Bill as Introduced

HB 1704-FN - AS INTRODUCED

2012 SESSION

12-2752 03/10

SENATE BILL 1704-FN

AN ACT relative to limits on political contributions and relative to reporting by political committees.

SPONSORS: Rep. Doherty, Hills 27

COMMITTEE: Election Law

ANALYSIS

This bill:

I. Eliminates the \$1,000 limit on contributions to candidates who do not agree to limit campaign expenditures, making the \$5,000 limit applicable to all contributions.

II. Authorizes contributions of up to \$5,000 each during the primary election, general election, and exploratory periods of a campaign.

III. Requires earlier reporting by political committees.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.





HB 1704-FN – AS INTRODUCED

12-2752 03/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to limits on political contributions and relative to reporting by political committees.

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

1 Reference Deleted. Amend the introductory paragraph of RSA 655:19-c, I to read as follows:

 $\mathbf{2}$ I. Candidates for governor, United States senator, representative to Congress, executive 3 councilor, state senator, county officer, and state representative who file declarations of candidacy 4 shall pay the administrative assessment in paragraph I or file primary petitions as provided in Candidates for governor, United States senator, representative to Congress, 5 paragraph III. 6 executive councilor, state senator, county officer, and state representative who file declarations of 7 intent shall pay the administrative assessment in paragraph I and shall meet the requirements of 8 RSA 655:40 through 655:45 for nomination by nomination papers. [Neither the administrative 9 assessment which is paid nor the primary petitions which are filed under this section, nor the 10 nomination papers which must be submitted under RSA 655:41 and filed under RSA 655:43, shall be waived or refunded for a candidate for any of the offices listed in this section who, pursuant to RSA 11 12 664:5-a, voluntarily accepts the expenditure limitation set forth in RSA 664:5-b.] At the time of filing 13 declarations of candidacy or declarations of intent, the administrative assessment shall be as follows: 14 2 Prohibited Political Contributions; Amount. Amend RSA 664:4, V to read as follows:

Т-1

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V. By any person (1) if in excess of \$5,000 in value, except for contributions made by a 15 candidate in behalf of his or her own candidacy, [or if in excess of \$1,000 in value by any person or 16 by any political committee to a candidate or a political committee working on behalf of a candidate 17 who does not voluntarily agree to limit his campaign expenditures and those expenditures made on 18 his behalf-as provided in RSA 664:5-a,] provided that a person may contribute up to \$5,000 for 19 the state primary election and up to \$5,000 for the general election to a candidate, political 20committee, or political party, and may contribute an additional \$5,000 during an 21 $\mathbf{22}$ exploratory period to a political committee working on behalf of a person prior to his or 23her public declaration of candidacy, (2) if made anonymously or under a name not that of the donor, (3) if made in the guise of a loan, (4) if any other manner concealed, (5) if made without the 24 knowledge and written consent of the candidate or his or her fiscal agent, a political committee or its 2526treasurer, or not to any one of the same.

 $\mathbf{27}$

3 Reporting by Committees. Amend RSA 664:6, I to read as follows:

I. Any political committee whose receipts or expenditures in support of a candidate, measure, or political party exceed \$500 except, for the purposes of this paragraph only, the political committee of a political party or the political committee of a candidate, shall file with the secretary of

