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## HOUSE BILL 277 50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011 INTRODUCED BY Jimmie C. Hall

## AN ACT

RELATING TO LOCAL SCHOOL BOARDS; ENACTING THE SCHOOL BOARD CAMPAIGN REPORTING ACT; REQUIRING TIMELY REPORTING OF CAMPAIGN CONTRIBUTIONS AND EXPENDITURES.

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

SECTION 1. A new section of Chapter 1 NMSA 1978 is enacted to read:

"[NEW MATERIAL] SHORT TITLE.--This act may be cited as the "School Board Campaign Reporting Act"."

SECTION 2. A new section of Chapter 1 NMSA 1978 is enacted to read:

"[NEW MATERIAL] DEFINITIONS.--As used in the School Board Campaign Reporting Act:

"campaign committee" means one or more persons authorized by a candidate to raise, collect or expend .183649.1

contributions on the candidate's behalf for the purpose of electing the candidate to office;

- B. "candidate" means a person who seeks or considers an office in a school board election covered by the School Board Campaign Reporting Act, including a school board member, who either has filed a declaration of candidacy or has received contributions or made expenditures of two hundred dollars (\$200) or more or authorized another person or campaign committee to receive contributions or make expenditures of two hundred dollars (\$200) or more for the purpose of seeking election to the school board;
- C. "contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made or received for a political purpose, including payment of a debt incurred in an election campaign, but "contribution" does not include the value of services provided without compensation or unreimbursed travel or other personal expenses of individuals who volunteer a portion or all of their time on behalf of a candidate or campaign committee;
- D. "expenditure" means a payment, transfer or distribution or obligation or promise to pay, transfer or distribute any money or other thing of value for a political purpose, including payment of a debt incurred in an election campaign;

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- E. "political purpose" means influencing or attempting to influence the outcome of an election; and
- F. "prescribed form" means a form or electronic format prepared and prescribed by the secretary of state."
- **SECTION 3.** A new section of Chapter 1 NMSA 1978 is enacted to read:

"[NEW MATERIAL] REPORTS REQUIRED--TIME AND PLACE OF FILING.--

A. A candidate or campaign committee that has received contributions of more than two hundred dollars (\$200) shall file with the secretary of state a report of all contributions received and expenditures made on a prescribed form, and the report shall be filed in the same or similar electronic system as that used for the Campaign Reporting Act. Except as otherwise provided in this section, all reports pursuant to the School Board Campaign Reporting Act shall be filed electronically and electronically authenticated by the candidate using an electronic signature in conformance with the Electronic Authentication of Documents Act and the Uniform Electronic Transactions Act.

- B. A candidate or campaign committee shall file a campaign report of all contributions and expenditures not previously reported on:
  - (1) the second Tuesday in December;
  - (2) the second Tuesday in January;

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- (3) the second Tuesday in February; and
- (4) the third Tuesday in March.
- C. If a candidate or campaign committee has not received any contributions and has not made any expenditures since the last report filed with the secretary of state, the candidate or campaign committee shall only be required to file a statement of no activity, which shall not be required to be notarized, in lieu of a full report when that report would otherwise be due.
- D. If a candidate or campaign committee receives any contributions or makes any expenditures between the third Tuesday in March and the report due in December preceding the next election, the candidate or campaign committee shall file quarterly reports as provided by rule of the secretary of state.
- E. A report of expenditures and contributions filed after a deadline set forth in this section shall not be deemed to have been timely filed.
- F. Except for candidates and campaign committees that file a statement of no activity, each candidate or campaign committee shall file a report of expenditures and contributions pursuant to the filing schedules set forth in this section, regardless of whether any expenditures were made or contributions were received during the reporting period. Reports shall be required until the candidate or campaign

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committee delivers a report to the secretary of state stating that:

- (1) there are no outstanding campaign debts;
- (2) all money has been expended in accordance with the provisions of Section 1-19-29.1 NMSA 1978; and
- (3) the bank account for campaign funds maintained by the candidate or campaign committee has been closed.
- G. A candidate who does not ultimately file a declaration of candidacy and does not file a statement of no activity shall file reports in accordance with Subsection B of this section.
- H. A candidate may apply to the secretary of state for exemption from electronic filing in case of hardship, which shall be defined by the secretary of state."
- SECTION 4. A new section of Chapter 1 NMSA 1978 is enacted to read:

## "[NEW MATERIAL] CONTENTS OF REPORT. --

- A. Each required report of expenditures and contributions shall be typed or printed legibly, or on a computer disc or format approved by the secretary of state, and shall include:
- (1) the name and address of the person to whom an expenditure was made or from whom a contribution was received; provided that for contributors, the name of the legal .183649.1

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entity or the first and last names of the individual shall be the full name of the legal entity or individual, and initials only shall not constitute a full name unless that is the complete legal name;

- (2) the occupation or type of business of any person making contributions of two hundred fifty dollars (\$250) or more in the aggregate per election;
- (3) the amount of the expenditure or contribution or value thereof;
  - (4) the purpose of the expenditure; and
- (5) the date that the expenditure was made or the contribution was received.
- B. Each report shall contain an opening and closing cash balance for the bank account maintained by the reporting individual during the reporting period and the name of the financial institution.
- C. Each report shall specify the amount of each unpaid debt and the identity of the person to whom the debt is owed."
- **SECTION 5.** A new section of Chapter 1 NMSA 1978 is enacted to read:
- "[NEW MATERIAL] REPORTS AND STATEMENTS--LATE FILING
  PENALTY--FAILURE TO FILE.--
- A. If a statement of no activity or a report of expenditures and contributions contains false or incomplete .183649.1

information or is filed after any deadline imposed by the School Board Campaign Reporting Act, the candidate, in addition to any other penalties or remedies prescribed by the Election Code, shall be liable for and shall pay to the secretary of state fifty dollars (\$50.00) per day for each regular working day after the time required by the School Board Campaign Reporting Act for the filing of statements of no activity or reports of expenditures and contributions until the complete or true statement or report is filed, up to a maximum of five thousand dollars (\$5,000).

- B. All sums collected for the penalty shall be deposited in the general fund to the credit of the current school fund. A report or statement of exception shall be deemed timely filed only if it is received by the proper filing officer by the date and time prescribed by law.
- C. Any candidate who fails or refuses to file a report of expenditures and contributions or statement of no activity or to pay a penalty imposed by the secretary of state as required by the School Board Campaign Reporting Act shall not, in addition to any other penalties provided by law:
- (1) have the candidate's name printed upon the ballot if the violation occurs before or through the final date for the withdrawal of candidates; or
- (2) be issued a certificate of election, if the violation occurs after the final date for withdrawal of .183649.1

candidates or after the election, until the candidate satisfies all reporting requirements of the School Board Campaign

Reporting Act and pays all penalties owed.

D. Any candidate who loses an election and who failed or refused to file a report of expenditures and contributions or a statement of no activity or to pay a penalty imposed by the secretary of state as required by the School Board Campaign Reporting Act shall not be, in addition to any other penalties provided by law, permitted to file a declaration of candidacy or nominating petition for any future election until the candidate satisfies all reporting requirements of that act and pays all penalties owed."

**SECTION 6.** EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2011.

- 8 -