubernatorial public financing system and expands the program to include Attorney General and Comptroller races.*

## EMPOWERING SMALL DONORS

Maryland's democracy has long been dominated by a powerful donor class that has more say than everyday people. As the donor class drives elections, people of color, women, those with lower income, young people, and immigrants are too often left out of our democracy.

**Under Montgomery County's first election using the new program, on average:**

Qualifying candidates had nearly twice as many individual donors as those who chose not to participate.



**Qualifying Candidates**  
850 individual donors.



**Non-Participating Candidates**  
434 individual donors

The average contribution for non-participating candidates was 13 times higher than for qualifying candidates.



**Non-Participating Candidates**  
\$1,145



**Qualifying Candidates**  
\$86

## STRENGTHENING OUR DEMOCRACY

### Keep big money out.

Participating candidates can only accept donations of \$250 or less and cannot take checks from corporations. Candidates remain accessible and accountable to their constituent base.

### Expand opportunities to run for office.

People from all backgrounds can run for office based on the strength of their ideas, not access to wealth, which helps to build a diverse and representative state government.

### Give everyone a voice.

By matching small contributions on a sliding-scale the fund will elevate the voices of the smallest donors, so all Marylanders, regardless of race, gender, or income have equal opportunity to participate in elections.

### Encourage more participation.

We can encourage more Marylanders to participate in our elections by providing limited matching funds for small campaign contributions from Maryland residents.

*Montgomery County, Howard County, Prince George's County, and Baltimore City have all established small donor fair elections programs.*

## CONTACT:

Joanne Antoine [jantoine@commoncausemd.org](mailto:jantoine@commoncausemd.org)  
Emily Scarr [emily@marylandpirg.org](mailto:emily@marylandpirg.org)

@FairElectionsMD

# **SB613 - AA County Indivisible - Favorable**

Uploaded by: CHILBERT, BECCA

Position: FAV

**SB613: Public Financing Act Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**

**Thursday, February 20th, 2020**

**Education, Health, and Environmental Affairs Committee**

**FAVORABLE**

Hello, my name is Rebecca Forte and I am submitting my testimony as a member of Anne Arundel County Indivisible, RepresentMD, and the Fair Elections Coalition.

Thank you to the Education, Health, and Environmental Affairs Committee and Senator Paul Pinsky for providing me with the opportunity to share why Public Election Funds are important to me and why I urge you to vote in favor of SB613.

The Fair Campaign Financing Fund is important to me because it elevates my voice as a constituent and small donor. It means that two sessions ago, when I called the governor and told him that I wanted him to support restrictions on pesticides that were killing our pollinators- I knew that he would listen to me as a Marylander. Last session, I called him and asked for him to support a ban on conversion therapy for minors. And he listened. This session I will be calling him to ask for the designation of swastikas and nooses as hate speech, and I expect him to hear me, and to listen once more.

I didn't used to believe that anyone was listening. In news stories candidates for office are ranked as "doing well" in their campaigns if they bring in lots of money, not on whether they listen or not. That money is deemed more relevant than how many in their district support them, and how many varied people in their district believe in them enough to donate. A particularly wealthy candidate could completely self fund his/her campaign, demonstrating support from only him/herself and still be considered to be "doing well."

This is problematic, and disenchanting for young people like me. I will donate if I believe a candidate is working for me. However, sometimes all I can give at a time is \$5. Am I less worth talking to because of this? Am I less worthy than the people who will give the maximum amount at a fundraising event? It feels that way sometimes.

Public Election Funds help to fix this disconnect and force candidates for office to interact and demonstrate support from those who they would be directly representing. The Fair Campaign Financing Fund does this for the state of Maryland. It isn't perfect, but it's a damn good start. This bill looks to fix the flaws in order to have a better functioning fund that supports more candidates in their quest to listen to Marylanders like me.

Thank you for your time. Please give SB613 a favorable report.

Sincerely,

Rebecca Forte

**SB0613\_WISE\_FAV\_KOUL**

Uploaded by: KOUL, MICHELLE

Position: FAV

**SB613: Public Financing Act – Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**  
**Thursday, February 20th, 2020**  
**Education, Health, and Environmental Affairs Committee**  
**FAVORABLE**

WISE (Women Indivisible Strong Effective) is a group of over 700 women from AACo (primarily D33) who work to promote inclusivity, fairness, and safety in our communities and keep our local leaders accountable. WISE is in favor of public campaign financing programs at every level of government. Studies have shown that not only does it reduce the influence of big business and PACs on our candidates' decisions, but it increases voter involvement and turnout, encourages candidates to run voter-centered campaigns and increases the number and the diversity of candidates who run. In this testimony I would like to illustrate the need for this type of election fund by discussing some of the spending that took place in the last election cycle. The data described herein was obtained from <https://campaignfinance.maryland.gov/>.

In 2018 WISE monitored campaign donations and spending and tried to expand disclosure about the type and amounts of funding that our local D33 candidates were accepting. The incumbent senator ran unopposed in both 2014 and 2010, and he and other incumbents had funds rolled over from past election cycles that were available for immediate expenditure. For example, Jerry Walker, a sitting Anne Arundel county council member at the time, was able to accumulate almost \$200,000 to enter the D33 delegate race, with another incumbent delegate in second place with almost \$70,000. Four D33 challengers (all women that did not hold any kind of public office at the time), were barely breaking \$5,000 at that same point.

Jerry Walker obtained more than two thirds of his donations from businesses, while incumbent delegates drew between a fifth and a quarter of their donations from businesses. The incumbent senator accepted nearly a third his donations from businesses. In comparison, business contributions were 0% to 2% of the challengers' donations. It is clear that incumbents have a major advantage due to their business contacts. The fact that sitting county and state officials are magnets for business donations is no surprise, as they are often making decisions that affect those businesses.

