

NEW HAMPSHIRE SECRETARY OF STATE DAVID M. SCANLAN

RSA Chapter 664 Political Expenditures & Contributions



#### FREQUENTLY ASKED QUESTIONS

6/6/2023

This guidance will be updated if laws change and as additional guidance is published





# Who is required to register in the Campaign Finance System?

- 1. Political Committees
- 2. Candidate Committees
- 3. Candidates register to be able to report receipts and expenditures online see next slides
- 4. Political Committees Segregated Organization Fund
- 5. Political Committees Major Purpose Electioneering
- 6. Political Committees Major Purpose Not Electioneering
- Political Committees Voluntary Registration Entity not required to register by law, but choses to voluntarily register and report receipts and expenditures
- 8. Political Advocacy Organizations





#### Candidates

A candidate's declaration of candidacy or declaration of intent, and the other documents required to file for office, provide the Secretary of State with much of the same information required for committee registration.

Therefore, formal campaign finance system registration by a candidate is not required by law. However, registration is necessary for the candidate to use the online campaign finance system to report receipts and expenditures. Registration is necessary before the first online data entry can be done for receipts or expenditures. Otherwise, there is no deadline for a candidate to register.





#### Candidates

If a candidate chooses to file paper receipts and expenditure reports, the Secretary of State will create a registration for the candidate in the online system. Scanned images of the paper reports will be posted in the online system.

The online system can be searched for the candidate's records. The public can view images of the scanned paper receipts and expenditure reports.





#### When is registration required?

The committee's registration shall be received by the secretary of state not later than 48 hours after the committee meets at least one of the criteria under RSA 664:2, III.





(a) 2 or more persons promoting the success or defeat of a candidate or candidates or measure or measures, including the political committee of a political party.





(b) An organization previously existing or created independently from registering as a political committee, creating a segregated fund to promote the success or defeat of a candidate or candidates or measure or measures.





(c) An organization previously existing or created independently from registering as a political committee that has as its major purpose to promote the success or defeat of a candidate or candidates or measure or measures and whose receipts or expenditures total \$2,500 or more in a calendar year for that purpose.





(d) An organization previously existing or created independently from registering as a political committee that that does not have as its major purpose to promote the success or defeat of a candidate or candidates or measure or measures but that makes expenditures that total \$5,000 or more in a calendar year.





(e) Any organization or segregated fund that voluntarily registers.

Entities that are not otherwise required by law to register may choose to register to fulfill donor's expectations that legitimate entities will be listed as registered political committees. Others may voluntarily register to have the opportunity to disclose receipts and expenditures through the campaign finance system.





#### When is registration required?

A political advocacy organization is required to register within 48 hours of spending \$5,000 or more in a calendar year to pay for communications that are the functional equivalent of express advocacy related to a candidate(s) or measure(s). RSA 664:2, XXII; RSA 664:3-a.





#### When is re-registration required?

Political committee registration is for the election cycle reported on the registration. Registration for either the State Primary or General Elections does not cover activity in a Special Election.

The committee must keep filing 6-month reports until the receipts and expenditures balance is \$0.00 (the committee has neither surplus nor debt). The committee then must file a final report closing the committee.





#### When is re-registration required?

To submit a final report and close a committee online, check the "final report" box. To submit by paper, write "final report" on the receipts & expenditures or 6-month report. A new committee must be registered for receipts or expenditures related to the next election.

#### FILE FINAL REPORT (DO NOT CLICK THIS BOX IF YOU WILL BE FILING SUBSEQUENT REPORTS)

This is my FINAL REPORT for the current Campaign Cycle and closes out my current campaign by indicating the disposition of any surplus or deficit. All Receipts and expenditures for this election cycle are accounted for. (Check only when filing final report.) Note: A FINAL REPORT is required to close out a campaign. This does NOT mean that your account must be closed. DO NOT check this box unless the report you are filing has a ZERO balance, which means it is the final report that you will be filing for the current election cycle.

#### Surplus from this Campaign

O Renew registration for the next election and carry forward the surplus/deficit amount \$

to the next election.

This is the final report showing a zero balance. Note: If this is chosen, the candidate or committee would need to register again for the next election.





