SENATE BILL 799

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO ELECTIONS; AMENDING THE VOTER ACTION ACT TO INCLUDE STATE OFFICERS AND JUDGES ELECTED ON A STATEWIDE BASIS; PROVIDING FOR FUNDING OF THE PUBLIC ELECTION FUND; MAKING AN APPROPRIATION; RECONCILING CONFLICTING AMENDMENTS TO THE SAME SECTION OF LAW BY REPEALING LAWS 1990, CHAPTER 6, SECTION 19.

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

Section 1. Section 1-19A-2 NMSA 1978 (being Laws 2003, Chapter 14, Section 2) is amended to read:

- "1-19A-2. DEFINITIONS.--As used in the Voter Action Act:
- A. "applicant candidate" means a candidate who is 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 .166205.2

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to the Voter Action Act and is certified as a Voter Action Act candidate:

- C. "contested election" means an election in which there are more candidates for a position than the number to be elected to that position;
- "covered office" means any office of the D. executive department or judicial department subject to statewide elections and the office of public regulation commissioner;
- "election cycle" means the primary and general Ε. 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;
 - "fund" means the public election fund;
- G. "noncertified candidate" means either a candidate running for a covered office who does not choose to participate in the Voter Action Act and who is not seeking to be a certified candidate or a candidate who [declares his] files a declaration of intent to participate but who fails to qualify;
- Η. "qualifying contribution" means a donation of .166205.2

five dollars (\$5.00) in the form of cash or a check or money order payable to the fund in support of an applicant candidate 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 for [public regulation commissioner] covered offices, 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;

1	J. "Secretary" means the secretary of state of the
2	office of the secretary of state; and
3	K. "seed money" means a contribution raised for the
4	primary purpose of enabling applicant candidates to collect
5	qualifying contributions and petition signatures [and
6	L. "total vote" means the total number of votes
7	cast in the last general election for all candidates for
8	governor in the district in which the candidate is running]."
9	Section 2. Section 1-19A-4 NMSA 1978 (being Laws 2003,
10	Chapter 14, Section 4) is amended to read:
11	"1-19A-4. QUALIFYING CONTRIBUTIONS
12	$\underline{\mathtt{A.}}$ Applicant candidates shall obtain qualifying
13	contributions as follows:
14	[A. the applicant candidate shall obtain qualifying
15	contributions from that number of registered voters that is
16	equal to at least one quarter percent of the total vote;
17	(1) for governor and lieutenant governor, the
18	number of qualifying contributions equal to two-tenths of one
19	percent of the number of voters in the state;
20	(2) for all other statewide elective offices,
21	the number of qualifying contributions equal to one-tenth of
22	one percent of the number of voters in the state; and
23	(3) for the office of public regulation
24	commissioner, the number of qualifying contributions equal to
25	one-tenth of one percent of the number of voters in the
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district of the office for which the candidate is running.

- 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 3. Section 1-19A-5 NMSA 1978 (being Laws 2003, Chapter 14, Section 5) is amended to read:

"1-19A-5. 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 [his] the applicant 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 .166205.2

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 contributions.
- G. An incumbent, other than a public regulation commissioner, elected prior to [2006] 2008 who was not an applicant candidate when elected but [declares his intent] who files a declaration of intent to become an applicant candidate in accordance with the Voter Action Act may transfer from [his] the applicant 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 five thousand dollars
 (\$5,000)."

Section 4.	Section	1-19A-7	NMSA	1978	(being	Laws	2003
Chapter 14, Secti	ion 7) is	amended	to r	ead:			

- "1-19A-7. 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 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 [his] the certified candidate's political party, as specified in Section [8 of the Voter Action Act] 1-19A-8 NMSA 1978.
- D. A certified candidate shall return to the secretary, within [two weeks] thirty days 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] thirty days after the general election, any amount that is unspent or unencumbered by the date of the general election for direct deposit into the fund."

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Se	ctio	n 5.	Sectio	n l	-19A-10	NMS.	A 1978	(being	Laws	2003,
Chapter	14,	Sectio	n 10)	is	amended	to	read:			

"1-19A-10. PUBLIC ELECTION FUND--CREATION--USE.--

- A. There is created in the state treasury the "public election fund" solely for the purposes of:
- (1) financing the election campaigns of certified candidates for covered offices;
- (2) paying administrative and enforcement costs of the Voter Action Act; and
- (3) carrying out all other specified provisions of the Voter Action Act.
- B. The state treasurer shall invest the funds as other state funds are invested, and all income derived from the fund shall be credited directly to the fund. Remaining balances at the end of a fiscal year shall remain in the election fund and not revert to the general fund; provided, however, that money remaining in the fund at the end of an election cycle that is attributable to distributions made from funds received pursuant to the Uniform Unclaimed Property Act (1995) shall revert to the general fund on the January 1 following the general election.
- C. Money received from the following sources shall be deposited directly into the fund:
- (1) qualifying contributions that have been submitted to the secretary;

