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Howard County Council Public Hearing, April 19th, 2017
CB30: "Citizens' Election Fund Program"
Position: SUPPORT

Maryland PIRG is a state based, citizen funded public interest advocacy organization with grassroots members in Howard County and across the state. For forty years we've stood up to powerful interests whenever they threaten our health and safety, our financial security, or our right to fully participate in our democratic society. One of our top priorities is our Democracy for the People Campaign to curb the impact of big money on our democracy and empower everyday citizens.

Thank you Council President Weinstein and Councilwoman Terrasa for championing this small donor campaign finance system for Howard County and the entire Council for sending the issue to the ballot for public approval. In November, Howard County voters approved a Charter Amendment to create the "Citizens' Election Fund." Thank you for responding with CB30 to finalize the program.

The new program is designed to encourage candidates to voluntarily reject large and corporate contributions by providing limited matching funds for small donations from their constituents. This serves the dual purpose of reducing corporate and mega donor campaign spending and re-engaging the community in the electoral process. It also expands opportunities to run for office, so candidates of all backgrounds can run based on the strength of their ideas not access to money.

BACKGROUND: Recent decisions by the U.S. Supreme Court, like the *Citizens United* and *McCutcheon* decisions have lifted limits on the amount of money that corporations and the super wealthy can spend to influence elections giving them increased influence over who runs for office, what issues make it onto the agenda, and often who wins.

The meteoric rise of election spending since these Supreme Court decisions means candidates and elected officials are often trapped spending an increasing amount of time fundraising from big donors, giving them less time to hear from and serve their constituents. It has also exacerbated the already shrinking faith that citizens have in their elected officials and government.

Local offices are not exempt from these issues – in fact, we expect the removal of restrictions on aggregate contributions limits to lead to increased spending by mega donors on local elections. Our research has found that this decision will ultimately cause \$1 billion in increased spending through the 2020 elections from less than 3,000 mega donors.¹

A 2015 NYT poll found that, "Americans, regardless of their political affiliation, agree that money has too much influence on elections, the wealthy have more influence on elections, and candidates who win office promote policies that help their donors."²

- 66% think "wealthy Americans have more of a chance to influence the elections process than other Americans."

¹ McCutcheon Money, Maryland PIRG and Demos, October, 2013, <http://marylandpirg.org/reports/mdp/mccutcheon-money>

² Americans' Views on Money in Politics, June 2, 2015, <http://www.nytimes.com/interactive/2015/06/02/us/politics/money-in-politics-poll.html>

- 84% think “money has too much influence on American political campaigns.”
- 85% think “candidates who win public office promote policies that directly help the people and groups who donated money to their campaign most or some of the time.
- 77% support “limiting the amount of money individuals can contribute to political campaigns”

WHAT YOU CAN DO: We need create a campaign finance system where every citizen, regardless of wealth has more or less equal opportunity to influence the actions of our government. To restore political equality in our democracy, campaign contributions should be limited to what the average American can afford and candidates should only be able to raise money from the people they would represent.

The fight to overturn Citizen’s United will likely be decades long, but there is a lot we can do now. While the Supreme Court has decisively ruled against restrictions on spending levels and corporate electoral spending; they have created an opportunity for us to use a carrot instead of a stick. And that is why we are here today. In Howard County the carrot is a “citizens’ election fund program” that encourages candidates to voluntarily reject large and corporate contributions by providing limited matching funds for small donations from county residents.

Here are a few important details of the program. Attached to my testimony are further details.

- **Encourage participation:** By providing matching funds for small contributions from Howard County residents, candidates are encouraged to seek out widespread support from the community.
- **Elevate the voices of everyday people:** Match small contributions on a scale (between 7-to-1 and 1-to-1) with the smallest donations matched at the highest rate. By matching the smallest contributions at the highest rate, candidates are encouraged to seek broad support and community members without deep pockets are incentivized to get involved in the political process.
- **Expand opportunities to run for office:** People qualify by building support in their community. This allows people from all backgrounds to run for office on the strength of their ideas, not access to money, and will help build a diverse and representative government.
- **Keep big money out:** Participating candidates cannot accept large contributions (over \$250) or contributions for corporations, unions, or PACs. This helps address influence or the appearance of influence by special interests on policy decisions.

In Maryland in 2014, Montgomery County became the first county to establish a small donor incentive program for county races. The program will be in effect for the upcoming election and more than 10 candidates have already filed to qualify. And Maryland Congressman John Sarbanes is the author of the Government by the People Act, which would enact a similar program at the national level.

By passing Council Bill 30, Howard County will make this community the next to lead the state and country towards this new way to fund elections.

In addition to strengthening our local democracy, the program will serve as example for the rest of the state and country. By putting small donor incentives into action in Howard County and in communities across the state and country, the public will see the effectiveness of the program, building the support and track record we need to pass state and federal reforms.

There is no doubt that the Supreme Court has dealt our democracy a significant blow. But it is within our power to reverse the decision, empower ordinary Marylanders in in our elections, and reclaim our democracy for the people. You have an incredible opportunity in Howard County, but it will only work if pass CB30. Thank you for your time and service to Howard County.



Howard County Council Bill 30 (CB30) *The Citizens' Election Fund Program*

In November 2016 Howard County voters passed Ballot Question A establish a new way for candidates to run for office – the *Citizens' Election Fund*. Now, the County Council has filed CB30 to establish the Citizens' Election Fund program. This program will empower citizen voices in County campaigns, and reduce the influence of big-money corporations and developers. It does so by allowing candidates for County Council and Executive who opt to rely on small-dollar donations to qualify for limited matching funds. In exchange, candidates must agree to turn down all large contributions and contributions for corporations, PACs, unions or other non-individuals.

By passing Question A, Howard County voters joined Montgomery County in leading the charge across Maryland to restore our democracy and elevate the voice of voters. Now, it's up to the County Council to pass CB30 to establish the Citizens' Election Fund program.