HB 1704-FN – AS INTRODUCED - Page 2 -

state an itemized statement, signed by its chairman and treasurer showing each of its receipts 1 exceeding \$25 with the full name and home post office address of the contributor in alphabetical 2 order and the amount of the contribution, the date it was received, and the aggregate total for each 3 election for each contributor of over \$100. The statement shall [be-filed not later than the 4 Wednesday 12 weeks immediately preceding a primary election, before 5 o'clock in the afternoon, and 5 shall] cover the period from the day of the committee registration up to and including [the Monday 6 before the statement is due] June 30 of the year prior to the general election. The statement 7. shall be filed not later than 5 business days after the close of the period covered, before 5 8 o'clock in the afternoon. All receipts of \$25 or under shall appear on the [statements] statement 9 as unitemized receipts. Any listing which exceeds an individual's aggregate total of \$100 for each 10 election shall be accompanied by the contributor's occupation including official job title, the name of 11 the contributor's employer, and the city or town of the contributor's principal place of business, if 12 any. The statement shall also show each committee expenditure with the full name and city or town 13 of persons, corporations, committees, or to whomever paid or to be paid, the date paid, and the 14 election for which the expenditure was made, with the specific nature and amount of each 15 expenditure since the date of the registration. The committee shall file reports in the same 16 form covering the periods from July 1 to December 31 of the year prior to the general 17 election and January 1 to March 31 of the year of the general election, which shall be filed 18 not later than 5 business days after the close of the period covered, before 5 o'clock in the 19 afternoon. The committee shall also file a report in the same form not later than the 20 Wednesday 12 weeks immediately preceding a primary election, before 5 o'clock in the 21 afternoon, which shall cover the period from April 1 up to and including the Monday before 22the statement is due. A committee that registers after the date that a report is due under 23this paragraph shall file its first report by the next applicable due date, covering the $\mathbf{24}$ 25period beginning with the day of the committee registration.

26

4 References Deleted. Amend RSA 664:21, IV-V to read as follows:

IV. [In addition to the fines levied under paragraph I;] Any person who fails to file any report or statement on the date on which the report or statement is due under this chapter shall be subject to a daily fine of \$25 for every weekday for which the report or statement is late and until the report or statement is actually filed, except that candidates for the general court shall be subject to a daily fine of \$5 under this paragraph.

V. [The provisions of this paragraph shall apply to violations of this chapter other than the violation of RSA-664:5-a and 5-b, and] A person liable under the provisions of this paragraph shall not also be subject to the penalties imposed under paragraphs [4] II and IV. Any person who [otherwise] violates any provision of this chapter shall be guilty of a misdemeanor if a natural person or shall be guilty of a felony if any other person.

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5 Repeal. The following are repealed:

HB 1704-FN - AS INTRODUCED - Page 3 -

I. RSA 664:5-a, relative to limitations on political expenditures. 1 II. RSA 664:5-b, relative to political expenditure limitation amounts. $\mathbf{2}$ III. RSA 664:21, I, relative to political expenditure limitation penalties. 3 6 Effective Date. This act shall take effect January 1, 2013.

4

HB 1704-FN – AS INTRODUCED - Page 4 -

LBAO 12-2752 12/07/11

HB 1704-FN - FISCAL NOTE

AN ACT relative to limits on political contributions and relative to reporting by political committees.

FISCAL IMPACT:

The Judicial Branch, Judicial Council, and New Hampshire Association of Counties state this bill may decrease state and county expenditures by indeterminable amounts in FY 2013 and each year thereafter. There will be no impact on state, county and local revenues, or local expenditures.

METHODOLOGY:

The Judicial Branch states this bill would amend RSA 664:4, V, to eliminate the \$1,000 limit on contributions to candidates who do not agree to limit campaign expenditures as provided in RSA 664:5-a. The Branch states RSA 664:21, V makes violations of RSA 664:4, V a misdemeanor for a natural person. The Branch states it does not have information on which to estimate how many charges might not be brought forward as a result of this bill. The Branch states in the past decade there have been very few prosecutions at any level for any violations of RSA 664. The Branch assumes continuation of this historical trend and states any fiscal impact from this bill would be minimal.

The Judicial Council states this bill may result in a minimal indeterminable decrease in general fund expenditures. The Council states typically if an individual is found to be indigent, the flat fee of \$275 per misdemeanor is charged by a public defender or contract attorney. If an assigned counsel attorney is used the fee is \$60 per hour with a cap of \$1,400 for a misdemeanor charge. The Council also states additional costs could be incurred if an appeal is filed. The public defender, contract attorney and assigned counsel rates for Supreme Court appeals is capped at \$2,000 per case, with many assigned counsel attorneys seeking permission to exceed the fee cap. Requests to exceed the fee cap are seldom granted. Finally, expenditures increase if services other than counsel are requested and approved by the court during the defense of a case or during an appeal. The Council cannot determine the decrease in expenditures at this time.