In the 2018 D33 delegate race where seven candidates were running for three seats, it turned out that the losing challengers were only 0.6 and 1.2% of the total votes behind the least favored successful incumbent. If those challengers were not ultimately outspent by this delegate by *five to one*, one of them could have easily won his seat. (The incumbent senator outspent his challenger seven to one!)

We support SB613 as a way to lessen the influence of corporate money on election outcomes. As the public becomes more educated about what it means to be a small donor candidate, it is our belief that candidates will take part in this program not because it will provide financing levels that will compete with corporate donations, but because voters will be using the small donor nature of the candidate's financials as a litmus test for who they are willing to support. A public donor fund will ultimately create a more diverse field of candidates who are accountable to the individual voter.

Thank you for all you do for Maryland,  
Dr. Michelle Koul  
WISE (Women Indivisible Strong Effective, AACo), Severna Park



# **SB613 - Fair Elections Maryland - Favorable**

Uploaded by: maryland, fair elections

Position: FAV



**SB613: Public Financing Act – Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**

**Thursday, February 20th, 2020**

**Education, Health, and Environmental Affairs Committee**

**FAVORABLE**

Governor Hogan and the Maryland General Assembly,

We are a diverse group of local elected officials, good government, faith, environmental, and community organizations who have united together to support a new way to fund Maryland elections.

We hope you will support efforts to modernize Maryland’s Gubernatorial public financing system and expand the program to include Comptroller and Attorney General (SB613/HB1125).

We are thrilled that the Maryland General Assembly passed the Campaign Finance Reform Act of 2013 which made it possible for Maryland counties to build small donor campaign finance programs locally. Since, Montgomery County, Howard County, Prince George's County, and Baltimore City have all established these new campaign finance systems, and Montgomery County has successfully run their first election using the new system. And, Baltimore County and Anne Arundel County have also begun the process of establishing local programs.

As you are aware, Maryland Gubernatorial elections are fueled primarily by large donations and donations from non-residents, be they out-of-state donors, corporations, or PACs. As these large donations drive election spending, it's easy for Marylanders across the state: from the shore, to our cities, to western Maryland to feel like their voices don't matter.

The role of large donors also contributes to an already shrinking faith in government. A University of Maryland and Washington Post poll from 2017 found that amongst Democrats, Republicans, and Independent voters:

- 96% of participants blame money in politics for causing dysfunction in the U.S. political system.
- 94% of participants blame wealthy political donors for causing dysfunction in the U.S. political system.

**We have worked with Senator Pinsky and Delegate Feldmark to ensure the 2020 bill meets the needs of Marylanders, expanding on the best practices from the local programs.**

The Maryland Fair Elections Act creates a voluntary program that provides limited public matching funds to help finance the campaigns of candidates who demonstrate popular support and reject large contributions and all contributions from corporations and other non-individuals. This amplifies the voices of constituents while curbing the power of big money in elections. The program accomplishes this by eliminating participating candidates' reliance on large individual, corporate, and out-of-jurisdiction donors, while providing incentives to reach out to Marylanders for small contributions. In so doing, it encourages more electoral participation from residents. We hope increasing engagement will strengthen civic life and faith in our state government.

So, please fix and fund Maryland's Gubernatorial public financing system and expand the program to include Comptroller and Attorney General.

**We look forward to working with you to build a stronger democracy by bringing the Fair Elections Fund program home to Maryland.**

Sincerely,

Rebecca Forte  
Activist  
**Anne Arundel County Indivisible**

Emily Ranson  
Maryland Program Coordinator  
**Clean Water Action**

Joanne Antoine  
Director  
**Common Cause Maryland**

Wendy Fields  
Executive Director  
**Democracy Initiative**

Rianna Eckel  
Senior Maryland Organizer  
**Food & Water Action**

Charlie Cooper  
President  
**Get Money Out Maryland**

Christine Lemyze  
Defend Democracy Team Lead  
**Indivisible Howard County**

Lois Hybl and Richard Willson  
Co-Presidents  
**League of Women Voters of Maryland**

Paulette Hammond  
President  
**Maryland Conservation Council**

Marceline White  
Executive Director  
**Maryland Consumer Rights Coalition**

Kim Coble  
Executive Director  
**Maryland League of Conservation Voters**

Cecilia Plante  
Co-Chair  
**Maryland Legislative Coalition**

Emily Scarr  
Director  
**Maryland PIRG**

Josh Tulkin  
Chapter Director  
**Maryland Sierra Club**

Rev. Kobi Little  
Political Action Chair  
**Maryland State Conference NAACP**

Bob Muehlenkamp  
Chair  
**Our Revolution Maryland**

Stefani Olsen  
Co-Chair  
**Our Revolution in Montgomery County**

Larry Stafford  
Executive Director  
**Progressive Maryland**

Cristi Demnowicz  
Chair  
**Represent Maryland**

Audra Peddicord  
Group Leader  
**Represent US - Maryland Chapter**

Michelle G. Koul  
Activist  
**WISE**  
**(Women Indivisible Strong Effective, AACo)**

# **JOHNSARBANES\_FAV\_SB0613**

Uploaded by: scarr, emily

Position: FAV

JOHN P. SARBANES  
3RD DISTRICT, MARYLAND

COMMITTEE ON  
ENERGY AND COMMERCE

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February 19, 2020

Senator Paul G. Pinsky  
Democrat, District 22  
2 West Miller Senate Office Building  
11 Bladen St, Annapolis, MD 21401

Delegate Jessica M. Feldmark  
Democrat, District 12  
House Office Building, Room 216  
6 Bladen St., Annapolis, MD 21401

Dear Senator Pinsky and Delegate Feldmark:

I write to thank you for your efforts to advance campaign finance reform in the Maryland General Assembly and, specifically, your authorship of the Fair Elections Maryland Act (SB613/HB1125).