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1	(2) any recurring balance of unspent fund
2	money distributed to a certified candidate who does not remain
3	a candidate through the primary or general election period for
4	which the money was distributed;
5	(3) money that remains unspent or unencumbered
6	by a certified candidate following the date of the primary
7	election;
8	(4) money that remains unspent or unencumbered
9	by a certified candidate following the date of the general
10	election;
11	(5) unspent seed money that cannot be used for
12	any other purpose; [and]
13	(6) money distributed to the fund from funds
14	received pursuant to the Uniform Unclaimed Property Act (1995);
15	<u>and</u>
16	[(6)] <u>(7)</u> money appropriated by the
17	legislature.
18	D. A subaccount shall be established in the fund,
19	and money in the subaccount shall only be used to pay the costs
20	of carrying out the provisions of the Voter Action Act related
21	to public regulation commission elections.
22	[$ extstyle{ extstyle{D}}oldsymbol{\cdot}$ The fund shall be funded at] $ extstyle{ extstyle{E}}oldsymbol{\cdot}$ Three hundred
23	thousand dollars (\$300,000) per year [segregated from proceeds]
24	shall be collected and deposited in the subaccount for public
25	regulation commission elections as follows:

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- (1) one hundred thousand dollars (\$100,000) from inspection and supervision fees collected pursuant to Section 62-8-8 NMSA 1978;
- (2) one hundred thousand dollars (\$100,000) from utility and carrier inspection fees collected pursuant to Section 63-7-20 NMSA 1978; and
- (3) one hundred thousand dollars (\$100,000) from the insurance premium tax collected pursuant to Section 59A-6-2 NMSA 1978."
- Section 6. Section 1-19A-13 NMSA 1978 (being Laws 2003, Chapter 14, Section 13) is amended to read:

"1-19A-13. AMOUNT OF FUND DISTRIBUTION.--

- A. By [April 1, 2005] August 1, 2007, the secretary shall determine the amount of money to be distributed to each certified candidate for the election cycle ending with the general election in [2006] 2008, based on the type of election and the provisions of Subsections B through [E] F of this section.
- B. For contested primary elections, the amount of money to be distributed to a certified candidate is equal to [the average amount of campaign expenditures made by all candidates receiving ten percent or greater of votes cast in all contested primary election races for the immediately preceding four primary elections for public regulation commissioner] the following:

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fifty	cents	(\$1.50)	for	each	voter	of	the	candida	ite's	party	in
the st	tate•										

- (2) for the office of lieutenant governor and public regulation commissioner, twenty-five cents (\$.25) for each voter of the candidate's party in the district of the office for which the candidate is running;
- (3) for the office of commissioner of public lands and attorney general, seventy-five cents (\$.75) for each voter of the candidate's party in the state; and
- (4) for the office of secretary of state, state treasurer, state auditor, justice of the supreme court and judge of the court of appeals, fifteen cents (\$.15) for each voter of the candidate's party in the state.
- For uncontested primary elections, the amount of money to be distributed to a certified candidate is equal to fifty percent of the [average] amount [of campaign expenditures made by all candidates during all uncontested primary election races, or for contested races if the amount is lower, for the immediately preceding four primary elections for public regulation commissioner] specified in Subsection B of this section.
- For contested general elections, the amount of money to be distributed to a certified candidate is equal to [the average amount of campaign expenditures made by all .166205.2

candidates receiving thirty percent or greater of votes cast in all contested general election races for the immediately preceding four general elections for public regulation commissioner] the following:

(1) for the office of governor, one dollar fifty cents (\$1.50) for each voter in the state;

(2) for the office of lieutenant governor and public regulation commissioner, twenty-five cents (\$.25) for each voter in the district of the office for which the candidate is running;

(3) for the office of commissioner of public lands and attorney general, seventy-five cents (\$.75) for each voter in the state; and

(4) for the office of secretary of state, state treasurer, state auditor, justice of the supreme court and judge of the court of appeals, fifteen cents (\$.15) for each voter in the state.

provided in Subsection I of this section, the amount of money to be distributed to a certified candidate is equal to fifty percent of the [average amount of campaign expenditures made by all candidates receiving thirty percent or greater of votes cast in all uncontested general election races for the immediately preceding four general elections for public regulation commissioner] amount specified in Subsection D of .166205.2

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this section. If a general election race that is initially uncontested later becomes contested because of the qualification of an independent or minor party candidate to appear on the ballot for that race, an additional amount of money [will] shall be distributed to the certified candidate to make that candidate's total distribution amount equal to the amount distributed pursuant to Subsection D of this section.

