# Fair Elections For Prince George's County
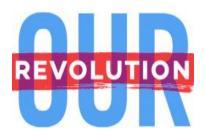## Program Design Overview
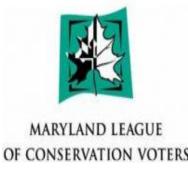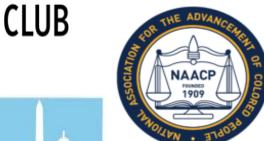
# Maryland – 2013 Enabling Legislation

- Counties can establish Public Financing systems

- Only for county council and executive candidates

- Voluntary opt-in program for candidates

- Requires candidates to establish new campaign accounts

- Prohibits transfers to and from other accounts

- Requires counties to establish a campaign financing fund

- Requires candidate's left over campaign funds to be returned to county coffers

# Program Goals

- Encourage civic participation by amplifying the role of everyday residents in our elections.

- Provide a viable campaign path for candidates of all backgrounds, based on the strength of their ideas and community support.

- Reduce the dependence of our political system on wealthy and well-connected special interests.

# What a Candidate Must Do

- Agree to take contributions only from individuals.
- Agree to take no contributions from PACs or special interests.
- Agree to take no more than $150 over a 4-year period from one individual.
- Must demonstrate "broad community support"
- Only in-county donations matched

# Program Basics
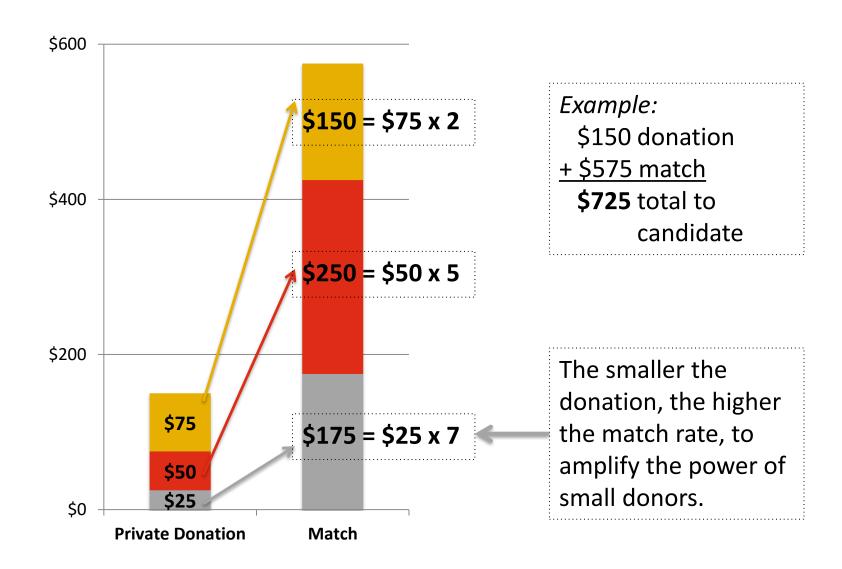# Qualifying Requirements

Candidates must demonstrate strong community support to qualify for public funds, by collecting at least a certain amount of money from a certain number of Prince George's residents.

| Office | Total Amount | No. Resident Donors |
|---|---|---|
| Executive | $40,000 | 500 |
| At-Large | $15,000 | 250 |
| District | $7,500 | 150 |

# It Is Not Easy to Qualify
# (Montgomery Reporter – mid April)

| Office | Candidates Running | Publicly Financed | Qualified |
|--------|--------------------|--------------------|-----------|
| District Council | 21 | 11 | 5 |
| At-Large Council | 38 | 19 | 10 |
| Executive | 7 | 4 | 3 |

# Program Basics
# Tiered Match Rates



Chart axis: $600, $400, $200, $0

**Private Donation** bar: $75, $50, $25

**Match** bar:
$150 = $75 x 2
$250 = $50 x 5
$175 = $25 x 7

*Example:*
  $150 donation
  + $575 match
  **$725** total to
     candidate

The smaller the donation, the higher the match rate, to amplify the power of small donors.

# **Program Basics**
## Match Caps

| Office | Max Matching Funds Per Candidate |
|---|---:|
| Executive | $1,000,000 |
| At-Large | $250,000 |
| District | $75,000 |

Limits on total matching funds to each candidate allow for competitive campaigns without draining the Fair Elections Fund.

# Small Donor Financing for Unions and Grassroots Organizations

The Union or Organization cannot contribute directly to a publicly financed candidate

BUT

- The union can endorse

- The union can invite candidate to a union gathering

- Instead of the union giving $2000 to the candidate

- 25x$10 contributions or 10x$25 contributions from members = $2000 for candidate

- Members are engaged and likely to stay engaged

- Candidate hears directly from members

- Members are more likely to vote and their families as well

# Estimated 4-Year CB-004 Costs

| | ESTIMATED **4-YEAR BUDGET** FOR PUBLIC FINANCING LEGISLATION (CB-004-2018) | | |
|---|---|---|---|
| **Race** | **Qualifying Candidates*** | **Maximum Match** | **Total Per Race** |
| | CASE - 1 | | |
| District Council | 2X9=18 | $75,000 | $1,350,000 |
| At-large Council | 2X2=4 | $250,000 | $1,000,000 |
| Executive | 2X1=2 | $1,000,000 | $2,000,000 |
| | | | |
| TOTAL - Four Year Cost | | | $4,350,000 |
| Annual Cost | | | $1,087,500 |
| | | | |
| | CASE - 2 | | |
| District Council | 3X9=27 | $75,000 | $2,025,000 |
| At-Large Council | 3X2=6 | $250,000 | $1,500,000 |
| Executive | 2X1=2 | $1,000,000 | $2,000,000 |
| | | | |
| Total - Four Year Cost | | | $5,525,000 |
| Annual Cost | | | $1,381,250 |

\* Case 1 assumes 2 candidates qualify in each of the 9 district seats and 4 candidates qualify for the 2 at-large seats.
Case 2 assumes 3 candidates quaify in each of the 9 district seats and 6 candidates qualify for the 2 at-large seats.
Both cases assume 2 candidates qualify for the executive seat.

# Program Basics
## Restrictions on Participating Candidates

To align with goals and protect public dollars:

- No donations from corporations, organizations, PACs, or party entities

- Must have an opponent to receive matching funds

- No switching to private route midstream

- No transfers

- Return unspent funds

# Program Design Methodology
## Data

Campaign finance data from 2010 and 2014 that informed program design included:

- Spending by winners, without transfers, averaged across both cycles

- Current numbers of individual MD donors

Population and demographic data reviewed included:

- Size of county and districts

- Income of residents

# Program Design Methodology
## Balancing Act Examples

- Set qualifying thresholds that safeguard public funds, by only certifying serious candidates, while also being accessible and inclusive.

- Set match rates to emphasize the smallest donors (based on local income levels) and encourage candidates to talk to more residents, while also providing enough funds for candidate success.

- Set match caps to account for competitive races while also keeping overall program cost manageable.

# **Program Design Methodology**
## Adaptability Over Time

- MoCo program was largely designed prior to term limits, which will coincide with first use of the program

- Citizens' Commission provides funding flexibility

- Fair Elections Coalition is dedicated to working with Councils to ensure successful implementation