

SB 445-FN-A - AS INTRODUCED

2024 SESSION

24-3056

08/05

SENATE BILL      ***445-FN-A***

AN ACT            establishing a voter-owned elections fund for eligible candidates to executive councilor and making an appropriation to the fund.

SPONSORS:        Sen. Innis, Dist 7; Sen. Perkins Kwoka, Dist 21; Rep. Guthrie, Rock. 15; Rep. Muirhead, Graf. 12; Rep. H. Howard, Straf. 4

COMMITTEE:      Election Law and Municipal Affairs

---

ANALYSIS

This bill establishes a voter owned election fund for eligible candidates to executive councilor and makes an appropriation to the fund.

-----

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT                    establishing a voter-owned elections fund for eligible candidates to executive councilor and making an appropriation to the fund.

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

1            1 New Subparagraph; Voter-Owned Elections Fund. Amend RSA 6:12, I(b) by inserting after  
2 subparagraph (394) the following new subparagraph:

3                    (395) Moneys deposited in the New Hampshire voter-owned elections fund  
4 established in RSA 664-A:2.

5            2 Voter-Owned Elections Commission. Amend RSA 5:13 to read as follows:

6            5:13 Commissions and Boards Functioning Within Department. The ballot law commission **and**  
7 **the voter-owned elections commission** shall **each** function within the department of state as a  
8 separate organizational entity and with all the powers and duties as heretofore provided, except as  
9 otherwise provided by law.

10           3 Political Expenditures and Contributions; Complaints. Amend the introductory paragraph of  
11 RSA 664:18 to read as follows:

12           Any candidate or voter may make complaint in writing to the attorney general of any violation of  
13 any of the provisions of this chapter **or of RSA 664-A**.

14           4 Political Expenditures and Contributions; Enforcement; Penalty. Amend RSA 664:21, I to  
15 read as follows:

16           I. Any fine assessed under the provision of this section shall be paid to the secretary of state  
17 for deposit into the ~~[general]~~ **New Hampshire voter-owned elections** fund.

18           5 New Chapter; Public Financing of Elections. Amend RSA by inserting after chapter 664 the  
19 following new chapter:

## CHAPTER 664-A

## PUBLIC FINANCING OF ELECTIONS

22           664-A:1 Definitions. In this chapter:

23           I. "Affidavit of registration" means a form completed and filed by a candidate according to  
24 procedures and forms developed by the New Hampshire voter-owned elections commission  
25 demonstrating and certifying that the candidate will comply with all the requirements of this  
26 chapter.

27           II. "Commission" means the New Hampshire voter-owned elections commission established  
28 in RSA 664-A:9.

1           III. "Contested general election" means an election in which 2 or more general election  
2 candidates for executive council each report expenditures of \$10,000 or more during the current  
3 election cycle.

4           IV. "Declaration of intent" means a form completed and filed by a candidate, according to  
5 procedures, forms, and deadlines developed by the New Hampshire voter-owned elections  
6 commission, declaring intent to seek certification as a "participating candidate" under this chapter.

7           V. "Election cycle" means the 2-year period beginning the day after each state general  
8 election.

9           VI. "Fund" means the New Hampshire voter-owned elections fund established in RSA 664-  
10 A:2.

11          VII. "General election campaign period" means the period beginning the day after the state  
12 primary election and ending the day of the state general election.

13          VIII. "Independent expenditures" means funds spent to pay for the development and  
14 distribution of a communication that advocates, expressly or otherwise, the election or defeat of a  
15 clearly identified candidate or candidates, but are not contributions.

16          IX. "Nonparticipating candidate" means a candidate who does not choose to participate in  
17 the publicly funded elections program in this chapter, and who is not seeking certification as a  
18 participating candidate.

19          X. "Participating candidate" means a candidate who has been certified by the New  
20 Hampshire voter-owned elections commission to receive voter-owned elections funding pursuant to  
21 this chapter.

22          XI. "Primary election" means a state primary election. For purposes of this chapter,  
23 primary election shall include only those elections held to nominate candidates of a party, as defined  
24 by RSA 652:5.

25          XII. "Primary election campaign period" means the period beginning the first day of the  
26 current election cycle and ending the day of the state primary election.