Here are the details:

Eligible contributions:

- Candidates who opt to participate in the program may only receive donations of \$250 or less from individuals. Individual gifts may come from residents inside or outside the county, but only contributions from County residents qualify for matching funds.
- An individual can contribute no more than \$250 to any given candidate in any four-year election cycle. Multiple contributions from one person cannot exceed \$250.
- The candidate cannot accept loans, with the sole exception that the candidate may accept up to \$12,000 in contributions or loans from the candidate, candidates spouse, parent, or sibling who may each contribute or loan the campaign no more than \$6,000.
- The \$250 contribution limit will be indexed to inflation every four years.

Qualifying and match:

- Only donations of \$5 to \$250 from residents within the county will qualify a candidate for the program or receive a match. (This is tied to residency, not voter registration status.)
- Different offices have a different match requirement:
 - County Executive – must receive 500 qualifying contributions totaling \$40,000
 - Councilmember – must receive 125 qualifying contributions totaling \$10,000
- The State Board of Elections must certify a candidate qualifies for the program within 10 business days of receiving their paperwork.
- The match is also scaled to each elected office, and tiered to encourage small donations:
 - County Executive – 7:1 for the first \$50, 4:1 for the second \$50, and 2:1 for the third \$50. The final \$100 is not matched.
 - County Council – 5:1 for the first \$50, 3:1 for the second \$50, and 1:1 for the third \$50. The final \$100 is not matched.
- The County will only match contributions (for the entire election cycle, including both the primary and general) up to:
 - County Executive – \$750,000

- Councilmember – \$95,000
- Once the cap is reached, candidates can continue to raise donations from individuals of \$250 or less but will not receive and match. A candidate running in an uncontested general election will not be eligible for a match.

Limitations on publicly funded candidates:

- A small-donor candidate must not accept any donations (in-kind or cash) from anyone other than an individual; this includes corporations, PACs, or political parties.
- A small-donor candidate cannot transfer funds from the public funding account to any other political committee, nor accept funds from any other political committee.
- The candidate may not form a slate committee (as defined by state campaign finance law) with other candidates, but is allowed to associate with and share expenses with a team of candidates.

Timeline for applicants:

- Starting January 1st of the first year of the four-year Gubernatorial election cycle the candidate may declare his/her intent to run a small-donor campaign. The candidate must establish a campaign account separate from any pre-existing accounts, and all other accounts must be frozen. The candidate can then begin accepting donations under the small-donor program.
- A candidate has until 45 days before the primary to qualify (non-principal party candidates have until 45 days before the general).
- The County will only begin to distribute matching funds 365 days before the primary election through 15 days after the general election.
- Disbursements will be made by the County Department of Finance within 3 business days once the State Board has verified that donations qualify for a match.

Sources for Program Funding:

- The County may consider funding for the program from a number of possible sources, including:
 - General funds, voluntary contributions, and interest.
 - Can explore establishing registration fees for lobbyists, and putting those fees (as well as any related fines) into the program;
 - Can explore a voluntary tax check-off on property tax, water bills, or other County bills.
 - Can explore adding a local designation under the state Fair Campaign Finance Fund check-off.
- A publicly funded candidate must return all unspent funds remaining in the campaign account at the end of the election cycle. A candidate must also repay any public match should the candidate withdraw from the election.

Oversight and administration:

- The program will be administered by the Citizen’s Commission, in consultation with the State Board of Elections.
- A seven-member Citizen’s Commission will recommend the adequate funding level for the Executive to include in the annual budget.
- The program will be in place by the elections in 2022, as established by the charter amendment. The County Executive must promulgate regulations and ensure funding in a timely manner for that election cycle.

For more information visit www.fairelectionshowardcounty.org

Or contact: Jenifer Bevan-Dangel, jbd@commoncause.org and Emily Scarr, emily@marylandpirg.org

David Marker
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I am here on behalf of the Columbia Democratic Club, and as a Howard County citizen for over 35 years, to urge approval of CB 30, to establish a Citizens Election Fund. This bill will implement the will of Howard County citizens as demonstrated in November when they approved Charter Amendment Question A.

The contaminating role of big money on politicians and on politics in general gets worse every year, with each new Supreme Court decision. Publicly-funded elections is one of the few remaining ways for average citizens to help level the playing field with those with large amounts of money. The role of big money in corrupting politics is neither a Democratic nor a Republican issue. In fact, the most successful recent user of Maryland publicly-funded campaigns was Republican Gov. Larry Hogan, who won in 2014 using the Maryland Fair Campaigning Finance Fund. That fund is funded by a mixture of check-off contributions and

when necessary, supplemental funding from the state's general funds. Hopefully our Howard County fund will also be supported through both a check-off system and general funds.

I want to focus on how the Citizens Election Fund will expand the opportunities for citizens interested in becoming candidates and cause others to trust that their elected officials are not beholden to developers and other moneyed interests. Many Howard Countians become interested in the County Council when issues directly affect them. The thought of running for office, to actually serve themselves, and their

neighbors, can seem beyond their means. I know that when I considered running for the Council in 1986 I decided I had no way to raise the funds needed to be a credible candidate.

With the Campaign Election Fund, to qualify for matching funds, a candidate for Council needs to raise contributions from at least 125 Howard Countians, not exceeding \$250 from any one person, totaling at least \$10,000. That is not easy, but it is definitely doable, even for a young person, or someone with a lower income. Expanding the set of potential candidates is an important part of this legislation.

Potential candidates with a desire to serve their communities, to improve the quality of life in Howard County, should be encouraged and enabled, regardless of their financial connections.

Similarly, the matching power of the Campaign Election Fund truly empowers the average citizen. If I contribute \$150 to a Council candidate, they receive a total of \$600; a County Executive candidate gets \$750 for that same \$150 contribution. They can spend their time talking to me, and people like me, learning what issues are of concern to

the actual people that elect them rather than having to chase the big contributors. This simultaneously makes contributors like me more important, and makes all residents respect their elected officials more because they are talking to and listening to the concerns of their constituents.

