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THE SENATE OF MARYLAND
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SB111: Election Law -- Campaign Finance -- Draft & Exploratory Committees

House Ways and Means Committee

Tuesday, March 28, 2023 1PM

Exploratory and draft committees have been exempt from accountability and transparency laws that govern other campaign committees. [SB111](#) would close this loophole. Marylanders deserve to know who is financing those who may seek elected office.

An [exploratory committee](#) is defined as “an entity established by a prospective candidate for a public office to determine the potential candidate’s viability for that public office.” Similarly, a [draft committee](#) is “an entity that is organized to encourage a potential candidate to run for office but is not authorized by the potential candidate.” [Current MD law fails to provide oversight and transparency](#) for these entities. SB111 would require that these election committees comply with campaign finance disclosure laws; limit the purpose for which funds can be expended; and establish processes for dissolving them.

Candidates who have had exploratory or draft committees come from both parties, including: Laura Neuman (D- Governor 2022); Michael Steele (R- Governor 2021); Jim Shea (D- Governor 2017); Joanna Conti, (D- Anne Arundel County Executive 2012), and Larry Hogan (R-Governor 2010); among others.

An amendment includes provisions for reporting procedures; removing contribution limits; expanding the list of permitted expenditures; clarifying that candidate committees can purchase items from the draft or exploratory committee at fair market value; adding options for the use of any leftover funds; and instituting a 120-day deadline for closing the exploratory or draft committee account after the filing deadline has passed; a certificate of candidacy is filed; or a prospective candidates announces that they will not seek the office.

SB111 passed the Senate unanimously on March 17, 2023.

I urge a favorable report as amended on SB111.