

Senate Election Law and Municipal Affairs Committee

Tricia Melillo 271-3077

SB 534-FN, relative to campaign finance.

Hearing Date: January 30, 2024

Members of the Committee Present: Senators Gray, Murphy, Abbas and Perkins Kwoka

Members of the Committee Absent : Senator Soucy

Bill Analysis: This bill makes various changes to the laws that regulate the financing of political campaigns.

Sponsors:
Sen. Gray

Who supports the bill: Senator James Gray, Deputy Secretary of State, Erin Hennessey, Greg Moore, Olivia Zink, Jillian Dubois, Autumn Raschick-Goodwin, Linda Bundy, June Fabre, Karen Campbell, Michael Fraysse, Marcia King, Ellen Farnum

Who opposes the bill: None

Summary of testimony presented in support:

Senator James Gray

- This bill makes changes to the RSAs that deal with campaign finance.
- On page 10, line 34, to be consistent with the other language in the bill he proposes adding the time period “for the election cycle.”
- On page 12, line 5, again, to be consistent, he would add the word “public” before inspection.
- On page 13, line 6, RSA 664:3, the three was left out and on line 15 it should say success **or** defeat, not success and defeat.
- There are many people that get frustrated over campaign finance law and how confusing it is.
- They are trying to simplify it with the changes made in this legislation.
- A lot of the work was done by the Secretary of State’s office.
- SB 530 dealing with legibility of the filed finance forms can be rolled into this.
- The Secretary of State’s office believes that not allowing faxed forms any longer would be advantageous.
- There are many other ways to send in the reports and faxes are frequently not legible.
- Senator Perkins Kwoka asked if he has a document that shows all of the changes made to the original RSA.
 - Senator Gray replied that he does have a redlined copy and he will have the Committee Aide distribute it to the Committee.
- Senator Perkins Kwoka asked if he would like to speak to any of the substantive changes.

- Senator Gray replied that the bill does a few things. The time period “for the elections cycle” is a new concept. Previously it stated, “the election” and there was some confusion over which election because you have the Primary and the General. The question became, do the funds raised have to be separated by election. They are trying to simplify the process. For example, not making a distinction between a candidate and a candidate committee. Currently, there are different dates for each to submit reports. He believes it should not be an adversarial process; people need to report fully and be transparent.

Erin Hennessey – Deputy Secretary of State

- This bill came about from work that the House sub-committee did over the summer.
- The bipartisan committee went over all of RSA 664 in detail for many hours.
- She has seen a lot of confusion by the users of the campaign finance laws.
- They question when they have to report, how long they have to report for, whether they have to register and not just file.
- She believes these changes will simplify the process for users and make it more transparent for the public.
- This bill is not the recommendation that the Secretary of State’s office gave to the sub-committee, but it is similar.
- In current statute, there are things that are not defined, like candidate committee and other political committees.
- They put all of those definitions in one part of the statute.
- Another change in this bill is the section explaining when you need to file your reports.
- Currently there are multiple paragraphs that relate to the timing and this bill simplifies it into one small section.
- In current law the time periods for accepting and using funds is broken up between the exploratory, primary, and general election cycles.
- This caused confusion about what could be done when.
- This bill changes it to one time period “the election cycle” which is two years.
- If a candidate has a balance after that two-year period is complete, they are automatically registered for the next campaign finance election cycle.
- Users have to continue to file reports until they have a zero balance even if they are not running in the next election.
- The bill also changes the language of success or defeat to support, opposition, promote or attack but it does not do it throughout the statute.
- She would like to see the original language of success or defeat be put back.
- To her knowledge there has never been any confusion about what success or defeat means and putting in extra adjectives makes it more confusing.
- There are a few places where there are typos or inconsistencies that she would like to see addressed.
- On page 7, line 2, the bill brings back some of the old language regarding exploratory, primary, or general phases of an election for when corporations contribute.
- This would cause confusion about what the election cycle means.
- The language on the bottom of page 7, lines 35 through line 4 on page 8, she does not feel is needed because it is already covered in another section.
- Senator Perkins Kwoka asked her to send all of those suggestions to the committee.
 - Deputy Secretary Hennessey replied that she will do that, and she appreciates the committee trying to simplify campaign finance law.

Greg Moore – Americans for Prosperity

- They have been trying to clean up RSA 664 for many years.
- The language regarding success, defeat or attack he believes is in the bill because the section it is addressing relates to the functional equivalent of expressed advocacy.
- Expressed advocacy is when someone is promoting the success or defeat of a candidate.
- The functional equivalent of expressed advocacy is when you are speaking to a candidate's character or fitness for office.
- NH started regulating this in 2014, and it may be why that section was expanded.
- On page 6, lines 17 – 19, they believe adding the part about the IRS code of 1986 can be misleading and he suggested that they strike it.
- Under NH law if you are making an independent expenditure you have to include a street address for mailing.
- Under federal law it can be a mailing address, a phone number or a website.
- He acknowledged that almost no one reads the disclaimer but the longer you it is the less it will be read.
- He believes NH should consider changing from requiring a street address and follow what the federal law requires for independent expenditures.
- Tightening up the language relative to the disclaimer would benefit the voter.

Olivia Zink – Open Democracy

- This bill provides increased transparency for campaign finance law.
- She spent hours in the House sub-committee meetings and heard suggestions from the Attorney General and Secretary of State on how best to clean up RSA 664.
- On page 12 and 14, the words fiscal agent are replaced with treasurer and she believes using the one word instead of two throughout the statute is a great idea.
- On page 7, line 22, where it addresses the success or defeat of a candidate, causes some confusion regarding what each of those words mean.
- There is an acronym, PASO, which stands for promote, attack, support or oppose.
- Those four words are a legal framework and have been litigated a lot more than just success or defeat.
- She suggested that the Committee consider using those words or creating definitions of what success and defeat mean.
- She believes the language clarifying reporting of deficits in this bill is helpful.

Summary of testimony presented in opposition: None

TJM

Date Hearing Report completed: February 2, 2024