



4 Park St. Room 200
Concord, NH 03301

www.LWVNH.org

Feb. 14, 2022

To: Senate Election Law Committee

From: Liz Tentarelli, president, League of Women Voters NH
email: LWVNewHampshire@gmail.com

Re: **SB 248, campaign finances regarding LLC donations**

The League of Women Voters NH, a non-partisan organization whose mission is empowering voters and defending democracy, supports this campaign finance reform.

We have federal and state limits on campaign donations for a reason: so that a small number of wealthy donors do not have an overwhelming influence on the views of our elected officials. The use of LLCs to make multiple donations, especially when those are sole-owner LLCs, is an end-around run to allow one individual to make multiple donations to a candidate.

SB 248 is similar to HB 105 in 2021, and to SB156 in 2019, which passed the Senate and then passed the House 212-139. But it was one of the 57 bills vetoed in that year.

If I had the time I would look at how many of the Governor's campaign donations come from multiple LLCs with one or a few owners. What we do know through casual observation and news reporting is that campaigns are getting more and more expensive. The Peter Principle applies to campaigns: the amount candidates spend will expand to use the amount donated—whether that is healthy for voters and good government or not.

SB248 does not stop people from donating to candidates of their choice. But it does prevent wealthy influencers from creating or using multiple LLCs to work around the campaign finance donation limits laws that the rest of us must operate within.

I urge this committee to recommend **SB 248 Ought To Pass** as a show of good faith in the principle of equity of campaign finances, that no wealthy donors should have greatly more access to an elected official than ordinary donors.

Reference: Nov. 15, 2021 article *Concord Monitor*

There are presently about 65,000 New Hampshire LLCs in good standing. These LLCs constitute the vast majority of New Hampshire business entities except for New Hampshire state-law sole proprietorships. At least 75% of them have only a single member; about 20% have two members; and the remaining 5% have three or more members.

(that means that about 61,750 individuals could, if they wished, make political donations beyond the traditional campaign limits, unless SB 248 becomes law.)