



HB0568 - FAV

HB 0568 – Public Financing Act - State Senate and House of Delegates Candidates
Government, Labor, and Elections
Testimony at the invitation of Common Cause Maryland

Position: Favorable

Dear Chair Wells, Vice Chair Kerr, and Members of the Committee,

Thank you for the opportunity to submit testimony in support of the Public Financing Act - State Senate and House of Delegates Candidates (HB0568), which expands Maryland’s public financing system to include candidates for the State Senate and House of Delegates.

Dēmos is a non-profit public policy organization working to build a just, inclusive multiracial democracy and economy. We build power with and for Black and brown communities through our strategic partnerships with state-based and grassroots organizations, applying more than two decades of experience advancing policy solutions, research, legal advocacy, and narrative strategies. Since our founding in 2000, we have collaborated with our partners to put pro-democracy and economic justice narratives at the center of the national conversation and shift law and policy closer toward a just, multiracial democracy.

Dēmos strongly urges a favorable report. HB 568 seeks to enact a core democratic principle: that political power should not depend on personal wealth, and everyone, regardless of how much money they have in their bank account, deserves a meaningful voice in our democracy. By establishing a public financing option for all state legislative races, Maryland would join Connecticut and Maine in strengthening democracy and reducing the outsized influence of monied interests in politics.

Baltimore City Case Study

The U.S. Supreme Court’s 2010 decision in *Citizens United* opened the floodgates to unlimited political spending, amplifying the voices of wealthy donors and forcing candidates to rely on those donors to simply remain competitive. The result is a system that sidelines everyday Marylanders — particularly communities of color—and undermines public trust in government. HB 568 takes an important step toward correcting this imbalance.

Baltimore’s experience provides a helpful example. Before small donor public financing was implemented in Baltimore, Dēmos’s research found that despite Baltimore’s racial and economic

diversity, the donor class fueling many of the city's most important races were disproportionately white, wealthy, male, and older.¹

In the 2016 Baltimore mayoral and city council elections, 64 percent of donors were white and 59 percent were male, even though the city is only 30 percent white and 47 percent male. In addition, nearly half of donor households earned more than \$100,000 per year, while only one in five Baltimore residents reached that income level.²

Large donations played an outsized role in Baltimore politics before public financing was implemented. Contributions of \$500 or more accounted for 76 percent of all individual dollars raised. Meanwhile, more than a third of all donations were under \$50, yet those small contributions made up only 2.5 percent of total funds. This system forced candidates to spend enormous amounts of time courting wealthy donors instead of engaging with everyday voters.³

Public financing empowers candidates to prioritize listening to the community members they seek to represent. While our research is forthcoming on how public financing changed Baltimore City's elections for greater participation among communities of color, we do have evidence from Montgomery and Howard counties implemented in 2018 and 2022 respectively, that voter participation nearly tripled, and the small donor matching program did allow more residents to run for public office, when compared to years prior to implementation.⁴

Racial Equity and Representation Are at Stake

Communities of color, already contending with structural barriers to political participation, are further silenced when unlimited money from billionaires and corporations flood elections.⁵

When political power is tied to wealth, racial inequities in wealth become racial inequities in political power. A white donor class means that white people are strongly influencing not only who runs and who wins, but also who gets more facetime with (predominantly white) elected officials, and thus, what policies are prioritized.⁶ These donors are able to push for weaker environmental

¹ Laura Williamson, "Big Money in Charm City: The Donor Class and Baltimore Elections," *Dēmos* (March 6, 2019), <https://www.demos.org/research/big-money-charm-city>

² Laura Williamson, "Big Money in Charm City: The Donor Class and Baltimore Elections," *Dēmos* (March 6, 2019), <https://www.demos.org/research/big-money-charm-city>

³ Laura Williamson, "Big Money in Charm City: The Donor Class and Baltimore Elections," *Dēmos* (March 6, 2019), <https://www.demos.org/research/big-money-charm-city>

⁴ Emily Scarr, "Fair Elections in Maryland Counties," *Maryland PIRG Foundation* (December, 2023), https://publicinterestnetwork.org/wp-content/uploads/2023/12/Fair-Elections-in-Maryland-Counties-2022-Update_Final_December-8-2023.pdf

⁵ "The Impact of Voter Suppression on Communities of Color," *Brennan Center for Justice*, (January 10, 2022) <https://www.brennancenter.org/our-work/research-reports/impact-voter-suppression-communities-color>

⁶ Abhay Aneja et al., "Financial Inclusion in Politics", *NYU Law Rev.* (May 2022), <https://nyulawreview.org/issues/uncategorized/7413/>.

protections, weaker workers' rights, weaker antitrust protections, and more, perpetuating economic insecurity and inequality, particularly for Black and brown communities.⁷