As you well know, Maryland is a national leader in its embrace of 21<sup>st</sup> century campaign finance reforms. In recent years, Montgomery County, Howard County, Prince George's County and Baltimore City have all adopted multiple matching fair election reforms. These new small dollar multiple matching regimes amplify the voice and power of everyday citizens, which makes it possible for candidates to run for and win office without having to rely on the wealthy and well-connected.<sup>1</sup> Once elected, they are then more inclined to serve the public interest, not the special interests.<sup>2</sup> These reforms have also been shown to spawn new civic engagement among underrepresented communities, which leads to heightened voter participation as well as a more diverse pool of candidates.

Already, we are seeing the fruits of these revolutionized campaign finance systems in Maryland. For example, a 2019 analysis of the Montgomery County system's usage in the 2018 election cycle found that participating candidates received 98% of their campaign contributions

<sup>1</sup> See "Public Campaign Financing Is a Bright Spot in the Shadow of Citizens United," Brennan Center for Justice at New York University (January 2020). <https://www.brennancenter.org/our-work/analysis-opinion/public-campaign-financing-bright-spot-shadow-citizens-united>

<sup>2</sup> *Ibid.*

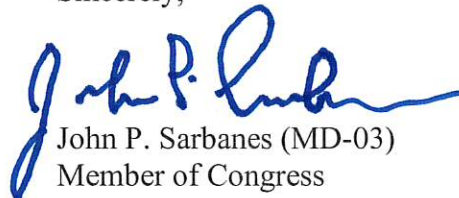
from donors giving less than \$150.<sup>3</sup> Critically, those same candidates were then able to compete with non-participating candidates, raising more on average per contributor once the multiple match was applied.<sup>4</sup>

Your Fair Elections Maryland Act builds on these successes and works to modernize our state's campaign finance system. I applaud the legislation's sensible updates to the gubernatorial public financing system and its adoption of a graduated multiple matching system to amplify the voices of everyday Marylanders. I also support the legislation's expansion of the small dollar matching program to include both the Attorney General and Comptroller races.

Across the nation, Americans of all political stripes are demanding solutions to the pernicious influence of big money in our politics.<sup>5</sup> I have been proud to help support many of those efforts, while also advancing critical reforms at the federal level. In crafting the House-passed For the People Act (H.R.1), I worked with my colleagues to ensure that the bill would include an overhaul of our nation's out-of-date Presidential small dollar financing system and an expansion of the matching system to include Congressional elections. Unfortunately, the legislation is now being blocked in the Republican-controlled Senate.

I am hopeful that as jurisdictions, like Maryland, embrace proactive reforms to fix our democracy, the public will become even more energized around this important systemic change. In this way, your progress is our progress. Thank you again and please consider me an ally in the fight for reform.

Sincerely,



John P. Sarbanes (MD-03)  
Member of Congress

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<sup>3</sup> See "Fair Elections in Montgomery County: 2018 Matching Program Encourages and Empowers Small Donors," Maryland PIRG Foundation (September 2019).  
[https://marylandpirg.org/sites/pirg/files/reports/Fair%20Elections%20in%20Montgomery%20County-%20Maryland%20PIRG%202019\\_0.pdf](https://marylandpirg.org/sites/pirg/files/reports/Fair%20Elections%20in%20Montgomery%20County-%20Maryland%20PIRG%202019_0.pdf)

<sup>4</sup> *Ibid.*

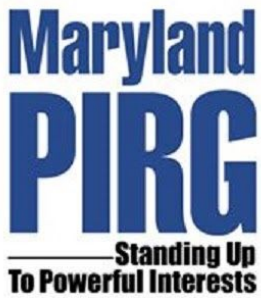
<sup>5</sup> See "Most Americans want to limit campaign spending, say big donors have greater political influence," Pew Research Center (May 2018). <https://www.pewresearch.org/fact-tank/2018/05/08/most-americans-want-to-limit-campaign-spending-say-big-donors-have-greater-political-influence/>

# **MDPIRG\_EmilyScarr\_FAV\_SB0613**

Uploaded by: scarr, emily

Position: FAV





**Emily Scarr, Maryland PIRG Director**  
**SB613: Public Financing Act – Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**  
**Thursday, February 20th, 2020**  
**Education, Health, and Environmental Affairs Committee**  
**FAVORABLE**

*Maryland Public Interest Research Group (Maryland PIRG) is a citizen funded public interest advocacy organization with grassroots members across the state.*

In 2013, the Maryland General Assembly passed the Campaign Finance Reform Act of 2013 which made it possible for Maryland counties to build small donor campaign finance programs locally. Since, Montgomery County, Howard County, Prince George’s County, and Baltimore City have all established these new campaign finance systems, and Montgomery County has successfully run their first election using the new system. And, Baltimore County and Anne Arundel County have also begun the process of establishing local programs. **Now, it is time to modernize Maryland’s Gubernatorial public financing system and work to expand the program to include Comptroller, Attorney General, and ultimately General Assembly races.**

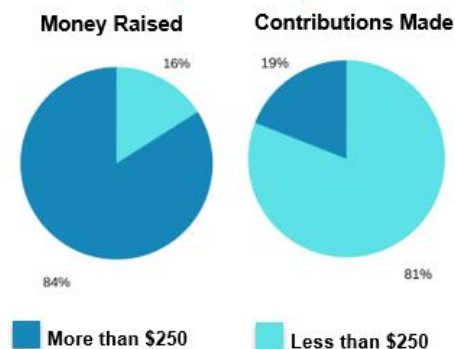
The [Maryland PIRG Foundation just released a report](#) which found that the people and entities that donate to Maryland’s Gubernatorial campaigns are not reflective of Marylanders who are eligible to vote in these elections. The report finds that the money raised comes primarily from out of state or non individuals who contribute disproportionately large sums of money (*Executive Summary attached*). [1]

**Big money--the large contributions that most people can’t afford--drowns out the voice of small donors.**

For example, over the last three races for governor, 84% of the money raised came from contributions over \$250, despite the fact that they represented less than a fifth (19%) of total donations to candidates.

