Fair Campaign Financing Fund summary.pdf Uploaded by: Antoine, Joanne



Summary of Maryland Fair Elections Act

Threshold to Qualify for Small Donor Matching Program		
	Governor	
Number of Donations	1,500	
Amount of Donations	\$120,000	

^{*}Must forgo contributions greater than \$250 and only accept contributions from individuals (no money from corporations, unions, PACs, etc.). Multiple contributions from one person cannot exceed \$250.

Match Ratios		
	Governor	
First \$50	8 to 1	
Second \$50	6 to 1	
Third \$50	2 to 1	
\$250 cap	Accepted, no match	
*Only contributions from Maryland voters are matched. No match provided for last \$100.		

	Governor
Match Cap	\$3,000,000

^{*}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.

Example Candidate Performance			
Total Raised if Gubernatorial Candidate	Donors & Amount to Reach Program		
Reaches Program Cap	Сар		
\$3,562,500	Raise \$150 donations		
(\$3mil match + \$562,500)	from 3,750 donors		

Anticipated Cost to State

\$4.625 million a year would cover operating costs and 4 primary and 2 general election candidates for each Governor, assuming a full match.

SB 415 - Public Financing Act - Candidate and Matc Uploaded by: Antoine, Joanne

www.commoncause.org







LEAGUE OF WOMEN VOTERS®

February 18, 2021

Testimony on SB 415 Public Financing Act –Matching Fund Revisions (Maryland Fair Elections Act) Education, Health, and Environmental Affairs

Position: Favorable

Common Cause Maryland, the League of Women Voter of Maryland, and Sierra Club Maryland support SB 415, 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support from Marylanders are able to qualify for a grant that will allow them to run competitive, but the program is outdated and, unlike programs established at the local level, allows participating candidates to raise private money (ie PAC, business donations).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 415 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, 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, an amount 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. Baltimore County voters overwhelmingly approved a charter amendment in November 2020 that sets the county on path to establishing a program. 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 415 would shift the focus of campaigns away from special interests and back to everyday constituents.

Because SB 415 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.



The Fair Elections Maryland Act Fact Sheet.pdf Uploaded by: Antoine, Joanne



FELDMARK: HB424

PINSKY: SB415

The Fair Elections Maryland Act

This bill modernizes our Gubernatorial public financing system, making it similar to programs at the local level.

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:



Supporting Groups

We support small donor public financing for statewide offices.





































Maryland Conservation Council

Protecting Maryland's Natural Heritage Since 1969







SB 415 - Our Revolution Maryland - FAV.pdf Uploaded by: Balachandran, Suchitra



Feb. 16, 2021

Education, Health and Environmental Affairs Committee
SB 415 - Public Financing Act -Matching Fund Revisions (Maryland Fair Elections Act)
Position - Favorable

Dear Chair Pinsky, Vice-Chair Kagan and Members of the Committee:

We are in strong support of revising our current gubernatorial public financing program into a small-donor funded model and ensuring that it is fully funded for each gubernatorial cycle.

The 2014 gubernatorial election demonstrated that it was not only possible to run energetic campaigns with public funds, but it was possible to win them as well. However, our current gubernatorial program does not incentivize small contributions in the way that the county programs legislated so far do, and it is not adequately funded; we must much better on both of those fronts.

SB 415 addresses these issues and will create a robust small-donor program, which we hope will be replicated in future years for other statewide offices.

We ask for a favorable vote.

Submitted respectfully,

Suchitra Balachandran

ORMD State Organizing Committee

Suchitra C. Balach ancha

suchitra@ourrevolutionmd.com

SB0415_Represent_Maryland_Favorable.pdfUploaded by: Caruso, Anthony



BILL: SB0415

BILL TITLE: Public Financing Act - Matching Fund Revisions (Maryland Fair Elections Act)

BILL SPONSOR: Senator Pinsky

POSITION: FAVORABLE

COMMITTEE: Education, Health, and Environmental Affairs; Budget and Taxation

HEARING DATE: February 18, 2021

TESTIMONY IN FAVOR OF SB0415

Anthony Caruso, Member Represent Maryland

Represent Maryland is an all-volunteer, member and individual donor-funded group of activists and advocates who fight for democracy at the local and state level. Public Election Funds are the #1 solution that Represent Maryland advocates for in order to expand and secure democracy for the future.