27          XIII. "Private contribution" means a contribution to a participating candidate from a private  
28 individual or other nongovernmental source or a political committee.

29          XIV. "Public contribution" means a contribution to a participating candidate from public  
30 funds, including voter dollars and grants described in RSA 664-A:7 and RSA 664-A:8, respectively.

31          XV. "Qualifying contribution" means a contribution meeting the requirements of RSA 664-  
32 A:4.

33          XVI. "Qualifying form" means a form completed by a contributor according to procedures  
34 and forms developed by the New Hampshire voter-owned elections commission that acknowledges a  
35 qualifying contribution and meets the requirements of RSA 664-A:4.

1 XVII. "Qualifying period" means the period during which a candidate seeking to be a  
2 participating candidate must file an affidavit of registration. This period begins on the first day of  
3 the current election cycle and ends 21 days before the primary election.

4 XVIII. "State general election" means an election to choose a federal, state, or county officer.

5 XIX. "Unspent public contributions" means the amount of public money remaining in a  
6 participating candidate's campaign account at the end of his or her campaign or, for candidates who  
7 withdraw from an election, at the time of withdrawal, and is calculated as the lesser of:

- 8 (a) Total public donations received by the candidate for the current election cycle; and  
9 (b) All of the candidate's campaign funds remaining following the end of the current  
10 election cycle and after any post-election audit mandated under RSA 664-A:10, II.

11 664-A:2 New Hampshire Voter-Owned Elections Fund Established.

12 I. There is established the New Hampshire voter-owned elections fund to be used for the  
13 purposes of providing public financing for the primary and general election campaigns of  
14 participating candidates and paying for the administrative costs of this chapter.

15 II. This nonlapsing, revolving special fund is hereby continually appropriated to the  
16 commission for the purpose of implementing RSA 664-A, including voter dollars, grants, and all costs  
17 necessary to administer the provisions of RSA 664-A. The state treasurer shall invest the moneys  
18 deposited in the fund as provided by law. Interest received on investments made by the state  
19 treasurer shall also be credited to the fund.

20 III. The following moneys shall be deposited in the fund:

- 21 (a) Voluntary donations made directly to the fund.  
22 (b) Unspent public contributions.  
23 (c) Fines assessed for violations of RSA 664 and RSA 664-A.  
24 (d) Interest generated by the fund.  
25 (e) Source determined by the voter-owned elections commission.

26 IV. Unspent public contributions as defined in this chapter shall not be subject to the  
27 requirements of RSA 664:4-b.

28 V. Moneys deposited in the fund shall only be used for purposes described in RSA 664-A:2, I  
29 and shall not be transferred, appropriated, or used for any other purpose.

30 664-A:3 Qualifications for Certification of Participating Candidates.

31 I. A candidate for executive councilor qualifies as a participating candidate for the primary  
32 election campaign period if:

- 33 (a) The candidate collects the required number of qualifying contributions and, during  
34 the qualifying period, files with the secretary of state and the commission an affidavit of registration  
35 of a declared candidate, signed by the candidate and the candidate's fiscal agent, according to  
36 procedures developed by the commission, certifying that the candidate has complied and shall  
37 comply with the requirements of this chapter.

1 (b) The candidate files a signed form developed by the commission that disavows  
2 independent expenditures on the candidate's behalf.

3 (c) The commission thereafter certifies the candidate as a participating candidate.

4 II. A candidate for executive councilor qualifies as a participating candidate for the general  
5 election campaign period if the candidate was a participating candidate for the primary election  
6 campaign period and:

7 (a) Has been declared nominated; or

8 (b) Did not have a primary contest.

9 III. The commission shall provide candidates whom the commission has denied certification  
10 written determination of its decision. Such candidates may seek judicial review of that decision.

11 664-A:4 Qualifying Contribution Requirements.

12 I. A candidate for executive councilor shall collect at least 500 contributions.

13 II. Each qualifying contribution shall be acknowledged by a qualifying form, according to  
14 procedures developed by the commission, signed under penalty of perjury by the contributor. The  
15 form shall include but not be limited to the contributor's printed name and domicile for voting  
16 purposes, the name of the candidate, certification by the contributor that the contribution was all  
17 from his or her personal funds, and certification that the purpose of the contribution is to help the  
18 candidate qualify for publicly financed elections funding and involved no exchange of value.

