

Section 1 Header

2019 SESSION

19-0882.1

11/03

SENATE BILL *[bill number]*

AN ACT relative to campaign contributions and expenditures, and making an appropriation therefor.

SPONSORS: [sponsors]

COMMITTEE: [committee]

ANALYSIS

This bill establishes a fund to provide campaign financing for eligible candidates for governor and councilor and makes an appropriation to the fund. Candidates qualify for financing by collecting a requisite number of qualifying contributions, limiting the size of private contributions, and complying with other provisions of the public financing law. The bill also establishes a voter-owned elections commission to administer 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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Nineteen

AN ACT relative to campaign contributions and expenditures, and making an appropriation therefor.

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

1 1 Findings and Purpose.

2 I. New Hampshire voters want change in the way political campaigns are funded in the
3 state. According to a December, 2017 poll, 80 percent of granite state voters believe "big money" is a
4 problem in New Hampshire elections, including 85 percent of independent voters (I), 74 percent of
5 Republicans (R), and 79 percent of Democrats (D). Eighty percent believe special interests have
6 more influence than voters (76 percent I, 86 percent R, 83 percent D). Sixty-three percent support a
7 system of public financing of political campaigns (68 percent I, 50 percent R, 60 percent D). Sixty-
8 four percent would be more likely to vote for a candidate who participates in a public financing
9 program (66 percent I, 59 percent R, 71 percent D).

10 II. The purpose of the New Hampshire voter-owned elections act is to increase citizen
11 engagement and reduce corruption and the appearance of corruption in government through a
12 voluntary system that, in exchange for limited public financing, requires participating candidates to
13 accept only small private campaign contributions.

14 2 New Subparagraph; Application of Receipts; General Revenue Exceptions; Voter-Owned
15 Elections Fund. Amend RSA 6:12, I(b) by inserting after subparagraph (343) the following new
16 subparagraph:

17 (344) Moneys deposited in the New Hampshire voter-owned elections fund
18 established in RSA 664-A:2.

19 3 Voter-Owned Elections Commission. Amend RSA 5:13 to read as follows:

20 5:13 Commissions and Boards Functioning Within Department. The ballot law commission,
21 ***the voter-owned elections commission***, the boxing and wrestling commission, and the joint board
22 of licensure and certification shall each function within the department of state as a separate
23 organizational entity and with all the powers and duties as heretofore provided, except as otherwise
24 provided by law.

25 4 Political Expenditures and Contributions; Complaints. Amend the introductory paragraph of
26 RSA 664:18 to read as follows:

27 664:18 Complaints. Any candidate or voter may make complaint in writing to the attorney
28 general of any violation of any of the provisions of this chapter ***or of RSA 664-A***.

29 5 Political Expenditures and Contributions; Enforcement; Penalty. Amend RSA 664:21, II to
30 read as follows:

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

3 6 New Chapter; Public Financing of Elections. Amend RSA by inserting after chapter 664 the
4 following new chapter:

CHAPTER 664-A

PUBLIC FINANCING OF ELECTIONS

7 664-A:1 Definitions. In this chapter:

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

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

14 III. "Contested general election" means an election in which 2 or more general election
15 candidates for governor or council each report expenditures of \$100,000 or \$10,000, respectively, or
16 more during the current election cycle.

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

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

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

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

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

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

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

35 XI. "Primary election" means a state primary election. For purposes of this chapter,
36 primary election shall include only those elections held to nominate candidates of a party, as
37 defined by RSA 652:11.

38 XII. "Primary election campaign period" means the period beginning the first day of the

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1 current election cycle and ending the day of the state primary election.

2 XIII. "Private contribution" means a contribution to a participating candidate from a
3 private individual or other nongovernmental source.

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

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

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

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

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

17 (a) Total public donations received by the candidate for the current election cycle; and

18 (b) All of the candidate's campaign funds remaining following the end of the current
19 election cycle and after any post-election audit mandated under RSA 664-A:10, II.

20 664-A:2 New Hampshire Voter-Owned Elections Fund Established.

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

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

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

30 (a) Voluntary donations made directly to the fund.

31 (b) Unspent public contributions.

32 (c) Fines assessed for violations of RSA 664 and RSA 664-A.

33 (d) Interest generated by the fund.

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

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

38 664-A:3 Qualifications for Certification of Participating Candidates.

