

HB 1440-FN – AS INTRODUCED

2014 SESSION

14-2047
10/05

HOUSE BILL ***1440-FN***

AN ACT including the writing, promoting, or distributing of model legislation to elected officials as lobbying and requiring disclosure of scholarship funds, money, or other financial support received from such lobbyists by elected officials.

SPONSORS: Rep. Moody, Rock 17; Rep. Chase, Ches 8; Rep. Gale, Hills 28; Rep. Cahill, Rock 17; Rep. J. Schmidt, Hills 28; Rep. Frazer, Merr 13; Rep. M. Mann, Rock 32; Rep. Perry, Straf 3; Sen. Fuller Clark, Dist 21

COMMITTEE: Legislative Administration

ANALYSIS

This bill requires registration as a lobbyist for a partnership, firm, or corporation who pays scholarship funds, money, or other financial support to an elected official to attend an event whose purpose is promote or distribute model legislation, and requires the elected official to report any such funds received.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Fourteen

AN ACT including the writing, promoting, or distributing of model legislation to elected officials as lobbying and requiring disclosure of scholarship funds, money, or other financial support received from such lobbyists by elected officials.

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

1 1 New Paragraph; Lobbyists; Registration; Model Legislation. Amend RSA 15:1 by inserting
2 after paragraph II the following new paragraph:

3 II-a.(a) Registration is required where the partnership, firm, non-profit entity or corporation
4 formally adopts and distributes model acts to elected officials from more than one state, and meets
5 one or more of the following requirements: (1) New Hampshire legislators serve as members, staff,
6 or leadership of the partnership, firm, non-profit entity or corporation; or (2) the partnership, firm,
7 non-profit entity or corporation hosts a conference, meeting, or event where a model act is
8 distributed and New Hampshire legislators are in attendance.

9 (b) For this paragraph:

10 (1) "Elected official" means elected official as defined in 15-B:2, III.

11 (2) "Model legislation" means a legislative proposal or a uniform or suggested act
12 written, promoted, or distributed by a partnership, firm, non-profit entity, or corporation to an
13 elected official and to other public officials of at least one more state.

14 (3) "Formally adopted" means that the partnership, firm, non-profit entity, or
15 corporation votes to endorse, support, or distribute the model act for legislative adoption.

16 (c) Registration is not required under this paragraph where:

17 (1) The organization or association voting on the adoption of the model act consists
18 solely of individuals elected or appointed to a position in state government or employed by state
19 government, whether compensated or uncompensated, who is acting in an official capacity.

20 (2) The partnership, firm, non-profit entity, or corporation has a currently registered
21 lobbyist in the state of New Hampshire.

22 2 New Paragraphs; Statements. Amend RSA 15:6 by inserting after paragraph I the following
23 new paragraph:

24 I-a. Notwithstanding paragraph I, a lobbyist required to register under RSA 15:1, II-a shall
25 file with the secretary of state itemized statements under oath of:

26 (a) The names of all New Hampshire legislators serving as staff, members, or leadership
27 of the partnership, firm, non-profit entity or corporation; and/or a list of all New Hampshire
28 legislators attending the conference, meeting, or event where that model act was distributed.

HB 1440-FN – AS INTRODUCED
- Page 2 -

1 (b) The amount of compensation by scholarship funds, money, or other financial support
2 paid to or on behalf of the elected official, if any, including the family and guests of such elected
3 official, for the attendance at a conference, meeting, or event for the legislative adoption of model
4 legislation.

5 (c) The names of any entity or individuals who contributed money towards the
6 compensation reported under subparagraph (a). When possible, the report shall identify the entities
7 or individuals who contributed to each recipient's compensation.

8 (d) A copy of the program agenda for the conference, meeting, or event where the model
9 acts were distributed, and a copy of all model acts distributed.

10 (e) A financial interest disclosure form of any person, partnership, firm, or corporation
11 which voted on the formal adoption of the model act.

12 I-b. The reports under paragraph I-a shall be submitted within 30 days of the last day of the
13 conference, meeting, or event where the model acts were distributed or approved.

14 3 New Paragraph; Reporting of Honorarium and Expense Reimbursements. Amend RSA 15-B:6
15 by inserting after paragraph II the following new paragraph:

16 III. An elected official who receives compensation for the attendance at a conference,
17 meeting, or event for the legislative adoption of model legislation from a person, partnership, firm, or
18 corporation required to register under RSA 15:1, II-a shall report such compensation as an
19 honorarium or expense report pursuant to this chapter.

20 4 Effective Date. This act shall take effect January 1, 2015.

HB 1440-FN - FISCAL NOTE

AN ACT including the writing, promoting, or distributing of model legislation to elected officials as lobbying and requiring disclosure of scholarship funds, money, or other financial support received from such lobbyists by elected officials.

FISCAL IMPACT:

The Judicial Branch, Department of Justice, Department of State, and New Hampshire Association of Counties state this bill, **as introduced**, may increase state and county expenditures by an indeterminable amount in FY 2015 and each year thereafter. There will be no impact on local expenditures, or state, county, and local revenue.

METHODOLOGY:

The Judicial Branch states this bill amends portions of RSA 15 by requiring registration as a lobbyist for a partnership, firm, or corporation who pays scholarship funds, money, or other financial support to an elected official to attend an event whose purpose is to distribute model legislation. In addition, the bill requires elected officials to report any such funds received. Pursuant to RSA 15:8, violations of any portion of RSA 15 are punishable as a misdemeanor if done by a natural person and a felony if any other person. Since either an entity or a natural person could violate provisions of the bill, both misdemeanor and felony prosecutions are possible. The Branch states that in the past decade, no charges have been brought for violations of RSA 15; despite this, the Branch is able to project the average costs of prosecuting cases in the trial court. The Branch projects that class A misdemeanors will cost \$66.17 per case in FY 2015, and \$67.64 per case in FY 2016; class B misdemeanors will cost \$46.99 per case in FY 2015, and \$48.02 per case in FY 2016; and felony prosecutions, which are classified as routine criminal cases, will cost \$425.27 per case in FY 2015, and \$433.34 per case in FY 2016. These numbers do not consider the cost of any appeals that may be undertaken following trial.

The Department of Justice states that the criminal offenses created by the bill could be prosecuted by either the Department or by county attorneys. There could also be a fiscal impact to the Department if cases are appealed to the state Supreme Court. Because it is unclear how many cases will be generated as a result of the bill, the fiscal impact is indeterminable.

The Department of State states that the bill will require it to change several forms required to be filed by lobbyists and elected officials, but that these changes can be absorbed within the Department's current budget.

The New Hampshire Association of Counties states that to the extent more individuals are charged, convicted, and sentenced to incarceration in a county correctional facility as a result of the bill, 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.