"All political committees' registrations under this chapter shall be valid from the date of registration until 10 days after the primary or general election, whichever is appropriate, unless terminated sooner, in writing, by the chairman and the treasurer of the committee. However, any committee which has a continuing obligation to report as required under RSA 664:6 shall continue to exist for the purpose of making such reports." RSA 664:3, IV. Until the fund balance is \$0.00 the committee must continue reporting.





"Surplus campaign contributions may be used after a general or special election for fund raising activities and any other politically related activity sponsored by the candidate, or for donations to charitable organizations. Such surplus campaign contributions, however, shall not be used for personal purposes." RSA 664:4-b.





A political committee with a debt may continue to fundraise to pay off that debt. The contribution limits for the cycle during which the debt was incurred/for which the committee registered continue to apply. Contributions received to pay off the debt count towards the donor's contribution limit for the cycle in which the debt was incurred, even if the money is received during the subsequent cycle. Contributions made during the cycle and after the election to pay off the debt are added together to determine if the contributor's aggregate amount violates the contribution limits in RSA 664:4, V.





A political committee with a surplus that intends to register as a committee for the next cycle may contribute the entire surplus to the committee registered for the next cycle. This brings the committee balance for the prior cycle to \$0.00 and allows the committee to submit a final report and close the prior cycle committee.





Starting ten days after the final election in which the committee is active, a political committee with a surplus may not raise additional funds to increase the amount of surplus. RSA 664:3, IV. The committee exists only for the purpose of paying off debt and making required reports.





# Registration Fees – Political Committees:

"The registration shall also be accompanied by a fee of \$50, which shall be deposited by the secretary of state into the general fund; provided, however, that the political committee of a candidate that registers under this section shall not be required to pay the \$50 fee." RSA 664:3.

The political committee of a political party is not required to register in the campaign finance system. RSA 664:3, I. However, to use the online system to report receipts and expenditures, the committee may choose to register. No fee is required.





Due dates for receipt & expenditure reports for a political committee are published and available on the Secretary of State's website. Candidates are required to file the same receipts and expenditures reports; however, the first report is due later in the election cycle.

The due dates are available on the following slides and through this link: <u>https://www.sos.nh.gov/elections/running-for-</u> <u>office/campaign-finance</u>











#### Candidate Committees, Political Committees, Political Advocacy Organizations **2024 PRIMARY**

Filing Dates for Primary Election - September 10, 2024

June 7, 2023 – report to cover from date of registration up to and including June 5, 2023. All committees which register or re-register for the 2024 election cycle any time after November 8, 2022.

**December 6**, 2023 – report to cover from date of registration or date of previous report through December 4, 2023. All committees which register or re-register for the 2024 election cycle prior to June 5, 2023.

June 19, 2024 – report to summarize any previous reports and itemize all receipts and expenditures through June 17, 2024. NOTE: This report is not required to be filed by candidates.

August 21, 2024 - report to summarize any previous report and itemize all receipts and expenditures through August 19, 2024.

September 4, 2024 – report to summarize any previous reports and itemize additional receipts and expenditures through September 2, 2024. In addition to this reporting requirement, the secretary of state shall be notified by the fiscal agent within 48 hours of any contribution exceeding \$500 which is received after the statement due September 4, 2024 and prior to the day of the primary election.

September 18, 2024 – report to summarize any previous reports and itemize all other receipts and expenditures through the date of the primary election (September 10, 2024).





## Candidate Committees, Political Committees, Political Advocacy Organizations **2024 GENERAL**

Filing Dates for General Election - November 5, 2024

October 16, 2024 - report to cover receipts and expenditures since primary election through October 14, 2024.

October 30, 2024 – report to summarize any previous report from general election and itemize additional receipts and expenditures through October 28, 2024. In addition to this reporting requirement, the secretary of state shall be notified by the fiscal agent within 48 hours of any contribution exceeding \$500 which is received after the statement due October 30, 2024 and prior to the day of the election.

November 13, 2024 – report to summarize any previous reports from general election and itemize all other receipts and expenditures through date of general election (November 5, 2024)

May 5, 2025 – Any committee which has any outstanding debt, obligation, or surplus following the election shall file reports at least once every 6 months thereafter until the obligation or indebtedness is entirely satisfied or surplus deleted, at which time a final report shall be made.

