

Chapter 13- Public Campaign Financing Programs

13.1 Generally

Maryland has a public financing system for candidates for Governor and Lieutenant Governor. It is a voluntary program where if the candidate chooses to accept public funds, the gubernatorial ticket must abide by strict expenditure limits.

Additionally, State law has enabled each county and Baltimore City to establish a public financing system for county or Baltimore City elective offices. To date, Baltimore City and [Howard](#), [Montgomery](#), and Prince George's Counties have approved public financing systems. Please consult with appropriate county for any additional requirements or prohibitions for participating the public financing programs.

13.2 Gubernatorial Public Financing System

A. Initial Requirements

Primary Election

To be eligible to receive public funds for a primary election and before receiving a private contribution, candidates for Governor and Lieutenant Governor (also called a gubernatorial ticket) must:

1. File a *Certificate of Candidacy* for Governor and Lt. Governor;
 - The State Board creates this certificate when you file for office. Please fill out the Candidate Information Sheet before you arrive. It will expedite the filing process.
2. Establish a campaign finance entity for the gubernatorial ticket; and
 - You can “register your committee” online with SBE’s MD CRIS system or file a Statement of Organization.
3. File a notice of intent to qualify for public funds.
 - This form is generated from MD CRIS at the time of registering your committee.

Note: A gubernatorial ticket can return contributions received within the election cycle before filing a notice of intent. Returning a contribution will reduce the total amount the contributor gave to the ticket.

General Election

To be eligible to receive public funds for a general election and before receiving a public contribution, candidates for Governor and Lieutenant Governor **who are not nominated in a primary election** (Non-principal political party and petition candidates) must:

1. File a *Certificate of Candidacy* for Governor and Lt. Governor;
 - The State Board create this certificate when you file for office. Please fill out the Candidate Information Sheet before you arrive. It will expedite the filing process.
2. Establish a campaign finance entity for the gubernatorial ticket; and
 - You can “register your committee” online with SBE’s MD CRIS system or file a Statement of Organization.
3. File a notice of intent to qualify for public funds.
 - This form is generated from MD CRIS at the time of registering your committee.

Note:

A gubernatorial ticket that received public funds in the primary election and won the primary election does not need to file another notice of intent to receive public funds for the general election. The notice of intent filed before the primary election covers the general election. If the candidates no longer want to participate in the program, the candidate must file a certificate of withdrawal.

Restrictions:

Once a gubernatorial ticket files the notice of intent:

- any committee associated with the ticket members must stop all campaign finance activities.
- A member of the gubernatorial ticket cannot be a member of any slate committee other than the gubernatorial ticket.

B. Acceptable Campaign Funds

An eligible gubernatorial ticket can only accept:

- Private contributions
- Eligible private contributions
- Public funds
- Some contributions or loans from a member of the gubernatorial ticket or the spouse of a member of a gubernatorial ticket.

These funds must be deposited into the gubernatorial ticket’s campaign finance entity.

A “private contribution” is one or more contributions from a single person. A one-time contribution or the total amount of contributions from the person cannot be more than \$250 for the election cycle. Contributions made before a ticket files a notice of intent count towards the \$250 as long as the contribution was made in the election cycle in which the ticket will appear on the ballot.

An “eligible private contribution” is one or more contributions from a resident of Maryland. A one-time contribution or the total amount of contributions from the Maryland resident cannot be more than \$250 for the election cycle. The Maryland resident must submit with the contribution a signed document (also called a “[contribution card](#)”) stating that the contribution is made using the resident’s personal funds and is not being reimbursed or given as a loan. The contributor can sign the contribution card with an electronic signature.

An “eligible private contribution” must be from a Maryland resident. A contribution from someone who is not a Maryland resident is a “private contribution” but not an “eligible private contribution.”

A member of a gubernatorial ticket or a spouse of a member of a gubernatorial ticket can make a contribution or loan money to the campaign, but the total amount of the contribution and/or loan cannot be more than \$50,000. This contribution or loan is not an “eligible private contribution.”

The Gubernatorial ticket can receive a coordinated in-kind contribution from a central committee, but the funds used to support the coordinated in-kind contribution must be from permissible sources for the ticket. This means that the central committee must have contributions from individuals of \$250 or less to support the expenditure made on behalf of the gubernatorial ticket.

C. Eligible Contributions

To qualify for public funds, the gubernatorial ticket must collect during the qualifying period at least:

1. 1,500 eligible private contributions; and
2. A total of \$120,000.

