

REGULAR CALENDAR

March 7, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Majority of the Committee on Election Law to which was referred HB 1326,

AN ACT relative to permissible campaign contributions by business organizations and labor unions. Having considered the same, report the same with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Joe Alexander

FOR THE MAJORITY OF THE COMMITTEE

**MAJORITY
COMMITTEE REPORT**

Committee:	Election Law
Bill Number:	HB 1326
Title:	relative to permissible campaign contributions by business organizations and labor unions.
Date:	March 7, 2022
Consent Calendar:	REGULAR
Recommendation:	INEXPEDIENT TO LEGISLATE

STATEMENT OF INTENT

This bill as presented is a significant change to current campaign finance statutes as it relates to business organizations. This legislation attempts to equate labor unions with business organizations. The bill would force business entities to establish segregated funds in order to contribute to candidates or organizations of their choice, an unnecessary burden on the right of businesses to exercise their free speech. The bill also adds a provision that unions can establish a separate independent political committee that operates with funds solicited from its own members, an arrangement the majority found to be contrary to supporting free speech. The majority of the Election Law Committee was not convinced there is a problem with business entities participating in the electoral process.

Vote 11-9.

Rep. Joe Alexander
FOR THE MAJORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Election Law

HB 1326, relative to permissible campaign contributions by business organizations and labor unions. **MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS.**

Rep. Joe Alexander for the **Majority** of Election Law. This bill as presented is a significant change to current campaign finance statutes as it relates to business organizations. This legislation attempts to equate labor unions with business organizations. The bill would force business entities to establish segregated funds in order to contribute to candidates or organizations of their choice, an unnecessary burden on the right of businesses to exercise their free speech. The bill also adds a provision that unions can establish a separate independent political committee that operates with funds solicited from its own members, an arrangement the majority found to be contrary to supporting free speech. The majority of the Election Law Committee was not convinced there is a problem with business entities participating in the electoral process. **Vote 11-9.**

Original: House Clerk

Cc: Committee Bill File

REGULAR CALENDAR

March 7, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

**The Minority of the Committee on Election Law to
which was referred HB 1326,**

**AN ACT relative to permissible campaign contributions
by business organizations and labor unions. Having
considered the same, and being unable to agree with
the Majority, report with the recommendation that the
bill OUGHT TO PASS.**

Rep. Connie Lane

FOR THE MINORITY OF THE COMMITTEE

**MINORITY
COMMITTEE REPORT**

Committee:	Election Law
Bill Number:	HB 1326
Title:	relative to permissible campaign contributions by business organizations and labor unions.
Date:	March 7, 2022
Consent Calendar:	REGULAR
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill allows a level playing field for political contributions from business organizations and labor unions. Currently, business organizations can contribute directly to political contributions without regard to the source of the donations within the company, but unions cannot. The bill implements the solution recommended by U.S. District Court Judge McAuliffe when he found the broad restriction on all corporate political contributions to be overly restrictive and unconstitutional in Kennedy v. Gardner [No. CV 98-608-M, DNH Sept. 30, 1999]. Judge McAuliffe suggested that the legislature narrow the prohibition to apply only to contributions from a corporate treasury fund and to permit contributions from a segregated account funded through voluntary contributions. Rather than follow Judge McAuliffe's advice, the legislature deleted the language restricting political contributions from business organizations but left restrictions in place for labor unions. This bill would allow corporate donations if they were not from the general treasury funds of the company, but from a segregated fund solely for political donations. It would allow labor unions to do the same, making the same rules apply to both business organizations and labor unions.

