



## **TESTIMONY TO THE HOUSE WAYS & MEANS COMMITTEE**

### **HB 192 Cryptocurrency - Campaign Finance Prohibitions - Disclosures by Financial Institutions**

#### **POSITION – Support**

**BY: Nancy Soreng President**

**DATE: January 31, 2023**

The League of Women Voters has a long-standing position in support of “improved methods of financing political campaigns in order to ensure the public’s right to know, combat corruption and undue influence, enable candidates to compete more equitably for public office and promote citizen participation in the political process.”

We therefore support HB 192, which would include cryptocurrency among campaign finance prohibitions and required disclosures by financial institutions. While we understand the requirements of the Supreme Court decision in favor of Citizens United in 2010 regarding independent expenditures on behalf of political campaigns, we note in particular the majority opinion’s comments about the benefits of disclosure of the sources of those funds: “Identification of the source of advertising may be required as a means of disclosure, so that the people will be able to evaluate the arguments to which they are being subjected.”

And further: “The First Amendment protects political speech; and disclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages.”

We have ample evidence from recent news about the risks of cryptocurrency for money laundering and fraud. Cryptocurrency can easily be used to hide illegal campaign contributions from foreign sources. For these reasons, the League of Women Voters fully agrees that cryptocurrency should be excluded from campaign donations and expenditures, and the State Board of Elections and the Maryland Comptroller should be empowered to fully investigate any violations.

**We urge a favorable report on HB192.**