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THE MARYLAND HOUSE OF DELEGATES
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**Testimony in Support of HB953 - Public Ethics - Issue Lobbying Communications -
Lobbyist Registration and Disclosure Requirements**

Last fall, Governor Hogan solicited a small group of wealthy donors to contribute money in an effort to defeat Kirwan, with a goal of raising \$2 million. Because of a loophole in our code, we don't know who gave or how much they gave. Issue lobbying donations are almost completely unregulated under current statute.

In advertising \$25,000 tickets to his anti-education fundraiser, Gov. Hogan even stated that “There is no limit on the amount that you can donate to Change Maryland Action Fund.” This fund was organized outside of his candidate campaign, so normal contribution laws did not apply to this event.

This situation highlighted a critical issue in our State Ethics Law. Right now, wealthy donors who give thousands of dollars to fund lobbying efforts are able to do so with complete anonymity. Entities who contribute an amount that is less than 5% of a total receipt for issue lobbying communication in a given year do not have to file any sort of public report.

HB953 would fix this issue by doing the following:

- This bill defines “issue lobbying communication” under the Maryland Public Ethics Law,
- establishes disclosure requirements for issue lobbying communications,
- specifies that an entity that spends at least \$500 for issue lobbying communications is a regulated lobbyist for purposes of the Ethics Law, and
- sets forth various reporting requirements for specified regulated lobbyists that spend at least \$500 for issue lobbying communications.

Instead of the threshold remaining at just 5%, this bill would require any entity who makes a donation of \$500 or more to report to the Ethics Commission, and would require them to become a regulated lobbyist.

I would like to also note that we have received concerns from charities and non-profits on how this bill would affect them.

I want to make it clear that HB953 completely exempts charities from having to report. The bill explicitly states that it only applies to entities whose “primary focus is to influence legislative or

executive action.” We are currently working on potential amendments to this bill that narrow its focus on efforts similar to those by Gov. Hogan.

As a State, we need to do our best to eliminate dark money in politics. Governor Hogan is using this loophole to undermine our efforts to reform education in the General Assembly, and we cannot hold he and his wealthy friends accountable under current statute. Let’s help put an end to dark money in Maryland politics.

I respectfully urge a favorable report on HB953.