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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/09

SPONSOR Wirth LAST UPDATED _____ HB _____

SHORT TITLE Campaign Contributions in Certain Elections SB 521

ANALYST Wilson

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Indeterminate See Below			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 99, HB 151, HB 244, HB 252, HB 253, HB 272, HB 495, HB 535, HB 553, HB 614, HB 686, SB 49, SB 94, SB 116, SB 128, SB 139, SB 140, SB 163, SB 258, SB 262, SB 263, SB 269, SB 296, SB 346 & SB 535

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General's Office (AGO)
Secretary of State (SOS)

SUMMARY

Synopsis of Bill

Senate Bill 521 amends the Campaign Reporting Act, Section 1-19-25 et seq., NMSA 1978, by adding a new section which limits campaign contributions as follows:

	TO A CANDIDATE	TO A POLITICAL COMMITTEE	TO A POLITICAL PARTY
FROM A PERSON	\$2,300 per primary; \$2,300 per general election	\$5,000 per calendar year	\$10,000 per calendar year

FROM A POLITICAL COMMITTEE	\$5,000 per primary; \$5,000 per general election	\$5,000 per calendar year	\$5,000 per calendar year
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	TO A NON-STATEWIDE CANDIDATE	TO A STATEWIDE CANDIDATE	TO A POLITICAL COMMITTEE
FROM A POLITICAL PARTY	\$5,000 per primary; \$5,000 per general election	\$10,000 per primary; \$10,000 per general election	\$5,000 per calendar year

The bill also makes technical changes to clarify that:

- Money raised for a primary election may be used in a general election,
- Money raised for a general election may be carried over for subsequent election cycles,
- A candidate may collect contributions at any time as long as those contributions are counted against these contribution limits, and
- A candidate may continue to collect contributions to pay off campaign debt and the limits will apply to that election cycle.

The bill makes it is unlawful to circumvent the Campaign Reporting Act by contributing or receiving money in the name of another.

In addition the bill prohibits using a third party as a conduit for contributions to a candidate; any such contributions are counted towards the contribution limits.

FISCAL IMPLICATIONS

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary will be proportional to the enforcement of this law and commenced prosecutions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

The AGO provided the following:

Placing limits on political contributions is the most effective vehicle for addressing the current “Pay to Play” scandals.

One unintended consequence of this bill is that, by allowing political parties to contribute to candidates in a primary election, the bill inadvertently repeals Section 1-19-1 which prohibits political parties from contributing to candidates who are opposed in a primary.

Another unintended consequence is that by providing that a candidate can collect contributions “at any time”, the bill inadvertently repeals Section 1-19-34.1 which bans soliciting contributions during the legislative session.

The limits in the bill are similar to last year’s federal limits, which limit contributions to \$2,300 to candidates per election, \$5,000 to PACs, and \$10,000 to political parties. However, unlike federal law, this bill does not include an automatic increase linked to the Consumer Price Index.

RELATIONSHIP

SB 521 is similar to HB 495, except that it excludes the fourth degree felony provided for in HB 495.

This bill is similar to HB 252, SB 116, SB 262, and SB 346, which all place limits on campaign contributions.

SB 521 also relates to other ethics bills:

- HB 99, Prohibit Former Legislators as Lobbyists
- HB 151, State Ethics Commission Act
- HB 244, Prohibit Contractor Contribution Solicitation
- HB 253, Quarterly Filing of Certain Campaign Reports
- HB 272, Quarterly Campaign Report Filing
- HB 535, Lobbyist Identification Badges
- HB 553, Disclosure of Lobbyist Expenses
- HB 614, State Ethics Commission Act
- HB 686, AG Prosecution of State Officer Crimes
- SB 49, Governmental Conduct Act For Public Officers
- SB 94, Prohibit Former Legislators as Lobbyists
- SB 128, Require Biannual Campaign Reports
- SB 139, State Ethics Commission Act
- SB 140, State Ethics Commission Act
- SB 163, Prohibit Former Legislators as Lobbyists
- SB 258, Contribution from State Contractors
- SB 263, Contractor Disclosure of Contributions
- SB 269, State Bipartisan Ethics Commission Act
- SB 296, State Contractor Contribution Disclosure
- SB 535, Election Definition of Political Committee

OTHER SUBSTANTIVE ISSUES

New Mexico is one of the few states in the country that does not limit campaign contributions. Only four other states have no limits on contributions: Illinois, Oregon, Utah and Virginia.