In September, [Maryland PIRG Foundation released a report](#) which found that Montgomery County’s Fair Elections program showed strong results in its first use. The report looks at data from 57 candidates for county office, 35 of whom participated in the program and 24 qualified to receive matching funds.[2]

*Fig 1. Percent of fundraising from small donors (\$250 or less)*



## Key findings:

- Candidates who qualified received nearly twice as many donations from Montgomery County residents than those not participating in the program (850 vs 434).
- Candidates participating in the program received an average contribution of \$86 compared to \$1,145 for non participating candidates.
- Candidates running for county council seats were able to use the small donor system to run competitive races. The average contribution, including matching funds, for candidates participating in the program was similar to the average contribution for candidates accepting large contributions. (\$306 vs \$292)

## **SB613 is modelled after the success of similar programs in the state and country, with adjustments to meet needs of a state-wide race.**

A Fair Elections program will be better for candidates and elected officials, better for the public, and better for Maryland.

We believe that in Maryland, the amount of money your family makes - your race, your gender - should **not** determine the volume of your voice in our elections. But the rise of corporate and large campaign contributions has forced Maryland elected officials and candidates to be increasingly dependent on these donors, giving them less time to hear from and serve their constituents.

The **Fair Elections Act** is a voluntary program which enables candidates to run for office with small donations from their constituents and remaining competitive with those who accept large and corporate contributions. This serves the dual purpose of reducing corporate and large donor campaign spending and re-engaging the community in the electoral process. And with a Fair Election program in place, we hope to expand opportunities to run for office, so candidates of all backgrounds can run based on the strength of their ideas not access to money.

## **These types of programs are popular, effective, and gaining momentum.**

**BACKGROUND:** Recent decisions from the Supreme Court have unleashed a wave of mega donors into the electoral process and we are feeling the effects at the local level. The meteoric rise of election spending since these Supreme Court decisions means candidates and elected officials are often trapped spending an increasing amount of time fundraising from big donors, giving them less time to hear from and serve their constituents. It has also exacerbated the already shrinking faith that citizens have in their elected officials and government.

An October 2017 Poll from the University of Maryland and the Washington Post found that Americans, regardless of political affiliation agree the money in politics is a big issue and are not happy with the way our democracy is going.[3]

- 36% said they are not proud of the way democracy works in America, up from 18% in 2014.
- Money in politics was listed as the #1 cause for dysfunction in the U.S. political system, with a whopping 96% of participants blaming money in politics for causing dysfunction and 94% of participants blame wealthy political donors for causing dysfunction.

**WHAT YOU CAN DO:** Small donor public financing enables candidates to run a competitive race without relying on large or corporate donors. In addition to local programs across Maryland, similar programs have proved effective in Connecticut and New York City, where more than 90% of candidates frequently participate in the program.[4]

The fight to overturn Citizens United will be long, but this is something you can do now. There is no doubt that our democracy is in a fragile state, especially down the road in D.C. You have an incredible opportunity to empower Maryland residents in our elections and build a democracy for the people. I hope you take it.

We recommend a favorable report.

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[1] Big Money in Maryland Elections: Who's Funding Elections for Governor? Maryland PIRG Foundation 2020, <https://marylandpirg.org/reports/mdp/big-money-maryland-elections>

[2] Fair Elections in Montgomery County: Matching Program Encourages and Empowers Small Donors, Maryland PIRG Foundation, September 2019, <https://marylandpirg.org/reports/mdp/fair-elections-montgomery-county-0>

[3] Most Americans say politics have reached a dangerous new low point, Washington Post and University of Maryland, October 28, 2017, [https://www.washingtonpost.com/page/2010-2019/WashingtonPost/2017/10/28/National-Politics/Polling/release\\_497.xml](https://www.washingtonpost.com/page/2010-2019/WashingtonPost/2017/10/28/National-Politics/Polling/release_497.xml)

[4] States, Counties, and Municipalities Empower Small Donors and Curb the Power of Big Money in Politics, Demos, June 28, 2017, <http://www.demos.org/publication/public-funding-electoral-campaigns-how-27-states-counties-and-municipalities-empower-sma>



## Summary of Fair Elections Act as Drafted

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Example Candidate Performance		
	Total Raised if Candidates Reach Program Cap	Donors & Amount to Reach Program Cap
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Anticipated Cost to State
\$6.875 million a year would cover operating costs and 4 primary and 2 general election candidates for each Governor, Comptroller, and Attorney General, assuming a full match.

# Executive Summary

In Maryland’s gubernatorial elections, the people and companies that donate to campaigns are not reflective of the Marylanders who vote in these elections. On average, donors make large contributions that most Marylanders can’t afford, only a small percentage of the population is making contributions, and the majority of money comes from donors who aren’t eligible to vote in these elections.

Candidates for office rely on these donors to fund their campaigns. As a result, campaign contributions from a small set of large and out of state donors have too much influence over who can run for office, what issues make it onto the agenda, and often who wins.

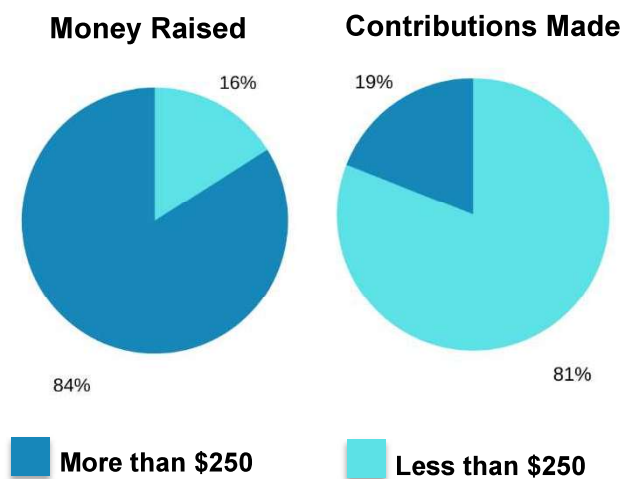
This report analyzes the contributions received, and expenditures of, Maryland’s gubernatorial candidates in 2010, 2014, and 2018 gubernatorial elections. Over the last 3 election cycles, primary election candidates have spent more than 4 million dollars on average. General election candidates spent an additional 4.5 million. And the evidence indicates that donors in Maryland’s gubernatorial elections aren’t reflective of Maryland’s population.

