

HB 93 Candidates for Offices of Municipalities and Common Ownership Communities– Reports of Donations and Disbursements

Favorable with (Major) Amendments/Unfavorable

Testimony of Joel Hurewitz
Ways and Means Committee
January 25, 2022

Last spring, a deep-pocketed outside entity, The Rouse Project, LLC, seeking to elect its candidates, pumped large sums of money into the normally quiet elections in Columbia for the Columbia Council Representatives who are in turn appointed, and not legally elected, to the Columbia Association Board. They ran a campaign much akin to that for one running to be a delegate with mass mailings and professional campaign signs. People in the various of the 10 Columbia villages started discussions about the need for campaign finance disclosure in Columbia's elections. While I support the concept of campaign finance reporting for large, community-wide homeowners associations, HB 93 has numerous practical, legal, and drafting flaws and should not be passed in its current form. While Delegate Terrasa envisions a simple reporting system, the requirement that the State Board of Elections will regulate an area, of which they have no expertise, is anything but simple. Many people have expressed concerns that the bill will chill the ability of common ownership communities and small municipalities to find candidates interested in serving their communities.

Generally, the broad purposes of disclosure can be fulfilled a bill that is much shorter and simpler:

Notwithstanding the association's governing documents, the governing body of a homeowners association with more than 2000 units shall create rules regarding campaign expenditures and timely reporting for the election by its members for candidates of its governing body or such other individuals who are elected by its members as may be specified in the association's governing documents. The reports shall be posted on the association's website with a prominent link from the association's home page. The association shall maintain the information on its website for five years or twice the length of the term of office, whichever is greater.

There is a separate and very important tangential issue of how to ensure disclosure of independent expenditures from outside entities such as The Rouse Project, but this will substantially address the issue of campaign expenditures by the candidates themselves.

I therefore, hope that the Committee will work with Delegate Terrasa to craft appropriate legislation to solve the problem of getting transparency in community elections without having many unintended, detrimental consequences.