

HB 395-FN – AS INTRODUCED

2013 SESSION

13-0294
05/04

HOUSE BILL ***395-FN***

AN ACT relative to the prohibition on the use of state funds to hire lobbyists.

SPONSORS: Rep. L. Ober, Hills 37; Rep. Sad, Ches 1; Rep. C. McGuire, Merr 29; Rep. Lambert, Hills 44

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill prohibits state agencies and other recipients of state funds from using state funds, directly or indirectly, to hire an individual who was a registered lobbyist within the last 5 years.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to the prohibition on the use of state funds to hire lobbyists.

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

1 1 Lobbyists; Prohibited Activities. Amend RSA 15:5, I to read as follows:

2 I. Except as provided in paragraph II, no recipient of a grant or appropriation of state funds
3 may use the state funds, ***directly or indirectly***, to lobby or attempt to influence legislation,
4 participate in political activity, or contribute funds to any entity engaged in these activities. ***Nor***
5 ***shall any recipient of a grant or appropriation of state funds use such funds to hire,***
6 ***directly or indirectly, an individual who was a registered lobbyist within the last 5 years.***

7 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
13-0294
01/16/13

HB 395-FN - FISCAL NOTE

AN ACT relative to the prohibition on the use of state funds to hire lobbyists.

FISCAL IMPACT:

The Department of Justice, New Hampshire Association of Counties, and Judicial Branch state this bill, **as introduced**, may increase state and county expenditures by an indeterminable amount in FY 2013 and each year thereafter. There will be no impact on state, county, and local revenue, or on local expenditures.

METHODOLOGY:

The Department of Justice states this bill prohibits the recipient of a grant or appropriation of state funds to use the funds to directly or indirectly lobby or attempt to influence legislation, participate in political activity, or contribute funds to an entity engaged in these activities. In addition, the bill prohibits recipients of a grant or appropriation of state funds to hire, directly or indirectly, an individual who was a registered lobbyist within the last five years. The Department states a violation of the bill would be a misdemeanor if a natural person or a felony if any other person, and could be prosecuted by a county attorney's office or by the Attorney General. The Department also states it would incur a cost in instances where an appeal is taken to the state Supreme Court. The Department states it is unable to estimate how many cases will be generated by the bill or how many cases will be appealed to the Supreme Court.

The New Hampshire Association of Counties states to the extent more individuals are charged, convicted, and sentenced to incarceration in a county correctional facility, the counties may have increased expenditures. The Association is unable to determine the number of individuals who might be charged, convicted or incarcerated as a result of this bill to determine an exact fiscal impact. The average annual cost to incarcerate an individual in a county correctional facility is approximately \$35,000. There is no impact on county revenue.

The Judicial Branch states it does not have information on which to estimate how many additional prosecutions may result from this proposed bill. The Branch states any person violating this provision would be subject to a misdemeanor if a natural person and a felony if any other person. Since an entity or natural person could violate this provision, both misdemeanor and felony prosecutions are possible. Regarding the cost to the Judicial Branch of an average misdemeanor, misdemeanors can be either class A or class B, with the presumption

being class B. The Judicial Branch states the cost to the Branch of a class A misdemeanor in the district division of the circuit court will be \$62.71 in FY 2014 and \$64.40 in FY 2015. The cost for a class B misdemeanor is \$44.32 in FY 2014 and \$45.84 in FY 2015. At those rates, if the proposed bill resulted in 160 additional class A or 226 additional class B misdemeanors in FY 2014, or 156 additional class A or 220 additional class B misdemeanors in FY 2015, the proposed bill would have a fiscal impact over \$10,000 annually. These numbers do not consider the cost of any appeals of a misdemeanor that may be taken following trial in the district court, including the potential to appeal a class A misdemeanor to the superior court for a jury trial or a class A or B misdemeanor to the supreme court on issues of law, or to both. The potential for appeals makes the number of misdemeanors needed for a fiscal impact to the Judicial Branch in excess of \$10,000 significantly fewer. Likewise, the Judicial Branch does not have any information on which to estimate how many additional felony prosecutions may result from the proposed bill. The cost to the Branch of an average routine criminal case in the superior court will be \$405.37 in FY 2014 and \$415.78 in FY 2015. At those rates, if this proposed bill resulted in 25 additional routine criminal cases in either FY 2014 or FY 2015, the Branch would have a fiscal impact in excess of \$10,000 annually. These numbers do not consider the cost of any appeals that may be taken following trial. The likelihood of appeals makes the number of prosecutions needed for a fiscal impact in excess of \$10,000 to the Judicial Branch significantly fewer. The Judicial Branch states the case cost estimates are based on data that is more than seven years old and does not reflect the changes to the courts over that same period of time or the impact these changes may have on the processing of these types of cases. In addition, more self-represented litigants are now involved in presenting their own cases and changes could have occurred in the length of the average trial or in the percentages of cases that are tried in general or before a jury.