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

INTRODUCED BY

Eric G. Griego

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AN ACT

RELATING TO ELECTIONS; PROHIBITING CERTAIN CONTRIBUTIONS AND SOLICITATIONS OF CONTRIBUTIONS BY BUSINESS ENTITIES AND LOBBYISTS AND THE PRINCIPALS OF STATE CONTRACTORS; PROHIBITING CERTAIN SOLICITATIONS OF CONTRIBUTIONS FROM BUSINESS ENTITIES AND LOBBYISTS AND THE PRINCIPALS OF STATE CONTRACTORS; RECONCILING MULTIPLE AMENDMENTS TO THE SAME SECTION OF LAW IN LAWS 2009.

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

SECTION 1. A new section of the Campaign Reporting Act is enacted to read:

"[NEW MATERIAL] BUSINESS ENTITIES--CONTRIBUTIONS FOR CANDIDATES AND CERTAIN POLITICAL COMMITTEES PROHIBITED .--

A business entity shall not make a contribution to or solicit a contribution on behalf of:

.183831.1

- (1) a candidate for nomination or election to a public office or a campaign committee established by the candidate; or
 - (2) a political committee:
- (a) established by a public officer or an agent of the public officer or in consultation with or at the request or suggestion of the public officer or an agent of the public officer; or
- (b) controlled by a public officer or an agent of the public officer to aid or promote the nomination or election of any candidate or candidates to a public office.
- B. A public officer, candidate or political committee described in Subsection A of this section shall not accept or solicit a contribution prohibited by that subsection.
- C. The provisions of this section shall not preclude a business entity from making contributions or expenditures to promote the success or defeat of a ballot question."
- **SECTION 2.** A new section of the Campaign Reporting Act is enacted to read:
- "[NEW MATERIAL] LOBBYISTS--CONTRIBUTIONS FOR CANDIDATES
 AND CERTAIN POLITICAL COMMITTEES PROHIBITED.--
- A. A lobbyist, subject to the Lobbyist Regulation

 Act, shall not make a contribution to or solicit a contribution

 on behalf of:

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(1) a candidate for nomination or election to a public office or a campaign committee established by the candidate; or

(2) a political committee:

- (a) established by a public officer or an agent of the public officer or in consultation with or at the request or suggestion of the public officer or an agent of the public officer; or
- (b) controlled by a public officer or an agent of the public officer to aid or promote the nomination or election of any candidate or candidates to a public office.
- B. A public officer, candidate or political committee described in Subsection A of this section shall not solicit or accept a contribution prohibited by that subsection.
- C. The provisions of this section shall not restrict a lobbyist from establishing a campaign committee for the lobbyist's own campaign or from soliciting contributions from persons not prohibited from making contributions pursuant to this section."
- **SECTION 3.** A new section of the Campaign Reporting Act is enacted to read:
- "[NEW MATERIAL] STATE CONTRACTORS--CONTRIBUTIONS FOR CANDIDATES AND CERTAIN POLITICAL COMMITTEES PROHIBITED.--
- A. A state contractor or a principal of a state contractor shall not make a contribution to or solicit
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contributions on behalf of:

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a candidate for nomination or election to a public office or a campaign committee established by the candidate; or

a political committee:

- established by a public officer or an agent of the public officer or in consultation with or at the request or suggestion of the public officer or an agent of the public officer; or
- (b) controlled by a public officer or an agent of the public officer to aid or promote the nomination or election of any candidate or candidates to a public office.
- A candidate or political committee described in Subsection A of this section shall not accept or solicit a contribution prohibited by that subsection.
- The provisions of this section shall not restrict a principal of a state contractor from establishing a campaign committee for the principal's own campaign or from soliciting contributions from persons not prohibited from making contributions by this section."
- SECTION 4. Section 1-19-26 NMSA 1978 (being Laws 1979, Chapter 360, Section 2, as amended by Laws 2009, Chapter 67, Section 1 and by Laws 2009, Chapter 68, Section 2) is amended to read:
- DEFINITIONS.--As used in the Campaign Reporting "1-19-26. .183831.1

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- "advertising campaign" means an advertisement or Α. series of advertisements used for a political purpose and disseminated to the public either in print, by radio or television broadcast or by any other electronic means, including telephonic communications, and may include direct or bulk mailings of printed materials;
- "anonymous contribution" means a contribution the contributor of which is unknown to the candidate or the candidate's agent or the political committee or its agent who accepts the contribution;
- C. "bank account" means an account in a financial institution located in New Mexico;
- "business entity" includes, whether organized inside or outside of this state, a sole proprietorship, partnership, joint venture, limited liability company, corporation and any other association, organization or entity that is engaged in the operation of a business or profit-making activity;
- $[\frac{D_{\bullet}}{E_{\bullet}}]$ "campaign committee" means two or more persons authorized by a candidate to raise, collect or expend contributions on the candidate's behalf for the purpose of electing the candidate to office;
- [E.] F. "candidate" means an individual who seeks or considers an office in an election covered by the Campaign .183831.1