Although our voter roles have grown over the last 150 years to include nearly all citizens of the USA, access to the resources needed to successfully run for public office has narrowed. Currently, successful candidates must be willing to accept large money donations from the smallest group of people or be able to fund their campaign themselves. There is nothing democratic about that. Through courting big money donors, candidates-turned-lawmakers grow increasingly out of touch with the needs and struggles of the average voter. This is very apparent in policy decisions that help corporations and the wealthy while putting more burdens on the working class.

The public election fund addressed in this bill has existed for a very long time and our current governor won his first term by using it. But sadly, the fund remains an afterthought for most lawmakers, including our current governor now that he no longer has a use for it. Requiring this fund to be funded each year is essential to changing it from a marketing gimmick used by upstart politicians into a serious and impactful alternative to accepting big money donations to win.

Sincerely, Anthony Caruso, Member Represent Maryland Maryland Voter-LD6

Represent Maryland is a grassroots anti-corruption group of citizen advocates that #FightForDemocracy in Maryland.

Our democracy solutions include: Public Election Funds, Independent Redistricting, Special Elections, Ranked

Choice Voting, Increased Ethics and Transparency, and Increased Voter Participation.

Learn more about our work at www.RepresentMaryland.org Authorized by Represent Maryland PAC, T Miller, Treasurer

BaltimoreCounty_FAV_SB0415.pdf Uploaded by: Conner, Charles



JOHN A. OLSZEWSKI, JR. County Executive

CHARLES R. CONNER III, ESQ. Director of Government Affairs

JOEL N. BELLER Deputy Director of Government Affairs

BILL NO.: **SB 415**

TITLE: Public Financing Act - Matching Fund Revisions (Maryland

Fair Elections Act)

SPONSOR: Senator Pinsky

COMMITTEE: Education, Health, and Environmental Affairs

POSITION: SUPPORT

DATE: February 18, 2021

Baltimore County **SUPPORTS** Senate Bill 415 – Public Financing Act - Matching Fund Revisions (Maryland Fair Elections Act). This legislation is a mandate requiring the Comptroller to distribute public contributions to the Fair Campaign Financing Fund and directs an appropriation of at least \$4,000,000 per year to the fund.

Public financing is key to establishing a level playing field and taking the influence of money out of politics. When County Executive Olszewski ran for office, he made clear that payto-play politics have no place in Baltimore County or indeed the State of Maryland. By allowing voters to pool their finances to be distributed among candidates, public financing not only reduces the influence of moneyed interests, but gives the people the opportunity to fund a stronger candidate pool.

In 2020, Baltimore County is in the process of establishing a campaign finance model for local elections. This will ensure that money will not prevent qualified and talented candidates from seeking local elected leadership, and furthers the fight to establish a level playing field in participation in local government. SB 415 bill would further finance this public fund to continue this work at the State level.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 415. For more information, please contact Chuck Conner, Director of Government Affairs, at cconner@baltimorecountymd.gov.

GMOM_SB415test_021821.pdfUploaded by: Cooper, Charlie



Get Money Out - Maryland

www.GetMoneyOutMD.org www.facebook.com/GetMoneyOutMD twitter.com@GetMoneyOutMD instagram.com/GetMoneyOutMaryland

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TESTIMONY BEFORE THE EDUCATION, HEALTH, AND ENVIRONENT AFFAIRS COMMITTEE – IN SUPPORT OF SENATE BILL 415 PUBLIC FINANCING ACT – CANDIDATE AND MATCHING FUND REVISIONS (MARYLAND FAIR ELECTIONS ACT)

February 18, 2021

Get Money Out (GMOM) is an all-volunteer organization that was established just over seven years ago. We now have more than 9,000 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% had skyrocketed *before* the pandemic struck while working families have not shared in the growth of the economy. Now the situation is even more extreme.

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." Now we have seen 660 U.S. billionaires add more than \$1 trillion to their wealth in the pandemic. The bottom line is that campaigns are expensive from the point of view of nearly all candidates but dirt cheap from the point of view of multi-national corporations and billionaires.

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. The Brennan Center now reports that dark money may be underreported by a factor of seven and has labeled a new category "black hole money." iii

Moreover, we are now 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.

