12
13
14
15
16
17
18
19
20
21
22
23
24

1

2

10

11

SENATE BILL 642

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO ELECTIONS; ENACTING THE JUDICIAL CAMPAIGN FUNDING ACT; PROVIDING FOR VOLUNTARY PUBLIC CAMPAIGN FINANCING OF NON-RETENTION ELECTIONS FOR THE NEW MEXICO SUPREME COURT AND COURT OF APPEALS; PRESCRIBING PENALTIES; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] SHORT TITLE. -- This act may be cited as the "Judicial Campaign Funding Act"."

Section 2. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] DEFINITIONS.--As used in the Judicial Campaign Funding Act:

A. "applicant candidate" means a candidate who is . 152367. 2

running for a covered office and who is seeking to be a certified candidate in a primary or general election;

- B. "certified candidate" means a candidate running for a covered office who chooses to obtain financing pursuant to the Judicial Campaign Funding Act and who is certified as a Judicial Campaign Funding Act candidate;
- C. "contested election" means a partisan election in which there are more candidates for a position than the number to be elected to that position;
- D. "covered office" means justice of the supreme court or judge of the court of appeals;
- E. "election cycle" means the primary and general elections for the same term of the same covered office, beginning on the day after the last general election for the office and ending with the general election; the primary election cycle begins on the first day of the election cycle and ends on the day of the primary election; the general election begins on the day after the primary election and ends on the day of the general election;
 - F. "fund" means the judicial election fund;
- G. "noncertified candidate" means either a candidate running for a covered office who does not choose to participate in the Judicial Campaign Funding Act and who is not seeking to be a certified candidate or a candidate who declares an intent to participate but who fails to qualify;

Н.	"qual i	fying o	contri but	tion" r	neans a don	ation of
five dollars	(\$5.00)	in the	form of	cash o	or a check	or money
order payable	to the	fund in	suppor	t of a	n applicant	candi date
that is:						

- (1) made by a registered voter who is eligible to vote for the covered office that the applicant candidate is seeking;
- (2) made during the designated qualifying period and obtained through efforts made with the knowledge and approval of the applicant candidate; and
- (3) acknowledged by a receipt that identifies the contributor's name and residential address on forms provided by the bureau of elections and that is signed by the contributor, one copy of which is attached to the list of contributors and sent to the bureau of elections;

I. "qualifying period" means:

- (1) for major party applicant candidates, the period beginning October 1 immediately preceding the election year and ending at 5:00 p.m. on the third Tuesday of March of the election year; and
- (2) for independent and minor party candidates, the period beginning February 1 of the election year and ending that year at 5:00 p.m. on the filing date for independent or minor party candidates for the office for which the candidate is running;

	J.	"secretary"	means	the	secretary	of	state	or	the
office of	the	secretary of	state;						
	K.	"seed money	" means	s a (contri buti o	n r	ai sed	for	th
			_						

- K. "seed money" means a contribution raised for the primary purpose of enabling applicant candidates to collect qualifying contributions and petition signatures; and
- L. "total vote" means the total number of votes cast in the last general election for all candidates for governor in the district in which the candidate is running."
- Section 3. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] TERMS OF PARTICIPATION -- DECLARATION OF INTENT. --

- A. A candidate choosing to obtain financing pursuant to the Judicial Campaign Funding Act shall first file with the secretary a declaration of intent to participate in that act as an applicant candidate for a stated covered office. The declaration of intent shall be filed with the secretary prior to or during the qualifying period according to forms and procedures developed by the secretary.
- B. An applicant candidate choosing to participate in the Judicial Campaign Funding Act shall submit a declaration of intent prior to collecting any qualifying contributions and make explicit in the declaration that the candidate has complied with and will continue to comply with that act's contribution and expenditure limits and all other requirements

set forth in that act and rules issued by the secretary.

C. A candidate shall not be eligible to become an applicant candidate if the candidate has accepted contributions totaling five hundred dollars (\$500) or more or made expenditures totaling five hundred dollars (\$500) or more between the beginning of the qualifying period and filing a declaration of intent."