Rep. Connie Lane
FOR THE MINORITY

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

Election Law

HB 1326, relative to permissible campaign contributions by business organizations and labor unions. **OUGHT TO PASS.**

Rep. Connie Lane for the **Minority** of Election Law. This bill allows a level playing field for political contributions from business organizations and labor unions. Currently, business organizations can contribute directly to political contributions without regard to the source of the donations within the company, but unions cannot. The bill implements the solution recommended by U.S. District Court Judge McAuliffe when he found the broad restriction on all corporate political contributions to be overly restrictive and unconstitutional in *Kennedy v. Gardner* [No. CV 98-608-M, DNH Sept. 30, 1999]. Judge McAuliffe suggested that the legislature narrow the prohibition to apply only to contributions from a corporate treasury fund and to permit contributions from a segregated account funded through voluntary contributions. Rather than follow Judge McAuliffe's advice, the legislature deleted the language restricting political contributions from business organizations but left restrictions in place for labor unions. This bill would allow corporate donations if they were not from the general treasury funds of the company, but from a segregated fund solely for political donations. It would allow labor unions to do the same, making the same rules apply to both business organizations and labor unions.

Original: House Clerk

Cc: Committee Bill File

HOUSE COMMITTEE ON ELECTION LAW

EXECUTIVE SESSION on HB 1326

BILL TITLE: relative to permissible campaign contributions by business organizations and labor unions.

DATE: February 23, 2022

LOB ROOM: 306-308

MOTIONS: INEXPEDIENT TO LEGISLATE

Moved by Rep. Alexander Jr.

Seconded by Rep. Torosian

Vote: 11-9

CONSENT CALENDAR: NO

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep Natalie Wells, Clerk



2022 SESSION

Election Law

 Bill #: HB1326 Motion: ITL- AM #: _____ Exec Session Date: 2-23-22

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Griffin, Barbara J. Chairman	✓		
MacDonald, Wayne D. Vice Chairman	✓		
Prudhomme-O'Brien, Katherine J.	✓		
Sweeney, Joe	✓		
Hayward, Peter T. <i>Mooney</i>	✓		
Torosian, Peter E.	✓		
Berry, Ross	✓		
Groen, Fenton	✓		
Qualey, James R.	✓		
Wells, Natalie J. Clerk	✓		
Alexander, Joe H.	✓		
Cote, David E. <i>Pange</i>		✓	
Ward, Gerald W.R.		✓	
*Bergeron, Paul R.		✓	
Sandler, Catt <i>Pimentel</i>		✓	
Hamer, Heidi M.		✓	
Lane, Connie B.		✓	
Freitas, Mary C.		✓	
Hamblet, Joan L.		✓	
Muirhead, Russell		✓	
TOTAL VOTE:	11	9	

HOUSE COMMITTEE ON ELECTION LAW

PUBLIC HEARING ON HB 1326

BILL TITLE: relative to permissible campaign contributions by business organizations and labor unions.

DATE: January 19, 2022

LOB ROOM: 306-308 **Time Public Hearing Called to Order:** 10:00 a.m.

Time Adjourned: 10:15 a.m.

Committee Members: Reps. B. Griffin, W. MacDonald, Wells, Prudhomme-O'Brien, Sweeney, Hayward, Torosian, Berry, Groen, Qualey, Alexander Jr., Cote, Ward, Bergeron, Sandler, Hamer, Lane, Freitas and Hamblet

Bill Sponsors:

Rep. Read
Rep. Frost

Rep. Knirk
Sen. Watters

Rep. DiLorenzo

TESTIMONY

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

*Rep Ellen Reed – Testimony

- Same rules to apply whether business or labor unions
- Separate funds

Question – Rep Tirosiani – Read statute, if we were to pass this 2011, run into court issues?

Answer – Intent is good. Right now we treat business and labor unions. General funds are prohibited separate funds OIC.

Question – Rep Griffin – Line 7 – Business organization all per Bill. Bill is similar – Business entity to cover include non profit? All businesses of any type?

Answer – Not a problem for non-profits. Business organization for profit, UCs.

Question – Rep Griffin – It is just a tax status profit or non profit?

Answer – Page three of report – decision – allowing from segregated fund voluntary. You talk about voluntary solicited. Means someone asking.

