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### SENATE BILL 32

# 50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Dede Feldman

#### AN ACT

RELATING TO ELECTIONS; CLARIFYING CERTAIN PROVISIONS IN THE VOTER ACTION ACT; ALLOWING MORE TIME FOR DISTRIBUTIONS TO CANDIDATES; LIMITING POLITICAL PARTY CONTRIBUTIONS TO CERTIFIED CANDIDATES; CHANGING HOW INDEPENDENT EXPENDITURES AFFECT MATCHING FUND DISTRIBUTIONS; REDUCING THE DISTRIBUTION AMOUNT FOR UNCONTESTED GENERAL ELECTION CONTESTS.

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

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

"1-19A-1. SHORT TITLE.--[Sections | through | 17 of this act] Chapter 1, Article 19A NMSA 1978 may be cited as the "Voter Action Act"."

SECTION 2. Section 1-19A-2 NMSA 1978 (being Laws 2003, Chapter 14, Section 2, as amended) is amended to read: .183256.1

- "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 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;
- D. "covered office" means any office of the judicial department subject to statewide elections and the office of public regulation commissioner;
- 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 public election fund;
- G. "noncertified candidate" means either a candidate running for a covered office who does not choose to .183256.1

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1 participate in the Voter Action Act and who is not seeking to 2 be a certified candidate or a candidate who files a declaration 3 of intent to participate but who fails to qualify; H. "political party" means an organization that is 4 qualified as a political party in New Mexico in accordance with 5 the provisions of Section 1-7-2 NMSA 1978; 6 7 [H.] I. "qualifying contribution" means a donation of five dollars (\$5.00) in the form of cash or a check or money 8 9 order payable to the fund in support of an applicant candidate that is: 10 (1) made by a registered voter who is eligible 11 12 to vote for the covered office that the applicant candidate is seeking; 13 14 made during the designated qualifying period and obtained through efforts made with the knowledge and 15 approval of the applicant candidate; and 16 17

(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

## [1.] J. "qualifying period" means:

contributors and sent to the bureau of elections;

(1) for major party applicant candidates for covered offices, the period beginning October 1 immediately preceding the election year and ending at 5:00 p.m. on the .183256.1

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third Tuesday of March of the election year; and

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;

 $[J_{\bullet}]$   $\underline{K}_{\bullet}$  "secretary" means the secretary of state or the office of the secretary of state; and

 $[K_{\bullet}]$  L. "seed money" means a contribution raised for the primary purpose of enabling applicant candidates to collect qualifying contributions and petition signatures."

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

"1-19A-3. TERMS OF PARTICIPATION--DECLARATION OF INTENT.--

A candidate choosing to obtain financing pursuant to the Voter Action 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] may be filed with the secretary either prior to or during the qualifying period [according to] on forms and in accordance with procedures developed by the secretary.

An applicant candidate choosing to participate in the Voter Action Act shall submit a declaration of intent .183256.1

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.

applicant candidate if the candidate has accepted <u>any</u>

<u>qualifying contributions before filing a declaration of intent</u>

<u>pursuant to Subsection A of this section or has accepted any</u>

<u>other contributions totaling five hundred dollars (\$500) or</u>

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. Section 1-19A-6 NMSA 1978 (being Laws 2003, Chapter 14, Section 6) is amended to read:

#### "1-19A-6. 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 Voter Action Act in accordance with the requirements of that act;
- (2) <u>collected and</u> submitted the appropriate number of qualifying contributions <u>after filing a declaration</u> <u>of intent;</u>

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- (3) qualified as a candidate pursuant to other applicable state election law;
- (4) complied with seed money contribution and expenditure restrictions; and
- (5) otherwise met the requirements for obtaining financing pursuant to the Voter Action 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 Voter Action 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 Voter Action Act for the remainder of the election cycle in question, even if [he] the certified candidate decides not to accept such funds for the general election."
- SECTION 5. Section 1-19A-7 NMSA 1978 (being Laws 2003, Chapter 14, Section 7, as amended) is amended to read:
- "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 .183256.1

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the election cycle in which the money was distributed.

- 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 [the certified candidate's | for in-kind contributions from a political party, as specified in Section 1-19A-8 NMSA 1978.
- D. A certified candidate shall return to the secretary, within 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.
- A certified candidate shall return to the secretary, within 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."
- SECTION 6. Section 1-19A-8 NMSA 1978 (being Laws 2003, Chapter 14, Section 8) is amended to read:
- "1-19A-8. POLITICAL PARTY [EXPENDITURES] IN-KIND CONTRIBUTIONS TO CERTIFIED CANDIDATES .--
- A certified candidate may accept [monetary or] in-kind contributions from a political party; provided that the .183256.1

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aggregate [amount] value of such contributions from all political [party committees] parties combined does not exceed the equivalent of ten percent of the value of that candidate's aggregate public financing per election cycle.