19 III. Contributors may make qualifying contributions to multiple candidates but may make  
20 no more than one qualifying contribution to any individual candidate per election cycle.

21 IV. Qualifying forms shall be submitted in bulk to the secretary of state during the  
22 qualifying period, and shall be accompanied by a list in electronic format which may be made readily  
23 accessible to the public according to procedures developed by the commission.

24 V. The candidate shall retain copies of the qualifying forms.

25 VI. Qualifying contributions shall be made by check, money order, digital wallet or credit  
26 card payable to the candidate according to procedures developed by the commission.

27 VII. Qualifying contributions shall be made only from personal moneys by individuals who  
28 are registered to vote in the candidate's district.

29 VIII. Qualifying contributions shall be between \$5 and \$125 for candidates for executive  
30 council and shall be received by the candidate during the qualifying period.

31 IX. Qualifying contributions shall be subject to review and audit in number, amount, source,  
32 and qualifications according to procedures developed by the commission.

33 664-A:5 Objection to Certification. Any objection to the certification of a candidate shall be  
34 made in writing to the voter-owned commission no later than 7 days following the last day of the  
35 qualifying period. Upon receipt of the objection, the commission shall notify the candidate in writing  
36 of the time and place for its hearing. The commission shall determine whether a candidate qualifies  
37 as a participating candidate within 7 days of receiving the objection. If the commission determines

1 that the candidate does not meet the requirements of this chapter, it may refuse to certify the  
2 candidate or revoke the candidate's eligibility and order the candidate to return to the fund any  
3 payments received pursuant to this chapter. The commission shall provide candidates whom the  
4 commission has denied certification pursuant to this section written determination of its decision.  
5 Such candidates may seek judicial review of that decision.

6 664-A:6 Requirements of Participating Candidates.

7 I. Only candidates for executive councilor shall be eligible to be participating candidates.

8 II. A participating candidate shall not expend for campaign purposes more than \$10,000 for  
9 executive councilor of any preexisting funds raised for any elected office prior to the first day of the  
10 election cycle for which the candidate seeks certification.

11 III. During the primary election campaign period, a participating candidate shall not accept  
12 aggregate private contributions, including qualifying contributions, from any single contributor  
13 exceeding \$125 for executive council. The same limits apply during the general election campaign  
14 period. As public contributions, voter dollars do not count toward these limits.

15 IV. No more than 10 percent of the total dollar value of private contributions made to a  
16 participating candidate during an election cycle may come from out-of-state individuals or  
17 organizations. For the purposes of this paragraph, an out-of-state organization is any entity that  
18 cannot truthfully attest that 75 percent or more of its funding originates from citizens of New  
19 Hampshire.

20 V. The following sources are prohibited from making private contributions to participating  
21 candidates:

22 (a) Business organizations.

23 (b) Unions.

24 (c) Lobbyists.

25 (d) Political Committees.

26 VI. Participating candidates may spend up to \$1,000 if in personal, non contributed funds  
27 for an executive council race. For purposes of this paragraph, race includes both primary and  
28 general elections.

29 VII. A volunteer may donate up to \$50 worth of goods and services to a participating  
30 candidate per month. A volunteer's time or voluntary use of personal vehicles shall not be  
31 considered a donation for purposes of this paragraph.

32 VIII. A participating candidate shall not solicit independent expenditures on his or her  
33 behalf and shall publicly disavow such expenditures.

34 IX. A participating candidate's contributions and expenditures shall be directed through a  
35 single committee.

36 X. A participating candidate's campaign funds may only be used for direct campaign  
37 purposes. The following uses of campaign funds are prohibited:

**SB 445-FN-A - AS INTRODUCED**  
**- Page 6 -**

1 (a) Personal use.

2 (b) Payments to other candidates, parties and political committees, and groups or  
3 individuals making independent expenditures.

4 (c) Gifts.

5 (d) Additional uses determined by the commission.