Any committee whose receipts or expenditures do not exceed \$1,000 for a reporting period, need not file. However, once the accumulated receipts or expenditures for a committee exceed \$1,000, then a statement shall be filed at the next reporting deadline, and the committee shall continue to file at each reporting deadline.





#### Receipt & Expenditure Due Dates Candidates: 2024 PRIMARY

Filing Dates for Primary Election – September 10, 2024

August 21, 2024 – report to summarize and itemize all receipts and expenditures through August 19, 2024.

September 4, 2024 – report to summarize any previous reports and itemize additional receipts and expenditures through September 2, 2024. In addition to this reporting requirement, the secretary of state shall be notified by the fiscal agent within 48 hours of any contribution exceeding \$500 which is received after the statement due September 4, 2024 and prior to the day of the primary election.

September 18, 2024 – report to summarize any previous reports and itemize all other receipts and expenditures through the date of the primary election (September 10, 2024).





#### Receipt & Expenditure Due Dates Candidates: 2024 GENERAL

Filing Dates for General Election - November 5, 2024

October 16, 2024 - report to cover receipts and expenditures since primary election through October 14, 2024.

October 30, 2024 – report to summarize any previous report from general election and itemize additional receipts and expenditures through October 28, 2024. In addition to this reporting requirement, the secretary of state shall be notified by the fiscal agent within 48 hours of any contribution exceeding \$500 which is received after the statement due October 30, 2024 and prior to the day of the election.

November 13, 2024 – report to summarize any previous reports from general election and itemize all other receipts and expenditures through date of general election (November 5, 2024)

May 5, 2025 – Any candidate who has any outstanding debt, obligation, or surplus following the election shall file reports at least once every 6 months thereafter until the obligation or indebtedness is entirely satisfied or surplus deleted, at which time a final report shall be made.

NOTE: Any candidate whose expenditures do not exceed \$1,000 for a reporting period need not file for that reporting period. However, once the accumulated expenditures for a candidate exceed \$1,000, then a statement shall be filed at the next reporting deadline, and the candidate shall continue to file at each subsequent reporting deadline.





#### Election Cycles – For Campaign Finance

For campaign finance purposes, an election cycle separately includes the Primary (if any) and General Election. Contribution limits are set for each individual election/phase of an election cycle, with a separate limit for:

- Exploratory Phase (before filing for office/declaring for office);
- Primary Election;
- General Election.





#### CONTRIBUTION LIMITS

By a Person or Corporation				
	contributed during	Additional maximum amount that may be contributed for the primary election	Additional maximum amount that may be contributed for the general election.	Total maximum amount of contributions:
Contributed to:				
Candidate or Candidate Committee	\$5,000	\$5,000	\$5,000	\$15,000
Non-candidate political committee or political party	\$10,000	\$10,000	\$10,000	\$30,000
Political advocacy organization	Unlimited	Unlimited	Unlimited	Unlimited

By any Candidate Committee, Non-Candidate Political Committee, or Political Advocacy Organization				
		Additional maximum amount that may be contributed for the primary election	Additional maximum amount that may be contributed for the general election.	Total maximum amount of contributions:
Contributed to:				
Candidate or Candidate Committee	\$10,000	\$10,000	\$10,000	\$30,000
Non-candidate political committee or political party	Unlimited	Unlimited	Unlimited	Unlimited
Political advocacy organizationance will be	Unlimited updated if laws chang	Unlimited	Unlimited	Unlimited
guidance is published				

guidance is published

Amended by Chapter 93 (SB348) of the Laws of 2022 RSA 664:4, V Effective January 1, 2023





- 1. Use "By a Person or Corporation" if the contribution is being made by a person or a corporation.
- 2. Use the column for the election/phase of interest (exploratory, primary, or general).
- 3. Use the row that describes the recipient of the contribution.
- 4. Example: Person contributing to a Candidate for the General Election. Limit is \$5,000.