Question – When non-voluntary?

Answer – Bill is inclusive of solicitation. If there is better language for another amendment.

Question – Rep Groen – Their RSA 664:2-16 defines Business organization for profit?

Answer -501C. Cannot electioneer.

Question – Rep Lane - Are you aware many non-profit is not just 501C, about 15. Just 501C or all other non-profit?

Answer – No, bill doesn't talk to non-profit.

House Remote Testify

Election Law Committee Testify List for Bill HB1326 on 2022-01-19

Support: 69 Oppose: 3 Neutral: 0 Total to Testify: 0

Export to Excel

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
Watters, Senator David	Dover, NH david.watters@leg.state.nh.us	An Elected Official	Myself	Support	No	No	1/12/2022 1:26 PM
Hodgkins, Russell	Amherst, NH hodgkins_russ@yahoo.com	A Member of the Public	Myself	Support	No	No	1/14/2022 3:01 PM
kirsch, walter	warner, NH kirschwalterf@yahoo.com	A Member of the Public	Myself	Support	No	No	1/15/2022 10:12 AM
Hamer, Gary	Manchester, NH ghamer@mansd.org	An Elected Official	Myself	Support	No	No	1/16/2022 8:26 AM
Glass, Jonathan	Cornish, NH jglass1063@gmail.com	A Member of the Public	Myself	Support	No	No	1/16/2022 9:24 AM
Coughlin, Cynthia	Merrimack, NH coughlin29@gmail.com	A Member of the Public	Myself	Support	No	No	1/16/2022 4:16 PM
Andrews, David	Chichester, NH davidandrewsnh@gmail.com	A Member of the Public	Myself	Support	No	No	1/16/2022 4:27 PM
Mulligan, Thomas	Strafford, NH nute_shop@hotmail.com	A Member of the Public	Myself	Support	No	No	1/16/2022 5:43 PM
thompson, julia	durham, NH maple371@gmail.com	A Member of the Public	Myself	Support	No	No	1/16/2022 7:12 PM
Wazir, Safiya	Concord, NH S.wazir@leg.state.nh.us	An Elected Official	Myself and my constituents	Support	No	No	1/17/2022 7:18 AM
Fenner-Lukaitis, Elizabeth	Warner, NH glukaitis@mcttelecom.com	A Member of the Public	Myself	Support	No	No	1/17/2022 7:18 AM
Burdett, Mary	Milford, NH maryburdett@comcast.net	A Member of the Public	Myself	Support	No	No	1/17/2022 7:18 AM
Farnum, Ellen	Tamworth, NH Ellenlynnfarnum@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 8:14 AM

Oxenham, Lee	Plainfield, NH leeoxenham@comcast.net	An Elected Official	Myself	Support	No	No	1/17/2022 1:31 PM
Dodge, corinne	Derry, NH corinnedodge@hotmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 2:48 PM
Casino, Joanne	Concord, NH joannecasino@comcast.net	A Member of the Public	Myself	Support	No	No	1/17/2022 4:58 PM
Cotton, Bev	Weare, NH bevcott@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 5:07 PM
Dontonville, Roger	Enfield, NH rdontonville@gmail.com	An Elected Official	Myself	Support	No	No	1/17/2022 5:24 PM
Ballentine, John	Nashua, NH mikeb@btine.com	A Member of the Public	Myself	Support	No	No	1/17/2022 5:25 PM
Faulkner, Anne	Keene, NH annefaulkner62@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 7:22 PM
Dontonville, Anne	Enfield, NH Ardontonville@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 7:42 PM
Polizos, Andrea	Harrisville, NH sundog.ap@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 7:50 PM
Burns, Scott	Franklin, NH, NH scottaburns.2020@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 8:15 PM
Farina, Susan	Nashua, NH suef60@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 8:15 PM
White, Jeanmarie	Alton Bay, NH jeanawhite1@comcast.net	A Member of the Public	Myself	Support	No	No	1/17/2022 8:23 PM
Coon, Kate	Peterborough, NH kate2coon@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 8:33 PM
House, Don	Belmont, NH donhouse@metrocast.net	A Member of the Public	Myself	Support	No	No	1/17/2022 9:22 PM
Oxenham, Evan	Plainfield, NH evan.oxenham@gmail.com	A Member of the Public	Myself	Support	No	No	1/17/2022 9:30 PM
Gilman, Julie	Exeter, NH Julie.gilman@leg.state.nh.us	An Elected Official	Town of Exeter	Support	No	No	1/17/2022 11:37 PM
Saum, Judith	Rumney, NH judithsaum@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 5:40 AM
Lewis, Elizabeth	Nashua, NH ecop.lewis@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 6:17 AM