- All in-kind contributions from a political party distributed to certified candidates shall be used for campaignrelated purposes.
- 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 7. Section 1-19A-9 NMSA 1978 (being Laws 2003, Chapter 14, Section 9) is amended to read:
  - "1-19A-9. CANDIDATE REPORTING REQUIREMENTS . --
- The secretary shall publish guidelines outlining permissible campaign-related expenditures and penalties for violations of the Voter Action Act by October 1, 2011.
- В. Applicant candidates shall file a report listing seed money contributions and expenditures with their application for certification.
- C. Applicant candidates shall file qualifying .183256.1

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contributions with the secretary during the qualifying period according to procedures developed by the secretary. In developing these procedures, the secretary shall use existing campaign reporting procedures and deadlines whenever practical.

- Certified candidates shall report expenditures according to the campaign reporting requirements specified in the [Election Code] Campaign Reporting Act.
- In addition to the campaign contribution and expenditure reports specified in the [Election Code] Campaign Reporting Act, 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.
- 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 .183256.1

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election; and

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(2) for the general election, by 5:00 p.m. the first Tuesday in October, by 5:00 p.m. on the eleventh day before the election and by 5:00 p.m. on the Thursday before the election."

SECTION 8. Section 1-19A-12 NMSA 1978 (being Laws 2003, Chapter 14, Section 12) is amended to read:

"1-19A-12. TIMING OF FUND DISTRIBUTION.--

- A. Beginning with the election cycle that ends with the general election in 2006, the secretary shall distribute money from the fund to certified candidates.
- B. For a primary election certified candidate, the secretary shall distribute the amount due to that certified candidate for that covered office within [one week] ten calendar days of certification.
- C. For a candidate certified for the general election, the secretary shall distribute the amount due to that certified candidate for that covered office within [one week] ten calendar days after the primary election or, for a minor party or independent candidate, within [one week] ten calendar days after certification of the candidate."
- SECTION 9. Section 1-19A-13 NMSA 1978 (being Laws 2003, Chapter 14, Section 13, as amended) is amended to read:

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

A. By August 1 [<del>2007</del>] of each odd-numbered year,
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the secretary shall determine the amount of money to be distributed to each certified candidate for the election cycle ending with the <u>next</u> general election [in 2008], based on the type of election and the provisions of Subsections B through F of this section.

- B. For contested primary elections, the amount of money to be distributed to a certified candidate is equal to the following:
- (1) for the office of 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; and
- (2) for the office of 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.
- C. For uncontested primary elections, the amount of money to be distributed to a certified candidate is equal to fifty percent of the amount specified in Subsection B of this section.
- D. For contested general elections, the amount of money to be distributed to a certified candidate is equal to the following:
- (1) for the office of public regulation commissioner, twenty-five cents (\$.25) for each voter in the district of the office for which the candidate is running; and .183256.1

- (2) for the office of justice of the supreme court and judge of the court of appeals, fifteen cents (\$.15) for each voter in the state.
- E. For uncontested general elections, except as provided in Subsection I of this section, the amount of money to be distributed to a certified candidate is equal to [fifty] ten percent of the amount specified in Subsection D of 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 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.
- F. 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 this section. The secretary shall increase the total amount by twenty percent to provide funds for additional matching funds in the primary election. The secretary shall also prepare an estimate of the 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 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. 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 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

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

SECTION 10. Section 1-19A-14 NMSA 1978 (being Laws 2003, Chapter 14, Section 14, as amended) is amended to read:

"1-19A-14. MATCHING FUNDS.--

A. When a certified or noncertified candidate has one or more opponents who are certified candidates and the candidate's campaign finance report or group of reports shows that the sum of the 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 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 opposing candidate.

B. The amount of expenditures made independently of a certified candidate to influence the election on behalf of the candidate and the value of any in-kind contributions from a political party shall be subtracted from any excess amount reported by an opposing candidate when calculating the amount of matching funds to be distributed to the certified candidate.

 $\underline{\text{C.}}$  Total matching funds to a certified candidate in an election are limited to twice the amount originally distributed to that candidate pursuant to Section 1-19A-13 NMSA .183256.1

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