#### CONTRIBUTION LIMITS

By a Person or Corporation				
	contributed during	Additional maximum amount that may be contributed for the primary election	Additional maximum amount that may be contributed for the general election.	Total maximum amount of contributions:
Contributed to:				
Candidate or Candidate Committee	\$5,000	\$5,000	\$5,000	\$15,000
Non-candidate political committee or political party	\$10,000	\$10,000	\$10,000	\$30,000
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## Example 2: Non-Candidate Committee to a Candidate Committee for a Primary. Limit is \$10,000.

By any Candidate Committee, Non-Candidate Political Committee, or Political Advocacy Organization				
	Maximum amount contributed during exploratory phase	Additional maximum amount that may be contributed for the primary election	Additional maximum amount that may be contributed for the general election.	Total maximum amount of contributions:
Contributed to:				
Candidate or Candidate Committee	\$10,000	\$10,000	\$10,000	\$30,000
Non-candidate political committee or political party	Unlimited	Unlimited	Unlimited	Unlimited
Political advocacy organization	Unlimited	Unlimited	Unlimited	Unlimited

Amended by Chapter 93 (SB348) of the Laws of 2022 RSA 664:4, V Effective January 1, 2023





#### **Election Cycles – Special Elections**

Special Elections are separate elections and are not treated as part of the two-year cycle that includes the State Primary and State General election.

Contribution limits apply independently to special elections. A contribution to a candidate seeking office at a special election does not count towards that donor's limits for the same person seeking the same seat at the regular state election.





#### Duty to Report

The duty to report receipts & expenditures arises when:

- The entity meets the criteria in RSA 664:2 III for becoming a political committee; and
- The entity, now a political committee, has receipts or expenditures that exceed \$1,000.

As the RSA 664:2, III criteria for being recognized by law as a political committee in some cases requires that receipts, expenditures or either must be greater than \$2500 or \$5000, such an entity does not have a duty to report until reaching that amount.





#### Duty to Report

The requirement that applies to most political committees and candidates is that receipt and expenditure reports must be filed by the next applicable deadline once receipts or expenditures exceed \$1000. RSA 664:6, I; RSA 664:7.





#### Major Purpose Electioneering -Report after receipts or expenditures of \$2500 or More

An organization, existing in law in some form in addition to becoming a political committee, with a major purpose to promote the success or defeat of a candidate or candidates or measure or measures must start reporting at the next reporting deadline following receipts or expenditures totaling \$2,500 or more in a calendar year. RSA 664:2, III (c).





#### Major Purpose <u>NOT</u> Electioneering -Report after receipts or expenditures of \$5000 or More

An organization, existing in law in some form in addition to becoming a political committee, with a major purpose of anything other than promoting the success or defeat of a candidate or candidates or measure or measures at the next reporting deadline following receipts or expenditures totaling \$5,000 or more in a calendar year. RSA 664:2, III (d).





#### Duty to Report Voluntary Registration

An entity that voluntarily registers as a political committee must report starting at the next deadline. RSA 664:2, III (e).





#### Political Advocacy Organization Report after spending \$5000

An organization, existing in law in some form in addition to registering as a political advocacy organization by the next deadline for reporting after spending \$5000 or more in a calendar year for communication that is functionally equivalent to express advocacy must report. To qualify, the expense must be for a communication that, as a whole is likely to be interpreted by a reasonable person only as advocating the election or defeat of a clearly identified candidate or candidates or the success or defeat of a measure or measures, taking into account whether the communication involved mentions a candidacy or a political party, or takes a position on a candidate's character, qualifications, or fitness for office. RSA 664:2, XXII.





## How to Register or Submit Receipts and Expenditures Report

- Online at: <a href="https://cfs.sos.nh.gov/">https://cfs.sos.nh.gov/</a>
- On paper by US Mail, delivery service, or delivery to: Secretary of State
  State House Room 204
  107 North Main Street
  Concord, NH 03301-4989
- Attached to e-mail sent to: <u>elections@sos.nh.gov</u>
- Fax (603) 271-6316
- Paper forms are available:
  - https://www.sos.nh.gov/elections/running-foroffice/campaign-finance, or
  - In the Secretary's office M-F, 8 AM 4:30 PM





RSA 664:4 establishes limitations on how much specified donors may contribute to a candidate, candidate committee, political committee, or political advocacy organization for the purpose of the exploratory phase, and separately for the primary and general elections.