Desmarais, Doreen	Northwood, NH doreend@netzero.net	A Member of the Public	Myself	Support	No	No	1/18/2022 6:52 AM
Reed, Barbara	North Swanzey, NH BDRreed74@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 9:00 AM
Findley, Sally	Grantham, NH findley.se@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 9:26 AM
Tucker, Katherine	Wilmot, NH katherine.s.tucker@valley.net	A Member of the Public	Myself	Support	No	No	1/18/2022 10:23 AM
Cuff, JoEllen	Stratham, NH applebug2@msn.com	A Member of the Public	Myself	Support	No	No	1/18/2022 10:36 AM
Doherty, David	Pembroke, NH ddoherty0845@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 11:33 AM
Drake, Lorraine	NEW DURHAM, NH heldrake@metrocast.net	A Member of the Public	Myself	Support	No	No	1/18/2022 12:13 PM
chase, Wendy	Rollinsford, NH wendy.chase@leg.state.nh.us	An Elected Official	Myself	Support	No	No	1/18/2022 12:40 PM
DiCicco, Harriet	Hancock, NH hfekd1@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 1:03 PM
Bundy, Linda Olson	Antrim, NH n_bundy@mcttelecom.com	A Member of the Public	Myself	Support	No	No	1/18/2022 1:12 PM
Burr, Emily	Canterbury, NH revemilyburr@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 1:34 PM
Robertshaw, Kristan	Derry, NH krobertshaw@comcast.net	A Member of the Public	Myself	Support	No	No	1/18/2022 1:47 PM
Peterson, Susan	Newton, NH Susanrp@aol.com	A Member of the Public	Myself	Support	No	No	1/18/2022 4:10 PM
Robinson, Ellis	Grantham, NH EllisMMRobinson@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 4:56 PM
Rhodes, Linda	Durham, NH ladycowvet@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 5:22 PM
Sweeney-Blaise, Robyn	Epsom, NH robynblaise@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 6:25 PM
Perry, Bob	Strafford, NH perry4nh@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 6:30 PM
Beihl, Brian	Alton Bay, NH brian@opendemocracy.me	A Lobbyist	Open Democracy Action	Support	No	No	1/18/2022 8:13 PM