The “qualifying period” for collecting eligible contributions differs for the candidates of the principal political parties. Such candidates must collect the requisite contributions before the primary election—between the first day of the election cycle for the gubernatorial election and the first Monday in May. All other candidates must collect the requisite contributions before the general election—between the first day of the election cycle for the gubernatorial election and the first Monday in August.

D. Calculating Public Funds

The amount of public funds is based on the amount of each eligible private contribution. An “eligible private contribution” must be from a Maryland resident.

The table below shows the amount of public funds an eligible gubernatorial ticket will receive for each portion of an eligible private contribution.

Eligible Private Contribution Scale	Matching Public Funds
\$50 and less	\$8 for each dollar raised
\$51 - \$100	\$6 for each dollar raised
\$101 - \$150	\$2 for each dollar raised
\$151 - \$250	\$0 for each dollar raised

The table below shows how much an eligible gubernatorial ticket will receive for various eligible private contributions.

Amount of Eligible Private Contribution	Amount of Matching Public Funds
\$25	\$200 (\$25 x \$8)
\$50	\$400 (\$50 x \$8)
\$65	\$490 (\$400 for 1st \$50 + \$90 for next \$15 (\$15 x \$6))
\$100	\$700 (\$400 for 1st \$50 + \$300 for 2nd \$50 (\$50 x \$6))
\$110	\$720 (\$400 for 1st \$50 + \$300 for 2nd \$50 + \$20 for next \$10 (\$10 x \$2))
\$150	\$800 (\$400 for 1st \$50 + \$300 for 2nd \$50 + \$100 for next \$50 (\$50 x \$2))
\$151	\$800 (\$400 for 1st \$50 + \$300 for 2nd \$50 + \$100 for next \$50 + \$0 for next \$1)
\$175	\$800 (\$400 for 1st \$50 + \$300 for 2nd \$50 + \$100 for next \$50 + \$0 for next \$25)
\$250	\$800 (\$400 for 1st \$50 + \$300 for 2nd \$50 + \$100 for next \$50 + \$0 for next \$99)

Some contributions are not “eligible private contributions” and therefore are not eligible for public fund matching. They are:

- Contributions from residents of other states

- Contributions from a member of the gubernatorial ticket or a spouse of a member of a gubernatorial ticket
- Loans from a member of the gubernatorial ticket or a spouse of a member of a gubernatorial ticket
- In-kind contribution of property, goods, or services

An eligible gubernatorial ticket can receive up to \$3,000,000 in public matching funds for each election. If a ticket receives public funds for both the primary and general elections, it can receive up to a total of \$6,000,000 (up to \$3,000,000 for each election) unless the ticket is unopposed in a primary election.

If the ticket is unopposed in a primary election, public funds are reduced by one-third. This means that the unopposed ticket can receive up to \$1,000,000 for that election.

E. Requesting Public Funds

The gubernatorial ticket must use [MD CRIS](#), SBE's online filing system, to file the "Matching Fund Report" and request funds. A representative of the gubernatorial ticket will enter information about contributions and expenditures and links to the contribution cards, and submit the report. The initial request must show that the ticket has received 1,500 eligible private contributions and a total of \$120,000. Subsequent reports will provide information about additional contributions and expenditures and links to the contribution cards. The amount of public funds the ticket will receive is based on the amount of contributions received.

There is a [schedule](#) to submit the "Matching Fund Report," but the reports are optional. A gubernatorial ticket only needs to file the report when they would like to receive matching public funds.

Each request must include certain information and be signed under penalty of perjury. The required information is:

1. The date of ticket's last request for funds if the ticket previously submitted a request
2. How much public funds the ticket as already received
3. The period of time covered by this request
4. The amount of public funds being requested
5. The total number of eligible contributions (including in-kind contributions) received
6. A campaign finance report for the period of time covered by the request showing all contributions received and all expenditures made
7. A contribution card for each contribution received for the period of time covered by the request
8. A receipt associated with each expenditure made

There are other reports that the gubernatorial ticket is required to file. A ticket must file the:

- Annual Report
- Pre-Primary Report 1
- Pre-Primary Report 2

- Pre-General Report 1
- Pre-General Report 2
- Post-General Report

SBE will determine whether a gubernatorial ticket is eligible to receive public funds once the ticket submits its first request for funds. SBE will make this determination within 5 business days of the initial request.

If the ticket does not win the primary election, the ticket can file its final public funding report and close its campaign committee. If this happens before the pre-general reports are due, the committee does not need to file the pre- and post-general reports.