RSA 664:6 requires that additional information be reported about a donor when that donor's total or aggregate contributions over time exceeds \$200 "for each election."





"'Election' means any general biennial or special election, political party primary, or presidential preference primary as provided in RSA 664:1." RSA 664:2, I.

This means that the state primary is a different election for campaign finance purposes than the state general election. The establishment of a separate contribution limit for the exploratory phase (pre-filing/declaration of candidacy) in RSA 664:4, V, establishes that the exploratory phase is best understood as a separate election for the purpose of calculating aggregate contributions "for each election." RSA 664:6, I.





For each receipt (contribution), the report must identify the election/phase of a specific election (exploratory, primary, or general) to which the donor intends to contribute. The date of the contribution does not control, but may limit, which election/phase to which a contribution is properly connected.

Starting 10 days after an election, contributions intended for the past election can only be accepted to pay off debt associated with that past election. It is improper to raise funds after an election that will increase a surplus for a past election. If your fund balance is \$0.00 or there is a surplus, new contributions received starting 10 days after a past election are permitted only for future elections.





There is no prohibition on making or receiving contributions associated with a future election. For example, during an exploratory phase, a donor may contribute, and a prospective candidate may receive, contributions for the exploratory phase, the primary and the general election. The funds received for the State Primary and General Election may only be used for that purpose. Therefore, depending on how the funds are used it may be necessary to hold the funds until the election for which the funds were contributed starts.





Certain expenses, such as yard signs suitable for use at both the Primary and General Election (if the candidate is nominated at the primary), are permissible. Reporting requires some reasonable basis for allocating the contributions between the elections at which the funds are used.





#### Role of Secretary of State

The Secretary of State's Office is the official repository for campaign finance registrations and receipts and expenditure reports. All these records are public and are posted on the Secretary of State's website.

The Secretary of State provides guidance to the public, political committees, and candidates on registering and filing reports. The Secretary of State is not authorized to provide legal advice nor advisory opinions. Where the law lacks clarity, candidates or committees may need to seek private legal advice.





#### Role of Attorney General

The Attorney General's Office has an Election Law Unit staffed by attorneys, investigators, and a paralegal. The Attorney General's Office is responsible for reviewing campaign finance filings and ensuring they comply with law.

**RSA 664:19 Examination of Statements of Receipts and Expenditures.** – It shall be the duty of the attorney general to examine the returns of election receipts and expenditures which are made to the secretary of state and to compel such returns be made to comply with the law.





III. 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.





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."

An "other person" in this law is a corporation or other entity created by law.





VI. (a) A political committee other than a political committee of a candidate that fails to register in accordance with RSA 664:3 shall be subject to a fine up to 25 percent of the total amount of independent expenditures made during the period from the date the political committee was required to register to the date the political committee registered.





VI. . . .

(b) A political committee that fails to report independent expenditures in accordance with RSA 664:6, IV-a shall be subject to a fine up to 25 percent of the total amount of independent expenditures not reported or reported late.





VII. Any person who willfully makes and subscribes to any statement filed under this chapter that he or she does not believe to be true and correct as to every material matter shall be guilty of false swearing under RSA 641:2.

#### RSA 641:2 False Swearing. –

A person is guilty of a misdemeanor if:

I. He makes a false statement under oath or affirmation or swears or affirms the truth of such a statement previously made and he does not believe the statement to be true if:

. . .





IX. Any individual, committee, or organization responsible for reporting under RSA 664:6, 664:6-a, and 664:7 that files a report with illegible material content shall receive a written warning for a first offense and shall be charged a civil penalty of \$1,000 per offense for any subsequent offenses.





### Role of Attorney General

**Contact Information:** 

Office of the Attorney General 33 Capitol Street Concord, NH 03301-6397 Telephone: (603) 271-3658 or 1-866-868-3703 Fax: (603) 223-2110 Email: <u>electionlaw@doj.nh.gov</u>





### Frequently Asked Questions

This webinar addresses frequently asked questions only. It is not a comprehensive presentation on campaign finance laws.

Questions should be directed to:

elections@sos.nh.gov

(603) 271-3242