

**Testimony on House Bill 1378 – Favorable
Corporations and Associations - Limitations on Election and Ballot Issue Activities (Maryland
Corporate Power Reset Act)**

Government, Labor, and Elections committee

March 4, 2026

Dear Honorable Chair Melissa Wells, Vice Chair Kenneth Kerr, and Members of the Committee,

My name is Robert N. Oerter. I live in Prince George's County and I appreciate the opportunity to submit testimony in favor of HB 1378 which would clarify and define the powers of corporations in Maryland in such a way that they would not be able to engage in election activity or ballot-issue activity. I am a member of Indivisible Route One Corridor, which has over 400 members, and I am part of a group working on state and local issues. I thank Delegate Jen Terrasa for introducing this bill.

Ever since the 2010 Supreme Court decision in Citizens United vs. FEC, outside spending in elections has exploded, from \$1 billion in 2012 to over \$4 billion in 2024, according to Open Secrets. "Dark money," which has no transparency requirements, has gone from less than \$6 million in 2006 to over \$170 million in 2024, according Open Secrets. Corporations can give directly to candidates and be subject to donation restrictions, but they can also give indirectly to Super PACs and dark money groups without those restrictions. These enormous amounts distort the political landscape by giving those with the deepest pockets the loudest voice.

Dark money groups, often 501c(4) organizations, may accept donations in any amount. They can pass it along to SuperPACs, so that it looks like the money is coming from the dark money group rather than the individual or corporation who actually donated it. In this way, the dark money groups can launder the money, hiding the donor from normal disclosure requirements.

Voters overwhelmingly dislike the influence of big money in politics. A Pew Research poll found that 80% of Americans feel that campaign donors have too much influence over congressional decisions. A 2024 poll found that 71% support some kind of campaign finance reform.

HB 1378 takes advantage of the fact that corporations are artificial persons created by the states and have only the powers granted to them by the state. States therefore have the power to define corporations in a way that denies them permission to engage in election activity or ballot-issue activity.

The bill grants to corporations only those powers they need to carry out their lawful business. It explicitly denies them the ability to engage in any election activity or ballot-issue activity. If the bill passes, corporations would not be able to donate money to candidates. Corporations would

not be able to donate to a political party or a political action committee, or any news organization that is owned or controlled by a candidate or political party. Corporations would not be able to give money to SuperPACs for use in election activities.

The bill applies to dark money groups, which are themselves corporations under section 501c(4) of the IRS code. It does not prevent 501c(4) groups from lobbying, advocating on issues, sending action alerts, or other activities they normally do. It just takes away their ability to spend money on election activities or ballot-issue activities. The bill does not restrict the activities of ordinary political action committees, which already are subject to limits on donations and which have to disclose their donors.

This bill gives us a chance to restore some of the influence in elections where it belongs – with the people of Maryland, rather than with big corporations and dark money groups.

I urge the Government, Labor, and Elections committee to issue a favorable report on bill number 1378.