F. Distributing Public Funds

No distribution of public funds may be made before January 1 of the year of the election.

SBE will distribute funds within 5 business days after receiving a timely request for funds from an eligible gubernatorial ticket.

If SBE determines that there is not enough money in the fund to provide a full disbursement to all eligible gubernatorial tickets, SBE will allocate the available money so that each eligible ticket will receive a pro rata share of the full disbursement to which the ticket would otherwise be entitled.

G. Receiving and Spending Public Funds

The eligible gubernatorial ticket must use only one campaign account. All funds received, including public funds, must be placed into this account, and all funds spent must be spent from this account. The account must be at a financial institution that does business in Maryland.

An eligible gubernatorial ticket can only use public funds:

1. In accordance with [§13-218 of the Election Law Article](#);
2. To further the ticket's nomination in a primary election or candidacy in a general election;
3. For expenditures accompanied by a receipt;
4. For expenses incurred no later than 45 days after the election for which the public funds were received; and
5. For purposes that do not violate State law.

Public funds cannot be used for expenses incurred before the ticket filed the notice of intent. Goods, services, or campaign materials paid before the ticket files the notice of intent cannot be used once the notice of intent is filed unless the item purchased before the filing is:

1. A website or social media account
2. Phones and phone numbers associated with the phones
3. A lease for a campaign office
4. Office equipment and furniture

These items can be transferred to the ticket at no cost.

Each expenditure must have a receipt.

H. Expenditure Limit

A gubernatorial ticket receiving public funds may spend as much money as it raises, but it will only receive up to \$3 million in public funds for each election.

I. Withdrawing as Publicly Funded Candidate

A gubernatorial ticket can withdraw its participation as a publicly funded candidate at any time, before or after receiving contributions of public funds. To withdraw, the ticket must:

1. File a Statement of Withdrawal on a form prescribed by the State Board,;
2. If the ticket has received public funds, repay the fund the amount of any public funds received plus interest calculated from the date of the first disbursement, and
3. File a final campaign finance report.

J. Post-Election Requirements

There is a post-election filing requirement. More information about that reporting requirement will be posted soon. An eligible gubernatorial ticket must file a campaign finance report after each election in which the ticket received public funds. All invoices must be submitted to the ticket no later than 60 days after the election.

The report must include all contributions received and expenditures made since the last report, any outstanding obligations, and amount of public funds not spent. SBE will assess late fees if this report is not timely filed.

Any public funds not spent must be repaid to the Comptroller no later than 90 days after the election for which the public funds were received.

To determine whether any public funds must be repaid, the gubernatorial ticket must treat private contributions as spent first before public funds.

For example: A gubernatorial ticket (ticket) receives \$100,000 in public funds and \$135,000 in private contributions. The ticket spends \$220,000 and has \$15,000 remaining. The \$135,000 in private contributions is “spent” first and then the public funds. The ticket must return \$15,000 of the public funds.

Outstanding obligations must be paid before filing the final report.

K. Prohibited Campaign Activities & Penalties

The gubernatorial ticket or a person acting on behalf of the gubernatorial ticket may not:

- Solicit contributions for the benefit of another committee or person required to register with SBE under §13-306 or §13-307 or for a participating organization organized under §13-309.2. This includes authorizing the use of the names or images of the ticket in the solicitation.
- Operate in coordination with any entity for fundraising activities

The members of the gubernatorial ticket themselves may not be a member of any slate that does not receive a public contribution.

The campaign finance entity of the gubernatorial ticket that received public funds may not:

- Make a transfer
- Make an expenditure related to fundraising activities by other political committees
- Use public funds to pay an expense incurred more than 45 days after an election
- Use public funds to pay for real or personal property that will be retained for more than 45 days after the primary election if the ticket is not eligible to participate in the general election or 45 days after the general election.

SBE can impose a civil penalty on the eligible gubernatorial ticket, the ticket's campaign finance entity, the chairman or treasurer of the entity, or a person acting on behalf of one of these individuals or entities. Actions that may result in a civil penalty are:

1. Making a disbursement in an unauthorized manner;
2. Failing to maintain a campaign bank account;
3. Making a disbursement by an unauthorized method;
4. Failing to maintain detailed and accurate account books and records;
5. Unauthorized fundraising during the General Assembly session;
6. Failing to report all contributions received and expenditures made;
7. Failing to include an authority line on campaign material; or
8. Failing to keep a copy of campaign material.

