

HB 297-FN-A - AS INTRODUCED

2021 SESSION

21-0435

11/05

HOUSE BILL **297-FN-A**

AN ACT making an appropriation to the FRM victims' contribution recovery fund.

SPONSORS: Rep. Weyler, Rock. 13; Rep. Sylvia, Belk. 6; Rep. Johnson, Belk. 3; Rep. Bordes, Belk. 3; Rep. O'Hara, Belk. 9; Rep. Silber, Belk. 2; Rep. Aldrich, Belk. 2; Rep. Mackie, Belk. 2; Sen. Giuda, Dist 2; Sen. Avard, Dist 12; Sen. D'Allesandro, Dist 20

COMMITTEE: Finance

ANALYSIS

 This bill makes an appropriation to the FRM victims' contribution recovery fund established in RSA 359-P:2.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 making an appropriation to the FRM victims' contribution recovery fund.

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

1 1 Statement of Purpose. The general court hereby finds that in 2016 the general court was
2 presented with documented evidence that certain state agencies made mistakes knowingly or
3 unknowingly that resulted in the continuation of the Financial Resources Mortgage (FRM) fraud
4 causing financial harm to many victims. In response, the legislature enacted 2016, 293 (SB 155),
5 which established the FRM victims' contribution recovery fund to provide restitution assistance. To
6 date, the fund has not received significant gifts or contributions of any kind. Without a state
7 appropriation or other meaningful funding source, the fund will remain unable to award the recovery
8 assistance intended by the enactment of RSA 359-P.

9 2 Appropriation; FRM Victims' Contribution Recovery Fund. For the purpose of awarding
10 recovery assistance to victims of the FRM fraud, there is hereby appropriated the sum of
11 \$10,000,000, for the biennium ending June 30, 2023, to the FRM victims' contribution recovery fund
12 established in RSA 359-P:2. The governor is authorized to draw a warrant for said sum out of any
13 money in the treasury not otherwise appropriated.

14 3 Effective Date. This act shall take effect July 1, 2021.

HB 297-FN-A- FISCAL NOTE
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AN ACT making an appropriation to the FRM victims' contribution recovery fund.

FISCAL IMPACT: ☒ State ☐ County ☐ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$10,000,000	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

METHODOLOGY:

This bill makes a general fund appropriation of \$10 million to the FRM Victims' contribution recovery fund established in RSA 359-P:2. The Department of Justice indicates RSA 359-P:4 charged the Department with hiring an attorney or administrator to solicit funds from private organizations for the Fund. The position was to be self-funded from no more than 10% of private sector contributions to the Fund. The Department would review applications for relief from the Fund and allocate funds to victims. To date, the Department has not been successful in finding a staff member whose salary is dependent on the amount of solicited funds and so, it has not undertaken the process of allocating funds or reviewing applications. The appropriation in this bill would initiate that process, and place the Department in the position of needing to review applications for relief from the Fund. The Department would need to review and investigate claims to avoid fraud on the Fund and would require staff with specialized expertise in accounting, financial fraud, and other areas to support the needs of the Fund. It would also require the Department to establish and provide administrative support for a board tasked with reviewing the applications. The number and nature of potential applications is unknown and therefore, the financial impact is indeterminate, but it is likely that this bill would result in increased staffing needs for the Department.

AGENCIES CONTACTED:

Department of Justice