I strongly urge every member of the Council to endorse this legislation. To follow through on the demand of the electorate that you pass legislation to implement the Campaign Election Fund.

Testimony re: CB-30

Doug Miller

5437 Antrim Court, Columbia 21045

April 19, 2017

I serve on the board of Get Money Out, a statewide, nonpartisan organization made up entirely of volunteers who are working to fight the increasingly corrosive influence of money on our democratic republic.

Deep-pocketed special interests spend billions every year to fund political campaigns, drowning out the voices of ordinary citizens, and it's getting worse every day in the wake of Supreme Court decisions in *Citizens United v. FEC* (2010) and *McCutcheon v. FEC* (2014).

Ask 10 rank-and-file voters of any political persuasion -- Republican, Democrat, independent, left, right or center -- and 7 or 8 of them will agree that money has too much influence on how we are governed. That's what a number of polling organizations have found.

Most of us tend to think of this issue only in terms of Washington. But as this virtually unregulated environment takes hold, we see more big money seeping into state and local campaigns. Perhaps even more troubling, much of this money cannot be traced to its donors.

The Brennan Center for Justice at the New York University School of Law last year released a report detailing its study of the rapid rise, in six demographically and geographically diverse states, in the amounts of "dark money" and "gray money" that show up in state and local campaigns. The organizations -- technically unaffiliated with the candidates -- that raise these donations for political advertising are not, in most cases, required to disclose who made them.

The Brennan study found that, in the states it examined, only 29 percent of such "outside spending" was fully transparent in 2014, compared to 76 percent in 2006. Dark money surged in these states by 38 times, on average, during that period.

"Dark money can be particularly powerful in state and local contests, simply because it is easier in lower-cost elections for special interests to dominate the political discourse," the Brennan report notes. "For many of the contests we looked at, a dark money group could have outspent candidates with amounts in the low \$100,000s or even \$10,000s -- a modest business expense for special interests, but a major hurdle for many candidates and community groups."

Where there is money to be made and laws and regulations to be massaged, kept unchanged or struck down in its pursuit, campaign contributions will follow, whether the campaign is for federal, state or local office. As we all know, Howard County is one of the nation's wealthiest. Can we honestly believe it is immune to the corrupting influence of big money?

When candidates for local office receive contributions of thousands of dollars from corporations, trade unions and political action committees, the voices of average constituents are diminished. When such donations mean the difference between a viable campaign and one that is doomed to fail, even candidates with the best of intentions will hold their noses and accept them. Is it any wonder that cynicism runs rampant in the electorate? Citizens, whose insights and input are necessary to a thriving democracy, instead have disengaged from government and the democratic process in disgust.

In their support of Question A last November, the voters of Howard County affirmed their wish to level the playing field with the Citizens' Election Fund. No longer, they said, should candidates require wealth or wealthy backers to have a fair chance of winning county office. Ideas and capabilities, not money, should determine who our leaders will be.

The charter amendment that was enacted with the passage of Question A requires this council to establish the Citizens' Election Fund. Making it the viable and sustainable program the voters have demanded, however, is up to you. Don't let them down by giving them some shell of a fund that will be dead on arrival. Make it one that will truly amplify the voices of Howard County voters and restore their faith in democracy. Pass Council Bill 30 without dilution or delay.



**Testimony of
Karen Hobert Flynn
President
Common Cause**

**Howard County Council
April 19, 2017**

Introduction

My name is Karen Hobert Flynn and I am the President of Common Cause and former Chair and Executive Director of Common Cause in Connecticut. Common Cause is a nonpartisan, nonprofit citizen lobby that works to create open, honest, and accountable government that serves the public interest; promote equal rights, opportunity, and representation for all; and empower all people to make their voices heard in the political process. We have more than 800,000 activists and members in all fifty states and 900 activists and donors in Howard County, Maryland.

Common Cause strongly supports Council Bill 30-2017, which would implement the Charter Amendment passed at the ballot last November and create a Citizen's Election Fund system for County candidates.

We have seen states and counties across the country embrace small donor democracy reforms like the one contained in Council Bill 30-2017.

Connecticut Experience

On December 1st, 2005, the Connecticut General Assembly did what no one thought was possible: It voted to radically reform the way in which they would be elected. In one night, the state Legislature passed the strongest campaign finance law in the country that banned lobbyist and state contractor contributions, closed exploited loopholes and, most significant, established a system that provided full public financing for all elections to statewide and General Assembly offices.

Without a doubt, widespread pay-to-play scandals in Connecticut, including one that landed ex-Gov. John G. Rowland in prison, helped create a political climate ripe for reform. The way business had been conducted at the Connecticut Capitol was dramatically changed.

Howard County should be commended for advancing a fair elections program in a pro-active manner, driven by a desire to chart a different path rather than a response to an ongoing crisis. Regardless of the motivation, the impact of public funding is the same: empowering citizens, diversifying representation, and reduce the power of special interest influence in campaigns.

From our perspective, the Connecticut reform brought many benefits. First, the program enjoys broad and bipartisan support. The measure passed with a democratic-controlled legislature and a Republican Governor, Jodi Rell signed it into law. A third of the Republicans in the Senate supported the measure and there was Republican support in the House as well. Since the program's inception in 2008, participation has ranged from 70% to 78% in 2016. In the 2016 elections, 76% of Republican candidates and 91% of Democratic candidates, and 17% of candidates not affiliated with a major party

participated in the program. Minor party candidates have participated in other years, as well as in special elections.

We have seen fewer uncontested races, more primary challenges, and more competitive elections. We have seen the program impact candidate emergence – with more candidates participating from diverse backgrounds. Under a system of public financing, like the one in Connecticut and the one you’ll adopt in Howard County, candidates do not need to be wealthy, or connected to special interests to run for office. Since 2012, Connecticut has seen record numbers of women participate and more candidates of color win office in state legislative races.

