



Maryland Consumer Rights Coalition

**Testimony to the Senate Education, Health, and Environmental Affairs Committee
HB0017: Campaign Finance – Recurring Contributions and Donations – Requirements
Position: Favorable**

March 23, 2022

The Honorable Paul Pinsky, Chair
Senate Education, Health, & Environmental Affairs Committee
2 West, Miller Senate Office Building
Annapolis, MD 21401
cc: Members, Education, Health, & Environmental Affairs Committee

Chair Pinsky and Members of the Committee:

The Maryland Consumer Rights Coalition (MCRC) is a statewide coalition of individuals and organizations that advances economic rights and financial inclusion for Maryland consumers through research, education, direct service, and advocacy. Our 8,500 supporters include consumer advocates, practitioners, and low-income and working families throughout Maryland. We are writing today in support of HB0017.

HB0017 requires the affirmative consent of donors be given before recurring political campaign donations can be accepted, and includes the stipulation that pre-checked boxes online do not count as affirmative consent. The bill also requires that donors be provided with receipts and ways to opt out of recurring donations.

At the federal level, during the 2020 Presidential campaign, 10% of the donations received by the Trump campaign had to be refunded, while 2.2% had to be refunded to donors by the Biden campaign. The average age of those who requested refunds was 65 -66 years of age.¹ Individual Maryland donors contributed more than \$67 million to the 2020 Presidential campaign.²

At the state level, HB0017 will positively impact Maryland voters by allowing them to make informed consent each time they make a donation or contribution to a political campaign. This bill helps Marylanders from being scammed, especially in online spaces where older adults may be less savvy. These issues are not limited to political campaigns. Automatically recurring transactions can create a financial burden for consumers. Contract transparency puts the burden on the financial institution to make sure consumers know what they are paying and how often.³ It is the responsibility of the state to protect its consumers and bill HB0017 is one way to do that.

For all these reasons, we support HB0017 and urge a favorable report.

Best,
Kimberly Snyder
Social Work Intern

¹ <https://www.vox.com/2021/7/11/22572641/dark-patterns-online-fundraising-voters-donate-money-campaigns>

² <https://www.opensecrets.org/states/donors.php?cycle=2020&state=MD>

³ <https://www.nclc.org/images/pdf/cons-protection/rpt-fintech-and-consumer-protection-a-snapshot-march2019.pdf>