

MD HB 1378 Corporate Power Reset Act

Testimony of Jane Horvath

Before the House Government, Labor, and Elections Committee

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Thank you for the opportunity to comment in favor of HB 1378, the Maryland Corporate Power Reset Act.

I am Jane Horvath, a member of the Route 1 Corridor Chapter of Indivisible in Prince George's County. Indivisible is a pro-democracy, grass roots organization; there are 50 chapters in Maryland. I lead our Chapter's state & local work group for which campaign finance is a top priority. The Corporate Power Reset Act is important legislation that would clarify and define the powers of corporations operating in Maryland to limit their ability to contribute to electoral campaigns or ballot initiatives. Importantly, it does not limit individual freedom of speech.

Americans are tired of the growing impact of extreme spending by entities with money and power that the average American would not consider to be a "person" like themselves. The ability of wealthy businesses and corporations to have equal, unlimited free speech is seemingly overwhelming and overpowering the free speech of individuals. Many, if not most, people believe that big money is corrupting elections. This legislation has been introduced in several other states this year and is expected to be a ballot initiative in still others.

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.¹ "Dark money," which has no transparency requirements, has gone from less than \$6 million in 2006 to over \$170 million in 2024, according to Open Secrets.² 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.

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, and 72% say there should be some kind of limits on campaign spending.³

HB 1378 takes advantage of the fact that states have sovereign authority to define and regulate corporations so that corporations have only the powers granted to them by the state. States therefore have the power to limit corporate activities and business practices including limiting corporate financial involvement in election activity or ballot-issue activity. This 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

¹ <https://www.opensecrets.org/outside-spending/summary>

² <https://www.opensecrets.org/outside-spending/summary>

³ <https://www.pewresearch.org/short-reads/2023/10/23/7-facts-about-americans-views-of-money-in-politics/>

election activity or ballot-issue activity. It does not restrict the activities of ordinary political action committees. All corporations would be subject to these provisions, even if they are outside of Maryland but conducting business in Maryland. It applies to all Maryland elections, including election for federal offices.

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 making unlimited contribution super PACs and dark money groups.

Please support HB 1378 and at the same time, recognize that it is a *first step* in regaining all the power of average voters to determine the outcome of elections without the manipulation of information or the volume of one-sided information reaching the voter as a result of extremely monied individuals with business agendas that do little, if anything, to improve the lives of the American people and society.

The next step after HB1378

We have a problem with dark money and, almost as a separate matter, billionaire financing of issue campaigns that benefit them personally or their business interests. Campaign finance laws are very complex and I make no pretense at understanding them. But I would like to highlight the growing role of individual billionaires in our elections.

*“In 2000, the country’s **wealthiest 100 people** donated about a quarter of 1 percent of the total cost of federal elections, according to a Post analysis of data from OpenSecrets. **By 2024, the donations from these 100 people accounted for about 7.5 percent of the total, even as the cost of such elections soared.** In other words, roughly 1 in every 13 dollars spent in last year’s national elections was donated by a handful of the country’s very richest people.”⁴ [emphasis added]*

In 2024 spending on elections by the ultrarich exceeded \$1 billion dollars.⁵ The 902 US billionaires are, together, worth \$6.7 TRILLION dollars.⁶ Think about that for a minute.

A billionaire can directly hire door-to-door canvassers, buy micro-targeted data about voters in swing districts and purchase social media ads with tailored messages delivered to very specific people, seed inaccurate information almost anywhere and the damage is done by the time the information is contested. Musk was even allowed to pay voters in 2024. The power of our billionaire class is such that their role in our elections does not even have to be ‘dark.’ It seems as if the more important feature of industry super PACs today is the unlimited spending rather than the protection of donor identity.

⁴ *Washington Post*. “How billionaires took over American Politics” Reinhard et al. 11/21/25.

⁵ *Ibid.*

⁶ *Ibid.*

Consider our upcoming 2026 midterms where money-for-influence campaigns are already being reported in mainstream press:

- The AI industry has multiple super PACs, one of which, “Leading the Future” has \$150M as of January and a target list of specific candidates.^{7, 8}
- The cryptocurrency sector’s super PAC Fairshake “network” had \$193 million at the start of 2026 and has its candidate target list ready.⁹
 - To the earlier point, the people involved in the PACs and the amount of money they put in is public – reported in the press.

So how do Americans feel about all this extreme wealth directing our elections? The Washington Post polling found:

- 43 percent of people think billionaires are a negative societal force
- 12 percent of people think billionaires are a positive societal force
- 53 percent of people think that billionaire spending on elections helps both democrats and republicans
- 57 percent of people think that corporate donations are bad or very bad.¹⁰

The third bullet above demonstrates that concern about big money interests in elections is not a partisan issue for most Americans. It is not red or blue; it is top v bottom. Both parties are beholden to big money to such an extent that candidate ability to raise big money is a factor in the selection of candidates by party officials. It truly is a class issue – the ultrarich v the other 190 million registered voters.

The wealth inequality we have today goes back many decades to iterative changes in the tax code. Policy makers hopefully understand that tax policy created the billionaire class who in turn favor policies in each election cycle that create greater wealth disparity and less regulation of their industries. The class achieves their personal and business goals by using their extreme wealth to assure the outcome of elections down to the state level. We cannot fix any other problems we face as a society until we fix the role of money in our elections.

We cannot allow corporate free speech and free speech of billionaires to overrun the free speech of the rest of us – and indeed limit our free outside of elections.

In Maryland, use of ballot initiatives is limited by law. A direct-from-the-people ballot initiative would likely garner overwhelming voter support here as it did in Maine (74% of the vote) and as reflected in the polling discussed previously. But in Maryland, we generally must rely on the General Assembly to reflect the will of the voters to control their local, state, and federal governments. Corporate money, dark money, and billionaire money are changing our way of life in very undemocratic ways. I hope you will

⁷ *NY Times*, “How AI Money is Flooding Into the Midterms.” Schleifer and Zdun. 2/21/2026. And *LA Times*, “Tech titans pour \$50M into super PAC to elect AI-friendly candidates to Congress.” Allison and Birnbaum, 2/13/26.

⁸ The *LA Times* article makes clear that some Super PACs are a web of related super PACs so that money spent by the billionaire class is a web of contributions that is almost mind-boggling in terms of following the money for most people.

⁹ *The Hill*, “Crypto industry wades into midterms with hefty war chest.” Vakil and Shapero, 2/15/2026.

¹⁰ *Washington Post*. “Most Americans dislike spending by ultrarich in elections.” Clement et al. 11/23/2025.

start with a favorable report on HB 1378 and then we can move forward to the other changes needed to repair our democracy.

Thank you.