Candidates run differently under Connecticut’s public financing system. They need to collect a certain number of contributions from constituents who reside in their districts and so they spend their time talking to constituents about their concerns, rather than raising money at high-dollar lobbyist functions. And once elected, candidates have talked about the fact that they can focus on the issues that they see as important, and they feel free to prioritize their constituent’s needs and their conscience, rather than feel obligated to wealthy interests who donated to their campaigns.

Howard County will see the same benefits from citizen funded elections with CB30 requiring participating candidates to collect qualifying contributions from County residents.

In Connecticut, we have also seen that candidates rely on a more even distribution of income brackets, and less on the wealthiest zip codes in the state. In gubernatorial races, that change is quite dramatic. In 2014, gubernatorial candidate reliance on the wealthiest zip codes for donations went from 71 percent to 44 percent, while reliance on middle income zip codes nearly doubled.¹

¹ Public Campaigns “Small Donor Solutions for Big Money: The 2014 Elections and Beyond November 21, 2014 (UPDATED JANUARY 13, 2015)” <http://everyvoice.org/wp-content/uploads/2015/04/2014SmallDonorReportJan13.pdf>

CB 30 would incentivize candidates to raise money from average county residents—by matching the smallest contributions with the most public funds (first \$50 of each qualifying contribution at a 7-to-1 ratio, second \$50, matched 4-to-1).

Even at a time when a conservative majority on the Supreme Court has delivered the *Citizens United* decision that says that corporations have the same rights to political speech as individuals and that independent expenditures are not corrupting, there is a reform that meets that court's test of constitutionality – small donor public financing. We believe the best hope for reigning in the power of wealthy special interests and ensuring the voices of ordinary people can be heard rests in Citizen funded elections

As you know, campaign finance is constantly evolving, and as with any program, the Connecticut legislation has required regular tweaks and changes to keep it relevant and responsive. Common Cause has led at least 7 revisions to the legislation over the last 12 years. The Citizens' Commission created by CB30 is an important tool, and should be used not just to recommend funding levels but to monitor the need for reforms or changes as national and state laws, and the realities of campaigns themselves, evolve over time. The best public financing programs in the nation rely on such periodic review to continue functioning well.

Strong Model for Reform

Connecticut's experience is just one of many successful public funding programs in action across the country. From block grants to vouchers, public funding has taken many forms as different jurisdictions have experimented with the program. The model that is established in CB30 is a strong one, and one that is working in other jurisdictions.

- Most successful programs follow the same basic model, where a candidate declares intent to run, meets qualifying thresholds, and then receives matching funds as they continue to raise small-dollar donations. Both New

York City and Los Angeles, our nation's two most populous cities, have had such systems since the 1980s.

- The tiered match, which emphasizes the first \$50 donation, gives the greatest voice to the smallest donors. As we have seen in places such as New York City, elevating these small donors achieves one of the most important goals of the program – engaging more people in our democratic process. Indeed, analysis of the New York City program proves that donors to the candidates in the public funding system come from a much broader array of city neighborhoods than donors to the legislative races, which are run under traditional campaign systems.
- We also applaud the program for creating a strong bright-line regarding eligible donors to a participating candidate. These programs cannot eliminate the influence of PACs and independent expenditures in our campaigns. But by limiting donors to a participating campaign to individuals giving \$250 or less, Howard County can ensure that special interests and wealthy donors are not directly influencing a candidate.

You will hear much more tonight on why these programs are important – both from other advocates but also, and most important, from your constituents. Common Cause has worked on public funding programs in many different jurisdictions, from cities to states, from West Coast to East Coast, from republican to democratic leaning jurisdictions. We are thrilled to see Howard County become a national leader for this core pro-democracy reform.

The voters of Howard County spoke loudly and clearly on the issue of citizen funded elections by approving Question A with 53% support. Voters agree that these programs shift the power from wealthy special interests to the people by reducing barriers for candidates who are not wealthy or connected to special interests to run for office. We urge a favorable vote on Bill 30-2017, which is a critical investment in elections in Howard County.

April 19, 2017

**Testimony on Council Bill 30-2017:
Citizen's Election Fund
Howard County Council**

Position: Favorable

Common Cause Maryland strongly supports Council Bill 30-2017, which would implement the Charter Amendment passed at the ballot last November and create a Citizen's Election Fund system for County candidates.

History

Public funding has become a focus from the national to the local level over the past few years. Congressman Sarbanes has introduced legislation that would create a public funding program for Congressional campaigns. The General Assembly took a significant step forward in 2013 by enabling local governments to establish public funding for local races, and followed that with legislation in 2015 restoring the funding source for the state's gubernatorial Fair Campaign Finance Fund. (The fund was used by Delegate Mizeur and Governor Hogan in their respective 2014 campaigns.) Governor Hogan has since been a strong leader on this issue, allocating over \$1 million each year in general budget support to supplement the funds available in that program.

Montgomery County took the lead at the local level, passing the first program in Maryland in September 2014. Common Cause Maryland was proud to provide research and guidance to the County in drafting its legislation, and we are very excited to see further interest in public funding programs spread to Howard County. Bill 30-2017 takes the best elements from recent legislation to create a program for Howard County Council and Executive races, and makes Howard County a leader on investing in a thriving democracy.

Benefits

Citizen funded campaigns serve a number of critical benefits:

- They allow candidates from diverse backgrounds to run for office, without needing the major donor networks that would otherwise be essential to launch a campaign;
- They allow every day citizens to invest in, and feel invested in, their democracy;
- They allow candidates to run a campaign focused on communities and citizens;
- They ensure that special interests cannot gain a special influence in elections – or the policy decisions made after the election is over.

