Sponsor Testimony, HB979, EEE.pdf Uploaded by: Jen Terrasa

Position: FAV

JEN TERRASA Legislative District 13 Howard County

Environment and Transportation Committee

House Chair

Joint Committee on Children, Youth, and Families



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

March 28, 2023

To:The Honorable Brian J. Feldman
Chair, Education, Energy and the Environment CommitteeFrom:Delegate Jen Terrasa
District 13, Howard County

Re: Sponsor Testimony in Support of HB979, Municipal Elections – Candidates – Reports of Donations and Disbursements

Dear Chairman Feldman, Vice Chair Kagan, and members of the Education, Energy and the Environment Committee,

Thank you for the opportunity to present HB979, which brings transparency to campaign financing on the local level by requiring candidates running for office in all municipalities in the state of Maryland to report who contributed to their campaigns and how much.

Information as to where campaign money comes from and how it is spent by the candidate aids voters in evaluating those who seek office. Knowing the source of a candidate's financial support alerts voters to the interests to which a candidate is most likely to be responsive and thus facilitate predictions of future performance in office. The goal of HB979 is simple transparency.

The original idea for this bill was to require candidates running for the board of megahomeowners associations and other large common ownership communities to file campaign finance disclosure. But in the process of developing that legislation, I discovered that there is no state requirement for candidates for municipal elections to report who gave them money and what they spent it on.

So, I introduced a bill last session, HB93, which covered both large COCs and municipalities, but it was recommended that these should be separated. This year, legislation dealing with HOAs was turned into a local Howard County bill only covering Columbia Association and municipalities was separated out into this statewide bill.

Currently, there is no Maryland law requiring reporting of campaign financing in municipalities. Some municipalities have their own requirements, and under Maryland law, if they do, candidates must forward copies of whatever they file with the

municipality to the state so that all reports can be found in one place. However, only 35 out of 157 municipalities in Maryland require candidates to file campaign finance reports in a municipal election. (Aberdeen, Annapolis, Baltimore, Berlin, Bladensburg, Boonsboro, Bowie, Brunswick, Chestertown, College Park, Cumberland, Easton, Elkton, Emmitsburg, Frederick, Gaithersburg, Greenbelt, Hagerstown, Havre de Grace, Hyattsville, Laurel, Laytonsville, Mount Rainier, New Carrollton, North Beach, North East, Ocean City, Rockville, Salisbury, Seat Pleasant, Smithsburg, Snow Hill, Takoma Park, Taneytown, and Westminster). This bill would provide this transparency to voters in the other 122 municipalities and would require all candidates on the local level to report donations and expenditures just like anyone else running for office in the state.

HB979 requires municipalities to require candidates for municipal office (like mayor or city council) to file reports of donations and disbursements. And requires those reports to be sent to the state board of elections by the municipality within 5 days. The state board must make these reports publicly available on their website. Note, current law already provides that if a municipality voluntarily has a requirement of campaign finance reporting, the report must be sent to the state and the state must post it.

The bill was amended to allow a municipality to exempt a candidate from filing disclosure reports if they file an affidavit stating that they will not spend or raise more than \$1,000.

HB979 makes sure that candidates in municipalities report who is financially contributing to them and what they are spending their money on – just like we do as elected officials in the General Assembly. In the end, it's all about transparency.

I respectfully urge a favorable report.

HB 979 - Municipal Elections - Candidates - Report Uploaded by: Morgan Drayton

Position: FAV



Maryland

Holding Power Accountable

www.commoncause.org/md

March 28, 2023

Testimony on HB 979 Municipal Elections - Candidates - Reports of Donations and Disbursements Ways and Means

Position: Favorable

Common Cause Maryland supports HB 979, which would strengthen campaign finance reporting requirements for municipal candidates.

While there are a number of municipalities that require reporting for candidates, HB 979 expands campaign finance law to cover those that do not currently have processes in place. The proposed legislation simply ensures that candidates in these municipalities are required to file their reports with the State Board of Elections.

This change is important for public access to campaign data. In almost every election year, Common Cause handles a surprising number of questions from the public about access to municipal campaign reports. This confusion has grown as certain municipal reports are being posted by the State Board while leaving those in other municipalities in search of information. This is an issue during municipal elections, when the public wants to easily find out who is donating to campaigns. It is also an issue as when local officials run for higher office and the record of their previous fundraising efforts is not available in the same location as their state level campaign reports.

One thing we would suggest the committee consider is a further requirement that SBE post in a publicly accessible place an updated calendar of when municipal elections are taking place, as well as election results once they become available.

Overall, this legislation would be a small but important change for transparency in campaign finance laws. For these reasons, we request a favorable report on HB 979.

HB 979 - Municipal Elections - Candidates - Report Uploaded by: Morgan Drayton

Position: FAV



Maryland

Holding Power Accountable

121 Cathedral Street Annapolis, MD 21401 443.906.0442

www.commoncause.org/md

March 28, 2023

Testimony on HB 979 Municipal Elections - Candidates - Reports of Donations and Disbursements Energy, Education, & the Environment

Position: Favorable

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HB 979 - UNF - MML.pdf Uploaded by: Bill Jorch Position: UNF



Maryland Municipal League The Association of Maryland's Cities and Towns

ΤΕ SΤΙΜΟΝΥ

March 28, 2023

Committee: Senate Education, Energy, and the Environment Committee

Bill: HB 979 - Municipal Elections – Candidates – Reports of Donations and Disbursements

Position: Oppose

Reason for Position:

The Maryland Municipal League opposes HB 979, which would require all candidates for municipal office to file donations and disbursements reports.

Among our members, there appears to be a natural evolution toward campaign finance systems as municipalities grow in complexity and size. All 20 of our most populated members have already adopted a local campaign finance ordinance. The League is aware of an additional 15 cities and towns with campaign finance laws in place but suspects there are more as we have not undertaken a thorough review of all 157 town codes for this purpose.

Additionally, many more jurisdictions are required by ethics law to have elected officials and certain employees file financial disclosures. In the ordinances the League has reviewed thus far, they also include candidates for elected office. According to the Maryland State Ethics Commission, these forms *"require the filer to identify real estate interests, equity interests, and other relationships such as employment, debts and gifts so that the public can be assured that the impartiality and independent judgment of those officials and employees will be maintained."*

The carefully crafted ethic law that requires these reports also takes into consideration the complexity of municipalities. The Commission is authorized to exempt a municipality if they find that *'because of the nature of the board or size of the municipal corporation, the application of this title to the board, member, or municipal corporation (1) would be an unreasonable invasion of privacy; (2) would reduce significantly the availability of qualified individuals for public service; and (3) is not necessary to preserve the purpose of this title.*

In particular, the League is concerned that forcing all municipalities to create and administer a campaign finance system would be an administrative burden on small towns – often run by part-time, and in some cases volunteer clerks – and could further deter qualified candidates from running for public office. Many small towns already have a hard enough time recruiting officials to fill their councils, boards, or commissions in today's political climate.

Finally, I would like to reiterate that there appears to be a natural evolution toward adopting more stringent campaign finance reporting systems as they become necessary. Therefore, the League respectfully requests that this committee provide HB 979 with an unfavorable report.

FOR MORE INFORMATION CONTACT:

Theresa KuhnsChief Executive OfficerAngelica Bailey Thupari, Esq.Director, Advocacy & Public AffairsBill JorchDirector, Public PolicyJustin FioreDeputy Director, Advocacy & Public Affairs