HB 1704-FN – AS INTRODUCED - Page 5 -

The New Hampshire Association of Counties states to the extent fewer individuals are charged, convicted, and sentenced to incarceration in a county correctional facility, the counties may have decreased expenditures. The Association is unable to determine how many fewer 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.

The Department of State and the Department of Justice state they will not incur any fiscal impacts as a result of this bill.

Speakers

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SIGN UP SHEET

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To Register Opinion If Not Speaking

Bill # HB 1904-FN Date 2/14/12 Committee <u>Election</u> law

** Please Print All Information **

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Hearing Minutes

HOUSE COMMITTEE ON ELECTION LAW

PUBLIC HEARING ON HB 1704-FN

BILL TITLE: relative to limits on political contributions and relative to reporting by political committees.

DATE: 2/14/2012

LOB ROOM: 308 Time Public Hearing Called to Order: 1:15

Time Adjourned: 2:15

(please circle if present)

<u>Committee Members</u>: Reps. Bates, Scala, Drisko, Hoelzel, Doherty, Eaton, Baldasaro, Wm Smith, Birdsell, Byrnes, DeJong, DeLemus, Erickson, Reilly, Thomas, Cote, Pierce, Perry, Gimas and Leishman.

Bill Sponsors: Rep. Doherty

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

*Rep. Shawn Doherty -- See written testimony. Solving 3 part problem with New Hampshire's campaign finance system.

Rep. Will Smith - Any evidence that money will reach the candidates?

Rep. Shawn Doherty – Sure, candidate files the pre-primary phase they can collect \$5,000.00 now, \$5,000.00 after filing and then \$5,000.00 later. We are electing someone who needs donor money.

Deputy Scanlan- Supports bill. Benefit to having voluntary campaign spending limits. Look at limits.

Anne Edwards, Attorney General's office – Wanted clarification. See handout from Attorney General's office. Support the bill, look at expenditure limits.

Respectfully Submitted,

Secon P. Dehemus

Rep. Susan DeLemus, Clerk

HOUSE COMMITTEE ON ELECTION LAW

PUBLIC HEARING ON HB 1704-FN

BILL TITLE: relative to limits on political contributions and relative to reporting by political committees.

2/14/12 DATE:

308

LOB ROOM:

Time Public Hearing Called to Order: {Time} /:55

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Time Adjourned: {Time} 2:15

(please circle if present)

Committee Members: Reps Bates Scala Orisko, Hoelzel Doherty Eaton Baldasaro Wm Smith) Birdsell, Byrnes DeJong DeLemus Erickson Reilly Thomas, Cote Pierce Perry Gimas and Leishman. Jaler

Bill Sponsors: {Type SPONSORS' NAMES} Doherty

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Solves 3 See written testamony () AG + SOS for definition 1) MO +--2) Increasing funding disclosure 3) How campaigns are run today groups instead of committees Smith - Any evidence that money will reach the candidates. Poherty = Sure, candidate files the pre-primary phase they can collect \$, 000.00 now. \$5000.00 after filing + then \$5000.00 later. We electing someone who needs and . DEPUTY SCANLAN Supports bill. Benefit to having voluntary campaign spinding limits. Look @ Limits

Smith any idea

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Anne Edwards AG's Office wanted clarification see handout from AG's office Support the Bill look at expenditure limits

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Testimony

HOUSE BILL 1704 · CAMPAIGN FINANCE REFORM REP. SHAUN DOHERTY · 2/14/2012

401704

- Mr. Chairman, members of the committee, thank you for the opportunity to speak here today.
- I sponsored House Bill 1704 to solve three problems in New Hampshire's campaign finance system.
- In bringing this bill, my intent was to make these changes to the system in a way that improves both transparency and accountability to how candidates for state office raise and spend funds in elections.
- While all of these changes address areas of RSA 664, they are all separate, and I want to address each individually.
- The first change is a result of a long standing request of both the Attorney General's Office and the Secretary of State for definition of the exploratory, or pre-primary, phase of the election.
- I have copies of two letters from the Attorney General one from 2010 and one from last week – again asking for legislative direction regarding this period prior to when a candidate files for office.