Our review of the data shows that:

## 1. Big money--the large contributions that most people can’t afford--drowns out the voice of small donors.

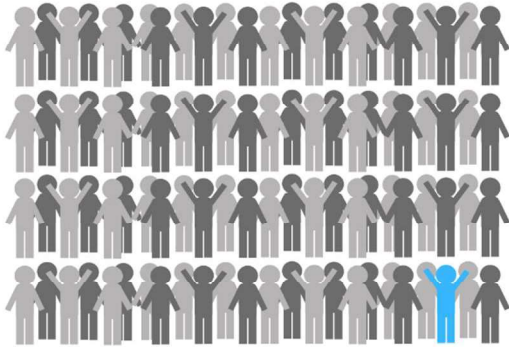
Contributions over \$250 make up the vast majority (84%) of the total money contributed to campaigns, despite representing just 19% of total donations to candidates.<sup>1</sup>

*Fig 1. Percent of fundraising from small donors (\$250 or less)*



<sup>1</sup> These numbers are direct contributions and exclude a number of contributions types. See Methodology for details. Additionally, this statistic uses a total contributions amount that excludes public matches. When including public matches received by candidates in the contributions total, the individual contributions over \$250 account for 79% of total spending.

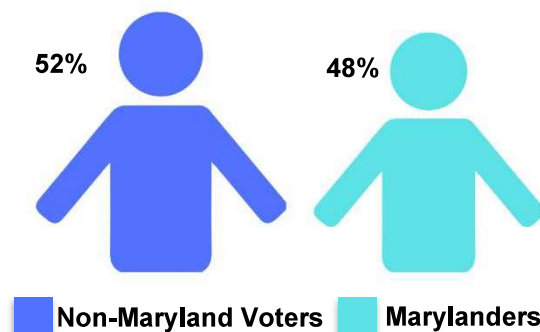
Fig 2. Percent of Marylanders contributing to gubernatorial campaigns



3. Over half of the money raised does not come from Maryland voters. 52% of the money contributed to gubernatorial races comes from either out-of-state donors or non-individuals, such as corporations or PACs.<sup>3</sup>

2. Maryland voters generally don't contribute to elections. On average, there are more than 50 thousand (50,056) contributions to gubernatorial campaigns by Maryland residents every election cycle, which is barely 1% of Maryland's nearly-five million (4,702,570) voting age population.<sup>2</sup>

Fig 3. Percent of money coming from Marylanders vs non-individuals and out-of-state donors.



**But, it doesn't have to be this way.**

Counties throughout Maryland are stepping up to give political power to Marylanders by adopting small-donor matching public campaign financing systems. In 2013, the Maryland General Assembly passed the "Campaign Finance Reform Act of 2013" which enabled counties to establish public financing for county legislative and executive offices.<sup>4</sup> Montgomery County, Howard County, Prince George's County and Baltimore City have

<sup>2</sup> "Estimates of the Voting Age Population for 2018," *Federal Register*, <https://www.federalregister.gov/documents/2019/10/04/2019-21663/estimates-of-the-voting-age-population-for-2018>

<sup>3</sup> This calculation includes all public match contributions.

<sup>4</sup> "Campaign Finance Reform Act of 2013," *Maryland General Assembly*, <http://mgaleg.maryland.gov/mgawebwebsite/legislation/details/hb1499?ys=2013rs>.

adopted such systems,<sup>5 6</sup> and Montgomery County used a small-donor matching program in 2018.<sup>7</sup> These systems provide candidates for office with limited matching funds if they agree to only accept contributions from small donors and meet qualifying thresholds for money raised and donors reached.<sup>8</sup>

A small donor campaign financing program for gubernatorial races can address the challenges identified by the data. Maryland should model the successes of Montgomery County and others to implement an opt-in small donor matching program for the governor's race.

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<sup>5</sup> "County Public Financing Program," *Maryland State Board of Elections*, [https://results.elections.maryland.gov/campaign\\_finance/County\\_public.html](https://results.elections.maryland.gov/campaign_finance/County_public.html)

<sup>6</sup> "City of Baltimore: File # 19-0403," *Baltimore City Council*, <https://baltimore.legistar.com/LegislationDetail.aspx?ID=3994414&GUID=AE392449-874F-43A0-ADDC-A1C4FE47EC8B>

<sup>7</sup> "Montgomery County Department of Finance Earns Two NACo Achievement Awards," *Montgomery County Government*, [https://www2.montgomerycountymd.gov/mcgportalapps/Press\\_Detail.aspx?Item\\_ID=23200](https://www2.montgomerycountymd.gov/mcgportalapps/Press_Detail.aspx?Item_ID=23200)

<sup>8</sup> Lamone, Linda H., Jared DeMarinis, and David Crow, "Summary Guide: Public Election Fund," *Montgomery County, Maryland*, [https://www.montgomerycountymd.gov/BONDS/Resources/Files/PEF\\_Summary\\_Guide.pdf](https://www.montgomerycountymd.gov/BONDS/Resources/Files/PEF_Summary_Guide.pdf)

# Fair Elections in Montgomery County

2018 Matching Program Encourages and  
Empowers Small Donors



## Executive Summary

“Big money” – the large donations that come from a few mega-donors and special interests – dominates current American politics, shaping everything from who runs for office to a candidate’s ability to communicate their message to the public. Traditional campaign financing favors those with money or access to money, and people of color, women, low income folks, young people, and immigrants are often left out.

