

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

December 7, 2021

Seth Grimes: Support with Amendment: A Path to Public Finance

Councilmembers, please amend Expedited Bill 45-21 to create a path to public finance for candidates who start an election cycle with a conventional finance committee.

I'm a proponent of public campaign finance and used it myself in 2018. A challenge is that some candidates start an election cycle unsure which office they'll run for, so they start with a conventional finance committee to keep their options open. For example, former Delegate Bill Frick started the 2018 cycle fundraising to run for reelection to the House of Delegates. He then switched to a Montgomery County race but would have had to spend down or return a considerable sum in order to take advantage of Montgomery County public campaign finance.

The County Council should provide a path to public finance for candidates who enter a cycle with a conventional finance committee. Montgomery County should allow those candidates to benefit from the fundraising they've done – we all know the hard work involved – but within the strictures of the public system. Further, that path to public finance must be the only path so as to not disadvantage candidates who are not switching systems.

The mechanism: Add provisions to Expedited Bill 45-21 to allow a candidate to transfer funds from a conventional finance committee, to a public finance committee, *within the limits and strictures of the public-finance system*. These provisions must disallow creation of a public finance committee by a candidate who previously had a conventional finance committee within an election cycle, outside of this path.

Detail: Contributions within the public finance contribution limit and rules may be retained, and the unspent balance of those contributions may be transferred to the public-finance account. These earlier contributions within public finance rules, whether or not they have been spent, would count toward matching threshold requirements and would be eligible for county matching. However contributions not allowed by public finance (e.g., from corporations and PACs, transfers from another candidate's account, and any unspent balance from previous election cycles), and amounts above the public-finance contribution limit, must be returned and would not be eligible for matching or count toward matching requirements.

For example, if a candidate accepted a \$500 conventional finance contribution from an individual and wanted to switch within the same election cycle to public finance, the candidate would have to return \$250, the above-limit amount, to the donor. \$250 would be transferred to the public finance committee if not already spent, and that

amount would match-eligible whether or not already spent. If a candidate accepted a \$1,000 conventional finance contribution from a PAC or corporation and wanted to switch to public finance, the candidate would need to return the full \$1,000 to the donor because PAC and corporate contributions are ineligible.

This path to public finance would respond to a real-world scenario in order to expand the use of Montgomery County public campaign finance. Please give it your consideration.

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