The top 100 contributors in the 2020 federal election each gave between \$3.2 million and \$218 million for a total of \$1.48 billion – excluding any dark/black hole money they

may have contributed or spent. That's about 10% of all election spending. It would not take more than one or two of these people to intervene in a Maryland election to render our election finance landscape unrecognizable. $^{\rm iv}$

The essence of democracy is equality among citizens. The ever-rising 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 415 can be a major step forward on leveling the playing field so that talented and civic-minded people of a broader swath of economic backgrounds have a fair chance to be elected to the Governor. If adequately funded, the public finance mechanism would provide some protection against invasions of outside money and would help make small donors – i. e., voters – matter much more. Rather than focusing on wealthy special interests, candidates would have a real incentive to target voters and obtain 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 0.02% of the State's general fund revenues. We enthusiastically and urgently ask for a favorable report.

 $^{^{\}rm i}\, \underline{\text{https://www.cnbc.com/2017/09/27/the-top-1-percent-of-americans-now-control-38-percent-of-the-wealth.html}$

ii https://ips-dc.org/u-s-billionaire-wealth-surpasses-1-1-trillion-gain-since-mid-march/

iii https://www.brennancenter.org/our-work/analysis-opinion/dark-money-2020-election

iv https://www.opensecrets.org/elections-overview/biggest-donors

SB 415 Progressive Maryland Fair Elections Testimo Uploaded by: Dwyer, Jennifer



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Testimony in Support of SB 415:

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

TO: Sen. Pinsky, Chair, and members of the Education, Health, and Environmental Affairs

Committee

FROM: Jennifer Dwyer, Deputy Executive Director

DATE: February 18th, 2021

POSITION: Support

Thank you for the opportunity to testify on SB 415. Progressive Maryland is a grassroots, nonprofit organization with over 125,000 members and supporters statewide. 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.

Fundraising is often one of the most difficult and least enjoyable tasks of an elected official's campaign. SB 415 provides an additional, opt-in path for candidates running to become members of the General Assembly to raise the funds required to run for office by establishing a small donor campaign finance program. By turning ordinary residents into major donors to a campaign, SB 415 benefits residents by encouraging candidates to spend more time engaging one-on-one with them and empowering residents to make significant contributions to their favorite candidates to help them get elected.

The program also benefits candidates by allowing them the freedom to focus on serving and interacting with residents throughout their campaign and after their election without feeling forced to split their time between traditional fundraising and earning votes. Montgomery County's Fair Elections program for County Executive and Council was used by a number of incumbents running for reelection who had formerly fundraised in the traditional manner but preferred this new system. The Montgomery County program has also proven very popular with residents.

For a relatively low cost of a few dollars per resident per year, small donor programs multiply \$10, \$25, or \$50 donations from residents several times over. Increasing the impact of grassroots donations in this way encourages greater participation from residents in local elections and frees up considerable time for candidates and elected officials to serve the people of Maryland. Just as we pay for poll workers and voting machines, this is a critical investment in the health of our democracy.

Progressive Maryland believes that public financing of elections is a win-win for voters and for candidates. We encourage a favorable report on SB 415.



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Progressive_MD

Testimony in Support of SB 415:

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

TO: Sen. Pinsky, Chair, and members of the Education, Health, and Environmental Affairs

Committee

FROM: Becca Chilbert, Progressive Maryland Fair Elections Task Force Member, Anne Arundel County

(D33)

DATE: February 18th, 2021

POSITION: Support

Thank you for the opportunity to testify on SB 415. Progressive Maryland is a grassroots, nonprofit organization with over 125,000 members and supporters statewide. 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.

Having public financing for state senators and delegates would be a strong impetus for diversity and more sincere representation. With public financing, being low income would not be a barrier to entry and citizens who don't make much money could hold public office and really speak to the needs of low income Marylanders.

Since white women make only 76 cents for every dollar a man makes, and Black and Latina women make even less than that- this would mean that more women would have a path to entry that was previously blocked. It would mean more people of color could represent the distinct needs of their communities. It would lead to the true representation for Maryland that up til now was slated only for the same land-owning, white men that it had been originally designed for.

We encourage a favorable report on SB 415.



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Testimony in Support of SB 415:

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

TO: Sen. Pinsky, Chair, and members of the Education, Health, and Environmental Affairs

Committee

FROM: Joanne Juskus, Progressive Maryland Fair Elections Task Force Member, Anne Arundel County

(D30)

DATE: February 18th, 2021

POSITION: Support

Thank you for the opportunity to testify on SB 415. Progressive Maryland is a grassroots, nonprofit organization with over 125,000 members and supporters statewide. 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.