But it doesn’t have to be this way. Around the country, cities, counties and states are taking action to fight back against large donors’ dominance of politics. One such effort is the Fair Elections law adopted in Montgomery County, Maryland, which provides candidates for county-level positions with limited matching funds if they agree to accept contributions only from small donors.

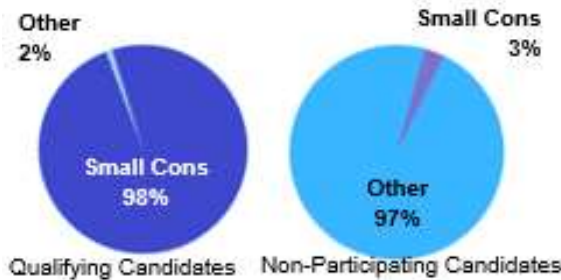
The programs goals include encouraging greater participation, reducing the influence of large donors, and enabling more residents to be able to run for public office.

This report analyzes the fundraising data from the 2018 county elections, the first election in Maryland to use a small donor matching system. Overall, the small donor matching system was largely successful in achieving its stated goals. Our review of the data concludes that:



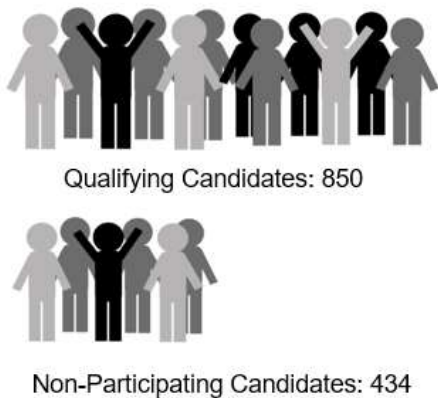
1. Small donors accounted for a significantly larger portion of the fundraising for candidates in the program. Candidates who qualified for the matching program raised 98% of their money in small contributions (\$150 or less) and matching funds compared to 3% for candidates who did not participate.<sup>1</sup>

*Fig 1. Percent of Fundraising from Small Contributions (\$150 or less)*



3. Individual donors participated at a higher rate when candidates participated in the small donor program. Candidates who qualified for the program on average received 96% more contributions from individuals than candidates who did not participate in the program. (850 vs 434)

*Fig 3. Average Number of Contributions from Individuals*



2. The average donation was dramatically smaller for qualifying candidates. Candidates qualifying for the program received an average contribution of \$86 compared to \$1,145 for non-participating candidates.<sup>2</sup>

*Fig 2. Average Size of Contributions*



4. Candidates running for county council seats were able to use the small donor system to run competitive races. Once you add matching funds, the average contribution for candidates participating in the program was similar to the average contribution for candidates accepting large contributions. (\$306 for qualifying vs \$292 for non-participating)

*Fig 4. Average Total Contribution (Including Match)*



<sup>1</sup> When you remove Blair's fundraising from the analysis, the percent of fundraising from small contributions for non-participating candidates rises to 9%. See Page 5 "Impacts of Small Donor Matching Program."

<sup>2</sup> When you remove candidate Blair's fundraising from the analysis, the average contribution for non-participating candidates drops to \$435. See Page 5 "Impacts of Small Donor Matching Program."



**SB0947\_\_PROGRESSIVEMARYLAND\_FAV\_LARRYSTAFFORD**

Uploaded by: stafford, larry

Position: FAV



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### **Testimony in Support of SB 947:**

#### **Public Financing Act - State Senate and House of Delegates Candidates and Matching Fund Revisions**

TO: Sen. Pinsky, Chair, and members of the Senate Education, Health, and Environmental Affairs Committee  
FROM: Larry Stafford, Executive Director  
DATE: February 20, 2020  
POSITION: Support

Thank you for the opportunity to testify on SB 947. Progressive Maryland is a grassroots, nonprofit organization with 9 regional chapters from Frederick to the Lower Shore and more than 100,000 members and supporters who live in nearly every legislative district in the state. In addition, there are dozens of affiliated community, faith, and labor organizations across the state that stand behind our work. Our mission is to improve the lives of working families in Maryland. Please note our strong support for this bill.

SB 947 would establish a public funding program for candidates for Maryland's General Assembly. In order to qualify to participate in the program, a candidate must first demonstrate legitimate public support and the seriousness of their efforts to run for office by raising donations from everyday Maryland residents. Once the candidate qualifies, they will be eligible to receive a certain amount of matching funds through the program, with the maximum amount determined by the type of race the candidate is running in.

Publicly financed elections strengthen the voice of everyday voters by turning ordinary residents into major donors to a campaign, which incentivizes candidates to spend more time hearing from them and minimizes the impact of special interests on electoral and legislative outcomes. The program also benefits candidates and future legislators by allowing them the freedom to focus on interacting with their future constituents throughout their campaign feeling without forced to split their time between traditional fundraising and earning votes.

Montgomery County has a program currently in use by candidates for County Council and County Executive, which proved popular in the 2018 election cycle with both incumbents who formerly fundraised in the traditional manner as well as newcomers to the political arena.

Progressive Maryland believes that public funding is a win-win for voters and for candidates. We urge a favorable report on SB 947.

# **SB613 - Fair Elections Maryland - Favorable**

Uploaded by: stafford, larry

Position: FAV



**SB613: Public Financing Act – Candidate and Matching Fund Revisions (Maryland Fair Elections Act)**

**Thursday, February 20th, 2020**

**Education, Health, and Environmental Affairs Committee**

**FAVORABLE**

Governor Hogan and the Maryland General Assembly,

We are a diverse group of local elected officials, good government, faith, environmental, and community organizations who have united together to support a new way to fund Maryland elections.

We hope you will support efforts to modernize Maryland’s Gubernatorial public financing system and expand the program to include Comptroller and Attorney General (SB613/HB1125).