[HAND OUT LETTERS]

- The problem is that nowhere in statute does this phase exist.
- The exploratory phase has been with us for a decade, yet its existence and basis is exclusively a byproduct of court and Ballot Law Commission rulings.
- It is for this reason that the two agencies that oversee elections have repeatedly asked for statutory guidance on this issue and HB 1704 finally provides that direction similar, in fact, to the recommendation of the Justice Department in the letter Attorney General Delaney in the letter dated last Friday.

- This change brings clarity and transparency to our laws so that they match the existing policies currently in place.
- The second recommendation is one that will bring both transparency and accountability to our campaign finance system by significantly increase the campaign finance disclosures required in state law.
- There was a time when state candidates only began raising funds shortly before elections.
- Those days are long since gone, and even candidates for state representative are now establishing committees to begin fundraising over a year before office.
- Today, candidates for governor, executive council and routinely even for state senate are filing a year and a half before the primary.
- Under today's system, though, they do not file their first report until August of the year of election.
- That means that if an incumbent is taking special interest money while deciding an issue that directly relates to those donors, the public would not know about that for months or even a year later at which time the specific issue may well be long forgotten.
- For this reason, HB 1704 increases the campaign finance reporting to every six months in the year prior to the election, and quarterly for the year of the state election.
- This will foster an open and honest government that will allow us all to see exactly who is funding campaigns in a timely manner, so that elected officials and candidates can be held accountable.
- The final part of this bill is an acknowledgement to the way that campaigns are now run today.
- Any of you who watched the race for governor in 2010 will remember a blizzard of ads on both sides of the campaign that were unaffiliated to either of the candidates.

- That means that neither of the candidates were responsible for these ads, and the public could not hold anyone on the ballot accountable for the contents of what we were watching on TV and hearing on the radio.
- I think we can all agree that when we see negative mailings, we look to see who paid for them, and frequently we can't identify the group, but they all have nice names like "New Hampshire Citizens How Love Apple Pie" or "Americans for Smart Decisions."
- Having worked on several political campaigns, I can say from experience that the primary reason why money flows to these outside interest groups is due to the campaign finance limits we see today that do not reflect inflation or the interest of many donors.
- For this reason, once a donor "maxes out," meaning they reach the limit they can give, they will often seek out these outside groups, who can take unlimited amounts of money and are highly unaccountable, since these groups do not appear on the ballot.
- That means that races for governor, council and even state senate are getting nastier and more vicious, as more and more funds go to these groups, and a smaller and smaller percentage goes directly to candidates.
- The best way to do that, I believe, is to allow more funds to go to candidates directly, who will be held accountable for their expenditures.
- The way I did that in this bill was to eliminate the voluntary spending limit portion of the statute, which would effectively lift the limit of all campaigns to \$5,000 per donor in the primary and \$5,000 in the general.
- Now, I have recently heard an alternative proposal from the Secretary of State, which would leave the voluntary spending limit statute in place, and lift the contribution limit from \$1,000 to \$5,000 for those who do not agree to the cap, and from \$5,000 to some higher number for those who do.
- I am certainly open to this proposal, and think that the idea has some merit I will gladly work with Secretary of State on this issue to flesh it out further.

- Again, the goal here is not to increase the amount of money in campaigns that amount is already very high; it's just not being spent by candidates.
- The goal of this part of the bill is to put state candidates on better footing with the SuperPACs, the 501(c)(4) groups and the myriad of other special interest organizations, so that candidates are being held accountable for their actions.
- Together, these are positive steps to updating RSA 664 to ensure that what is in statute reflects the current reality that we face as candidates.
- Thank you, and I would be happy to answer questions.