This dynamic also affects who can run for office. At the outset, money screens out many potential candidates who never make it in front of voters because they lack either personal wealth or the ability to fundraise.⁸ Early fundraising also often determines which candidates will get support from party leaders and major donors.⁹ Candidates of color, and Black women in particular, are usually at a financial disadvantage due to “smaller donor networks, less organizational support, and more barriers to entry.”¹⁰ One academic paper from 2022 found that, “all else equal, more expensive elections decrease the likelihood that racial minority candidates run for office relative to white candidates.”¹¹

Big money in politics thus keeps many qualified leaders, especially candidates of color, women, and people from working-class backgrounds off the ballot. For example, nationally, people of color make up nearly 40 percent of the population but only 16 percent of candidates for U.S. House.¹²

Public Financing Works and Maryland Has a Strong Model

Maryland already has a strong foundation at the local level. To date, the six largest jurisdictions in Maryland (representing 71% of the state’s population) have public financing as a local option.

By matching small contributions with public funds, these systems amplify the voices of everyday residents and allow candidates to run viable campaigns without having to rely on wealthy networks or corporate interests.

Public financing systems across the country have also led to policies that better align with public needs and more representative governing bodies. A case in point is Connecticut. For years, despite the fact that paid sick leave was an extremely popular policy among Connecticut residents, the policy was

⁷ Economic Democracy Explained: Deconcentrating Corporate Power,” *Dēmos* (April 6, 2023), <https://www.demos.org/policy-briefs/deconcentrating-corporate-power>.

⁸ Chisun Lee and Gregory Clark, "Small Donor Public Financing Could Advance Race and Gender Equity in Congress," *Brennan Center for Justice* (Oct. 15, 2020), <https://www.brennancenter.org/our-work/research-reports/small-donor-public-financing-could-advance-race-and-gender-equity>; Abhay Aneja et al., "Financial Inclusion in Politics", *NYU Law Rev.* (May 2022), <https://nyulawreview.org/issues/uncategorized/7413/>.

⁹ Chisun Lee and Gregory Clark, "Small Donor Public Financing Could Advance Race and Gender Equity in Congress," *Brennan Center for Justice* (Oct. 15, 2020), <https://www.brennancenter.org/our-work/research-reports/small-donor-public-financing-could-advance-race-and-gender-equity>; Abhay Aneja et al., "Financial Inclusion in Politics", *NYU Law Rev.* (May 2022), <https://nyulawreview.org/issues/uncategorized/7413/>.

¹⁰ Brittany Gibson and Holly Otterbein, "Black candidates keep losing winnable races — and say the Democratic Party may be why," *Politico* (Feb. 13, 2023), <https://www.politico.com/news/2023/02/13/black-candidates-democrat-groups-00082496>.

¹¹ Abhay Aneja et al., "Financial Inclusion in Politics", *NYU Law Rev.* (May 2022), <https://nyulawreview.org/issues/uncategorized/7413/>.

¹² Chisun Lee and Gregory Clark, "Small Donor Public Financing Could Advance Race and Gender Equity in Congress," *Brennan Center for Justice* (Oct. 15, 2020), <https://www.brennancenter.org/our-work/research-reports/small-donor-public-financing-could-advance-race-and-gender-equity>

caught up in gridlock due to opposition from powerful business interests.¹³ When the state enacted public financing, the gridlock broke and the policy passed: The system was now responsive to the will of the public instead of the will of private interest.¹⁴ In New York City, the matching funds program has helped elect candidates from a wide range of socioeconomic backgrounds. Today, more than two-thirds of the members of the New York City Council identify as Black, Asian, or Latino and four out five of these members ran publicly-funded campaigns.¹⁵

HB 568 would extend these benefits to Maryland's General Assembly. By allowing State Senate and House of Delegates candidates to participate in the Fair Campaign Financing Fund, HB 568 moves Maryland closer to a democracy that reflects the people it serves.

For these reasons, we respectfully urge a favorable report on HB 568.

Thank you for your consideration.

Keshia Morris Desir
Associate Director, Democracy
Dēmos
kmorrisdesir@demos.org

¹³ Beth Rotman, "Amplifying Small-Dollar Donors in the Citizens United Era," *Common Cause* (September 10, 2020), https://www.commoncause.org/wp-content/uploads/2020/09/CT_SmallDonorDollar_Report_WEB.pdf

¹⁴ Hazel Millard, "Battle Over Paid Sick Days & the COVID-19 Response Bill Shows What's Wrong," *Brennan Center for Justice* (April 16, 2020), <https://www.brennancenter.org/our-work/analysis-opinion/battle-over-paid-sick-days-covid-19-response-bill-shows-whats-wrong>

¹⁵ New York City Council, "Black, Latino, and Asian Caucus," <https://council.nyc.gov/caucuses/bla-caucus/>; New York City Campaign Finance Board, "Campaign Finance Summary: 2025 Citywide Elections," (January 16, 2025), https://www.nycfcfb.info/VSAppls/WebForm_Finance_Summary.aspx?as_election_cycle=2025