6 XI. Once certified as a participating candidate, the candidate shall submit all contribution  
7 and expenditure data electronically via the system developed under RSA 664-A:9, X(e)(1) and comply  
8 with reporting deadlines established by the commission. If any precertification data has not already  
9 been entered into the system, the candidate shall immediately resubmit it electronically.

10 664-A:7 Voter Dollars.

11 I.(a) On a date to be determined by the commission, but no later than the first business day  
12 in May of every general election year, the secretary of state shall mail to each person who was by the  
13 previous November 15 registered to vote in the state of New Hampshire, including any person  
14 prohibited from contributing private contributions under RSA 664-A:6, V, at his or her address in  
15 the voter registration records, 4 certificates worth 25 voter dollars each.

16 (b) Thereafter, the secretary of state shall issue 4 \$25 certificates to any person who  
17 becomes a New Hampshire registered voter on or before October 1 of the general election year.

18 (c) The commission shall establish a secure online system for delivery of certificates to  
19 voters, without prejudice to any eligible person's right to receive certificates in the mail at his or her  
20 option, no later than the 2026 election cycle, unless the commission determines this target date is  
21 not practicable; and in any event no later than the 2028 election cycle.

22 II. Each certificate shall state the holder's name, home address, unique certificate  
23 identification number, the election year, and words of assignment with blank spaces for the holder to  
24 designate a participating candidate's name and office sought and to sign the holder's name.

25 III. Certificates are only transferable or assignable as stated herein. Any person properly  
26 obtaining and holding a certificate may assign it by writing the name and office sought of the  
27 assignee candidate, and signing the holder's name on and dating the certificate where indicated  
28 thereon, and delivering the signed and dated certificate to the candidate, or to the commission, or to  
29 any candidate's representative who shall be registered for this purpose with the commission.  
30 Delivery of assigned certificates may be by mail, in person by any person the holder requests to  
31 deliver the certificate, or electronically via a secure online system developed by the commission.

32 IV.(a) No certificate may be assigned after the last business day in November following the  
33 election.

34 (b) A candidate or registered candidate representative may seek assignment in person or  
35 through registered candidate representatives or by assisting a voter to access the commission's  
36 secure online system.

37 (c) A valid assignment of a certificate shall be irrevocable.

**SB 445-FN-A - AS INTRODUCED**  
**- Page 7 -**

1           (d) A person may assign any number of his or her certificates to the same candidate in a  
2 given year.

3           (e) Assignment or transfer for cash or any consideration is prohibited. Offering to  
4 purchase, buy, or sell a certificate is prohibited. No person may give a certificate to another person,  
5 except by assigning it to a candidate as provided herein. Certificates have no cash value and are not  
6 assets, income, or property of the holder. A certificate shall not be assigned by proxy or power of  
7 attorney or by an agent.

8           V. The commission shall pay from the fund to each participating candidate's campaign \$25  
9 for each certificate that has been validly assigned to that candidate. Before issuing payments, the  
10 commission shall ensure that each certificate was validly issued to and assigned by an eligible voter.  
11 The commission shall redeem certificates on published regular redemption dates that shall be no less  
12 frequent than twice a month, and may redeem certificates on other dates notified in advance if  
13 practicable. The commission shall not redeem any certificate received by the commission after the  
14 first business day in the month of December after the general election.

15           VI. No executive council candidate shall be paid more than \$84,000 per election cycle for  
16 voter dollar certificates assigned. Excess certificates shall be returned to their assignors in a timely  
17 manner, and the name of office sought by any candidate who has reached such limit shall be made  
18 publicly available.

19           VII.(a) The commission shall administer the certificate program and shall adopt rules  
20 consistent with this section to ensure the certificate program is operated efficiently, fairly, and  
21 transparently. The rules shall provide for a complaint and adjudication process in which New  
22 Hampshire citizens and candidates may petition the commission for correction of errors or remedies  
23 for unlawful action affecting the certificate program.

24           (b) Prior to each election cycle, the commission shall inform the public about the  
25 certificate program through the media and other sources, and shall publish guidebooks and forms for  
26 candidates and certificate recipients, and any other documents necessary for efficient and  
27 widespread operation of the program.

28           (c) The commission shall record and publish on its website the name, but not the  
29 address, of each certificate holder that has made an assignment and the name of the candidate that  
30 is the assignee.