ATTORNEY GENERAL DEPARTMENT OF JUSTICE

33 CAPITOL STREET CONCORD, NEW HAMPSHILE 02301-6397



ORVILLE B. "BUD" FITCH II DEPUTY ATTORNEY GENERAL

October 7, 2010

David Horan, Treasurer, Friends of John Stephen c/o David Vicinanzo 900 Elm Street Manchester, New Hampshire 03101-2031

Kate Hanna, Treasurer, NH for John Lynch '10 P.O. Box 117 Manchester, New Hampshire 03105

Re: Campaign Contributions

Dear Treasurers Hanna and Horan:

The Attorney General's Office has received a request to clarify the campaign contribution limits established in RSA chapter 664 for candidates who have not agreed to the expenditure cap and who accept contributions for a State primary after filing for office.

With respect to a State primary election, the Attorney General's Office has informed campaigns that the law limits contributions received after filing for office to a total of \$1,000.00, adding together both contributions from the person during the pre-declaration period and any additional contributions received after filing for office. A candidate who had received \$1,000.00 or more from a person prior to filing could not accept any further contribution from that person for the primary. Members of the Secretary of State's Office have informed campaigns that they may accept up to \$1,000.00 for the State primary after filing, even it the same person has already made a contribution of up to \$5,000.00 before the candidate filed.

The Attorney General's Office and the Secretary of State's Office have uniformly and consistently informed campaigns that:

- Prior to filing for office and declaring whether the candidate will agree to the expenditure cap, the candidate or an exploratory committee may accept contributions from a person up to \$5,000.00;
- A candidate who does not agree to the expenditure cap may accept no more than \$1,000.00 from a person for the general election.

Telephone 503-271-3658 • FAX 603-271-2110 • TDD Access: Relay NH 1-800-785-2961

MICHAEL A. DELANEY ATTORNEY GENERAL Campaign Contributions for 2010 October 7, 2010 Page 2 of 2

New Hampshire's Constitution provides in pertinent part that: "Every inhabitant of the state, having the proper qualifications, has equal right to be elected into office." Part 1, article 11. The campaign finance law, RSA chapter 664, sets forth regulations about getting elected to office, but the law contains ambiguities. Both the Attorney General's Office and the Secretary of State have requested legislative clarification of this law for a decade or more. A fundamental element of the equal right to be elected into office is a uniformly interpreted and applied regulation of campaign contributions and expenditures.

Candidates should be able to rely on information provided by State officials who carry out or enforce campaign finance laws. Legal action to equalize the application of the contribution limits to all campaigns by requiring a refund of what under one understanding of the law are excess contributions would not likely succeed where the candidate relied on information from a public official responsible for administering the law. It is also unlikely such an action could be completed prior to the upcoming election. Therefore, in order to equalize the opportunity for fundraising as much as possible for the 2010 election we will enforce only the least restrictive interpretation of the contribution limits provided by either office. Candidates that accepted no more than \$6,000.00 from a person for the primary and general elections combined may now accept up to an additional \$1,000.00 from that person.

If the Legislature does not address the ambiguitics in the election laws at its next session, the Secretary of State and the Attorney General will jointly issue a comprehensive public document setting forth a single clear interpretation of the campaign finance statute prior to the next election.

Orville B. Fitch II Deputy Attorney General bud.fitch@doj.nh.gov (603) 271-1238

OBF/psm

Secretary of State All Candidates for Executive Council, NH State Senate Democratic and Republican Party Chairpersons

#517423

cc:

ATTORNEY GENERAL DEPARTMENT OF JUSTICE

30 CAPITOL STREET CONCORD, NEW HAMPSHIRE 03301-6397



ANN M. RICE DEPUTY ATTORNEY GENERAL

February 10, 2012

William M. Gardner Secretary of State 107 North Main Street Concord, NH 03301

MICHAEL A. DELANEY

AFTORNEY GENERAL

Re: Political Contributions

Dear Secretary Gardner:

On October 7, 2010, the Attorney General's Office issued a letter regarding political contribution limits for the 2010 election cycle. We issued the letter to reconcile differing interpretations of the contribution limits for the 2010 primary election and general election that had been given verbally by state officials to gubernatorial candidates and their political committees. This Office also referenced the well-documented ambiguities that have made it difficult to discern a clear interpretation of the statute over time. Noting repeated requests by the Attorney General's Office and the Secretary of State's Office for legislative clarification throughout the past decade, we renewed that request and expressed our intention to issue a comprehensive public document interpreting the statute prior to the next election absent legislative clarification. The Legislature has not amended the applicable laws since we issued the October 7, 2010, letter. Accordingly, we provide the following interpretation of New Hampshire's contribution limits for the benefit of all candidates who seek elected office in this State and all people making political contributions.