Section 4. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] QUALIFYING CONTRIBUTIONS. -- Applicant candidates shall obtain qualifying contributions as follows:

- A. the applicant candidate shall obtain qualifying contributions from that number of registered voters that is equal to at least one-tenth of one percent of the total vote;
- B. applicant candidates may accept qualifying contributions from persons who become registered within the statutory time frame that would enable that person to vote in the primary election;
- C. voters registered as independent are not excluded from making qualifying contributions, but shall be registered within the statutory time frame as independent; and
- D. no payment, gift or anything of value shall be given in exchange for a qualifying contribution."
- Section 5. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] SEED MONEY. --

- A. An applicant candidate may collect seed money from individual donors and political action committees in amounts of no more than one hundred dollars (\$100) per donor or committee. An applicant candidate may contribute an amount of seed money from the candidate's own funds up to the limits specified in Subsection H of this section.
- B. An applicant candidate may collect and spend seed money during the sixty days immediately preceding the qualifying period and throughout the qualifying period.
- C. An applicant candidate may not collect seed money from a corporation, association or partnership formed under state law or from labor organizations.
- D. An applicant candidate may not collect or spend seed money for any purpose after certification and before the end of the election cycle for which the candidate was certified, but after the election cycle may carry forward to the next election cycle any unspent seed money to be used as seed money.
- E. If a certified candidate is defeated or is elected and decides not to run again as an applicant candidate, any unspent seed money shall be forfeited to the fund.
- F. After becoming an applicant candidate and prior to certification, an applicant candidate shall not accept contributions, except for seed money or qualifying

contri buti ons.

1

2

4

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

G. An incumbent elected prior to 2008 who was not an applicant candidate when elected but declares the intent to become an applicant candidate in accordance with the Judicial Campaign Funding Act may transfer from the candidate's campaign fund for use as seed money up to the limits for contributions and expenditures specified in Subsection H of this section.

H. An applicant candidate shall limit seed money contributions and expenditures to fifteen thousand dollars (\$15,000)."

Section 6. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] CERTIFICATION. --

A. Upon receipt of a final submittal of qualifying contributions by an applicant candidate, the secretary shall determine whether the applicant candidate has:

- (1) signed and filed a declaration of intent to obtain financing pursuant to the Judicial Campaign Funding Act in accordance with the requirements of that act;
- (2) submitted the appropriate number of qualifying contributions;
- (3) qualified as a candidate pursuant to other applicable state election law;
- (4) complied with seed money contribution and expenditure restrictions; and

	(5)	otherwi	se met	the requi	rements f	or
obtai ni ng	fi nanci ng	pursuant	to the	Judi ci al	Campai gn	Fundi ng
Act						

- B. The secretary shall certify applicant candidates complying with the requirements of this section as certified candidates as soon as possible and no later than ten days after final submittal of qualifying contributions and certification as a candidate pursuant to other applicable state election law.
- C. A certified candidate shall comply with all requirements of the Judicial Campaign Funding Act after certification and throughout the primary election and general election cycles. A certified candidate who accepts public campaign finance funds for the primary election shall comply with all the requirements of the Judicial Campaign Funding Act for the remainder of the election cycle in question, even if the candidate decides not to accept such funds for the general election."

Section 7. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] GUIDELINES AND RESTRICTIONS FOR

CONTRIBUTIONS TO AND EXPENDITURES OF CERTIFIED CANDIDATES. --

- A. All money distributed to a certified candidate shall be used for that candidate's campaign-related purposes in the election cycle in which the money was distributed.
- B. A certified candidate shall return to the fund
 . 152367. 2

2

4

5

7

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

any amount that is unspent or unencumbered at the time that person ceases to be a candidate before a primary or general election for which the fund money was distributed.

- C. A certified candidate shall limit total campaign expenditures and debts to the amount of money distributed to that candidate from the fund. A certified candidate shall not accept contributions or loans from any other source except the candidate's political party, as specified in Section 8 of the Judicial Campaign Funding Act.
- D. A certified candidate shall return to the secretary, within two weeks after the primary election, any amount that is unspent or unencumbered by the date of the primary election for direct deposit into the fund.
- E. A certified candidate shall return to the secretary, within two weeks after the general election, any amount that is unspent or unencumbered by the date of the general election for direct deposit into the fund."

Section 8. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] POLITICAL PARTY EXPENDITURES-CONTRIBUTIONS TO CERTIFIED CANDIDATES. --

A. A certified candidate may accept monetary or inkind contributions from a political party; provided that the aggregate amount of such contributions from all political party committees combined does not exceed the equivalent of ten

percent of the value of that candidate's aggregate public financing per election cycle.

- B. All in-kind contributions from a political party distributed to certified candidates shall be used for campaign-related purposes.
- C. Nothing in this section shall prevent political party funds from being used for general operating expenses of the party; conventions; nominating and endorsing candidates; identifying, researching and developing the party's position on issues; party platform activities; noncandidate-specific voter registration; noncandidate-specific get-out-the-vote drives; travel expenses for noncandidate party leaders and staff; and other noncandidate-specific party building activities."
- Section 9. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] CANDIDATE REPORTING REQUIREMENTS. --

- A. The secretary shall publish guidelines outlining permissible campaign-related expenditures.
- B. Applicant candidates shall file a report listing seed money contributions and expenditures with their application for certification.
- C. Applicant candidates shall file qualifying contributions with the secretary during the qualifying period according to procedures developed by the secretary. In developing these procedures, the secretary shall use existing . 152367. 2

campaign reporting procedures and deadlines whenever practical.