31           664-A:8 Grants.

32           I. In addition to voter dollars collected pursuant to RSA 664-A:7, a candidate for executive  
33 councilor who has qualified as a participating candidate for the general election campaign period  
34 shall be eligible for the following amounts from the fund:

35           (a) \$60,000 grant from the fund for a contested general election.

36           (b) \$10,000 grant from the fund for an uncontested general election.



**SB 445-FN-A - AS INTRODUCED**  
**- Page 8 -**

1           II. A candidate shall receive grant funding upon qualification as a participating candidate  
2 for the general election campaign period.

3           664-A:9 New Hampshire Voter-Owned Elections Commission.

4           I. There is hereby established a New Hampshire voter-owned elections commission.

5           II. The members of the commission shall be as follows:

6               (a) One member appointed by the president of the senate.

7               (b) One member appointed by the minority leader of the senate.

8               (c) One member appointed by speaker of the house of representatives.

9               (d) One member appointed by minority leader of the house of representative.

10           (e) One member appointed by a majority of the appointees listed in subparagraphs (a)-  
11 (d).

12           III. No person may serve on the commission who is a candidate for executive councilor. No  
13 member of the commission may publicly endorse any candidate for office or financially contribute to  
14 a candidate for office while serving on the commission.

15           IV. All appointments to the commission shall be made within 60 days of the effective date of  
16 this section.

17           V. The members of the commission shall elect a chairman from among the members.

18           VI. The commission shall have jurisdiction of and be responsible for the execution of the  
19 provisions of this chapter. The commission shall adopt rules relative to the commission's procedures.

20           VII. The commission shall recommend to the legislature any adjustments to dates, numbers,  
21 and dollar values in this chapter that the commission deems necessary. Positive adjustments for  
22 inflation as described in RSA 664-A:14 are exempt from this requirement.

23           VIII.(a) The commission shall evaluate and implement strategies for soliciting voluntary  
24 donations to the fund established in RSA 664-A:2. The commission shall develop solicitation  
25 strategies targeting individuals, businesses, nonprofit organizations, and political organizations.

26               (b) The commission shall develop printed material with the secretary of state to be  
27 enclosed with mailings that explain the New Hampshire voter-owned elections system and instructs  
28 recipients on how to donate to the fund. Copies of materials developed under this subparagraph  
29 shall also be made available to agencies requesting them.

30               (c) The commission shall evaluate methods for encouraging donated advertising that  
31 may, consistent with state and federal law, be distributed on an equal basis to participating  
32 candidates. Such advertising may include but is not limited to broadcast media, online/social media,  
33 print media, and donated services from printers, mailing services, and consultants.

34               (d) The commission shall, based upon experience gained in the first or subsequent  
35 implementations of the public financing system, determine whether a candidate who has received  
36 contributions that do not meet the requirements of RSA 664-A:4, VII or VIII, or RSA 664-A:6, III, V,  
37 or VI may still be eligible for certification once the prohibited donations and the excess of donations

1 that exceed the limits specified in RSA 664-A:4, VIII or RSA 664-A:6, III have either been returned  
2 to contributors or donated to the fund.

3 IX. The commission shall examine the feasibility of collecting voluntary donations to the  
4 fund via a system in which any state agency and political subdivision acting on behalf of any state  
5 agency, sending any tax bill, tax form, registration form, or license or certificate application or  
6 renewal by mail or online shall, upon request of the commission, include a brief statement about the  
7 New Hampshire voter-owned elections system and include:

8 (a) The URL of a website providing information and a procedure for contributing to the  
9 fund; and

10 (b) An add-on box allowing recipients to add money to their bill to benefit the fund,  
11 suggested donation amounts to be determined by the commission.

12 X. The commission shall:

13 (a) Render advisory opinions with respect to questions arising under this chapter upon  
14 the written request of a candidate, an officer of a political committee, or a member of the public, or  
15 upon its own initiative.

16 (b) Make public the questions of interpretation for which advisory opinions will be  
17 considered by the commission and the advisory opinions rendered, including by publication on its  
18 website in a format such that advisory opinions are searchable by keyword.