RSA 664:4 imposes limitations on the making of political contributions. A "contribution" is defined in RSA 664:2, VIII as "a payment, gift, subscription, assessment, contract, payment for services, dues advance, forbearance or loan to a candidate or political committee made for the purpose of influencing the nomination or election of any candidate." RSA 664:4 limits the amount of contributions that can be made as follows:

No contribution, whether tangible or intangible shall be made to a candidate, a political committee, or political party, or in behalf of a candidate or political committee or political party, directly or indirectly, for the purpose of promoting the success or defeat of any candidate or political party at any state primary or general election:

William M. Gardner Secretary of State February 10, 2012 Page 2

> V. By any person (1) if in excess of \$5,000 in value, except for contributions made by a candidate in behalf of his own candidacy, or if in excess of \$1,000 in value by any person or by any political committee to a candidate or a political committee working on behalf of a candidate who does not voluntarily agree to limit his campaign expenditures and those expenditures made on his behalf as provided in RSA 665:5-a [listing political expenditure limitation amounts], (2) if made anonymously or under a name not that of the donor, (3) if made in the guise of a loan, (4) if any other manner concealed, (5) if made without the knowledge and written consent of the candidate or his fiscal agent, a political committee or its treasurer, or not to any one of the same.

RSA 664:4, V.

The statute establishes contribution limits of up to \$1,000 or up to \$5,000 depending on whether a candidate voluntarily agrees to the expenditure cap established in RSA 665:5-a. Relying on this language and our prior opinions, we must interpret the limits on contributions that can be made during three periods of time: (1) any exploratory campaign period (predeclaration of candidacy); (2) Primary Election; and (3) General Election.

(1) Pre-Declaration Contributions

RSA 664:4 limits contributions made "for the purpose of promoting the success or defeat of any candidate or political party at any state primary or general election." RSA 664:2, II defines a "candidate" as "any person publicly declared as such and for whom votes are sought in an election." Contributions to, and expenditures and reporting by, political committees on behalf of people who are not yet declared candidates are also governed by RSA 664:4, :5, and :6. See Political Committees Letter to Secretary of State William Gardner, dated January 18, 2000; Opinion Letter of Attorney General to Rich Killion, dated August 12, 2002 (the "WhyBenson.com" letter).

We have also stated, in the context of discussing exploratory committees, that political committees associated with a candidate may accept contributions that are not in excess of \$5,000 until such time as the candidate files for office and declines to agree to the voluntary campaign expenditure limits. See Opinion Letter of Attorney General to Rich Killion, dated August 12, 2002. For this purpose, a candidate declines to agree to the voluntary campaign expenditure limits "at the moment in time when the candidate's William M. Gardner Secretary of State February 10, 2012 Page 3

opportunity to file an affidavit with the Secretary of State agreeing to the voluntary spending cap expires." See id.

(2) Primary and General Elections

In our October 7, 2010, letter, we addressed ongoing ambiguity as to whether a campaign that receives up to \$5,000 as a pre-declaration contribution can receive an additional \$1,000 contribution from the same contributor for the primary election, assuming the candidate publicly declares his or her candidacy and does not agree to the expenditure cap. We also addressed whether a candidate that wins a primary election can receive an additional \$1,000 for the general election. See Letter to Treasurers Hanna and Horan, dated October 7, 2010, and accompanying Memorandum, dated October 8, 2010.

