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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 2/11/09

**SPONSOR** Sanchez, B. **LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

Political Contributions to Candidates

**SHORT TITLE** \_\_\_\_\_ **SB** 346

**ANALYST** Wilson

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		Indeterminate See Below	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 521 & SB 535

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)  
 Attorney General's Office (AGO)  
 Secretary of State (SOS)

### SUMMARY

#### Synopsis of Bill

Senate Bill 346 amends the Campaign Reporting Act, Section 1-19-25 et seq., NMSA 1978, by adding a new section which limits campaign contributions as follows:

	<b>TO A NON-STATEWIDE CANDIDATE</b>	<b>TO A STATEWIDE CANDIDATE</b>	<b>TO A POLITICAL COMMITTEE</b>
<b>FROM A PERSON</b>	\$1,000 per primary; \$1,000 per general election	\$2,300 per primary; \$2,300 per general election	\$5,000 per calendar year

<b>FROM A POLITICAL COMMITTEE</b>	\$1,000 per primary; \$1,000 per general election	\$2,300 per primary; \$2,300 per general election	\$5,000 per calendar year
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The bill also amends Section 1-19-34.3 to clarify that it is unlawful to circumvent the Campaign Reporting Act by contributing or receiving money in the name of another.

**FISCAL IMPLICATIONS**

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. 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**

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.

This bill seeks to impose the first campaign contribution limits in effect for New Mexico.

The limits in the bill are similar to federal law, which limits contributions to \$2,300 per candidate per election, and \$5,000 to PACs.

The AOC notes that it can be argued that restrictions upon campaign contributions violate constitutional first amendment political speech protections.

The SOS provided the following:

Corporations and lobbyist contributions are not regulated by this new section of the Campaign Reporting Act. Theoretically, a person could register as a lobbyist and then contribute an unregulated amount.

Additionally, there are no restrictions on contributions donated by individuals who are also involved in Political Action Committees (PAC) that are not controlled or led by a political candidate. This will allow an individual or groups of individuals to register several PACs and donate unlimited and unregulated amounts.

**ADMINISTRATIVE IMPLICATIONS**

The affected agencies should be able to handle the enforcement of the provisions in this bill as part of ongoing responsibilities

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 346 is similar to HB 252, Political Contributions to Candidates, SB 116, Limit Contributions to Candidates & PACs and SB 262, Political Contributions to Candidates with different dollar amounts and different office categories.

SB 346 relates to the following 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 495, Political Candidate & Committee Donations  
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 521, Campaign Contributions in Certain Elections  
SB 535, Election Definition of Political Committee

**ALTERNATIVES**

The SOS suggests including corporate and lobbyist donations in the bill.

DW/mc