19 (c) Develop a program for informing and training candidates and the public as to the  
20 purpose and effect of the provisions of this chapter, including by means of a website.

21 (d) In cooperation with the secretary of state, develop an interactive, searchable  
22 computer database that shall contain all information necessary for the proper administration of this  
23 chapter, including information on contributions to and expenditures by candidates and their  
24 authorized committees and distributions of moneys from the fund, and that shall be accessible to the  
25 public on the state website.

26 (e)(1) In cooperation with the secretary of state, develop an electronic reporting system  
27 to process the campaign receipts, contributions, transfers, and expenditures required to be filed  
28 pursuant to the provisions of this chapter.

29 (2) Determine whether such a reporting system should be structured as a  
30 clearinghouse, that is, a system in which all contributions to participating candidates are posted and  
31 vetted in real time as they are made.

32 (3) Make all data from the electronic reporting process available at all times on the  
33 Internet in a format that is searchable by keyword and by the name of any candidate, contributor, or  
34 recipient of campaign expenditures mentioned in the filing.

35 664-A:10 Audits.

**SB 445-FN-A - AS INTRODUCED**  
**- Page 10 -**

1           I. The commission may conduct a thorough examination and pre-election audit of the  
2 contributions and campaign expenses of every participating candidate. Such audits shall be  
3 conducted as frequently as the commission deems necessary to ensure compliance with this chapter.

4           II. The commission shall conduct post-election audits as deemed necessary, but in any event  
5 shall audit no less than 25 percent of participating candidates running for office in each election year  
6 selected at random. The cost of complying with a post-election audit shall be borne by the  
7 candidate's authorized committee. A candidate who has received public funds under this chapter  
8 shall maintain a reserve of at least one percent of the total amount of public and private donations  
9 received in his or her campaign account to comply with the post-election audit.

10          III. The commission shall issue to each campaign audited the final post-election audit report  
11 that details its findings and shall provide such audit to the governor and legislative leaders and  
12 make such audit report available on the commission's website. Final post-election audit reports  
13 shall be completed no later than 12 months after the date of the election that is subject of the audit.  
14 This audit deadline shall not apply in cases involving potential campaign-related fraud, knowing  
15 violations of this chapter, or other criminal activity.

16          664-A:11 Penalties.

17           I. Any person who violates this chapter, but cannot be shown to having knowingly done so,  
18 shall be subject to a civil penalty, unless the commission determines the violation was de minimis.  
19 The person shall be subject to a fine of \$10,000, or the total amount of illegal contributions and  
20 expenditures, whichever is greater.

21           II. Any person who knowingly violates the provisions of this chapter shall be guilty of a  
22 misdemeanor and shall be subject to a fine of \$20,000 or twice the total amount of illegal  
23 contributions and expenditures, whichever is greater. Such violations by elected candidates may  
24 constitute impeachable offenses. The limitations in RSA 651:2, IV shall not apply to fines under this  
25 paragraph.

26           III. Any person who knowingly makes a false statement or knowingly omits a material fact  
27 to the commission or any another official during any investigation conducted pursuant to this section  
28 shall be guilty of a class B felony.

29           IV. Any person found by the commission to have violated provisions of this chapter may seek  
30 judicial review.

31           V. All fines imposed pursuant to this section shall be made payable to the fund.

32          664-A:12 Reports to General Court.

33           I. As soon as practicable after each general election in which public contributions were  
34 expended, but no later than 30 days after the general election, the commission shall file a  
35 preliminary report to the governor and general court containing summary information about the  
36 fiscal status of the fund, make recommendations regarding appropriations to the fund in the  
37 following year, and take whatever actions are appropriate to:

**SB 445-FN-A - AS INTRODUCED**  
**- Page 11 -**

1           (a) Secure any additional funds required in the state budget.

2           (b) Initiate legislation to secure additional funding from other sources.

3           II. The commission shall report to the general court after each election cycle regarding the  
4 fund, no later than the first day of July of the year following a general election. The report shall  
5 include a detailed summary of all contributions, qualifying contributions, payments from the fund,  
6 and expenditures made by all participating candidates. The report shall also include a summary  
7 and evaluation of the commission's activities, and recommendations relative to the implementation  
8 and administration of this chapter.

