



4 Park St. Room 200
Concord, NH 03301

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February 6, 2024

To: House Election Law Committee chair Ross Berry and the committee members

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

Re: **HB 1074, fairness in 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 bill.

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, and thus gain a larger voice than the ordinary citizen.

We've had similar bills in the past that gained traction. For example, SB156 in 2019 passed the Senate and then passed the House 212-139. But it was one of the 57 bills vetoed in that year. If I knew how and 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 in New Hampshire or not.

HB 1074 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. One member of the House last year publicly stated, "I believe that money is speech and so I'm opposed to placing limits on that." Owners of LLCs who make campaign donations believe they should be able to speak louder than the rest of us.

In November 2021, according to the Concord Monitor, there were about 65,000 New Hampshire LLCs in good standing. These LLCs constitute the vast majority of NH business entities except for the NH state-law sole proprietorships. At least 75% of the LLCs had a single member and 20% had only two members. That means that over 60,000 people could make multiple donations above established donation limits if they wish, with no penalty, unless HB1074 is passed to close this LLC loophole. (*Nov. 15, 2021, Concord Monitor*).

I urge this committee to **recommend HB 1074 Ought To Pass** as a show of good faith in the principle of equity of campaign finances, that no wealthy donors should have hugely more access to an elected official than ordinary donors.