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## HOUSE BILL 491

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

GARY K. KING

INTRODUCED BY

RELATING TO ELECTIONS; PROVIDING FOR PUBLIC FINANCING OF PUBLIC REGULATION COMMISSION CAMPAIGNS; ESTABLISHING THE PUBLIC REGULATION COMMISSION CAMPAIGN FUND; PROVIDING POWERS AND DUTIES: PROVIDING PENALTIES: AMENDING AND ENACTING SECTIONS OF THE NMSA 1978; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

AN ACT

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

[NEW MATERIAL] SHORT TITLE. -- Sections 1 Section 1. through 9 of this act may be cited as the "Public Regulation Commission Public Financing Act".

Section 2. [NEW MATERIAL] LEGISLATIVE FINDINGS. -- The legislature finds that:

the costs associated with running for public office have risen greatly, with disturbing effects on the

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political process. Some of those effects include:

- (1) the exclusion of many qualified candidates from the electoral process;
- (2) impropriety or the appearance of impropriety in the raising of campaign funds because of the large amount of money required for successful competition in the political arena; and
- (3) the increase in public cynicism about the political process and the lessening of public confidence in elected public officials;
- B. the United States supreme court has indicated that any limitation on campaign expenditures must be entered into voluntarily and the use of public financing of campaigns is a constitutionally permissible way in which to encourage candidates to adopt voluntary campaign spending limits;
- C. using public funds to assist in the financing of campaigns for certain offices, in conjunction with voluntary campaign spending limits, may serve to alleviate some of the disturbing effects of the high cost of political campaigning; and
- D. the adoption by the people of the constitutional amendment creating an elected public regulation commission provides an opportunity for the state to experiment with public financing in a limited and cost-effective way to see if it serves its intended purposes and might be expanded

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to other political offices in the future.

Section 3. [NEW MATERIAL] DEFINITIONS. -- As used in the Public Regulation Commission Public Financing Act:

A. "candidate" means a person who seeks or considers running for the commission, who either has filed a declaration of candidacy or nominating petition or has received contributions or made expenditures of two thousand five hundred dollars (\$2,500) or more or has authorized another person to receive contributions or make expenditures of two thousand five hundred dollars (\$2,500) or more for the purpose of seeking election to the commission;

- B. "commission" means the public regulation commission:
- C. "fund" means the public regulation commission campaign fund; and
- D. "person" means an individual; firm,
  partnership, corporation, business, joint venture or similar
  business or commercial entity; or a political action
  committee, campaign committee or other organization organized
  to participate in electoral or party politics.
- Section 4. [NEW MATERIAL] PUBLIC REGULATION COMMISSION

  CAMPAIGN FUND. --
- A. The "public regulation commission campaign fund" is created in the state treasury. The fund consists of appropriations, gifts, grants, donations and interest from . 120327.1

investment of the fund. The fund shall be administered by the state treasurer, and money in the fund is appropriated to the state treasurer to make distributions to qualifying candidates pursuant to the provisions of the Public Regulation Commission Public Financing Act. Money in the fund shall be disbursed only on warrant drawn by the secretary of finance and administration pursuant to vouchers signed by the state treasurer or his authorized representative.

- B. The fund shall be funded at three hundred fifty thousand dollars (\$350,000) per year segregated from proceeds collected from:
- (1) inspection and supervision fees pursuant to Section 62-8-8 NMSA 1978; and
- (2) utility and carrier inspection fees pursuant to Section 63-7-20 NMSA 1978.
- C. Money transferred to the fund shall not revert to the general fund during an electoral cycle, but money in the fund in excess of three hundred thousand dollars (\$300,000) on December 31 immediately following a general election shall revert to the general fund.
- Section 5. [NEW MATERIAL] FUNDING FOR QUALIFYING CANDIDATES. --
- A. Upon qualifying for public finance in accordance with the Public Regulation Commission Public Financing Act, candidates for election to the commission shall .120327.1