I believe that Maryland would benefit from fair elections because it would allow a person to run for office who doesn't have access to the millions of dollars in funds that PAC organizations can provide. Representatives will be able to concentrate on hearing from their constituents, instead of having to answer to the needs of corporate donors and lobbyists. This would increase voter participation, as citizens would feel more fairly represented. I believe this is a very important step toward having a level playing field for all who would like to participate further in the governance of the state of Maryland. Having public matching funds is the right way to establish this.

We encourage a favorable report on SB 415.

Legislative Testimony 415.pdfUploaded by: Elliott, Richard DeShay

Legislative Testimony: SB415

I strongly support Senator Pinksy's SB415 to expand public financing of elections in Maryland. With publicly financed elections, we can reduce corporate control of politics in our state.



SB0415 and SB0416 2021 Testimony.pdf Uploaded by: Koul, Michelle

Dear Committee Members,

I am writing in favor of SB0415 and SB0416 and 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. 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 2018 election cycle. The data described herein was obtained from https://campaignfinance.maryland.gov/.

WISE (Women Indivisible Strong Effective) is a group of over 700 women from AACo who reside primarily in District 33. In 2018 WISE monitored campaign donations and spending and tried to expand disclosure about the type and amounts of funding that our local candidates were accepting. 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 Del. Sid Saab 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 68% of his donations from businesses, while incumbent delegates Tony McConkey and Sid Saab had 18% and 25% from businesses, respectively. Although the donor profiles changed some by November, it was clear that incumbents had a major advantage due to their business contacts. The fact that sitting county and state officials draw donations from businesses 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 (Del. Saab). If those challengers were not ultimately outspent by Del. Saab by *five to one*, one of them could have easily won his seat. (Senator Reilly outspent his challenger seven to one.)

We support public campaign financing as proposed in SB0415 and SB0416 as a way to lessen the influence of big 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 312 Bowline Ct Severna Park

SB0415_MD_Fair_Elections_Act_MLC_FAV.pdf Uploaded by: Plante, Cecilia



TESTIMONY FOR SB0415 PUBLIC FINANCING ACT – MATCHING FUND REVISIONS (MARYLAND FAIR ELECTIONS ACT)

Bill Sponsor: Senator Pinsky

Committee: Education, Health, and Environmental Affairs **Organization Submitting:** Maryland Legislative Coalition

Person Submitting: Cecilia Plante, co-chair

Position: FAVORABLE

I am submitting this testimony in favor of SB0415 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

Our Coalition members believe in small dollar funding for campaigns. Everyone should participate in our democracy and ensuring that candidates are funded by the people they will serve is vitally important.

This bill funds the Fair Campaign Financing Fund, which will be used by Gubernatorial candidates who wish to run their campaigns with public funds. Gubernatorial candidates, like any other candidate for office, should be elected with small dollar donations that are matched by the state. This fund is the mechanism for making that possible.

The fund is administered by the Comptroller, who must ascertain that there is enough money in the fund for a Primary and a General election and ensure that any shortfall is funded through the budget.

We believe this is vitally important to our participatory democracy. We support this bill and recommend a **FAVORABLE** report in committee.

HTL-MD-Testimony-SB0415-2021-02-16-FINAL.pdf Uploaded by: Saydjari, Omar



defending democracy using peaceful civil resistance

February 16, 2021

Testimony on SB 0415 Public Financing Act - Matching Fund Revisions (Maryland Fair Elections Act) Education, Health, and Environmental Affairs

Position: Favorable

Hold the Line Maryland strongly supports SB 0415. Hold The Line Maryland is a grassroots, all-volunteer organization, dedicated to preserving and insuring democracy through diverse actions, including the support of campaign-finance reform, election protection measures, and the expansion of enfranchisement. Democracy is under active assault, and we must do everything in our power to hold the line established by the founders of this great nation.

SB 0415 is an important part of campaign-finance reform, essential to restoring political capital to *all* people, not just those whose accumulated wealth and power allow them to control the outcomes of elections and thus further increase their wealth and power.