- D. Certified candidates shall report expenditures according to the campaign reporting requirements specified in the Election Code.
- E. In addition to the campaign contribution and expenditure reports specified in the Election Code, all noncertified candidates who have as an opponent a certified candidate shall report to the secretary ten days before the primary and general elections the amount of money spent by that noncertified candidate. This report shall include all previously unreported transactions through 5:00 p.m. two days before the report is due.
- F. A person or political committee that makes expenditures to influence a race involving a certified candidate shall report to the secretary the amount that person or political committee has spent. These reports shall include all previously unreported transactions through 5:00 p.m. two days before the report is due, and shall be submitted as follows:
- (1) for the primary election, by 5:00 p.m. on the second Monday in May, by 5:00 p.m. on the eleventh day before the election and by 5:00 p.m. on the Thursday before the election; and
- (2) for the general election, by 5:00 p.m. the first Tuesday in October, by 5:00 p.m. on the eleventh day .152367.2

2

3	Section 10. A new section o
4	to read:
5	"[<u>NEW MATERIAL</u>] JUDICIAL ELE
6	A. There is created in
7	"judicial election fund" solely fo
8	(1) financing th
9	certified candidates for covered
10	(2) payi ng admi n
11	costs of the Judicial Campaign Fu
12	(3) carrying out
13	provisions of the Judicial Campaig
14	B. The state treasure
15	other state funds are invested, a
16	fund shall be credited directly to
17	balances at the end of a fiscal ye
18	and shall not revert to the genera
19	C. Money received from
20	be deposited directly into the fu
21	(1) qualifying c
22	submitted to the secretary;
23	(2) any recurrin
24	money distributed to a certified o
25	a candidate through the primary o

before the election and by 5:00 p.m. on the Thursday before the el ecti on. "

of the Election Code is enacted

ECTION FUND--CREATION--USE. --

- n the state treasury the or the purposes of:
- e election campaigns of offices;
- istrative and enforcement nding Act; and
- all other specified gn Funding Act.
- r shall invest the fund as nd all income derived from the o the fund. Remai ni ng ear shall remain in the fund al fund.
- m the following sources shall nd:
- contributions that have been
- g balance of unspent fund candidate who does not remain or general election period for . 152367. 2

2

4

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

which the money was distributed;

- (3) money that remains unspent or unencumbered by a certified candidate following the date of the primary election:
- (4) money that remains unspent or unencumbered by a certified candidate following the date of the general election;
- (5) unspent seed money that cannot be used for any other purpose; and
 - (6) money appropriated by the legislature.
- D. The fund shall also be funded by voluntary contributions from attorneys and members of the public. Money in the fund is appropriated to the secretary to carry out the purposes of the Judicial Campaign Funding Act."
- Section 11. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] DETERMINATION OF FUND AMOUNT. --

- A. By January 1, 2009, and every two years thereafter, the secretary shall prepare and provide to the legislature a report documenting, evaluating and making recommendations relating to the administration, implementation and enforcement of the Judicial Campaign Funding Act.
- B. In the report, the secretary shall set out the revenues received to date, the expected costs to the fund for the next election cycle and the amount of any annual

2

4

7

8

10

11

12

13

14

15

appropriation from the legislature that will be required to meet this need."

Section 12. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] TIMING AND AMOUNT OF FUND DISTRIBUTION. --

- Beginning with the election cycle that ends with the general election in 2008, the secretary shall distribute money from the fund to certified candidates.
- For a primary election certified candidate in a contested election, the secretary shall distribute the twentyfive thousand dollars (\$25,000) to that certified candidate within one week of certification.
- For a general election certified candidate in a contested election, the secretary shall distribute one hundred thousand dollars (\$100,000) to that candidate within one week after the primary election or, for a minor party or independent candidate, within one week after certification of the candi date.
- For a primary election certified candidate in an uncontested primary election, but who will face an opponent in the general election who is competing in a contested primary election, ten thousand dollars (\$10,000) shall be distributed to that certified candidate within one week after certi fi cati on.
 - E. For retention elections and all other

2

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

uncontested races, no money shall be distributed to the candi dates. "

Section 13. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] ADJUSTMENTS TO FUND DISTRIBUTION. --

Once the certification for candidates for the primary election has been completed, the secretary shall calculate the total amount of money to be distributed in the primary election cycle, based on the number of certified candidates and the allocations specified in Section 12 of the Judicial Campaign Funding Act. The secretary shall increase the total amount by twenty percent to provide funds for additional matching funds in the primary election. secretary shall also prepare an estimate of the total amount of money that may be distributed in the general election cycle. This estimate shall be increased by twenty percent to provide funds for additional matching funds in the general election. If the total amount to be distributed in the primary election cycle, plus the added twenty percent and the estimated total amount to be distributed in the general election cycle, plus the added twenty percent, all taken together, exceed the amount expected to be available in the fund, the secretary shall allocate the amount available between the primary and general election cycles. This allocation shall be based on the ratio of the two total amounts.

