

Frequently Asked Questions

Baltimore City Fair Election Fund

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The following questions and answers are provided for general information only. They do not purport to be legal advice.

1. What is the Baltimore City Fair Election Fund and why was it established?

The Fair Election Fund ("Fund") provides matching City funds to eligible candidates for City elective office. The Fund was created to provide public campaign financing in an effort to reduce the role of large private contributions during the election process and encourage small private donations.

2. Who is eligible to participate in the Fund?

A candidate must be a City resident who is running for Mayor, Comptroller, City Council President, or City Council in a contested primary and/or general election and who becomes certified for participation in the Fund by the State Board of Elections.

To be certified by the State Board of Elections, the candidate must open a <u>public financing</u> <u>committee</u>, must receive a minimum number of qualifying contributions from City residents, and must apply for certification.

3. What is a qualifying contribution?

Any private individual can contribute up to \$150 to a publicly funded campaign account per election cycle. However, only contributions from City residents will count towards the minimum number needed for certification and will qualify for matching public funds.

4. How many qualifying contributions do I need to be eligible for certification?

- Mayor: At least 500 qualifying contributions totaling \$40,000
- Council President: At least 250 qualifying contributions totaling \$15,000
- <u>Comptroller</u>: At least 250 qualifying contributions totaling \$15,000
- City Council: At least 150 qualifying contributions totaling \$5,000

5. How do I become certified?

You must file a "notice of intent to qualify" for the Fund with the Maryland State Board of Elections via the Board's electronic filing system no later than 9 p.m. on the last Tuesday in February in the year in which the primary election will be held. You must also establish a publicly funded campaign account with the State Board of Elections for the purpose of receiving qualifying contributions. Finally, you must apply for certification with the State Board of Elections, including the following required documentation:

- A declaration agreeing to follow the regulations governing the use of public contributions;
- 2) A campaign finance report that includes: a list of each qualifying contribution received; a list of each expenditure made during the qualifying period; and receipts associated with each contribution and expenditure; and
- 3) A certificate of candidacy for the office you are seeking.

6. What happens upon certification?

Assuming you've submitted sufficient qualifying contribution documentation, the State Board of Elections will certify you within 10 business days of submission and authorize the City's Director of Finance to distribute matching public contribution to your publicly funded campaign account.

7. What is the maximum amount of matching funds that each candidate can receive during an election cycle (total for both primary and general)?

Including a one-time qualifying boost, the maximum public contribution limits are as follows:

• Mayor: \$1,700,000

Council President: \$425,000Comptroller: \$250,000

• City Council: \$125,000 (no qualifying boost)

8. How long does it take to receive a disbursement from the Fund?

The Department of Finance will disperse funds within 5 business days after the State Board of Elections gives notice of certification. To receive payment, the certified candidate's publicly funded campaign account will need to set up a vendor profile in the City's Workday system.

9. How do matching contributions work?

| OFFICE | QUALIFYING CONTRIBUTION THRESHOLD | PUBLIC DOLLARS MATCHING RATIO | MAXIMUM PUBLIC CONTRIBUTION | ONE-TIME QUALIFYING BOOST* |
|--------------|---|--|-----------------------------------|----------------------------------|
| Mayor | First \$25 of each contribution | \$9 for each \$1 | \$1,500,000 | \$200,000 |
| | \$26 - \$75 of each contribution | \$5 for each \$1 | | |
| | \$76 - \$150 of each contribution | \$2 for each \$1 | | |
| Council | First \$25 of each | \$9 for each \$1 | \$375,000 | \$50,000 |
| President | contribution | | | |
| | \$26 - \$75 of each | \$5 for each \$1 | | |
| | contribution | | | |
| | \$76 - \$150 of each contribution | \$2 for each \$1 | | |
| Comptroller | First \$25 of each contribution | \$9 for each \$1 | \$200,000 | \$50,000 |
| | \$26 - \$75 of each | \$5 for each \$1 | | |
| | contribution | | | |
| | \$76 - \$150 of each | \$2 for each \$1 | | |
| | contribution | | | |
| City Council | First \$25 of each contribution | \$9 for each \$1 | \$125,000 | \$0 |

| \$26 - \$75 of each | \$5 for each \$1 |
|----------------------|------------------|
| contribution | |
| \$76 - \$150 of each | \$0 for each \$1 |
| contribution | |

10. What is considered a contested election?

A "contested election" is defined as any election, including a primary, general, and special election, in which there are more candidates for office than the number who can be elected to that office.

An election does not have to be contested in both the primary and the general election in order to be a "contested election." The primary and general elections are separate elections under relevant law and the determination of whether an election is contested is made independently for each election. For example, if there are two Democrats and one Republican running for a single City Council seat in the primary, the Democratic primary election is contested, but the Republican primary is not contested.

