

HB 465-FN - AS INTRODUCED

2021 SESSION

21-0596

11/05

HOUSE BILL **465-FN**

AN ACT relative to permissible campaign contributions by business organizations and labor unions.

SPONSORS: Rep. Read, Rock. 17; Rep. Elliott, Rock. 8; Rep. Grassie, Straf. 11; Rep. Knirk, Carr. 3; Rep. Gay, Rock. 8; Rep. DiLorenzo, Rock. 17; Rep. Lane, Merr. 12; Rep. T. Smith, Hills. 17; Rep. Guthrie, Rock. 13

COMMITTEE: Election Law

ANALYSIS

This bill requires business organizations and labor unions to make political contributions through segregated funds.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to permissible campaign contributions by business organizations and labor unions.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraph; Prohibited Political Contributions; Business Organizations. Amend RSA
2 664:4 by inserting after paragraph I the following new paragraph:

3 I-a. By any business organization, or by any officer, director, executive, agent, partner, or
4 employee acting in behalf of such business organization. This shall not prohibit the establishment by
5 a business organization of a political committee that operates independently of the business
6 organization, provided that the committee's expenditures and contributions are made through a
7 separate, segregated fund consisting only of voluntary contributions solicited from individuals who
8 are employees, officers, shareholders, directors, partners, or members of the business organization.
9 The provisions of this paragraph shall not apply to sole proprietorships.

10 2 Political Expenditures and Contributions; Prohibited Political Contributions; Labor Unions;
11 Segregated Account Exception. Amend RSA 664:4, III to read as follows:

12 III. By any labor union or group of labor unions, or by any officer, director, executive, agent,
13 or employee acting in behalf of such union or group of unions; or by any organization representing or
14 affiliated with any such union or group of unions, or by any officer, director, executive, agent, or
15 employee acting in behalf of such organization. ***This shall not prohibit the establishment by a
16 labor union or group of labor unions of a political committee that operates independently
17 of the labor union or group of labor unions, provided that the committee's expenditures
18 and contributions are made through a separate, segregated fund consisting only of
19 voluntary contributions solicited from individuals who are employees, officers,
20 shareholders, directors, partners, or members of the labor union or group of labor unions.***

21 3 Repeal. RSA 664:4, II, relative to prohibited political contributions by partnerships, is
22 repealed.

23 4 Effective Date. This act shall take effect January 1, 2022.

**HB 465-FN- FISCAL NOTE
AS INTRODUCED**

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FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

COUNTY:

Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable

METHODOLOGY:

This bill requires businesses and labor unions to use segregated funds for political contributions.

The Department of State indicates any changes to the Secretary of State's forms or State Campaign Finance System could be funded by available money in the current Department budget.

The Department of Justice enforces the laws governing the filing and reporting for political committees. The Department indicates this bill may increase investigations or enforcement activities by an unknown degree and therefore any resulting impact on expenditures for such purposes is indeterminable. There is no expected increase in revenues as a result of this bill.

This bill may result in additional penalties pursuant to RSA 664 that may have an impact on the New Hampshire judicial and correctional systems. There is no method to determine how many charges would be brought as a result of the changes contained in this bill to determine the fiscal impact on expenditures. However, the entities impacted have provided the potential costs associated with these penalties below.

Judicial Branch	FY 2021	FY 2022
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Violation Level Offense	\$53	\$53
Class B Misdemeanor	\$55	\$55
Class A Misdemeanor	\$78	\$78
Simple Criminal Case	\$309	\$309
Routine Criminal Felony Case	\$494	\$494
Appeals	Varies	Varies
Department of Corrections		
FY 2020 Average Cost of Incarcerating an Individual	\$47,691	\$47,691
FY 2020 Annual Marginal Cost of a General Population Inmate	\$6,407	\$6,407
FY 2020 Average Cost of Supervising an Individual on Parole/Probation	\$584	\$584
NH Association of Counties		
County Prosecution Costs	Indeterminable	Indeterminable
Estimated Average Daily Cost of Incarcerating an Individual	\$105 to \$120	\$105 to \$120

AGENCIES CONTACTED:

Department of Justice and Department of State