25

1

2

4

10

B. If the allocation specified in Subsection A of this section is greater than the total amount available for distribution, then the amounts to be distributed to individual candidates shall each be reduced by the same percentage as the reduction by which the total amount needed has been reduced relative to the total amount available."

Section 14. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] MATCHING FUNDS. -- When a noncertified candidate has one or more opponents who are certified candidates and the noncertified candidate's campaign finance report or group of reports shows that the sum of the noncertified candidate's expenditures and obligations made, or funds raised or borrowed, whichever is greater, alone or in conjunction with expenditures made independently of the candidate to influence the election on behalf of the candidate, exceeds the amount distributed to the certified candidate, the secretary shall issue immediately to any opposing certified candidate an additional amount equivalent to the excess amount reported by the nonparticipating opposing candidate. matching funds to a certified candidate in an election are limited to twice the amount originally distributed to that candidate pursuant to Section 13 of the Judicial Campaign Funding Act. "

Section 15. A new section of the Election Code is enacted . 152367. 2

	10
	11
	12
	13
	14
	15
	16
	17
	18
 -	19
	20
	21
·	22
	23
	24
	25

to	read	:
το	read	:

2

4

7

8

9

"[NEW MATERIAL] ADMINISTRATION -- SECRETARY -- DUTIES. --

- A. The secretary shall adopt rules to ensure effective administration of the Judicial Campaign Funding Act.
 - B. The rules shall include procedures for:
- (1) qualifications, certification and disbursement of revenues and return of unspent fund revenues;
 - (2) obtaining qualifying contributions;
 - (3) certification of candidates;
 - (4) collection of revenues; and
- $\hspace{1.5cm} \textbf{(5)} \hspace{0.2cm} \textbf{return of fund disbursements and other} \\ \textbf{money to the fund.} \hspace{0.2cm} \textbf{''} \\$

Section 16. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] APPEALS.--The procedure for challenging a certification decision by the secretary is as follows:

- A. a person aggrieved by a certification decision or a decision regarding the distribution of matching funds may appeal to the secretary within three days of the decision. The appeal shall be in writing and shall set forth the reasons for appeal;
- B. within five days after an appeal is properly made, and after due notice is given to the parties in dispute, the secretary shall hold a hearing whereby:
 - (1) the appellant has the burden of providing

evidence to demonstrate that the secretary's decision was improper; and

- (2) the secretary shall rule on the appeal within three days after the completion of the hearing;
- C. the parties in dispute may appeal the decision of the secretary by commencing an action in district court; and
- D. certified candidates whose certification is revoked on appeal shall return to the secretary any unspent money distributed from the fund. If the secretary or court finds that an appeal was made frivolously or to result in delay or hardship, the secretary or court may sanction the moving party by requiring the party to pay costs of the administrative hearing, the court hearing and the opposing parties."

Section 17. A new section of the Election Code is enacted to read:

"[NEW MATERIAL] PENALTIES. --

A. In addition to other penalties that may be applicable, a person who violates a provision of the Judicial Campaign Funding Act is subject to a civil penalty of up to ten thousand dollars (\$10,000) per violation. In addition to a fine, a certified candidate found in violation of the Judicial Campaign Funding Act may be required to return to the fund all amounts distributed to the candidate from the fund. If the secretary makes a determination that a violation of the Judicial Campaign Funding Act has occurred, the secretary shall

impose a fine or transmit the finding to the attorney general for prosecution. In determining whether a certified candidate is in violation of the expenditure limits of the Judicial Campaign Funding Act, the secretary may consider as a mitigating factor any circumstances out of the candidate's control.

B. A person who willfully or knowingly violates the provisions of the Judicial Campaign Funding Act or rules of the secretary or knowingly makes a false statement in a report required by that act is guilty of a fourth degree felony and, if the person is a certified candidate, shall return to the fund all money distributed to that candidate."

Section 18. SEVERABILITY. -- If any part or application of the Judicial Campaign Funding Act is held invalid, the remainder or its application to other situations or persons shall not be affected.

Section 19. APPROPRIATION.--Fifty thousand dollars (\$50,000) is appropriated from the general fund to the judicial election fund for expenditure in fiscal year 2006 and subsequent fiscal years to carry out the purposes of the Judicial Campaign Funding Act. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.