Once the certification for candidates for the F. 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 this section. secretary shall increase the total amount by twenty percent to provide funds for additional matching funds in the primary The secretary shall also prepare an estimate of the election. total amount of money that might 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 .166205.2

be based on the ratio of the two total amounts.

G. If the allocation specified in Subsection F of this section is greater than the total amount available for distribution, then the amounts to be distributed to individual candidates, specified in Subsections B through E of this section, 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.

[H. If the immediately preceding four election cycles do not contain sufficient data for the secretary to determine the amount to be distributed for an office, the secretary shall use data from the most recent applicable elections for that office. If no applicable elections for that office contain sufficient data, the secretary shall set an amount based on data from elections for comparable offices.

H. At least every two years after January 1, 2007, the secretary shall evaluate and modify as necessary the dollar values originally determined by Subsections B through E [or H] of this section and shall consider and account for inflation in the evaluations.

I. No money shall be distributed to candidates in judicial retention elections. No money shall be distributed to judicial candidates in uncontested general elections, provided that if a general election race that is initially uncontested later becomes contested, the certified judicial candidate shall .166205.2

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receive a distribution in accordance with Subsection D of this section."

Section 7. Section 1-19A-14 NMSA 1978 (being Laws 2003, Chapter 14, Section 14) is amended to read:

"1-19A-14. MATCHING FUNDS.--When a certified or noncertified candidate has one or more opponents who are certified candidates and [his] the 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] an opposing 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. Total 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 Voter Action Act | 1-19A-13 NMSA 1978."

Section 8. A new section of the Tax Administration Act is enacted to read:

"[NEW MATERIAL] DISTRIBUTION--PUBLIC ELECTION FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the public election fund of the amount deposited .166205.2

pursuant to the provisions of Section 7-8A-13 NMSA 1978."

Section 9. Section 7-1-6.1 NMSA 1978 (being Laws 1983, Chapter 211, Section 6, as amended by Laws 1990, Chapter 6, Section 19 and by Laws 1990, Chapter 86, Section 3) is amended to read:

"7-1-6.1. IDENTIFICATION OF MONEY IN TAX ADMINISTRATION SUSPENSE FUND--DISTRIBUTION.--After the necessary disbursements have been made from the tax administration suspense fund, the money remaining, except for remittances received within the previous sixty days that are unidentified as to source or disposition, in the suspense fund as of the last day of the month shall be identified by tax source and distributed or transferred in accordance with the applicable provisions of [Sections 7-1-6.2 through 7-1-6.19, 7-1-6.24 through 7-1-6.26 and 7-1-6.28 through 7-1-6.40 NMSA 1978] the Tax Administration Act. After the necessary distributions and transfers, any balance shall be distributed to the general fund."

Section 10. Section 7-8A-13 NMSA 1978 (being Laws 1997, Chapter 25, Section 13) is amended to read:

"7-8A-13. DEPOSIT OF FUNDS.--

[(a)] A. Except as otherwise provided by this section, the administrator shall promptly deposit in the tax administration suspense fund for distribution to the [general fund of this state] public election fund all [funds] money received under the Uniform Unclaimed Property Act (1995), .166205.2

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including the proceeds from the sale of abandoned property under Section [12 of that act] 7-8A-12 NMSA 1978. administrator shall retain in the [unclaimed property] tax administration suspense fund at least one hundred thousand dollars (\$100,000) for the purposes of the Uniform Unclaimed <u>Property Act (1995)</u>, from which the administrator shall pay claims duly allowed. The administrator shall record the name and last known address of each person appearing from the holders' reports to be entitled to the property and the name and last known address of each insured person or annuitant and beneficiary and with respect to each policy or annuity listed in the report of an insurance company, its number, the name of the company and the amount due.

 $[\frac{b}{a}]$ Before making a deposit to the tax administration suspense fund, the administrator may deduct:

- expenses of sale of abandoned property; (1)
- costs of mailing and publication in (2) connection with abandoned property;
 - (3) reasonable service charges; and
- expenses incurred in examining records of holders of property and in collecting the property from those holders."
- Section 11. REPEAL.--Laws 1990, Chapter 6, Section 19 is repealed.

Section 12. EFFECTIVE DATE. -- The effective date of the .166205.2

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       provisions of this act is July 1, 2007.
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