

Senate Election Law and Internal Affairs Committee

Kelly Flathers 271-3093

SB 111, establishing a bipartisan commission to evaluate New Hampshire's response to Russian interference in our democracy.

Hearing Date: February 7, 2017

Time Opened: 10:00 a.m.

Time Closed: 10:27 a.m.

Members of the Committee Present: Senators Birdsell, Gray, Soucy and Woodburn

Members of the Committee Absent : Senator Sanborn

Bill Analysis: This bill establishes a bipartisan commission to evaluate New Hampshire's response to Russian interference in our democracy.

Sponsors:

Sen. Woodburn

Sen. D'Allesandro

Sen. Feltes

Sen. Fuller Clark

Sen. Hennessey

Sen. Kahn

Sen. Watters

Who supports the bill: Sen. Martha Fuller Clark - District 21; Sen. Dan Feltes - District 15; Sen. David Watters - District 4

Who opposes the bill: Darryl Perry - Liberty Lobby LLC; Rep. Len Turcotte - Strafford 4

Who is neutral on the bill: Michelle Sanborn - NH Community Rights Network

Summary of testimony presented in support:

Senator Jeff Woodburn – District 1

- This is a bipartisan study committee to consider an appropriate response to Russian interference in our elections.
- This is not a question of the legitimacy of our elections or our current President. It is a question of the act of interference.
- New Hampshire has the nation's first primary. We are a beacon of democracy and democratic ideals. It is important for us to speak clearly against this obvious and confirmed interference. It has been confirmed by the United States intelligence community that Russia had the goal to undermine public faith in the democratic process.

- This has such broad support that even President Trump has confirmed that he too believes Russia interfered with our election. We should not continue a “business as usual” relationship; we need to respond effectively.
- This bill came as a result of listening to the bipartisan comments by Senators McCain and Senator Graham, saying that we need to take action.
- What can NH do? We can change our purchasing habits as consumers. Russian liquor is on our shelves in state liquor stores. We can decide to buy locally or change our investment habits. This study committee can help us consider what our response will be.
- We should put NH first and promote NH first, and this should be evident through our purchasing habits.
- Also, I have friends in Quebec who cannot contribute to my campaign because it is illegal to take contributions from outside the country. We do not want outside influence. This premise is why we need to pass this bill.
- There is precedent here for reflecting our values and what is important to us as Americans through the bills we pass, including the bill regarding Sudan.

Sen. Gray

- (Q) What evidence do you have that Russians were the only people that caused this problem?
 - (A) **Sen. Woodburn:** The President of the United States and the intelligence community has said the Russians have interfered in our elections. Even if you are still skeptical, this study committee will help us decide whether or not to take action.
- (Q) My recollection is that the president said it was not the Russians and then said it was more likely the Russians. Were they the only ones that interfered?
 - (A) **Sen. Woodburn:** One may have the opinion that it was not Russia, but that is not the prevailing uncontested intelligence that exists today. What harm is there to studying this issue? More information may come through in that process.
- (Q) Was any other entity involved in interfering with our democracy? Would it be a better bill if the word “Russian” was removed and replaced with “countries and other organizations”?
 - (A) **Sen. Woodburn:** There is no doubt that the Russians interfered in our democracy. If there is any other country that interfered, we should treat them in the exact same way. I do not understand this defense of Russia and I consider it un-American.

Sen. Birdsell

- (Q) Regarding the liquor store and retirement, I personally try to buy local and boycott things that are unfair. With retirement, we can find out if there are better investments. I know you mentioned other bills in the past to show precedence but Sudan was a genocide, which would take priority. Isn't it a personal decision for our citizens, rather than studying it and then recommending boycotts?
 - (A) **Sen. Woodburn:** I believe that this is the best way to follow our

democratic ideals. At one point, the liquor commission decided to discontinue stocking Russian vodka as retaliation. The distributor challenged it and said only the legislature has the authority to do that. Consumers do have a choice, but our country has taken similar actions in the past against countries that interfere with our values. If we study this, we may get a lot more information by November of next year.

Summary of testimony presented in opposition:

Rep. Len Turcotte – Strafford 4

- I am speaking in opposition to this bill.
- What about interference from any other countries? Are we going to study them also?
- I fly over Russia on a weekly basis and I am a qualified investment advisor. I constantly study different types of funds and possible investments for our clients. I'm not sure if the sponsor has considered the potential cost of the NH Retirement System needing to divest in anything with Russian assets. Some Russian funds have been the best performing funds in the past six months.
- I don't think I've ever seen a Sudanese fund but I will look into it. Russian funds can contain 7-10% of that fund.

Sen. Birdsell

- (Q) When many organizations divested in South African funds, do you know how much that cost?
 - (A) **Rep. Len Turcotte:** I don't know.

Sen. Woodburn

- (Q) We would love to have you on the study committee. Don't you think this is exactly the kind of conversation we need to have about our values? Should financial results be our guiding principle?
 - (A) **Rep. Len Turcotte:** My job is to maximize returns for my clients. I would never put my clients into a Russian-only fund for various reasons. I would not divest them of the Vanguard Total Market World Fund because it's a good fund that encompasses everything. Of course values are important, but I would not let actions by other countries color my investment strategy.
- (Q) Do you have any evidence that these countries were involved in our election and are being covered up? Are these cover ups to unfairly attack Russia?
 - (A) **Rep. Len Turcotte:** I don't have evidence right now. If I did some research, it's possible.
- (Q) We're not talking about collection of data; we're talking about using that data to influence our elections. Do you understand this statement?
 - (A) **Rep. Len Turcotte:** I understand your statement.

Sen. Gray

- (Q) During your testimony you said you would add other countries to this bill. Could you name other countries you would add to this?
 - (A) **Rep. Len Turcotte:** North Korea, China, or anybody with a robust cyber warfare system. To be honest, I think you could add most of the other countries in the world.
- (Q) Did the information released by Wikileaks have an impact on our election?
 - (A) **Rep. Len Turcotte:** I have no idea.

Sen. Birdsell

- (Q) Would you believe that on October 28th, 2016, they came out with Chinese intelligence repeatedly targeting US intelligence agencies and email accounts of US officials? Beijing spies targeted information on nuclear weapons.
 - (A) **Rep. Len Turcotte:** I would certainly believe that. I am in China on a weekly basis and the warnings we receive as crew members as to what we can say and where we can say it leads us to believe that we may be monitored while there. The internet is very restrictive over there.

Neutral Information Presented:

Michelle Sanborn – NH Community Rights Network

- We are not taking a position on this bill.
- The point brought forward by Sen. Gray, that we should be against any interference in our elections at any level, is a valid point.
- If passed, SB 109 as amended would be able to discourage any interference from any source with the moderator's new authority.

Future Action: Pending

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Date Hearing Report completed: February 14, 2017