

Good evening Madame Chair and County Council Members. First, I would like to thank the County Executive for appointing me to the Citizens Elections Fund Commission and thanks to the council for allowing me to testify tonight. The bills that have established this commission are ones I worked very hard to help pass from the very beginning. I remember standing out in the cold in the winter of 2015 collecting signatures to show the previous council that voters were interested in having citizen funded elections. I testified before the county council in support of getting it on the ballot in 2016, I had a house party in support of the amendment and passed out literature at the polls. I testified again in support of CB30 and was very pleased when it passed. Citizen funding of elections is something I feel strongly about and am committed to making it successful here in Howard County. I have worked with most of you on the council on various things and you know that I am able to accomplish task, that I am organized, detail oriented and can work collaboratively. I have also worked with several of the other appointees to the commission and know we will work well together to fulfill the duties of the commission. Thank you for your time and hope you will vote favorably for my appointment.



## 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*. In June, the County Council passed 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. By passing CB30 the Howard County Council has finalized the Citizens' Election Fund program which will go into effect in 2022.

Here are the details:

### **Eligible contributions:**

- Candidates who opt to participate in the program may only receive donations of \$250 or less from individuals. Only contributions from county residents count towards qualifying requirement and are eligible 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, adult child, 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 – \$700,000
  - Councilmember – \$85,000

- 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 1<sup>st</sup> 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](http://www.fairelectionshowardcounty.org)

Or contact: Jenifer Bevan-Dangel, [jbd@commoncause.org](mailto:jbd@commoncause.org) and Emily Scarr, [emily@marylandpirg.org](mailto:emily@marylandpirg.org)