To reconcile differing interpretations, ensure fairness for candidates when enforcing ambiguous elections laws, and equalize fundraising opportunities between the parties in the 2010 election cycle, we endorsed the least restrictive interpretation of the contribution limits. *See id.* By doing so, we applied the contribution limits separately to the exploratory campaign period, the primary election, and the general election. This interpretation allowed contributions in the amount of \$5,000 during the pre-declaration period, an additional \$1,000 for the primary election, and an additional \$1,000 for the general election. We departed from one prior interpretation of the statute by our Office that capped all pre-general election contributions by one contributor at \$5,000, inclusive of contributions made during both the pre-declaration period and the primary election.

Absent clarifying legislation, we now confront the question of whether this Office should continue to apply separate contribution limits for each of the three election cycle phases as we did during the 2010 election cycle. We conclude that the amount contributed to the exploratory campaign, the primary election, and the general election will be treated separately for the purpose of determining how much a person can contribute. To the extent any previous interpretations by our Offices are inconsistent with this interpretation, the interpretation contained in this letter shall apply.

RSA 664:4 does not prohibit a campaign from rolling over contributions received in the primary election campaign to the general election campaign. Similarly, the statute does not prohibit a campaign from rolling over contributions received in the exploratory campaign once the candidate has declared. Thus, we interpret RSA 664 consistently to allow funds received in the exploratory campaign to be rolled over into the primary election campaign, and then again into the general election campaign. By rolling over the contributions, the contribution limits are not affected. Thus, a person can give up to the contribution cap in each of the three phases. We provide the following table to illustrate our interpretation of RSA 664:4, V for contributions made during each election phase: William M. Gardner Secretary of State February 10, 2012 Page 4

Maximum amount	Additional	Additional	Total maximum
that can be	maximum amount	maximum amount	amount of
contributed during	that may be	that may be	contributions
the exploratory	contributed for the	contributed for the	received over all
campaign phase	Primary Election ¹	General Election ¹	three phases
\$5,000	\$1,000 or \$5,000	\$1,000 or \$5,000	\$7,000 or \$15,000

Until the Legislature expressly addresses the ambiguities in RSA Chapter 664, we will interpret the subject statutory provisions in a manner consistent with this letter.

Sincerely, Michael A. Delaney Attorney General

Copy: Governor John H. Lynch

Raymond S. Burton, Executive Councilor

Daniel St. Hilaire, Executive Councilor

Christopher T. Sununu, Executive Councilor

Raymond J. Wieczorek, Executive Councilor

David K. Wheeler, Executive Councilor

Peter Bragdon, Senate President

William O'Brien, Speaker of the House

Wayne MacDonald, Chairman, New Hampshire Republican Party Raymond Buckley, Chairman, New Hampshire Democratic Party

694032.doc

¹ The contribution limit is either \$1,000 or \$5,000, depending on whether or not the candidate adheres to the expenditure cap.

Voting Sheets

HOUSE COMMITTEE ON ELECTION LAW

EXECUTIVE SESSION on HB 1704-FN

BILL TITLE: relative to limits on political contributions and relative to reporting by political committees.

DATE: 2/21/2012

LOB ROOM: 308

Amendments:

Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:

<u>Motions</u>:

AS: OTP/OTP/A, ITL, Interim Study (Please circle one.) Moved by Rep. Doherty

Seconded by Rep. Baldasaro

Vote: 17-2 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: YES

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Kathleen Hoelzel, Clerk

HOUSE COMMITTEE ON ELECTION LAW

EXECUTIVE SESSION on HB 1704-FN

BILL TITLE: relative to limits on political contributions and relative to reporting by political committees.

