

SB 27 - Election Law – Campaign Finance – Explorat

Uploaded by: Morgan Drayton

Position: FAV

February 5, 2025

Testimony on SB 27
Election Law – Campaign Finance – Exploratory Committees
Education, Energy, and the Environment

Position: Favorable

Common Cause Maryland is in support of SB 27, which would apply certain campaign finance requirements and prohibitions to exploratory committees.

Maryland has a well-developed system of campaign finance law, a system that ensures everyday citizens are able trace who is making donations and what special interest voices are being heard within the election process. Given the amount of money that can be spent testing the feasibility of an individual’s candidacy, we believe that exploratory committees should be required to adhere to the same level of scrutiny - it is critical that citizens be able to see who is funding these efforts.

Overall, this legislation will allow for greater disclosure and transparency around these committees, giving the public the opportunity to see who is spending time and money to influence our elections. For these reasons, we hope that the committee considers our friendly amendments and request a favorable report on SB 27.

SB27 Campaign Finance - Exploratory Committees.pdf

Uploaded by: Nikki Tyree

Position: FAV



**TESTIMONY TO THE SENATE EDUCATION, ENERGY, AND THE ENVIRONMENT
COMMITTEE**

SB 27 Election Law - Campaign Finance - Exploratory Committees

POSITION: Support

BY: Linda T. Kohn, President

Date: February 5, 2025

The League of Women Voters supports campaign finance regulations that enhance political equality for all citizens, ensure transparency, protect representative democracy from distortion by undisclosed contributions, and combat corruption.

Exploratory committees have been exempted from the accountability and transparency expectations that other campaign finance committees must follow. This bill would establish reporting requirements and prohibitions for exploratory committees. It also defines essential safeguards such as regulations for the receipt of funds, permissible expenditures, and disbursement of funds and assets once a committee disbands.

Transparent elections are paramount to safeguarding our elections. This bill would bring more transparency to voters and the money that goes into campaigns. By allowing voters to know how campaigns are being financed, they can also hold candidates accountable. Candidates should be held responsible for any monies they acquire in their bid for office, whether that is through their official campaigns or by forming exploratory committees.

We urge a favorable report on SB 27.

SB 0027 - Maryland Forward Party.pdf

Uploaded by: Philip Benenati

Position: FAV



Maryland Forward Party

January 31, 2025

Maryland Forward Party

PJ Benenati, Chair

(301) 606-3513

pjbenenatimdfwd@gmail.com

SB 027:

Senate - Election Law, Campaign Finance, Exploratory Committees

Position: Favorable

Dear Committee,

I am writing on behalf of the Maryland Forward Party and our 6,000 Maryland supporters. Forward Party is among the fastest growing political organizations in the United States and in Maryland. Our organization is dedicated to promoting and enhancing our democracy in Maryland. We also believe that all Maryland taxpayers and voters should have an opportunity to be heard, and that funds contributed to potential or actual candidates should be utilized for their intended purpose and accounted for transparently.

In Maryland, we see a need to reform the process through which potential candidates considering running for a particular office can solicit funds for an exploratory committee, then move those funds to a political committee when they run for a different office.



Maryland Forward Party

January 31, 2025

SB 027 sets forth new rules that require clear separation, delineation and accountability for finances for exploratory committees and political committees. These rules prevent a potential candidate (or person currently in public office) from utilizing funds intended by the donor for one purpose, to be utilized by a candidate for a purpose not specifically intended by the donor. It also prevents candidates from creating exploratory committees simply to collect and amass funds for future unspecified political activities.

SB 027 will ensure that funds contributed to a potential candidate for a specific effort will be utilized specifically for that effort. SB027 also provides mechanisms for exploratory committee funds to either be provided back to the donors, utilized by state/local central committees for future candidates, or in fact utilized by the candidate's political committee if he/she runs for the office considered by the exploratory committee.

Respectfully

PJ Benenati

Maryland Forward Party, Chair

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Testimony - Exploratory Committees (1).pdf

Uploaded by: Sen. Cheryl Kagan

Position: FAV

CHERYL C. KAGAN
Legislative District 17
Montgomery County

Vice Chair
Education, Energy, and
the Environment Committee

Joint Audit and Evaluation Committee
Joint Committee on Federal Relations



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SB27: Exploratory Committees

Senate Education, Energy, and the Environment Committee
Wednesday, February 5, 2025 2:00 PM

An [Exploratory Committee](#) is “an entity established by a prospective candidate for a public office to determine the potential candidate’s viability;” they are exempt from our campaign finance disclosure laws. Marylanders deserve to know who is financing potential candidates.

[Current law](#) fails to **provide adequate guidelines or oversight**. In 2022, the State Board of Elections (SBE) crafted [regulations](#) based on the Attorney General’s opinion regarding the formation of Exploratory Committees, but these couldn’t require compliance with campaign finance transparency laws.

[SB27](#) ensures that Exploratory Committees follow disclosure laws; limit the purposes for which funds can be spent; and establish processes for dissolving the committees.

Exploratory Committees would **only** be allowed to spend money on the following:

- Conducting surveys or polls;
- Sending direct mailings and other communications to potential voters;
- Employing staff;
- Establishing a website;
- Creating paid digital communications;
- Renting or leasing office space; and
- Purchasing electronic equipment, including computers and telephones.

This bill would not eliminate these committees nor impose limits on donations, in keeping with court rulings.

Candidates from both parties have created Exploratory Committees, including Michael Steele, Tom Hucker, Neil Parrott, Jill Carter, and Tim Adams.

A broader version of this bill-- including both Exploratory and Draft Committees-- passed the Senate unanimously in 2023 and 2024.

I urge a favorable report on SB27.

2025 SB0027 Testimony Against 2025-02-05.pdf

Uploaded by: Alan Lang

Position: UNF

SB0027 – Unfavorable

Honorable Senators

I agree with most of the proposed Section 13-107, but I disagree with one section so much that I recommend an unfavorable decision rather than recommending a Favorable action with amendment.

I disagree with Subsection (H)(2)(I) and (H)(2)(II) on page 4, lines 28-29 and page 5, lines 1-8 that discuss what to do with any remaining funds once the Exploratory Committee ends.

The proposed process is to return any remaining funds when an exploratory committee ends on a pro rata basis to the contributors **OR** give the remaining funds to the state or local central committee.

I believe that refunds **MUST** be offered to the contributors first. Only if the refund is refused by the contributor or the committee documents that the contributor did not respond and documents the unsuccessful efforts to contact them, then, and only then, should any funds be donated to a central committee. Some donors may not realize when the exploratory committees have ended and not realize that they could have receive a refund until after any remaining funds have been donated to a central committee.

As proposed, an exploratory committee (that has no restrictions on the amounts that can be donated), could be established for a position when the candidate has no real chance of winning or no real desire of running. By not having to refund any leftover funds to the contributors, these iffy exploratory committees that did not spend much money on the effort could then be used as a de facto fund raiser for the Central Committees. By requiring sufficient record keeping to enable refunds, it would make it more difficult to use bogus exploratory committees as a de facto source of funding for central committees.

Please enter an unfavorable action on SB0027.

Alan Lang
45 Marys Mount Road
Harwood, Maryland 20776
410336-9745
District 30B
February 5, 2025

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