9           III. In the first report the commission prepares pursuant to paragraph II and, if applicable,  
10 to subsequent reports, the commission shall recommend whether the public financing system should  
11 be expanded to include special elections and elections for state senate and house of representatives.  
12 The recommendation shall state the potential benefits and obstacles of expanding the program, and,  
13 if the commission recommends expanding the program, shall estimate the cost of the expanded  
14 program and explain the need for additional commission staff or legal changes necessary to  
15 efficiently implement the expanded program.

16           IV. In the second report the commission prepares pursuant to paragraph II and, if  
17 applicable, subsequent reports, the commission shall recommend whether the public financing  
18 system should be expanded to include elections for United States Senate and House of  
19 Representatives. The recommendation shall state the potential benefits and obstacles of expanding  
20 the program, and shall fully explore all legal obstacles to such expansion. If the commission  
21 recommends expanding the program, it shall estimate the cost of the expanded program and explain  
22 the need for additional commission staff or legal changes necessary to efficiently implement the  
23 expanded program.

24           664-A:13 Shortfall in Fund.

25           I. Following the state primary election, the commission shall project the amount of public  
26 funds to be distributed in the general election period. If the commission determines that there will  
27 not be sufficient money in the fund to finance all participating candidates in accordance with RSA  
28 664-A:7 and RSA 664-A:8, the commission shall make every attempt to correct the shortfall by, at its  
29 discretion:

30           (a) Reducing the dollar amount to be paid out for each voter dollar certificate  
31 subsequently assigned;

32           (b) Reducing the dollar amount of per-candidate limits on funds paid out for voter dollar  
33 certificates;

34           (c) Reducing the dollar amount to be paid out in each general election grant.

35           II. If the reductions in paragraph I of this section are inadequate, the commission may, at its  
36 discretion, increase the private contribution dollar limits currently imposed upon participating  
37 candidates.

1           III. In choosing any of the actions listed in paragraphs I and II of this section, the  
2 commission shall not intentionally favor any candidate or political party.

3           664-A:14 Adjustment for Inflation. At the beginning of each general election year, commencing  
4 in 2024, the commission, using an inflation calculator based on the consumer price index for all  
5 urban consumers published by the United States Bureau of Labor Statistics, shall adjust to the  
6 nearest \$5 the amount of each current dollar limit or threshold mentioned in this chapter, with the  
7 exception of the qualifying contribution threshold, to account for inflation since each limit or  
8 threshold was last updated. Not later than the first day of February in each such year, the  
9 commission shall adopt a rule establishing each adjusted amount.

10          664-A:15 Severability. If any clause, article, sentence, subdivision, paragraph, section, or part of  
11 this chapter be adjudged by any court of competent jurisdiction to be invalid, such judgment shall  
12 not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the  
13 clause, sentence, subdivision, paragraph, section, or part thereof directly involved in the controversy  
14 in which such judgment shall have been rendered.

15          664-A:16 Certification by the State Treasurer.

16           I. The state treasurer shall certify to the New Hampshire voter-owned elections commission  
17 the date that the balance in the New Hampshire voter-owned elections fund reaches \$1,800,000. On  
18 the November 1 next following such certification at least one year prior to the elections, the  
19 commission shall commence administering the public financing provisions of RSA 664-A relating to  
20 campaigns for executive council.

21          6 Appropriation. The sum of \$1 for the fiscal year ending June 30, 2024 and the sum of \$1 for  
22 the fiscal year ending June 30, 2027 are hereby appropriated to the voter-owned elections fund  
23 established in RSA 664-A:2. The governor is authorized to draw a warrant for said sums out of any  
24 money in the treasury not otherwise appropriated.

25          7 Effective Date.

26           I. Section 6 of this act shall take effect June 30, 2024.

27           II. The remainder of this act shall take effect upon its passage.

**SB 445-FN-A- FISCAL NOTE**  
**AS INTRODUCED**

AN ACT establishing a voter-owned elections fund for eligible candidates to executive councilor and making an appropriation to the fund.