DATE: 2/21/12

LOB ROOM: 308

Amendments:

Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:

Motions: O	TP)OTP/A, ITL, Interim Study (Please circle one.)
Moved by	Rep. Doherty
Seconded	by Rep. Baldasaro
Vote: 17	2 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: yes

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Kathleen Hoelzel, Clerk Susan DeLemus

OFFICE OF THE HOUSE CLERK

ELECTION LAW

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Bin #: HB MO4-FN relativ	e to limits on pa	DITEICALT
	itions and relativ	<u>e corcer</u> ing
PH Date: 2/14/12	Exec Session Da	te: <u>2 2 1 2</u>
Motion: <u>OTP</u>	Amendment #:	
MEMBER	YEAS	NAYS
Bates, David, Chairman		NJ
Scala, Dino A, V Chairman	V	
Drisko, Richard B		
Hoelzel, Kathleen M, Clerk -		
Doherty, Shaun S	V	
Eaton, Stephanie-		
Baldasaro, Alfred P	\checkmark	
Smith, William B	V	
Birdsell, Regina M	V	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
Byrnes, John J	V	
DeJong, Cameron W		
DeLemus, Susan C, Clerk	V	·····
Erickson, Duane H	V	
Reilly, Harold T	V	***************************************
Thomas, Joseph D	\sim	**************************************
Cote, David E		1/
Perry, Robert J		\checkmark
Pierce, David M		,
Leishman, Peter R	V	
Gimas, John G	V	
Tucker, Pam	\checkmark	
TOTAL VOTE: Printed: 1/27/2012	17	2

Committee Report

CONSENT CALENDAR

February 22, 2012

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on <u>ELECTION LAW</u> to which was referred HB1704-FN,

AN ACT relative to limits on political contributions and relative to reporting by political committees. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Shaun S Doherty

FOR THE COMMITTEE

Original: House Clerk Cc: Committee Bill File

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COMMITTEE REPORT

Committee:	ELECTION LAW
Bill Number:	HB1704-FN
Title:	relative to limits on political contributions and relative to reporting by political committees.
Date:	February 21, 2012
Consent Calendar:	YES
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill would create additional political committee reporting periods and place in statue the pre-primary/exploratory phase of an election. In an effort to provide more transparency in our elections, political committees would now be required to file a report every 6 months during non-election years and quarterly on election years. This bill allows for a candidate to collect up to \$5,000 during the exploratory phase of an election, which occurs once their political committee is filed with the Secretary of State and until they file to place their name on the ballot in June. A candidate would be able to collect an additional \$5,000 for the primary and for the general election phase of an election. The Attorney General's office has repeatedly asked for legislative guidance as to the contribution limits and time periods, and this bill provides it.

Vote 17-2.

Rep. Shaun S Doherty FOR THE COMMITTEE

Original: House Clerk Cc: Committee Bill File

CONSENT CALENDAR

ELECTION LAW

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HB1704-FN, relative to limits on political contributions and relative to reporting by political committees. OUGHT TO PASS.

Rep. Shaun S Doherty for ELECTION LAW. This bill would create additional political committee reporting periods and place in statue the pre-primary/exploratory phase of an election. In an effort to provide more transparency in our elections, political committees would now be required to file a report every 6 months during non-election years and quarterly on election years. This bill allows for a candidate to collect up to \$5,000 during the exploratory phase of an election, which occurs once their political committee is filed with the Secretary of State and until they file to place their name on the ballot in June. A candidate would be able to collect an additional \$5,000 for the primary and for the general election phase of an election. The Attorney General's office has repeatedly asked for legislative guidance as to the contribution limits and time periods, and this bill provides it. Vote 17-2.

Original: House Clerk Cc: Committee Bill File

HB 1704-FN OTP 17-2 Consent Calendar

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Rep. Shawn S. Doherty

David Bates

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Dwid Bates

COMMITTEE:	Election L		·
BILL NUMBER:	<u></u>		
TITLE:			
	and relative	to reporting be	political commit
DATE:	2/12	_ CONSENT CALE	NDAR: YES NO
	OUGHT TO PASS	r.	
	OUGHT TO PASS	W/ AMENDMENT	Amendment No.
	INEXPEDIENT TO	LEGISLATE	
	INTERIM STUDY	(Available only 2 nd yea	r of biennium)
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COMMITTEE VO	те: <u>17-2</u>	······································	
COMMITTEE VO	те: <u>17-</u> 2	RESPECTFULLY SU	JBMITTED,