We are thrilled that the Maryland General Assembly passed the Campaign Finance Reform Act of 2013 which made it possible for Maryland counties to build small donor campaign finance programs locally. Since, Montgomery County, Howard County, Prince George's County, and Baltimore City have all established these new campaign finance systems, and Montgomery County has successfully run their first election using the new system. And, Baltimore County and Anne Arundel County have also begun the process of establishing local programs.

As you are aware, Maryland Gubernatorial elections are fueled primarily by large donations and donations from non-residents, be they out-of-state donors, corporations, or PACs. As these large donations drive election spending, it's easy for Marylanders across the state: from the shore, to our cities, to western Maryland to feel like their voices don't matter.

The role of large donors also contributes to an already shrinking faith in government. A University of Maryland and Washington Post poll from 2017 found that amongst Democrats, Republicans, and Independent voters:

- 96% of participants blame money in politics for causing dysfunction in the U.S. political system.
- 94% of participants blame wealthy political donors for causing dysfunction in the U.S. political system.

**We have worked with Senator Pinsky and Delegate Feldmark to ensure the 2020 bill meets the needs of Marylanders, expanding on the best practices from the local programs.**

The Maryland Fair Elections Act creates a voluntary program that provides limited public matching funds to help finance the campaigns of candidates who demonstrate popular support and reject large contributions and all contributions from corporations and other non-individuals. This amplifies the voices of constituents while curbing the power of big money in elections. The program accomplishes this by eliminating participating candidates' reliance on large individual, corporate, and out-of-jurisdiction donors, while providing incentives to reach out to Marylanders for small contributions. In so doing, it encourages more electoral participation from residents. We hope increasing engagement will strengthen civic life and faith in our state government.

So, please fix and fund Maryland's Gubernatorial public financing system and expand the program to include Comptroller and Attorney General.

**We look forward to working with you to build a stronger democracy by bringing the Fair Elections Fund program home to Maryland.**

Sincerely,

Rebecca Forte  
Activist  
**Anne Arundel County Indivisible**

Emily Ranson  
Maryland Program Coordinator  
**Clean Water Action**

Joanne Antoine  
Director  
**Common Cause Maryland**

Wendy Fields  
Executive Director  
**Democracy Initiative**

Rianna Eckel  
Senior Maryland Organizer  
**Food & Water Action**

Charlie Cooper  
President  
**Get Money Out Maryland**

Christine Lemyze  
Defend Democracy Team Lead  
**Indivisible Howard County**

Lois Hybl and Richard Willson  
Co-Presidents  
**League of Women Voters of Maryland**

Paulette Hammond  
President  
**Maryland Conservation Council**

Marceline White  
Executive Director  
**Maryland Consumer Rights Coalition**

Kim Coble  
Executive Director  
**Maryland League of Conservation Voters**

Cecilia Plante  
Co-Chair  
**Maryland Legislative Coalition**

Emily Scarr  
Director  
**Maryland PIRG**

Josh Tulkin  
Chapter Director  
**Maryland Sierra Club**

Rev. Kobi Little  
Political Action Chair  
**Maryland State Conference NAACP**

Bob Muehlenkamp  
Chair  
**Our Revolution Maryland**

Stefani Olsen  
Co-Chair  
**Our Revolution in Montgomery County**

Larry Stafford  
Executive Director  
**Progressive Maryland**

Cristi Demnowicz  
Chair  
**Represent Maryland**

Audra Peddicord  
Group Leader  
**Represent US - Maryland Chapter**

Michelle G. Koul  
Activist  
**WISE**  
**(Women Indivisible Strong Effective, AACo)**



# **SB613\_SELF\_FAV\_WEINSTEIN**

Uploaded by: weinstein, Jon

Position: FAV

SB613: Public Financing Act – Candidate and Matching Fund Revisions  
(Maryland Fair Elections Act)  
Thursday, February 20th, 2020  
Education, Health, and Environmental Affairs Committee  
FAVORABLE

My name is Jon Weinstein. I am a former elected member of the Howard County Council and the lead-sponsor of Howard County's Fair Elections ballot question and enabling legislation which passed in 2016 and 2017, respectively. My testimony is from the perspective of my Fair Elections experience and as someone with deep concerns for the state of our democracy.

As a candidate in three elections, I ran as a small business owner with a built-in network and a unique set of experiences unlike many other candidates. I drew a lot of support from the business community because there are very few business owners who seek or hold elective office. I believe it made fund raising a bit easier, though definitely never much fun. As you know all too well, running an effective campaign takes significant financial resources. This fact is a fiscal and emotional barrier to entry for many people who would otherwise consider running for office. Quite honestly, it prevents many people from running who would be excellent elected representatives for their communities.

I have talked to elected officials across the state who have considered similar Fair Elections programs. You may be thinking of the same questions I discussed with them, "*Why do we need this program? We don't have a problem here.*" When I considered putting forward Fair Elections legislation in Howard County, I weighed a few key elements:

1. The fact that I was playing by the rules and would not let contributions to my campaign would not influence my decisions.
2. The politics of our time and the abuses of elected officials in other jurisdictions and states, and
3. That passing the charter amendment and enabling legislation would encourage other Maryland counties to join Howard and Montgomery counties and ultimately that if enough counties, established similar Fair Elections programs, that a state-wide program would become a reality

As I deliberated these elements, and others, I realized the issue wasn't about me or my colleagues who followed the rules. I believe this issue is more about our shared future and the need to repair an election system that the people we represent believe is broken, who's outcomes they don't trust, and that their participation in the electoral process does not make a difference. Too many voters have elected to stay at home rather than exercise their most precious right... to vote.

I have also heard the opposition to this legislation...

- *The program redirects money away from other critical needs* - Taxes go to pay for the equipment we use to vote, to enable more efficient elections. Providing funds to the actual people running in those elections is a more meaningful and substantive way to improve our elections and restore citizens' faith in the process.
- *I don't want my tax dollars going to candidates I don't support* - We're paying the politicians once they're elected, so why wouldn't we want to encourage more qualified people to seek elective office by minimizing the barrier to entry.
- *Politicians shouldn't be paid to campaign* - The Maryland Fair Elections program will encourage candidates to seek out wider support among many **Maryland** voters, and not focus on the deep pockets of fewer donors, including people, PACs, and corporations that may only have loose ties to our great state.

