



Committee: GO
Committee Review: At a future date
Staff: Christine Wellons, Legislative Attorney
Purpose: To receive testimony – no vote expected
Keywords: #CampaignFinance

AGENDA ITEM #10
December 7, 2021
Public Hearing

SUBJECT

Bill 45-21, Elections – Public Campaign Financing – Restrictions

Lead Sponsors: Councilmembers Glass, Katz, and Riemer, and Council Vice-President Alborno

Co-Sponsors: Councilmembers Navarro and Rice and Council President Hucker

EXPECTED ATTENDEES

Public speakers

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To receive testimony – no vote expected

DESCRIPTION/ISSUE

Council Bill 45-21 would amend the County's public campaign finance law to permit certain limited in-kind donations (equivalent to \$10,000 or less) from state or County central committees to publicly financed candidates. The underlying purpose of the bill is to permit the central committees to display or distribute the literature of publicly financed candidates under certain conditions.

SUMMARY OF KEY DISCUSSION POINTS

- N/A

This report contains:

Staff Report
Bill 45-21
LRR

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MEMORANDUM

December 2, 2021

TO: County Council
FROM: Christine Wellons, Legislative Attorney
SUBJECT: Expedited Bill 45-21, Elections – Public Campaign Financing – Restrictions
PURPOSE: Public Hearing – No Council vote required

Expedited Bill 45-21, Elections – Public Campaign Financing – Restrictions, sponsored by Lead Sponsors Councilmembers Glass, Katz, and Riemer, and Council Vice-President Alborno, and Co-sponsors Councilmembers Navarro and Rice and Council President Hucker, was introduced on November 16, 2021. A public hearing is scheduled for December 7, 2021 at 1:30 p.m. and a GO Committee worksession will be scheduled at a later date.¹

Expedited Bill 45-21 would amend the County’s public campaign finance law to permit certain limited in-kind donations (equivalent to \$10,000 or less) from state or County central committees to publicly financed candidates.

PURPOSE

The underlying purpose of the bill is to permit the central committees to display or distribute the literature of publicly financed candidates under certain conditions. Currently, the central committees are precluded from displaying or distributing literature for publicly financed candidates.

BILL DESCRIPTION

Under current County law, a publicly financed candidate must not accept a private contribution from any group or organization, including a political action committee, a corporation, a labor organization, or a State or local central committee of a political party. (County Code, Section 16-26).

Expedited Bill 45-21 would carve out an exception to this prohibition for “an in-kind contribution equal to or less than \$10,000 from a State or a Montgomery County central committee of a political party.” By creating this exception, a central committee would be permitted to display or distribute a publicly financed candidate’s literature – or otherwise make a limited in-kind contribution to a publicly financed candidate – as long as the contribution does not exceed \$10,000

¹#CampaignFinance

in value. The bill also would prevent publicly financed candidates from fundraising for central committees.

State law generally authorizes the County to create a public campaign finance system, and to set eligibility and parameters of the program within certain limitations. *See* Md. Code Ann., Election Law Article Section 13-505. Expedited Bill 45-21 would be consistent with the limitations set forth in state law.

On November 16, 2021, Jared DeMarinis, Director of the Division of Candidacy and Campaign Finance for the State Board of Elections, communicated to Council staff: “Please inform the County Council that the State Board is also looking into this issue of coordinated in-kind contributions between a publicly financed candidate and the central committee. The next scheduled State Board meeting is currently scheduled for December 16.”

This packet contains:

Bill 45-21
LRR

Circle #

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Expedited Bill No. 45-21
Concerning: Elections – Public
Campaign Financing - Restrictions
Revised: 10/21/2021 Draft No. 2
Introduced: _____
Expires: _____
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsors: Councilmembers Glass, Katz, and Riemer, and Council Vice-President Albornoz
Co-Sponsors: Councilmembers Navarro and Rice and Council President Hucker

AN EXPEDITED ACT to:

- (1) permit applicant candidates and participating candidates to accept certain in-kind contributions from a state or County central committee of a political party; and
- (2) generally amend campaign finance law.

By mending

Montgomery County Code
Chapter 16, Elections
Section 16-26

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec. 1. Section 16-26 is amended as follows:**

2 **16-26. Applicant and participating candidate restrictions.**

3 An applicant candidate or a participating candidate must not:

- 4 (a) accept a private contribution from any group or organization, including
5 a political action committee, a corporation, a labor organization, or a
6 State or local central committee of a political party, except that an
7 applicant candidate or a participating candidate may accept an in-kind
8 contribution equal to or less than \$10,000 from a State or a Montgomery
9 County central committee of a political party;
- 10 (b) accept private contributions from an individual in an aggregate greater
11 than \$150 during a 4-year election cycle, or the maximum amount of an
12 eligible contribution, as adjusted by Section 16-23(i);
- 13 (c) pay for any campaign expense after filing a notice of intent with the
14 Board to seek public funding with any campaign finance account other
15 than the candidate's publicly funded campaign account;
- 16 (d) be a member of a slate in any election in which the candidate receives a
17 public contribution;
- 18 (e) accept a loan from anyone other than the candidate or the candidate's
19 spouse; [or]
- 20 (f) solicit funds for a State or a Montgomery County central committee of a
21 political party; or
- 22 (g) transfer funds:
- 23 (1) to the candidate's publicly funded campaign account from any
24 other campaign finance entity established for the candidate; and
- 25 (2) from the candidate's publicly funded campaign account to any
26 other campaign finance entity.

27 **Sec. 2. Expedited Effective Date.** The Council declares that this legislation
28 is necessary for the immediate protection of the public interest. This Act takes effect
29 on the date on which it becomes law.

LEGISLATIVE REQUEST REPORT

Bill 45-21

Elections – Public Campaign Financing – Restrictions

DESCRIPTION:	Bill 45-21 would amend the County’s public campaign finance law to permit certain limited in-kind donations (equivalent to \$10,000 or less) from state or County central committees to publicly financed candidates.
PROBLEM:	Central committees are not permitted to display or distribute campaign literature for publicly financed candidates.
GOALS AND OBJECTIVES:	Permit limited, in-kind donations from central committees to publicly financed candidates.
COORDINATION:	
FISCAL IMPACT:	OMB
ECONOMIC IMPACT:	Office of Legislative Oversight (OLO)
EVALUATION:	To be done.
EXPERIENCE ELSEWHERE:	To be researched.
SOURCE OF INFORMATION:	Christine Wellons, Legislative Attorney
APPLICATION WITHIN MUNICIPALITIES:	N/A
PENALTIES:	N/A

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