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1 I. A candidate qualifies as a participating candidate for the primary election campaign
2 period if:

3 (a) The candidate collects the required number of qualifying contributions and, during
4 the qualifying period, files with the secretary of state and the commission an affidavit of
5 registration, signed by the candidate and the candidate's fiscal agent, according to procedures
6 developed by the commission, certifying that the candidate has complied and shall comply with the
7 requirements of this chapter.

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

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

11 II. A candidate qualifies as a participating candidate for the general election campaign
12 period if the candidate was a participating candidate for the primary election campaign period and:

13 (a) Has been declared nominated; or

14 (b) Did not have a primary contest.

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

17 664-A:4 Qualifying Contribution Requirements.

18 I. A candidate shall collect at least the following number of contributions:

19 (a) 2,500 for a candidate for governor.

20 (b) 500 for a candidate for councilor.

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

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

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

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

33 VI. Qualifying contributions shall be made by check, money order, or credit card payable to
34 the candidate according to procedures developed by the commission.

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

37 VIII. Qualifying contributions shall be between \$5 and \$125 for candidates for executive
38 council and between \$5 and \$250 for candidates for governor, and shall be received by the candidate

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1 during the qualifying period.

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

4 664-A:5 Objection to Certification. Any objection to the certification of a candidate shall be
5 made in writing to the voter-owned commission no later than 7 days following the last day of the
6 qualifying period. Upon receipt of the objection, the commission shall notify the candidate in
7 writing of the time and place for its hearing. The commission shall determine whether a candidate
8 qualifies as a participating candidate within 7 days of receiving the objection. If the commission
9 determines that the candidate does not meet the requirements of this chapter, it may refuse to
10 certify the candidate or revoke the candidate's eligibility and order the candidate to return to the
11 fund any payments received pursuant to this chapter. The commission shall provide candidates
12 whom the commission has denied certification pursuant to this section written determination of its
13 decision. Such candidates may seek judicial review of that decision.

14 664-A:6 Requirements of Participating Candidates.

15 I. Only candidates for the following offices are eligible to be participating candidates:

16 (a) Governor.

17 (b) Executive councilor.

18 II. A participating candidate shall not expend for campaign purposes more than \$15,000 for
19 governor and \$10,000 for councilor of any preexisting funds raised for any elected office prior to the
20 first day of the election cycle for which the candidate seeks certification.

21 III. During the primary election campaign period, a participating candidate shall not accept
22 aggregate private contributions, including qualifying contributions, from any single contributor
23 exceeding \$250 for governor and \$125 for executive council. The same limits apply during the
24 general election campaign period. As public contributions, voter dollars do not count toward these
25 limits.

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

31 V. The following sources are prohibited from making private contributions to participating
32 candidates:

33 (a) Business organizations.

34 (b) Unions.

35 (c) Lobbyists.

36 VI. Participating candidates may spend up to \$5,000 in personal, noncontributed funds for
37 a gubernatorial race and up to \$1,000 for a council race. For purposes of this paragraph, race
38 includes both primary and general elections.

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

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

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

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

10 (a) Personal use.

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

13 (c) Gifts.

14 (d) Additional uses determined by the commission.

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

19 664-A:7 Voter Dollars.

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

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

27 (c) The commission shall establish a secure online system for delivery of certificates to
28 voters, without prejudice to any eligible person's right to receive certificates in the mail at his or her
29 option, no later than prior to the 2022 election cycle, unless the commission determines this target
30 date is not practicable; and in any event no later than the 2024 election cycle.

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

34 III. Certificates are only transferable or assignable as stated herein. Any person properly
35 obtaining and holding a certificate may assign it by writing the name and office sought of the
36 assignee candidate, and signing the holder's name on and dating the certificate where indicated
37 thereon, and delivering the signed and dated certificate to the candidate, or to the commission, or to
38 any candidate's representative who shall be registered for this purpose with the commission.

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1 Delivery of assigned certificates may be by mail, in person by any person the holder requests to
2 deliver the certificate, or electronically via a secure online system developed by the commission.

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

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

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

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

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

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

23 VI. No gubernatorial candidate shall be paid more than \$420,000 and council candidate
24 more than \$84,000 per election cycle for voter dollar certificates assigned. Excess certificates shall
25 be returned to their assignors in a timely manner, and the name of and office sought by any
26 candidate who has reached such limit shall be made publicly available.