<p>E mail: <a href="mailto:Jon.Weinstein.Work@gmail.com">Jon.Weinstein.Work@gmail.com</a> P hone: <a href="tel:443.420.7320">443.420.7320</a></p>
---

The intent of Fair Elections legislation around the country is to return our democracy to the people! This legislation will promote three important goals:

1. Helping people to raise their voices to a level that is equivalent to those with more resources - companies, PACs, and wealthy individuals.
2. Rebuilding trust in the electoral system and the candidates seeking office and showing people that their participation – volunteering, contributing, and voting makes a difference; and,
3. Encouraging citizens interested in serving their community to seek elective public office.

Let me share a personal story... At a poll the night of the vote on the charter amendment in November 2016, a young woman came up to me to explain that she had only dreamed of running for office to serve her community, but thought it out of her reach because, as a new public school teacher she lacked the personal financial resources and network of people who could afford to contribute to a political campaign. With the Fair Elections legislation, that dream was one step closer to reality. This young woman, like to so many other people across our state who have a deep and personal understanding of the issues in their communities, must view becoming an elected representative as a realistic option to serve their communities, not just a dream.

I believe these goals are based on unquestionable truths and fair election legislation is essential to repairing our fraying democracy. On a more practical level, I believe by participating in Maryland's Fair Election program, elected officials and candidates alike will spend more "quality time" with the people they serve or wish to serve. The multiplying effect on small donations will broaden participation in our political process and shift candidates' actions from "dialing for dollars," which forces them to focus their time on bigger contributions, to spending more time with more constituents to listen to their concerns and interest and communicating their message. Passing the Maryland Fair Elections Act demonstrate to our state's citizens, that the highest offices in the land are within reach and that their voices and even a small contribution can make a difference.

For these reasons, and many more that you'll hear from other supporters, I urge you to vote favorable on SB 613 – The Maryland Fair Elections Act.

Thank you.

Jon Weinstein  
302 W Lafayette Avenue  
Baltimore, MD 21217

**GMOM\_SB613test\_FAV\_022020**

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Position:

# GET MONEY OUT

# Maryland

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## **TESTIMONY BEFORE THE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE IN SUPPORT OF SENATE BILL 613 PUBLIC FINANCING ACT – CANDIDATE AND MATCHING FUND REVISIONS (MARYLAND FAIR ELECTIONS ACT)**

**February 20, 2020**

Get Money Out (GMOM) is an all-volunteer organization that was established just over seven years ago. We now have more than 8,400 citizen supporters. We work in Maryland toward the goals that all citizens should have equal access to the ballot and an equal say in governance.

The United States has endured several decades of the vicious cycle of big-money campaign financing, high-dollar lobbying, and policies that promote economic inequality. The percentage of wealth and income held by the top 1% has skyrocketed during this era while working families have not shared in the growth of the economy.

According to CNBC: “The top 1% saw their share of wealth rise to 38.6% in 2016 [while] the share of wealth held by the bottom 90% of Americans has been falling steadily for 25 years, hitting 22.8% in 2016 from 33.2% in 1989.”<sup>i</sup> Elections cost too much for candidates but nothing compared to the accumulated wealth of the new aristocracy.

The decade since the *Citizens United v. FEC* decision has exacerbated everything bad about the vicious cycle. A billion dollars of dark money has flowed through federal campaigns, and now we are more susceptible than ever to foreign sources of campaign spending. PACS and SuperPACs can spend unlimited sums on false advertising – now multiplied by Internet platforms faster than fact-checkers can keep pace. In the 2018 mid-term federal elections, just ten families were responsible for 7% of all spending.

We are seeing yet another ominous milestone in the convergence of negative impacts of the presidential campaign of Michael Bloomberg.

- Although we are still 8-1/2 month out from the November election, Bloomberg has already broken the record for TV advertising by spending \$338 million.
- He is buying up the pool of GOTV and field operatives by offering previously-unheard-of amounts. Under the headline, “Mike Bloomberg Is Hiring So Many Operatives, Local and State Campaigns Are Starving for Help,” we learn that “The salaries being paid to Bloomberg staffers are well above market rates, and often

come with housing included, as well as a laptop and an iPhone....The Bloomberg campaign is offering field organizers, or FOs) [\\$6,000 per](#) month and guaranteed pay through November....”<sup>ii</sup>

- A candidate for a Connecticut House seat lost a special election by 79 votes after her campaign manager was hired by Bloomberg less than 3 weeks before election day.

We are not criticizing Mr. Bloomberg as a candidate, but we strongly believe that no one person should be able to wield this much power. The essence of democracy is equality among citizens. The present level of economic inequality – combined with our corrupt campaign finance system, voter suppression campaigns, and the attribution of constitutional rights to artificial entities (such as unions and corporations) – threatens to destroy our system of democratic republicanism.

Senate Bill 613 is a good beginning on what we need to do to level the playing field so that talented and civic-minded people of all economic backgrounds have a fair chance to be elected to office. The bill would help makes small donors – i. e., voters – matter much more. Candidates would have a real incentive to talk to voters and get small donations, which would then be matched by a multiple from the Fair Campaign Financing Fund. The smallest donations would be multiplied the most.

We know that this bill carries a fiscal note, but we believe that the threats to democracy represent a crisis that must be addressed as a high priority of State government. The cost is approximately 0.04% of the State’s general fund revenues. We enthusiastically urge a favorable report.

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<sup>i</sup> <https://www.cnn.com/2017/09/27/the-top-1-percent-of-americans-now-control-38-percent-of-the-wealth.html>

<sup>ii</sup> <https://theintercept.com/2020/02/13/bloomberg-spending-local-state-campaigns/>