In a 2009 Gonzales poll, 70% of Marylanders favored using public money to pay for political campaigns. And public funding is working in the states that have adopted it. According to analysis of the Connecticut program:

- 77% of state legislators who were elected in 2012 ran on public funding;

- Latino representation in the state legislature increased 33% after the program was implemented;
- Policies adopted after public financing was implemented were more aligned with the public's preferences.¹

Or take the example of New York City Council races (where there is a small dollar, matching program) vs. races for the New York Assembly, which does not have public financing. Data shows that small donors to City Council candidates come from a much broader array of city neighborhoods than do the city's small donors to State Assembly candidates. Small donor matching funds help bring participants into the political process who are traditionally less likely to be active, and strengthens the connection between public officials and their constituents.

An editorial last year questioned the need for a program of this nature in a County that does not have a legacy of corruption. We agree that this Council has a legacy of listening to constituents and not the special interests. This program would ensure the continuation of that legacy, as it would ensure that even as campaigns grow more expensive and increasingly reliant on large donors, candidates will have an alternative. Candidates will have the option of running campaigns based on small dollar donations, focusing on their constituents, and keeping democracy in Howard County robust and vibrant.

Conclusion

The voters of Howard County supported Question A; 53% voted to establish a Citizen's Election Fund. They agreed that these programs strengthen our democracy by keeping special interests out of elections, giving voters more confidence in the process, and empowering more diverse candidates to participate.

We urge a favorable vote on Bill 30-2017, which is a critical investment in elections in Howard County.

¹ <http://www.demos.org/publication/fresh-start-impact-public-campaign-financing-connecticut>



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April 19th, 2017

Chairman Jonathan S. Weinstein
Howard County Council
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Ellicott City, MD 21043

Dear Chairman Weinstein,

Thank you for the opportunity to testify on CB 30. Progressive Maryland is a grassroots, nonprofit organization of more than 100,000 members and supporters who live in nearly every legislative district in the state. Our mission is to improve the lives of working families in Maryland. Please note our **strong support for CB 30**.

We support the establishment of a small donor program in Howard County because it will:

- elevate the voices of working families** in Howard County
- encourage greater public participation** in county elections, and
- enable more county residents with strong ideas and a call to public service to run for office**, regardless of their personal connections to wealthy donors or corporate contributors.

The sliding-scale small donation matching program **provides crucial reassurance to Howard County residents who can only afford to contribute \$10 or \$20 to a campaign that their voice will not be drowned out** by those who can contribute significantly more, fostering greater confidence in our democratic process, and encourages them contribute when they otherwise might not. It also empowers those residents who would make viable candidates but can't overcome the financial hurdles under the current system to make a strong run for office.

The extra funding made available to candidates through this program will also allow them, upon entering office, to spend more time doing what they were elected to do— the less time elected officials must spend on fundraising, the more time they have to serve their constituents. At a cost of about **\$2 per year per voter**, our Howard County members feel this program is easily worth the investment.

We urge you to make this small donor program a reality in Howard County.

Sincerely,

Jennifer Dwyer
Policy and Legislative Coordinator
Progressive Maryland

Testimony of Susan Mottet
State Legislative Director, Every Voice
Howard County Council Public Legislative Hearing on CB30-2017
The Howard County Citizens' Elections Fund
April 19, 2017

Every Voice is a national advocacy organization dedicated to small-donor funded election reform and we support the Howard County Citizens' Election Fund.

At Every Voice, we help advocates and elected officials design small-donor funded elections programs that are not only successful in theory, but that are successful in practice.

There are different measures of success, such as ensuring that all voices are heard and valued in our democracy and broadening and diversifying participation in our democracy. In New York City, a place where people of color are in the majority, the City Council had always been majority white and there had never been a woman of color elected to citywide office. After the 6:1 match was adopted, the City Council grew to reflect the racial makeup of the city more accurately and the city elected a woman of color to citywide office for the first time in 2013. She used the matching program, similar to the program in the bill you are considering today, and speaks to how important it was in enabling her to run and win.

Additionally, when the goal is to diversify resident participation, the program design and particularly the matching structure impacts chances of success. We have data from other places with citizen-funded elections that tell us what donors look like along the spectrum of dollar amounts. We find that the smallest donors—usually between \$5 and \$50—are more representative of race, gender, and income diversity in a jurisdiction, but donors giving larger amounts begin to dramatically skew more white, male, and affluent. Systems that amplify the donors who give somewhere between \$5 and \$50 are best at diversifying participation in our democracy and making sure all voices are heard and valued in it. This bill would lift up the voices of everyday people by placing the largest match, 7:1 in County Executive races and 5:1 in County Council races, on the smallest donations, those under \$50.

Moreover, we believe that citizen-funded elections reduce the corrupting influence of big donors and that this bill would do so by limiting contributions to participating candidates to \$250 or less. This way candidates can vote in alignment with their own values and in the interest of their constituents and small donor bases, without worrying about how this will jeopardize how they will raise funds to run for re-election.

Because we believe the Howard County Citizens' Funded Election bill will amplify the voices of everyday people, broaden and diversify participation in our democracy, and reduce the influence of big donors, Every Voice supports CB30.



Howard County Council Testimony on the Citizens' Election Fund

April 19, 2017

Submitted by Wendy Fields, Executive Director, Democracy Initiative

Thank you for the opportunity to speak on behalf of the Democracy Initiative, a coalition of 58 partners representing 30 million members nationwide. We are labor, environment, civil rights, and good government groups who coming together under a common vision to create a people-powered democracy movement that works for all of us.

Our coalition works collectively to blunt the influence of money in our elections and expand the power of voters. Last November 30,000 of our Howard County members from groups like Common Cause, NAACP, Our Revolution, Friends of the Earth, and the Communications Workers of America worked tirelessly to pass Measure A for the Citizens' Election Fund.

The Citizens' Election Fund affirms three basic principles of a democracy of, by, and for the people:

First, it encourages more voters to participate in county elections knowing that their small contribution can be matched up to 7 times. It is clear, the cost for running for office today is out of reach for a majority of Americans that feel called to public service but lack access to big money. The cost in Howard County ranges from \$90,000 to \$150,000 for a county council seat to over one million dollars for county executive.