27 VII.(a) The commission shall administer the certificate program and shall adopt rules
28 consistent with this section to ensure the certificate program is operated efficiently, fairly, and
29 transparently. The rules shall provide for a complaint and adjudication process in which citizens
30 and candidates may petition the commission for correction of errors or remedies for unlawful action
31 affecting the certificate program.

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

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

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1 664-A:8 Grants.

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

5 (a) Candidate for governor:

6 (1) \$1,000,000 grant from the fund for a contested general election.

7 (2) \$50,000 grant from the fund for an uncontested general election.

8 (b) Candidate for councilor:

9 (1) \$60,000 grant from the fund for a contested general election.

10 (2) \$10,000 grant from the fund for an uncontested general election.

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

13 664-A:9 New Hampshire Voter-Owned Elections Commission.

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

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

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

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

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

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

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

22 III. No person may serve on the commission who is a candidate for office. No member of the
23 commission may publicly endorse any candidate for office or financially contribute to a candidate for
24 office while serving on the commission.

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

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

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

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

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

37 (b) The commission shall develop printed material with the secretary of state to be
38 enclosed with mailings under paragraph VII that explains the New Hampshire voter-owned

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1 elections system and instructs recipients on how to donate to the fund. Copies of materials
2 developed under this subparagraph shall also be made available to agencies requesting them.

3 (c) The commission shall evaluate methods for encouraging donated advertising that
4 may, consistent with state and federal law, be distributed on an equal basis to participating
5 candidates. Such advertising may include broadcast media, print media, and donated services from
6 printers, mailing services, and consultants.

7 (d) The commission shall, based upon experience gained in the first or subsequent
8 implementations of the public financing system, determine whether a candidate who has received
9 contributions that do not meet the requirements of RSA 664-A:4, VII or VIII, or RSA 664-A:6, III, V,
10 or VI may still be eligible for certification once the prohibited donations and the excess of donations
11 that exceed the limits specified in RSA 664-A:4, VIII or RSA 664-A:6, III have either been returned
12 to contributors or donated to the fund.

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

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

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

22 X. The commission shall:

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

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

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

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

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

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

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

7 664-A:10 Audits.

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

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

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

23 664-A:11 Penalties.

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

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

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

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

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

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1 664-A:12 Reports to General Court.

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

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

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

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

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

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

30 664-A:13 Shortfall in Fund.

31 I. Following the state primary election, the commission shall project the amount of public
32 funds to be distributed in the general election period. If the commission determines that there will
33 not be sufficient money in the fund to finance all participating candidates in accordance with RSA
34 664-A:7 and RSA 664-A:8, the commission shall make every attempt to correct the shortfall by, at its
35 discretion:

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

38 (b) Reducing the dollar amount of per-candidate limits on funds paid out for voter dollar

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1 certificates;

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

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

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

8 664-A:14 Adjustment for Inflation. At the beginning of each general election year, commencing
9 in 2022, the commission, using an inflation calculator based on the consumer price index for all
10 urban consumers published by the United States Bureau of Labor Statistics, shall adjust to the
11 nearest \$5 the amount of each current dollar limit or threshold mentioned in this chapter, with the
12 exception of the qualifying contribution threshold, to account for inflation since each limit or
13 threshold was last updated. Not later than the first day of February in each such year, the
14 commission shall adopt a rule establishing each adjusted amount.

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

20 664-A:16 Certification by the State Treasurer.

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

26 II. The state treasurer shall certify to the New Hampshire voter-owned elections
27 commission the date that the balance in the New Hampshire voter-owned elections fund reaches
28 \$5,000,000. On the November 1 next following such certification at least one year prior to the
29 election, the New Hampshire voter-owned commission shall commence administering the public
30 financing provisions of RSA 664-A relating to campaigns for governor.

31 7 Appropriation. The sum of \$1 for the fiscal year ending June 30, 2020 and the sum of \$1 for
32 the fiscal year ending June 30, 2021 are hereby appropriated to the voter-owned elections fund
33 established in RSA 664-A:2. The governor is authorized to draw a warrant for said sums out of any
34 money in the treasury not otherwise appropriated.

35 8 Effective Date.

36 I. Section 7 of this act shall take effect July 1, 2019.

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