11. Can I participate in the Fund during the primary election, and, if I win, choose to opt out of participating in the Fund during the general election?

Yes, but you would need to file a statement of withdrawal and repay the Fund the full amount of all public contributions received, plus interest. Because a candidate need only qualify once (i.e., receive a minimum number of qualifying contributions) to become a certified candidate during an election cycle, which is defined as the primary and the general election for the same term of a covered office, a certified candidate who accepts a matching public contribution during a primary election (and won) automatically must participate in the Fund during the general election unless they file the statement of withdrawal.

12. Where does money if the Fund come from?

Money in the Fund may consist of:

- City appropriations in the annual Ordinance of Estimates;
- Grants or donations;
- Proceeds from fines, fees, surcharges, or other revenues dedicated to the fund by Ordinance.

Any unspent portions must remain in the Fund to be used exclusively for Fund purposes.

13. What happens if the Fund runs out of money during an election cycle?

If the Director of Finance determines that the total amount in the Fund is insufficient to meet the required distributions, the Director must reduce each distribution and qualifying boost to a certified candidate by the same percentage.

All requests for matching funds will be distributed in the order in which they were received until all requests have been satisfied or funds have been exhausted.

14. What happens to surplus funds remaining in a certified candidate's publicly funded campaign account at the end of a primary election? General election?

All unspent funds remaining in the certified candidate's publicly funded campaign account must be returned to the Fund at the end of the candidate's contested campaign. For candidates who win a contested primary election and continue on to a contested general election, they may retain the unspent funds and continue to receive eligible contributions up to the general election for the covered office for which they are campaigning.

Within 30 calendar days after the City Board of Elections certifies the results of the primary election, a participating candidate who is not going to be on the ballot for the general election must return any unspent money to the Fund.

On or before December 31 after the general election, a participating candidate must return any unspent money to the Fund.

15. If I withdraw from the Fund after receiving public matching funds, do I have to pay those back?

Yes, if a candidate receives any distributions from the Fund and later withdraws, for whatever reason, the candidate must return all public contribution amounts, including interest. Additionally, a candidate who withdraws must repay the Fund before repaying any personal loans to the candidate's campaign.

16. Can I use contributions raised prior to becoming a certified candidate?

Any funds raised by a candidate prior to filing a notice of intent to participate in the Fund with the State Board of Elections and setting up a publicly funded campaign account cannot be used by the candidate at any point during their certified candidacy and do not count toward the minimum number of qualifying contributions necessary for certification.

Additionally, individuals who donated prior to the candidate filing a notice of intent are unable to make any additional contributions to the candidate if the contribution would exceed the \$150 limit for the four-year election cycle.

17. When can I receive distributions of public funds to my publicly funded campaign account?

The distribution period begins 365 calendar days before the primary election and ends 15 calendar days after the general election in which you are participating.

18. Who determines a candidate's eligibility and compliance with contribution and expenditure rules?

The State Board of Elections. All questions and disputes pertaining to permissible campaign contributions and expenditures should be directed to the Board.

19. What are considered either allowable or prohibited uses of public funds?

The allowable uses of money in a publicly funded campaign account are limited to expenses directly related to election campaign related activities and incurred during the specific time period for either the primary or general election.

Prohibited expenses of public campaign funds include, but are not limited to: personal use or expenses related to holding office; paying for a personal endorsement; paying late filing fees; contributing to current or future candidates for any elective office; and contributions to any entity or organization, such as a political party.

20. When can I begin raising qualified contributions towards the certification requirements?

The qualifying period for becoming a certified candidate begins on January 1 following the prior general election and ends 45 calendar days prior to the primary election in which you are participating.

21. Can I use money raised before becoming certified to pay in advance for goods and services which will be received after I become certified?

No. All goods and services received after filing an intent to participate in public campaign financing must be paid for out of your publicly funded campaign account. However, certain assets of in incidental nature you've paid for and received prior to filing your intent to participate, such as a cell phone or website domain, can be used after becoming certified. Prepaying for campaign materials such as signs would not be permissible.

22. Can a City resident contribute to multiple candidates who participate in the Fund?

Yes. As long as the individual gives no more than \$150 to any certified candidate during a 4-year election cycle, the individual can contribute to as many certified candidates as they choose.