According to a 2019 report by the Brennan Center for Justice:

"Two great trends are at odds in the financing of elections. In *Citizens United v. FEC*, the U.S. Supreme Court ruled that corporations have a First Amendment right to make unlimited expenditures in elections—raising the prospect of a flood of newly-legal special interest spending. In his sweeping dissent, Justice John Paul Stevens warned that people "may lose faith in their capacity, as citizens, to influence public policy" in the face of massive corporate political spending.

But there is a second, far more hopeful trend: the rise of small donor democracy. In the 2008 campaign, millions of small contributions energized the presidential campaign. For the health of our democracy, we must find a way to boost this positive trend so it is not overwhelmed by the new reality of special interest cash."

There is nothing more un-American than favoring a select few over the majority. Such imbalance damages the foundations on which this country was built. We urge you to support this legislation, which will enable us to continue to elect great leaders who will be able to spend their time executing the will of their constituents instead of pandering to special interests with deep pockets.

We urge a favorable report.

Kim and Sami Saydjari Hold the Line Maryland

SB415_MDPIRG_FAV_EmilyScarr_FairElex.pdfUploaded by: Scarr, Emily



Emily Scarr, Maryland PIRG Director
SB415: Public Financing Act – Candidate and Matching Fund Revisions
(Maryland Fair Elections Act)
Thursday, February 18th, 2021
Education, Health, and Environmental Affairs

FAVORABLE

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

There is no doubt that our democracy is in a fragile state. Faith in government has dramatically declined, as has voter participation and civic engagement. Hyper-partisan politics, gerrymandering and corporate influence have pushed our federal government into stalemate. Small donor public financing of elections is not a silver bullet to solve our country's problems, but it's a really good start. By creating alternatives to the traditional funding model for elections and encouraging more participation we can disrupt the stranglehold money has on our democracy, and Maryland counties are leading the nation to do so.

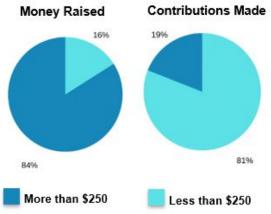
In 2020 Maryland PIRG Foundation released a report which found that the people and entities that donate to Maryland's Gubernatorial campaigns are not reflective of Marylanders who are eligible to vote in these elections. The report finds that the money raised comes primarily from out of state or non 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.

According to another report from the Maryland PIRG Foundation, 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

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



the program and 24 qualified to receive matching funds.[2]

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)

SB415 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 <u>not</u> 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.

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.

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.

[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,

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[3] Most Americans say politics have reached a dangerous new low point, Washington Post and University of Maryland, October 28, 2017,

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Testimony on SB 415 and SB 416 - Opposed.pdf Uploaded by: Ennis, Ella

Position: UNF

The Honorable Paul Pinsky, Chair and Members of the Committee on Education, Health & Environmental Affairs Senate of Maryland Annapolis, Maryland

RE: SB 415 – Public Financing of Elections for Governor – OPPOSED

SB 416 – Expanding Public Funding to Senate & House Races – OPPOSED

Dear Chair Pinsky and Committee Members,

I am very strongly opposed to mandating using taxpayers' dollars to fund political campaigns for State level elections of Governor (SB 415) and State Senate and House of Delegates (SB 416).

The current voluntary contributions fund is o.k. because each person can decide if they wish to contribute to the fund. But forcing taxpaying citizens to pay \$4 million a year in taxes for political campaigns is WRONG.

Our State and Country are in in the middle of a once in a century pandemic and the borrowed money that is providing payments to citizens, unemployment, rental assistance, medical services, and COVID 19 tests and vaccines will have to be repaid and come from somewhere. Guess where? The taxpayers.

The legislation itself has several curious provisions — including allowing "eligible private contributions" would that mean contributions from out of state? PACS? It doesn't appear to restrict "in-kind" contributions just not allow them to count toward the base qualifying contributions. The fund would provide funding for 2 campaigns in the Primary Election and 1 campaign in the General Election. Is that 2 campaigns for each political party? Unaffiliated? Or is the bill providing for funding one campaign in the General Election? Who would decide which political party's candidates would receive the funding if in fact a campaign from each political party qualifies? If you want to run for office you should raise your own campaign funds. If citizens support you they will contribute to your campaign, but no way should they be forced to.

This legislation is unnecessary, exorbitantly expensive, and under current conditions unconscionable. Please give SB 415 and SB 416 an UNFAVORABLE report.

Sincerely, Ella Ennis P.O. Box 437 Port Republic, MD 20676 E-mail: eee437@comcast.net