Second, it levels the playing field so more residents that reflect the values of the community can run for office, especially when they've built up strong community support. Big money should not silence the voice of the small business owner, the working mother, or the young professional that wants to run with the support of the community, not moneyed interests.

Third, it blunts the influence of moneyed interests from drowning out the voices of citizens at the ballot box and in governing. Money has been an outsized influence in too many of our elections and governance process. Howard County can blunt the influence of corporations and political action committees to give everyday Americans a stronger voice in electing their leaders.

When small donor campaigns give more residents the ability to run and win office, our community is better represented.

The Citizens' Election Fund will give the community a stronger voice in electing leaders. Howard County voters are leading the way in the fight for fair elections but they are not alone. From Washington State to Maine to New York City to Montgomery County, MD communities across the country are establishing small donor incentive programs. And we know public-funded candidates can win – just look at Governor Larry Hogan. If it makes sense for the governor, it makes sense for every person in Maryland seeking to run for office.

Residents are very proud to live in a community that continues to be ranked one of the best places to live nationwide. Soon, with the County Council's action, Howard County will be the best place for fair, people-powered elections.



That's what the voters want. That's why thousands of citizens voted for Measure A last November. And that's why so many people are here today to show their support for the Citizens' Election Fund.

A democracy that works for all of us starts at the local level.

I urge all Councilmembers to lead by example and make a democracy of, by, and for the people of Howard County a reality. Thank you.

Democracy Initiative Partners

- 350.org
- Advancement Project
- AFL-CIO
- AFSCME
- AFT
- Alliance for Justice
- Amalgamated Transit Union
- American Family Voices
- American Postal Workers Union
- Asian Americans Advancing Justice | AAJC
- Bend the Arc
- Campaign for America's Future
- CASA
- Center for Community Change
- Center for Environmental Health
- Center for Popular Democracy
- Clean Water Action
- Common Cause
- Communications Workers of America
- Democracy Matters
- Demos
- Every Voice
- Fair Elections Legal Network
- Food & Water Watch
- Free Speech for People
- Friends of the Earth
- Greenpeace USA
- Jobs With Justice
- Lawyers' Committee for Civil Rights
- League of Conservation Voters
- MoveOn.org
- NAACP
- NAACP Legal Defense Fund
- NAACP National Voter Fund
- National Action Network
- National Coalition on Black Civic Participation
- National Council of La Raza
- National LGBTQ Task Force
- National People's Action
- Natural Resources Defense Council
- NEA
- OUR Revolution
- OurTime.org
- People For the American Way
- Progressive Majority
- Project Vote
- Public Citizen
- ReThink Media
- Rural Coalition
- SEIU
- Sierra Club
- State Innovation Exchange | Six
- Story of Stuff Project
- U.S. PIRG
- United Auto Workers
- United States Student Association
- USAction
- Voices for Progress

April 19, 2017
Testimony for CB-30

Good evening. My name is Suzanne Geckle and my address is 12650 Emory Farm Lane in Sykesville, 21784. Last spring I testified in support of putting a referendum on the ballot to enable the County Council to develop a citizens election fund. Thankfully that measure passed and the citizens of Howard County voted in support of Question A which now requires that the County Council pass a Citizens' Election Fund System that includes public funding.

I am here tonight to testify in support of CB-30 for three main reasons. First, I believe that it will provide ordinary citizens more of a voice in the workings of our county, second, that it will encourage more of our citizens to run for office and third that it will prevent large dollar donations from corporations, unions and PACs for candidates that choose to use the fund. I will confine my testimony to the first two points as others will address the last point.

In today's world with so many people giving large donations to candidates those of us with smaller disposable incomes feel that our voices aren't heard. It is perceived that candidates are spending their time courting wealthy donors and that is how they spend their time. Since small dollar donations would be matched at the highest levels, ordinary citizens who do not have a lot of extra income would be able to have more of an impact on campaigns and candidates. Allowing public funding will provide a more level playing field where candidates would have to court and listen to ordinary citizens as well. This would be empowering and hopefully encourage more citizens to become involved with the legislative process.

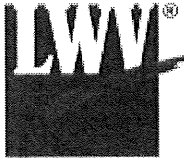
I also believe that more good people would be encouraged to run for office if CB-30 is passed. Those without connections to wealthy individuals, corporations, unions or PACs often will not run because they think they would not be able to raise the funds needed for a successful campaign. This includes individuals with diverse backgrounds that are underrepresented in government today. Those wishing to run would still have to build support for their campaigns but they will have to do that through the strength of their message and ideas rather than the number of wealthy individuals they know.

One of the opposition remarks I have heard is that we will be funding "fringe" candidates or those that are not serious. CB-30 requires a minimum number of donations as well as a minimum amount to be collected before matching funds could be received. I think the levels spelled out in the bill provide a threshold that would be too onerous for a candidate that is not serious but realistic for a dedicated candidate.

The one thing I would like to see added to the bill is a means to collect voluntary contributions from residents. Other than that I strongly recommend CB-30 be passed as written.

Thank you for your time and attention.

Suzanne Geckle



League of Women Voters of Howard County
5430 Vantage Point Road, Suite C
Columbia, MD 21044
410-730-0142

Date: March 10, 2017

To: Howard County Council Representatives

Cc: Allan Kittleman, Howard County Executive

From: League of Women Voters of Howard County

Re: Council Bill 30-2017

I am Linda Wengel speaking for the League of Women Voters of Howard County, 5430 Vantage Point Road, Columbia, in support of Council Bill 30-2017.

The League of Women Voters of the United States has long supported public financing of elections, either voluntary or mandatory in which candidates must abide by reasonable spending limits. Such funding is a step toward achieving the League's goals to enhance political equality for all citizens, protect representative democracy from being distorted by big spending in election campaigns, enable candidates to compete equitably for public office and have sufficient funds to communicate their messages to the public. Passing CB 30 presents Howard County citizens with the opportunity to move toward fairer local elections.