Reporting Act, including a public official, who either has filed a declaration of candidacy or nominating petition or:

- (1) for a non-statewide office, has received contributions or made expenditures of one thousand dollars (\$1,000) or more or authorized another person or campaign committee to receive contributions or make expenditures of one thousand dollars (\$1,000) or more for the purpose of seeking election to the office; or
- (2) for a statewide office, has received contributions or made expenditures of two thousand five hundred dollars (\$2,500) or more or authorized another person or campaign committee to receive contributions or make expenditures of two thousand five hundred dollars (\$2,500) or more for the purpose of seeking election to the office or for candidacy exploration purposes in the years prior to the year of the election;
- [F.] \underline{G} . "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 political committee, nor does it

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include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee;

[6.] H. "deliver" or "delivery" means to deliver by certified or registered mail, telecopier, electronic transmission or facsimile or by personal service;

[H-] $\underline{I.}$ "election" means any primary, general or statewide special election in New Mexico and includes county and judicial retention elections but excludes municipal, school board and special district elections;

 $[rac{J.}{J.}]$ "election year" means an even-numbered year in which an election covered by the Campaign Reporting Act is held:

[J.] K. "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 or pre-primary convention, but does not include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee;

[K.] L. "person" means an individual or entity;

 $[\frac{L_*}]$ $\underline{M_*}$ "political committee" means two or more persons, other than members of a candidate's immediate family or campaign committee or a husband and wife who make a

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contribution out of a joint account, who are selected, appointed, chosen, associated, organized or operated primarily for a political purpose; and "political committee" includes:

- (1) political parties, political action committees or similar organizations composed of employees or members of any corporation, labor organization, trade or professional association or any other similar group that raises, collects, expends or contributes money or any other thing of value for a political purpose;
- a single individual whose actions (2) represent that the individual is a political committee; and
- (3) a person or an organization of two or more persons that within one calendar year expends funds in excess of five hundred dollars (\$500) to conduct an advertising campaign for a political purpose;
- [M.] N. "political purpose" means influencing or attempting to influence an election or pre-primary convention, including a constitutional amendment or other question submitted to the voters:
- [N.] 0. "prescribed form" means a form or electronic format prepared and prescribed by the secretary of state;
- P. "principal of a state contractor" means, in addition to the state contractor itself:
- (1) a person who is a member of the board of .183831.1

1	directors of, or has an ownership interest in, a state
2	contractor, except for an individual who owns less than five
3	percent of the shares of that state contractor that is a
4	<pre>publicly traded corporation;</pre>
5	(2) a person who is employed by a state
6	contractor that is a business entity, as president, treasurer
7	or executive or senior vice president;
8	(3) a person who is the chief executive
9	officer of a state contractor;
10	(4) an employee of any state contractor who
11	has managerial or discretionary responsibilities with respect
12	to a state contract;
13	(5) the spouse or a dependent child of a
14	person described in Paragraphs (1) through (4) of this
15	subsection; or
16	(6) a political committee established by or on
17	behalf of a person described in this subsection;
18	$[\theta \cdot]$ $Q \cdot$ "proper filing officer" means either the
19	secretary of state or the county clerk as provided in Section
20	1-19-27 NMSA 1978;
21	[P.] R. "public officer" or "public official" means
22	a person elected to an office in an election covered by the
23	Campaign Reporting Act or a person appointed to an office that
24	is subject to an election covered by that act; [and
25	Θ .] S. "reporting individual" means every public
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1	official, candidate or treasurer of a campaign committee and
2	every treasurer of a political committee;
3	T. "state agency" means an office, department,
4	board, council, commission, institution or other agency in the
5	executive, legislative or judicial branch of state government
6	or an institution or instrumentality of the state;
7	U. "state contract" means an agreement or contract
8	with the state or any state agency having a value of twenty
9	thousand dollars (\$20,000) or more in a fiscal year, or a
10	combination or series of such agreements or contracts having a
11	value of twenty thousand dollars (\$20,000) or more in a fiscal
12	year, for:
13	(1) the rendition of services, including
14	professional services and financial services;
15	(2) the furnishing of any material, supplies
16	or equipment;
17	(3) the construction, alteration or repair of
18	any public building or public work;
19	(4) the acquisition, sale or lease of any land
20	or building;
21	(5) a licensing arrangement;
22	(6) a grant, loan or loan guarantee; or
23	(7) the purchase or sale of financial
24	securities or instruments or investment of public money; and
25	V. "state contractor" means a person, including a
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business entity or nonprofit organization, that enters into a
state contract, which person shall be deemed to be a state
contractor until the termination of the contract. "State
contractor" does not include a municipality or any other
political subdivision of the state or an employee of a state
agency, whether full- or part-time, in that person's capacity
as an employee of the state."

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