SBE can issue a civil penalty up to \$1,000 for each violation. SBE will consider the severity of the violation, the good faith of the violator, and any history of prior violations when determining the amount of the violation. If the violation is for unauthorized fundraising during the General Assembly session, the entity must refund the contribution and pay the civil penalty of \$1,000 plus the amount of the contribution. SBE, in its discretion, can issue a lower penalty for good cause.

Generally, the ticket's campaign finance entity pays a civil penalty. If the entity doesn't have enough money to pay the penalty, the responsible officers are jointly and severally liable for the amount the campaign cannot pay. If the violation is committed by someone who is not acting on behalf of or at the request or suggestion of the ticket or ticket's campaign finance entity, this person must pay the penalty.

The penalty must be paid within 20 calendar days after SBE serves the citation, or the person charged in the citation can decide to stand trial for the violation. If the person charged wishes to have a trial, the person must notify SBE in writing at least 5 days before the deadline for payment. If the person charged does not pay the penalty and does not request a trial, the person is liable for the penalty and the penalty can be doubled. The person may also have to pay the costs for the proceedings in the District Court.

There may be other sanctions applied to these activities.

L. Liabilities and Penalties

The members of the gubernatorial ticket and any chairman or treasurer of the ticket are jointly and severally liable, both civilly and criminally, for:

1. Repaying the Comptroller for any public funds that were not spent
2. Repaying the Comptroller for any public funds that were not properly spent

13.3 Montgomery County Public Financing System

A. Eligible Offices

Candidates for County Executive and County Council are eligible to participate in the voluntary program.

B. Initial Requirements

The participating candidate must:

- File notice of intent with State Board on or before April 15 of the year of the election;
- Establish a publicly funded campaign account with the State Board; and
- Collect sufficient qualifying contributions

A qualifying contribution is a contribution that is:

- Between \$5 to \$250 (aggregated over the 4-year election cycle)
- From an individual who is a County resident
- Acknowledged by a receipt from the contributor
- Received during the qualifying period and after a filed notice of intent
- Must be received into the candidate's publicly funded campaign account

C. Prohibited Campaign Activities

A publicly financed candidate cannot:

- Accept a contribution greater than \$250 for an individual
- Accept a contribution from any group or organization, including a
 - political action committee
 - Corporation
 - labor organization
- Be a member of a slate
- Receive a loan greater than \$12,000 from the candidate or spouse to the campaign

A publicly financed candidate committee may not pay in advance from any other political committee for goods and services to be used in the primary or general election after certification with non-qualifying contributions received before certification.

D. Certification Requirements

The certification requirements differ of the elective office sought:

- County Executive
 - 500 qualifying contributions
 - An aggregate total of \$40,000 raised
- At-Large Councilmember
 - 250 qualifying contributions
 - An aggregate total of \$20,000 raised
- District Councilmember
 - 125 qualifying contributions
 - An aggregate total of \$10,000 raised

E. Matching Funds

The public financing system matches qualifying contributions at a different rate for the office sought:

- Executive
 - \$6 for each of the 1st \$50
 - \$4 for each of the 2nd \$50
 - \$2 for each of the 3rd \$50
 - \$0 each dollar of the remainder
- County Council (At-Large and District)
 - \$4 for each of the 1st \$50
 - \$3 for each of the 2nd \$50
 - \$2 for each of the 3rd \$50
 - \$0 each dollar of the remainder

The total public contribution amount that a public financed candidate may receive for an election

- Executive
 - \$750,000
- At-Large Councilmember
 - \$250,000

- District Councilmember
 - \$125,000

The public contribution limit is for either the primary or the general election. It reset after each election. A candidate may continue to collect qualifying contributions after reaching the limit for the primary election.

13.3 Howard County Public Financing System

A. Eligible Offices

Candidates for County Executive and County Council are eligible to participate in the voluntary program.

B. Initial Requirements

The participating candidate must:

- File notice of intent with State Board on or before April 15 of the year of the election;
- Establish a publicly funded campaign account with the State Board; and
- Collect sufficient qualifying contributions

A qualifying contribution is a contribution that is:

- Between \$5 to \$250 (aggregated over the 4-year election cycle)
- From an individual who is a County resident
- Acknowledged by a receipt from the contributor
- Received during the qualifying period and after a filed notice of intent
- Must be received into the candidate's publicly funded campaign account

C. Prohibited Campaign Activities

A publicly financed candidate cannot:

- Accept a contribution greater than \$250 for an individual
- Accept a contribution from any group or organization, including a
 - political action committee
 - Corporation
 - labor organization
- Be a member of a slate
- Receive loans greater than \$12,000 in the aggregate but only \$6,000 from a single permissible source

A publicly financed candidate committee may not pay in advance from any other political committee for goods and services to be used in the primary or general election after certification with non-qualifying contributions received before certification.