THOMPSON, LAURA	CHESTER, NH nicnmom@hotmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 8:30 PM
Almy, Susan	Lebanon, NH susan.almy@comcast.net	An Elected Official	Myself	Support	No	No	1/18/2022 9:18 PM
Campbell, Karen	Epsom, NH klynncampbell50@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 9:22 PM
Chadwick, Ray	Bedford, NH rfchadwick@juno.com	A Member of the Public	Myself	Oppose	No	No	1/18/2022 9:31 PM
Richman, Susan	Durham, NH susan7richman@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 10:04 PM
Dickler, Jeffrey	Rindge, NH gsgstriker@aol.com	A Member of the Public	Myself	Support	No	No	1/18/2022 11:03 PM
Billingham, Carla	Salem, NH billingham2@comcast.net	A Member of the Public	Myself	Support	No	No	1/19/2022 12:07 AM
Willoughby, Susan	Kensington, NH bockeriny@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 6:21 AM
Meuse, David	Portsmouth, NH David.Meuse@leg.state.nh.us	An Elected Official	ROCKINGHAM 29	Support	No	No	1/19/2022 7:24 AM
Vallone, Mark	Epping, NH nhatlasman@comcast.net	An Elected Official	Myself	Support	No	No	1/19/2022 8:32 AM
Frost, Sherry	Dover, NH s.frost@leg.state.nh.us	An Elected Official	Myself	Support	No	No	1/19/2022 8:59 AM
Fraysse, Michael	Epsom, NH mikefraysse@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 9:13 AM
Thomas, Elaine	Nashua, NH thomas.marshall@comcast.net	A Member of the Public	Myself	Support	No	No	1/19/2022 9:21 AM
Altschiller, Debra	Stratham, NH debra.altschiller@leg.state.nh.us	An Elected Official	Myself	Support	No	No	1/19/2022 10:00 AM
Bagshaw, Joseph	Center Conway, NH bagshaw.joseph@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 10:24 AM
Kelley, BaoChau	Hooksett, NH chaukelley@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/19/2022 10:48 AM
Phillips, Ellen	New Durham, NH exphillips@yahoo.com	A Member of the Public	Myself	Support	No	No	1/19/2022 10:58 AM
Perry, Carol	Strafford, NH cperrynh1@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 11:14 AM

Broshek, Mary Anne	Andover, NH mabandsadie@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 2:03 PM
Petrusewicz, Carol	Rochester, NH clmcc2befree@yahoo.com	A Member of the Public	Myself	Oppose	No	No	1/19/2022 3:37 PM
Nelson, Deborah	Hanover, NH dbaconnelson@gmail.com	A Member of the Public	Myself	Support	No	No	1/19/2022 3:49 PM
Grand, Irene	Strafford, NH igrand@metrocast.net	A Member of the Public	Myself	Support	No	No	1/19/2022 8:05 PM
Emus, Joanne	Hollis, NH jremus0322@aol.com	A Member of the Public	Myself	Support	No	No	1/19/2022 8:15 PM

HB 1326 - AS INTRODUCED

2022 SESSION

22-2200

11/08

HOUSE BILL **1326**

AN ACT relative to permissible campaign contributions by business organizations and labor unions.

SPONSORS: Rep. Read, Rock. 17; Rep. Knirk, Carr. 3; Rep. DiLorenzo, Rock. 17; Rep. Frost, Straf. 16; Sen. Watters, Dist 4

COMMITTEE: Election Law

ANALYSIS

This bill requires business organizations and labor unions to make political contributions through segregated funds.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struck through.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to permissible campaign contributions by business organizations and labor unions.

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

1 1 Political Expenditures and Contributions; Prohibited Political Contributions; Segregated
2 Account Exception. Amend RSA 664:4, III to read as follows:

3 III.(a) By any labor union or group of labor unions, or by any officer, director, executive,
4 agent or employee acting in behalf of such union or group of unions; or by any organization
5 representing or affiliated with any such union or group of unions, or by any officer, director,
6 executive, agent or employee acting in behalf of such organization; **or by any business**
7 **organization, or by any officer, director, executive, agent, partner, or employee acting in**
8 **behalf of such business organization. The provisions of this paragraph shall not apply to**
9 **sole proprietorships.**

10 (b) *Nothing in this paragraph shall prohibit the establishment, by any union or*
11 *organization that is subject to subparagraph III(a), of a political committee that operates*
12 *independently of such union or organization, provided the committee's expenditures and*
13 *contributions are made through a separate, segregated fund consisting only of voluntary*
14 *contributions solicited from individuals who are employees, officers, shareholders,*
15 *directors, partners, or members of such union or organization.*

16 2 Repeal. RSA 664:4, II, relative to prohibited political contributions of partnerships, is
17 repealed.

18 3 Effective Date. This act shall take effect 60 days after its passage.