

2010 County and State Elections: Why Care? Follow the Money

“Politics has become so expensive that it takes a lot of money even to be defeated.” Will Rogers

As we celebrate July 4 and the birth of American democracy, take a moment to consider the influence of campaign financing in the state of Maryland.

Whose Money Is It?

While Maryland ranks 19th in population among all states, it is the nation’s 10th highest in total itemized contributions to candidates from Political Action Committees (PACs), individuals, and soft money contributions to political parties. [Center for Responsive Politics: www.opensecrets.org]

Special interest groups contributed about \$21 million to candidates for State office in the 2006 elections. Maryland-based PACs alone spent nearly \$13.5 million. The largest amount came from combined finance, insurance and real estate industries (\$2.4 million)—followed by labor unions (\$2.3 million), groups listing their category as “other” or “community association” (\$2 million), health care (\$1.9 million), and education (\$1.6 million). [University of Maryland’s Center for American Politics and Citizenship: www.mdelections.org/campaign-finance-reports]

“Since PACs want to maximize their investments, they give strategically in order to gain the largest return out of their money,” the report states, while noting that PACs favor those most likely to win, namely incumbents, and those likely to have the most influence— Democrats, who hold majorities in both branches of the state legislature.

In the 2006 race, the two major party candidates for Governor raised a total of \$32 million, more than 10 times the amount in 1990. Maryland’s governor is one of the most powerful in the country. “With broad appointment and removal powers and a line-item veto for all appropriations bills the Governor has a big impact on the lawmaking process in Maryland,” another report by the Center points out. “Every four years the race becomes a high-profile, big-money affair.”

State Campaign Finance Reform?

Under Maryland law, each individual or business can contribute up to \$4,000 per candidate or \$10,000 total to all candidates. But since the law was created before the LLC (limited liability company) concept came about, the “LLC loophole” allows significant amounts of money to be funneled into campaigns. “Real estate developers, for example, often own a number of LLCs. If you have 50 developments, you might have 50 LLCs,” says State Senator Brian Frosh of District 16, who for nearly a decade has introduced bills to close the LLC loophole.

Maryland Politics Watch blog, which reports on local and state government, traced LLC loophole contributions from William M. Rickman, Jr., a businessman and racetrack owner. The blog identified “three individuals and eight firms operating from his business and home addresses that have collectively given \$344,320 to state and local politicians since 1999.”

In the latest Maryland legislative session, bills were introduced in both houses to create a public campaign financing system, among other campaign finance reform proposals. None passed. State legislators in District 18 (representing the Town)—Senator Rich Madeleno and Delegates Al

Carr, Ana Sol Gutiérrez and Jeff Waldstreicher—cosponsored bills to allow public financing of campaigns.

The Maryland General Assembly's website documents the legislative process [www.MLIS.state.md.us] And check out the Board of Elections' campaign finance database, listing contributions to county and state candidates [www.elections.state.md.us].

***Become informed. And vote in the primaries (Sept. 14) and on Election Day (Nov. 2).
Remember, elections affect your money, your family and your quality of life.***