
Lunch and Learn: Understanding Public Finance of Elections

*Candidacy and Campaign Finance
Division*

Allen Norfleet, Director

Erin W. Dennis, Deputy Director

*Kevin Gillogly, Public Finance
Program Manager*



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BOARD OF ELECTIONS
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Welcome to Lunch and Learn

- A service provided by the MD State Board of Elections (SBE) and the Division of Candidacy and Campaign Finance (CCF) to assist candidates, their advocates and the citizens of Maryland on how to operate as a public finance (PF) candidate.
 - Twice monthly program
 - Understand the rules of PF and how they differ from a traditional / regular candidate committee.
 - Understand the mechanics of reporting your transactions into MD Campaign Reporting Information System (CRIS).

You Have two Tasks as a Candidate

- As a candidate, you need to:
 - Raise enough money to run your campaign.
 - Talk to enough voters and get them to support your vision.
- What if you could combine those two tasks?

Welcome to Public Financing

- Public Financing of Campaigns is a voluntary system of funding your campaign with the support of local residents.
- Public Financing (PF) is available at the federal, state (14), local and municipal level (26).

Types of Public Financing Programs

- Expenditure limit or contribution limit.
- Beginning with a dollar check off on your federal income taxes, the US has had some form of a public finance program in place.
- Public finance of elections has several different names across the United States but the premise is the same:
 - Give candidates a different way to raise money without asking private donors or be a self funder to run for office.

Types of Public Financing Programs

- The money comes from the budget of whatever jurisdiction approved PF for elections. (e.g., a county-based program uses county funds)
- The three most common types of PF
 - Grant program
 - Voucher program
 - Small donor matching program

Public Financing in Maryland

- Since 1974 Maryland has had a public finance program in place for Governor.
- Since 2013 the MD General Assembly has allowed local jurisdictions to offer Public Finance as an option to finance a candidate's campaign for office.
 - Currently the six largest jurisdictions in Maryland (representing 71% of the state's population) have PF as a local option.

Small Donor Matching Fund Program

- The version of public financing in Maryland is called a small donor program.
- This is an optional program. Candidates can use PF or run as a traditional campaign candidate.
- A candidate gets matching funds when you get donations from local residents.
- There are limits. Between \$150 and \$500 based on the jurisdiction.

Who Can and Can't Contribute

- Only individuals can contribute.
- No PACs, LLCs or Business entities can contribute to a PF candidate committee.
 - Though they can run an independent expenditure (IE) and / or promote their own slate of candidates.
- Candidate and their spouse (sometimes other family members) can loan money to the campaign.

Where Public Financing Can Help

- Gives access to funding to candidates that aren't wealthy themselves or have a built-in network of donors to call on to finance a run for office.
- Gives access to funding to candidates that believe the traditional funding sources won't support them.
- Allows for the democratization of campaign finance.
- Allows a candidate to spend more time talking to voters rather than being in a small room making call after call to donor lists.

Where Public Financing Won't Help

- You have to earn your public funds.
 - You need to get enough local residents to believe in your message to want to donate money.
- You have to be 100% transparent.
 - You have to record all of your transactions (donors & expenses) along with a receipt.
- Won't match dollar for dollar when a self funded candidate runs nor a candidate with a large war chest.

Question and Answer

Future Lunch and Learns

Date	Time	Subject
Mon 7/14	Noon	What is Public Financing
Mon 8/4	Noon	Getting Started w/ Public Financing in MD CRIS
Mon 8/18	Noon	Is my Contribution Card correct?
Mon 9/15	Noon	Linking Receipts with a Donor or Expense
Mon 10/6	Noon	Submitting My Initial Matching Fund Report
Mon 10/20	Noon	Troubleshooting Common PF Issues