**FISCAL IMPACT:**    ☒ State                      ☐ County                      ☐ Local                      ☐ None

<b>Estimated State Impact - Increase / (Decrease)</b>				
	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<i>Revenue Fund(s)</i>	New Hampshire Voter-Owned Elections Fund RSA 664-A:2			
<b>Expenditures</b>	\$0	Indeterminable but significant increase to the General Fund. Indeterminable Increase to NHVOEF	Indeterminable increase to the General Fund. Indeterminable Increase to NHVOEF	Indeterminable increase to the General Fund. Indeterminable Increase to NHVOEF
<i>Funding Source(s)</i>	General Fund New Hampshire Voter-Owned Elections Fund RSA 664-A:2			
<b>Appropriations</b>	\$1	\$0	\$0	\$1
<i>Funding Source(s)</i>	General Fund			

- Does this bill provide sufficient funding to cover estimated expenditures? ☒ No
- Does this bill authorize new positions to implement this bill? ☒ No

<b>Estimated Political Subdivision Impact - Increase / (Decrease)</b>				
	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>County Revenue</b>	\$0	\$0	\$0	\$0
<b>County Expenditures</b>	Indeterminable			
<b>Local Revenue</b>	\$0	\$0	\$0	\$0
<b>Local Expenditures</b>	Indeterminable			

**METHODOLOGY:**

This bill creates a Voter-Owned Elections Commission, that would function within the Department of State, as well as creates a non-lapsing New Hampshire Voter-Owned Election Fund (NHVOEF), continually appropriated to the Voter-Owned Elections Commissions, to provide campaign financing to candidates for executive councilors as well as to fund the administrative costs for the Voter-Owned Elections Commission and Chapter 664-A. This bill

appropriates \$1 to the NHVOEF in FY 2024 and FY 2027 from the General Fund. Additionally this bill establishes new fines as well as civil and misdemeanor penalties with the fines assessed being deposited into the NHVOEF.

The Department of State indicates this bill establishes a Voter-Owned Elections Commission within the Department of State. Because the commission will not have funds and the commission will not have been appointed or implemented the Department will require an indeterminable amount of General Funds to implement the following requirements until the NHVOEF has enough monies to sustain the requirements of the Commission:

- Implementing a secure online system for delivering certificates to voters who opt not to receive them by mail.
- Administering the certificate program and managing the certificate system.
- Sending voter information on setting up an account in the system via mail.
- Launching a public education program to inform about the certificate program.
- Establishing and maintaining a website displaying the names (excluding addresses) of certificate holders and their assigned candidate.
- Developing and executing strategies to encourage voluntary donations to the fund.
- Creating printed materials on fund donations to be mailed by the Secretary of State.
- Designing a program to educate and inform candidates and the public through a dedicated website.
- Collaborating with the Secretary of State to build a searchable computer database with all necessary information for proper administration.
- Collaborating with the Secretary of State to develop an electronic reporting system for processing campaign receipts, contributions, transfers, and expenditures.
- Conducting post-election audits and issuing relevant reports.

Additionally, the Secretary of State is tasked with sending four certificates, each valued at 25 voter dollars, to every registered voter at their address listed in the voter registration records. This process occurs annually during general election years. With approximately 873,000 registered voters in NH, the current first-class postage rate of \$0.66 applies, and the overall postage cost may vary based on the content included in each mailing. As more voters transition to the secure online delivery system, the expenses are expected to decrease. However, determining the exact cost of designing, purchasing, printing, and tracking four personalized certificates for each voter is uncertain. To cover these expenses, General Funds will need to be allocated.

Lastly, this bill adds, deletes, or modifies a criminal penalty, or changes statute to which there is a penalty for violation. Therefore, this bill may have an impact on the judicial and correctional systems, which could affect prosecution, incarceration, probation, and parole costs, for the state, as well as county and local governments. A summary of such costs can be found at: [https://gencourt.state.nh.us/lba/Budget/Fiscal\\_Notes/JudicialCorrectionalCosts.pdf](https://gencourt.state.nh.us/lba/Budget/Fiscal_Notes/JudicialCorrectionalCosts.pdf)

**AGENCIES CONTACTED:**

Department of State, Judicial Branch, Judicial Council, Department of Justice, Department of Corrections, New Hampshire Association of Counties, and New Hampshire Municipal Association