The League also supports strict enforcement of campaign finance laws to ensure that regulatory agencies are properly funded, staffed, and structured to avoid partisan deadlock in the decision making process. CB 30 provides for a seven person commission selected by each of the Council members and the County Executive to be confirmed by the entire Council and staffed by the Director of Finance or a designee. The League of Women Voters of Howard County recommends that a full time staff person be designated during the election cycle to assure maximum oversight of the process.

We urge passage of this legislation with consideration of our recommendation.

Columbia Democratic Club

Chair Jon Weinstein
Vice Chair Calvin Ball
Howard County Council
3430 Court House Drive
Ellicott City, MD 21-43

Testimony in SUPPORT of Council Bill 30-2017: Citizens Election Fund

April 19, 2017

To the Honorable Howard County Council,

My name is Maureen Evans Arthurs and I live at 4932 Brampton Parkway, Ellicott City, 21043.

I offer this testimony as an individual and also on behalf of the Columbia Democratic Club. The Columbia Democratic Club, consisting of committed and civic-minded citizens of Howard County, widely supports Council Bill 30.

In November, Howard County residents voted 'YES ON A' and supported an amendment to the Howard County Charter to allow the Council to establish a small donor system that would match contributions given to candidates. Aside from the fact that the majority of voters supported this via referendum, I want to talk about how the Citizens Election Fund will encourage wider and more diverse participation in government.

Our local, state, and national government is largely made up of wealthy, white, men. This is not inflammatory rhetoric, it's a fact. In theory, Howard County's elected leadership should reflect the rich diversity of our communities. However, in practice, our leadership does not largely reflect our demographics. According to the most recent census, our county is roughly 62% white, 17% African American, 14% Asian, 5.8% Hispanic or Latino. Despite it being 2017, Howard County has never had an African American woman, an Asian man or woman, an openly gay man or woman, a Latino man or woman, a Muslim man or woman, or anyone who identified as trans represented on the council or as County Executive. The statistics speak for themselves but I assure you that they are not the result of a lack of qualified candidates. To continue to give lip service lauding the diversity of Howard County without giving individuals and voters an opportunity for diverse representation is inconsistent with our values.

Council Bill 30 can play a role in expanding access to those who may not otherwise have the means and will also help prepared candidates even more competitive. CB 30 will positively impact all candidates-- particularly women, minorities, and underrepresented populations—running for office.

Columbia Democratic Club

When big money dominates the political process, research shows that women, minorities, and individuals who are low income have a unique set of challenges when fundraising for office. With women having consistently lower incomes for many reasons, including the wage gap and disproportionate family leave policies, they bare the brunt of fundraising challenges. Others lack social and business networks that widely contribute to political campaigns. Furthermore, the lack of public financing routinely disadvantages lower-income workers, who also happen to be disproportionately female and people of color.

The national average for women in government is a dismal 24.8%. However, in states where similar public financing legislation has been passed, the percentage of women in government is higher. According to the National Conference on State Legislatures (NCSL) in Arizona, 38.9% of the state legislature is made up of women. In Maine, it's 34.4%. Here in Maryland, we have work to do considering only 31.4% of our legislature is women. While these are stats on the state level, representation at the state level can often be reflected at the local level.

CB 30 will continue to amplify the voices of the voters, increase wider participation and promote the diversity of our county and our state. Your constituents have already spoken and I urge you to uphold their ballot vote. For this reason and those listed above, I urge your support on Council Bill 30. Thank you for your consideration.

Respectfully,

Maureen Evans Arthurs
President
Columbia Democratic Club

So many of my friends have testified on the importance of CB30 in leveling the playing field for candidates and giving more people a chance to run for county council seats and for county executive.

I'm looking at this a little differently with the long-term gains we would see. Generations disinterested in politics because they believe their voice does not count. Disgusted at the gazillion ads they see on tv, their belief (rightly or wrongly) that it's a pay to play scenario and that their idea will not see the light of day unless they are contributing substantial dollars to candidates. We see it in turnout numbers that are appalling for a nation that flaunts democracy as one of its finest virtues.

Yesterday Dr. Ball came to talk to our girl scout Troop. They are thirteen 5th grade girls, still excited by the possibilities that government provides for them, very excited in the run-up to SCH and completely rambunctious when they knew an ELECTED OFFICIAL was coming to talk to them. I want to bottle that enthusiasm from yesterday, I want to bottle the tough questions they asked Dr. Ball, I want to bottle the questions they asked afterwards (should we even have veto power at the local level? Does that make sense?).

They felt vested in our local system of government yesterday, and are looking forward to visiting this building in the near future. Their eyes lit up when I told them how many opportunities they had to participate, public hearings and meetings, work sessions, Board of education.

What CB30 will do for these children is that as they hit voting age (and we'll be through one cycle of having the Citizens' Election Fund in place by then Inshallah) they will believe their voice counts. They won't feel jaded. They are the future for us, and we owe it to them to leave this democracy in better shape than when we found it. CB30 will do that for us locally.

Deeba Jafri

Elkridge, MD.

Testimony of Deb Jung On Public Financing of Elections

**Submitted by Deb Jung
10913 Great Oak Way
Columbia, MD 21044**

Public financing of elections allows candidates who rely on small donors to supplement the money they raise with funds matched through governmental sources.

A matching fund program provides three important benefits:

- 1) Citizens who do not have access to big money interests can compete for a political office;
- 2) Citizens with access to matching funds encourages a more diverse slate of candidates, allowing a broader representation of constituents; and
- 3) Matching fund campaigns stimulate citizen interest and involvement in campaigns, and ultimately in the governance of the jurisdiction.

Point 1: More Citizens Can Compete

Matching funds allows citizens of modest means to run for office, increasing the number of contested and competitive elections.