D. Certification Requirements

The certification requirements differ of the elective office sought:

- County Executive
 - 500 qualifying contributions
 - An aggregate total of \$40,000 raised
- At-Large Councilmember
 - 250 qualifying contributions
 - An aggregate total of \$20,000 raised
- District Councilmember
 - 125 qualifying contributions
 - An aggregate total of \$10,000 raised

E. Matching Funds

The public financing system matches qualifying contributions at a different rate for the office sought. The table below shows the amount of public funds a certified candidate will receive for each portion of a qualifying contribution

- Executive

Qualifying Contribution Scale	Matching Public Funds
\$50 and less	\$7 for each dollar raised
\$50.01 - \$100.00	\$4 for each dollar raised
\$100.01 - \$150.00	\$1 for each dollar raised
\$150.00 - \$250	\$0 for each dollar raised

- County Council

Qualifying Contribution Scale	Matching Public Funds
\$50 and less	\$5 for each dollar raised
\$50.01 - \$100.00	\$3 for each dollar raised
\$100.01 - \$150.00	\$1 for each dollar raised
\$150.01 - \$250	\$0 for each dollar raised

The total amount that a public financed candidate may receive for an election is

- Executive
 - \$750,000
- At-Large Councilmember

- \$250,000
- District Councilmember
 - \$125,000

The public contribution limit is for entire election cycle.

A candidate may continue to collect qualifying contributions after reaching the limit.

13.4 Prince George’s County Public Financing System

A. Eligible Offices

Candidates for County Executive and County Council are eligible to participate in the voluntary program.

B. Initial Requirements

The participating candidate must:

- File notice of intent with State Board;
- Establish a publicly funded campaign account with the State Board; and
- Collect sufficient qualifying contributions

A qualifying contribution is a contribution that is:

- Between \$5 to \$250 (aggregated over the 4-year election cycle)
- From an individual who is a County resident
- Acknowledged by a receipt from the contributor
- Received during the qualifying period and after a filed notice of intent
- Must be received into the candidate’s publicly funded campaign account

C. Prohibited Campaign Activities

A publicly financed candidate cannot:

- Accept a contribution greater than \$250 for an individual
- Accept a contribution from any group or organization, including a
 - political action committee
 - Corporation
 - labor organization
- Be a member of a slate
- Accept a loan
- Receive a contribution greater than \$6000 from the candidate or spouse to the campaign

A publicly financed candidate committee may not pay in advance from any other political committee for goods and services to be used in the primary or general election after certification with non-qualifying contributions received before certification.

D. Certification Requirements

The certification requirements differ of the elective office sought:

- County Executive
 - 500 qualifying contributions
 - An aggregate total of \$40,000 raised
- At-Large Councilmember
 - 250 qualifying contributions
 - An aggregate total of \$15,000 raised
- District Councilmember
 - 150 qualifying contributions
 - An aggregate total of \$7,500 raised

E. Matching Funds

The public financing system matches qualifying contributions at a different rate for the office sought. The table below shows the amount of public funds a certified candidate will receive for each portion of a qualifying contribution

- Executive

Eligible Private Contribution Scale	Matching Public Funds
\$25 and less	\$7 for each dollar raised
\$25.01 - \$75.00	\$5 for each dollar raised
\$75.01 - \$150.99	\$2 for each dollar raised
\$151 - \$250	\$0 for each dollar raised

- County Council

Eligible Private Contribution Scale	Matching Public Funds
\$25 and less	\$7 for each dollar raised
\$25.01 - \$75.00	\$5 for each dollar raised
\$75.01 - \$150.99	\$2 for each dollar raised
\$151 - \$250	\$0 for each dollar raised

The total public contribution amount that a public financed candidate may receive for an election

- Executive
 - \$750,000
- At-Large Councilmember

- \$200,000
- District Councilmember
 - \$75,000

A candidate may continue to collect qualifying contributions after reaching the limit.

13.5 Recount/Contested Election Committee

A public financed candidate may establish a contested election committee. The contested election committee may raise funds in accordance the restrictions for the public financing program. Additional reporting obligations will occur depending on when the recount is filed.

If a County has not expressly authorized the use of a contested election committee, please consult with the Candidacy and Campaign Finance Division and County prior to the establishment of the committee.