23. Are there sample contribution forms?

Yes, see the below links for contribution sample templates: Contribution Card Sample: http://www.elections.state.md.us/campaign_finance/documents/Contribution_Card.pdf

In-Kind Contribution Sample:

http://www.elections.state.md.us/campaign_finance/documents/In-Kind%20contributions.pdf

24. Where can I see how many candidates are participating or have filed an intent to participate in the Fund?

To view all campaign committees that have been certified or have filed an intent to become certified, click on the link below. In the drop down box for "Committee Type", select the last option "Public Financing Committee", then click search.

https://campaignfinance.maryland.gov/Public/ViewCommittees

25. If I file a notice of intent to participate, what happens to money in another campaign account I'm affiliated with?

Upon filing a notice of intent to qualify for the Fund, you may only use eligible and qualified contributions (including matching public funds) that have been deposited into your public campaign finance account. Any other accounts you are affiliated with must be inactive and may not be used while you are participating in the Fund.

26. Can I file a complaint if I believe a candidate participating in the Fund has violated any of the Funds rules or processes?

Yes, you can file a complaint with the Fair Election Commission.

27. Can I participate in the Fund in the general election even if I didn't participate during the primary?

Yes, although you would still need to apply for certification during the "qualifying period," which ends 45 days before the primary election.

28. Can a publicly funded candidate accept in-kind contributions?

Yes, although the in-kind contribution is subject to the same restrictions as a monetary donation, *i.e.*, no more than \$150 per contributor. However, unlike monetary contributions, in-kind contributions are not matched with public funds.

29. Can I accept cash contributions?

Yes, if it meets the requirements for an eligible contribution, including required documentation. However, under State law, an individual may only contribute up to \$100 in cash per campaign account per election cycle.

30. Can a City resident use a P.O. Box as their listed address on their contribution card?

To count as a qualifying contribution (for purposes of certification and public matching) a contributor must certify or confirm that they are a City resident and must include their City residential address on the contribution card. Although you may accept a donation (up to \$150) from a non-City resident or donor who lists a P.O. Box address on their contribution card, it will not be considered a qualifying contribution for purposes of certification or public matching from the Fund.

31. If one of my City resident donors moves out of the City before the election, will their contribution still count as a qualifying contribution?

Yes, as long as the donor is a City resident at the time of donation.

32. If one contributor makes ten separate contributions of \$15, does that count as 10 contributions or only one contribution?

This would count as one individual contribution of \$150. For purposes of certification and qualifying public match, contributions are aggregated per individual, not per amount. And as a reminder, an individual may only give up to \$150 per election cycle to each publicly funded campaign account, regardless of how many single contributions they make.

33. If an individual contributed \$100 to my campaign prior to my filing an intent to participate in the Fund, can the same individual make an additional contribution of \$150 to my publicly funded campaign account?

No, a candidate may only receive the maximum of \$150 from any individual during an election cycle, which includes amounts received prior to electing to participate in the Fund. However, if an individual only contributed \$50 to your campaign prior to your electing to participate in the Fund, the individual could then contribute up to \$100 to your publicly funded campaign account during that election cycle (for an aggregate of \$150).

34. What is the difference between an eligible contribution and a qualifying contribution?

An eligible contribution is one up to \$150 from a private individual. A qualifying contribution is an eligible contribution from a City resident. Only qualifying contributions will count towards certification and matching with public funds.

35. Am I required to obtain a contribution receipt for eligible contributions that do not count as qualifying contributions?

Yes. A contribution receipt is required for all contributions received into your publicly funded campaign account. Although failure to submit a receipt for an eligible contribution from a non-City resident would not result in the loss of matching contributions otherwise earned, it could result in a fine to the campaign after an audit is performed if you cannot prove who made the eligible contribution and for how much.

36. If I file for certification with the State Board of Elections and it is determined I don't meet the minimum requirements to qualify for public financing, am I automatically disqualified from participating in the Fund or is there an opportunity to resubmit my application?

If the Board denies your application, you may revise it once before the end of the qualifying period.

37. When is the last date I can apply for certification to become a publicly funded candidate for the 2024 election cycle?

The qualifying period ends 45 calendar days before the date of the primary election. The State Board of Elections allows candidates to file campaign finance reports on the first and third Tuesday of each month during the qualifying period, so you will typically be able to file on the next filing date after the end of the qualifying period for contributions received during that period.

38. How late can I receive qualifying contributions for the primary election and expect to receive matching public contributions? What if I'm unsuccessful in the primary election and will not appear on the general election ballot – will I still receive the requested matching funds?

You may continue to receive matching funds for qualifying contributions received during the primary election up to the date of the election. You must file a final reconciliation report after the City Board of Elections certifies the results of the primary election.

Candidates who request matching funds for qualifying contributions received up to the primary election will receive those funds once the disbursement is authorized by the State Board of Elections, even if the candidate is unsuccessful in the primary election.

<u>For additional information related to the Fund, please contact:</u>

Baltimore City Fair Election Fund Commission

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