- Maine and Arizona, states with public financing, have seen a decrease in the number of unopposed incumbents, allowing newcomers to mount campaigns against incumbents
- Public financing increases the number of candidates willing to run for office, including experienced challengers who will run for open seats
- Public financing provides candidates with the money to get their names in front of voters
- Everyone knows-you have to raise money to win; this is a daunting challenge that discourages competition

Point 2-Public Financing Encourages Diversity of Candidates from Underrepresented Groups

Minorities and Women are traditionally underrepresented in the political arena. When public financing is introduced in a jurisdiction, more ethnic and racial minorities, as well as women, are willing to run knowing that they will have access to money to run a competitive campaign.

“In a 2006 report from the Center for Governmental Studies, ...it was reported that while minorities represented only 16 percent of all candidates in general elections, they accounted for 30 percent of publicly financed candidates.¹ The rigorous study noted that while women accounted for only 31 percent of all candidates, they constituted 39 percent of participating candidates in publicly funded systems.² Finally, the study documented that in Arizona, the number of Native American and Latino candidates nearly tripled in just two election cycles after public financing was implemented.³

3) Matching fund campaigns stimulate citizen interest and involvement in campaigns, and ultimately in the governance of the jurisdiction

Most money raised by political candidates comes from a very small portion of the population, known as the donor class. Candidates focus their time and attention on these individuals and corporations because of their ability to make large contributions. This leaves the majority of voters with less information and the donor class with outsized influence.

Public financing requires candidates to focus on raising smaller contributions in order to qualify for the match, in turn getting more people involved at an earlier stage. Small donor participation also increases an interest in volunteering and higher voter turnout. Who could be against that?

For all of these reasons, I urge the Howard County Council to vote yes on CB 30. Thank you.

¹ Ctr. for Governmental Studies, *Eleven Years of Reform: Many Successes -- More to Be Done: Campaign Financing in the City of Los Angeles* 23 (2001), available at http://www.cgs.org/images/publications/lacamp_fin.pdf.

² Steven M. Levin, Ctr. for Governmental Studies, *Keeping It Clean: Public Financing and American Elections* 46-47, (2006), available at http://users.polisci.wisc.edu/kmayer/466/Keeping_It_Clean.pdf

³ *Id.* at 47.

Howard County Citizens Association supports CB 30-2017.

I am testifying on behalf of the Howard County Citizens Association. My name is Alan Schneider; 12598 Clarksville Pike, Clarksville, Md. I am an officer and a member of the Board of Directors.

HCCA supports CB 30-2017. Thank you for your vote in favor of Fair Elections. Thank you for putting public financing on the ballot for a vote-by supporting the majority of citizens who voted in favor of a Howard County Charter Amendment. Howard County citizens look forward to greater participation.

The Board discussed campaign financing concerns and the hoped for improvements.

CB 30 promotes a greater voice for citizens in the political decisions. The benefits of CB 30 include, but are not limited to, the following:

1. **It promotes a level playing field.** The public needs candidates who will speak up to express views other than the views presented by special interests who direct their funding to candidates who will vote on issues financially beneficial to a few at the expense of the taxpaying general public. Consider also the growing number of senior citizens in Howard County are on limited incomes.
2. **Promotes Diversity.** A study by the non-partisan, privately funded Clean Elections Institute (which publicly supports Clean Elections) found that the number and geographic, economic, and ethnic diversity of campaign contributors increased significantly, with contributors almost quadrupling, contributions from people with incomes below \$40,000 increasing by 40% and contributions from Latinos increasing significantly.

In 2008, a study released by the non-partisan, non-profit organization Public Campaign, examined the demographic profile of \$5 qualifying contribution donors in Clean Elections gubernatorial campaigns in Arizona over the course of the 2002 and 2006 elections, comparing and contrasting them with contributions raised by candidates running with funding from private sources — more than 67,000 contributions in all. The data were analyzed by zip code alongside U.S. Census data to determine the racial, ethnic, geographic, and economic characteristics of donors. The study, titled All Over The Map, found that Arizona's qualifying contribution donors are more diverse racially, ethnically, economically, and geographically than donors giving to candidates who choose to rely on private fundraising. In nearly every category, Clean Elections \$5 donors were more representative of the state's population than were donors to privately funded campaigns.

3. **Matching small contributions to qualified candidates will help balance the Supreme Court decision in *Citizens United v. Federal Election Commission*.** The US Supreme Court ruled that the constitution does not prohibit campaign financing.

Justice Stevens wrote ""The Court's ruling threatens to undermine the integrity of elected institutions across the Nation. The path it has taken to reach its outcome will, I fear, do damage to this institution." In partial dissent, he wrote:

"The basic premise underlying the Court's ruling is its iteration, and constant reiteration, of the proposition that the First Amendment bars regulatory distinctions based on a speaker's identity, including its "identity" as a corporation. While that glittering generality has rhetorical appeal, it is not a correct statement of the law. Nor does it tell us when a corporation may engage in electioneering that some of its shareholders oppose. It does not even resolve the specific question whether Citizens United may be required to finance some of its messages with the money in its PAC. The conceit that corporations must be treated identically to natural persons in the political sphere is not only inaccurate but also inadequate to justify the Court's disposition of this case. "In the context of election to public office, the distinction between corporate and human speakers is significant. Although they make enormous contributions to our society, corporations are not actually members of it. They

cannot vote or run for office. Because they may be managed and controlled by nonresidents, their interests may conflict in fundamental respects with the interests of eligible voters. The financial resources, legal structure, and instrumental orientation of corporations raise legitimate concerns about their role in the electoral process. Our lawmakers have a compelling constitutional basis, if not also a democratic duty, to take measures designed to guard against the potentially deleterious effects of corporate spending in local and national races.

4. **Promotes Gender Neutraiiity.** A study found that women were much more likely than men to accept public funding. **"Public Election Funding, Competition, and Candidate Gender"**.
5. **Campaign Finance Reform is a widespread movement at many levels for an improved Democratic election process.** Howard County citizens seek to be part of the process for election improvements.

CB 30 is a step in the right direction.

Thank you.