

HB 1560-FN-LOCAL – AS INTRODUCED

2014 SESSION

14-2534
10/08

HOUSE BILL ***1560-FN-LOCAL***

AN ACT prohibiting the use of funds received from a political subdivision of the state to lobby.

SPONSORS: Rep. Sandblade, Hills 18

COMMITTEE: Municipal and County Government

ANALYSIS

This bill prohibits an entity that receives a grant or appropriation of funds from a political subdivision of the state from using or contributing those funds to lobby, attempt to influence legislation, or participate in political activity.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT prohibiting the use of funds received from a political subdivision of the state to lobby.

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

1 1 Lobbyists; Prohibited Activities; Political Subdivision Funds. Amend RSA 15:5 to read as
2 follows:

3 15:5 Prohibited Activities.

4 I. Except as provided in paragraph II, no recipient of a grant or appropriation of state funds
5 **or a grant or appropriation of funds from a political subdivision of the state** may use the
6 state funds **or political subdivision funds** to lobby or attempt to influence legislation, participate
7 in political activity, or contribute funds to any entity engaged in these activities.

8 II. Any recipient of a grant or appropriation of state funds **or a grant or appropriation of**
9 **funds of a political subdivision of the state** that wishes to engage in any of the activities
10 prohibited in paragraph I, or contribute funds to any entity engaged in these activities, shall
11 segregate the state funds in such a manner that such funds are physically and financially separate
12 from any non-state funds that may be used for any of these purposes, **and the political**
13 **subdivision funds are physically and financially separate from any non-political**
14 **subdivision funds that may be used for any of these purposes.** Mere bookkeeping separation of
15 the [state] funds from other moneys shall not be sufficient.

16 **III. For a political subdivision which contributes any funds to an entity engaged in**
17 **lobbying or attempting to influence legislation, that portion of such contribution which is**
18 **directly related to lobbying or attempting to influence legislation shall not be derived from**
19 **tax revenues of the political subdivision.**

20 2 Effective Date. This act shall take effect January 1, 2015.

HB 1560-FN-LOCAL - FISCAL NOTE

AN ACT prohibiting the use of funds received from a political subdivision of the state to lobby.

FISCAL IMPACT:

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

METHODOLOGY:

The Judicial Branch states this bill amends RSA 15:5 to prohibit any person or organization that receives funds from a political subdivision of the state from using those funds to lobby. Pursuant to RSA 15:8, violations of the amended section will be a misdemeanor if done by a natural person and a felony if done by any other person. The Branch states it has no information on which to estimate how many additional prosecutions will be brought as a result of the bill. The Branch does, however, have information on the average cost of processing such cases in the trial court. The Branch projects the average cost of processing a class A misdemeanor will be \$66.17 in FY 2015, and \$67.64 in FY 2016, and the average cost of processing a class B misdemeanor will be \$46.99 in FY 2015, and \$48.08 in FY 2016. Any felony offense under the bill will be classified as a routine criminal case in the superior court; the Branch projects that the cost of prosecuting an average routine criminal case in the superior court will be \$425.27 in FY 2015, and \$433.34 in FY 2016. These numbers do not consider the cost of any appeals that may be undertaken following trial. All costs are estimated based on case weight information from the Branch's last needs assessment completed in 2005.

The Department of Justice states that the criminal offense created by the bill will be prosecuted either by the Department or by a county attorney's office. In addition, there will be some fiscal impact to the Department when an appeal is taken to the state Supreme Court. The Department states that because it is difficult to estimate the number of cases that may be generated by the bill, the bill's fiscal impact is indeterminable.

The New Hampshire Association of Counties states 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.

The New Hampshire Municipal Association states that as a result of the bill, municipalities that currently employ private lobbyists will likely no longer do so. The Association states that it is impossible to estimate the decrease in municipal expenditures that may result.

The Department of State states this bill will have no fiscal impact.