



February 9th, 2026

Delegate Melissa Wells, Chair
Delegate Kenneth Kerr, Vice Chair
Maryland House of Delegates
Committee on Government, Labor, and Elections
145 Lowe House Office Building
142 Lowe House Office Building
Annapolis, Maryland 21401

Chair Wells and Vice Chair Kerr:

The Baltimore Public Power Campaign (BPP) writes in support of H.B. 509, which would ban utilities operating in Maryland from making campaign contributions to candidates for public office. BPP is a grassroots campaign to transition away from Baltimore's reliance on Baltimore Gas & Electric's (BGE) exploitative monopoly. Specifically, BPP is organizing to fight for a publicly-owned utility that will ensure lower bills, cleaner energy, and local control for Baltimore residents. BPP believes that energy is a human right, not a commodity from which corporations like BGE should profit.

Maryland must reign in utilities' political influence. BGE alone spends tens of thousands of dollars a year on contributions to political organizations.¹ What is more, electric and gas utilities spent more than \$2 million to lobby in Maryland on nearly 70 pieces of legislation in 2024.² Indeed, Exelon's BGE and Pepco spent more than \$1 million on lobbying in 2024 and employed almost two-thirds of all the registered utility lobbyists working that same year.³ These dollars were spent on killing ambitious climate justice and utility reform legislation, including a bill that would have limited what lobbying costs utilities could pass on to ratepayers.⁴

From 1935 until its repeal in 2005, the Public Utility Holding Company Act (PUHCA) prohibited U.S. utility holding companies and their subsidiaries from making direct political

¹BGE spent \$90,000 from July 2024 - June 2025 on contributions to political organizations like the Maryland Democratic Party. Exelon's Political Contributions and Activities reports are available at <https://www.exeloncorp.com/leadership-and-governance/governance-overview>.

²Emily Scarr, Politics of Power II: Gas and Electric Utilities' Political Spending in Maryland (Md. PIRG Found., Mar. 2025), <https://publicinterestnetwork.org/wp-content/uploads/2025/03/Politics-of-Power-II-Maryland-PIRG-Foundation.pdf>.

³ Id.

⁴Id. See also, Witness Signup, H.B. 505 (Utility Transparency and Accountability Act), 2024 Leg., Reg. Sess. (Md. 2024), <https://mgaleg.maryland.gov/mgawebsite/Legislation/WitnessSignup/HB0505?ys=2024RS>.



campaign contributions.⁵ In 30 states, including Maryland, the repeal of the PUHCA left electric utility holding companies, like Exelon, which owns BGE, freer to exert corporate influence over politicians to achieve regulatory capture.⁶ Research shows a distinct split in utility companies' return on equity (i.e., authorized profit rate) for utilities operating in states where no campaign finance laws existed to backstop the PUHCA. In states without such a backstop, like Maryland, profits were \$4 million more on average per utility.⁷

Maryland must curb the political power of its utilities to allow energy rates to be brought down to fair and equitable levels and so that legislative reform efforts have a chance at success. In general, corporate contribution bans are an effective, constitutional means to restraining corporate power.⁸ Given that the state has direct control over utility profits, the risk of undue corporate influence is particularly acute in the state-regulated utilities relationship. Indeed, this dynamic is extremely vulnerable to quid-pro-quo corruption. A ban on utilities' corporate contributions would help ensure that public officials are not influenced in ways that could confuse corporate profits for the public interest they are elected to represent.

For all of the foregoing reasons, BPP recommends H.B. 509 be reported favorably.

Sincerely,

The Baltimore Public Power Campaign

⁵Mark Van Orden, *Power Play: Political Contributions and Regulatory Capture in the Electric Utility Industry* (Oct. 2023) (unpublished working paper), https://www.thecgo.org/wp-content/uploads/2023/10/Power-Play-Political-Contributions_02.pdf.

⁶ Id.

⁷ Id.

⁸ See, e.g., *United States v. Danielczyk*, 683 F.3d 611, 617 (4th Cir. 2012).