1	be eligible to receive regular and periodic payments from the
2	fund to defray expenditures of the campaign for office
3	pursuant to the following schedule:
4	(1) for the primary election:
5	(a) twenty thousand dollars (\$20,000)
6	within fifteen days of qualifying;
7	(b) ten thousand dollars (\$10,000)
8	fifteen days after the first payment; and
9	(c) ten thousand dollars (\$10,000)
10	thirty days after the second payment; and
11	(2) for the general election:
12	(a) twenty thousand dollars (\$20,000)
13	by July 1;
14	(b) twenty thousand dollars (\$20,000)
15	by August 15; and
16	(c) twenty thousand dollars (\$20,000)
17	by October 1.
18	B. Candidates who qualify shall be eligible to
19	recei ve:
20	(1) forty thousand dollars (\$40,000) for the
21	primary election campaign; and
22	(2) sixty thousand dollars (\$60,000) for the
23	general election campaign.
24	C. Money received pursuant to the Public
25	Regulation Commission Public Financing Act is subject to the
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reporting requirements of the Campaign Reporting Act.

Section 6. [NEW MATERIAL] QUALIFYING PRIMARY ELECTION
CANDIDATES. --

- A. Except as provided in Subsection B of this section, a primary election candidate for the commission qualifies for funding pursuant to the Public Regulation Commission Public Financing Act by:
- qualifying for placement on the primary election ballot as certified by the secretary of state;
- (2) having raised at least seven thousand five hundred dollars (\$7,500) but not more than ten thousand dollars (\$10,000);
- (3) not having accepted more than two hundred fifty dollars (\$250) from a person other than himself; and
- (4) agreeing in writing to the following terms and conditions:
- (a) to limit campaign expenditures to qualifying expenditures as provided in the Public Regulation Commission Public Financing Act;
- (b) to limit the amount of primary election campaign expenditures to no more than the amount raised in Paragraph (2) of this subsection plus money received from the fund;
- (c) to limit private primary election campaign fundraising to that amount received prior to .120327.1

qualifying to receive money from the fund; and

(d) to return to the state treasurer any unexpended money from the fund within twenty days after the candidate ceases to be a candidate, becomes unopposed or after the election is over with respect to those candidates who remain qualified throughout the election.

- B. No candidate shall be qualified to receive money from the fund unless the candidate and at least one other candidate for the same seat have qualified to have their names on the ballot in the same election.
- C. Qualification shall cease and unexpended money received from the fund shall be returned to the state treasurer in the event a candidate either ceases to be a candidate or becomes unopposed during the election.
- Section 7. [NEW MATERIAL] QUALIFYING GENERAL ELECTION

  CANDIDATES. --
- A. Except as provided in Subsection B of this section, a general election candidate for the commission qualifies for funding pursuant to the Public Regulation Commission Public Financing Act by:
- (1) qualifying for placement on the general election ballot after having received funds pursuant to that act during the primary campaign or having met the qualifications for funding during the primary campaign except for the requirement that candidates be opposed by another

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candidate for the same position; and

- (2) agreeing in writing to the following terms and conditions:
- (a) to limit campaign expenditures to qualifying expenditures as provided in the Public Regulation Commission Public Financing Act;
- (b) to limit the amount of general election campaign expenditures to the amount received from the fund;
- (c) to not solicit or accept any general election campaign money except that provided from the fund; and
- (d) to return to the state treasurer any unexpended money from the fund within twenty days after the candidate ceases to be a candidate, becomes unopposed or after the election is over with respect to those candidates who remain qualified throughout the election.
- B. No candidate shall be qualified to receive money from the fund unless the candidate and at least one other candidate for the same seat have qualified to have their names on the ballot in the same election.
- C. Qualification shall cease and unexpended money received from the fund shall be returned to the state treasurer in the event a candidate either ceases to be a candidate or becomes unopposed during the election.

1	Section 8. [NEW MATERIAL] QUALIFYING EXPENDITURES
2	A. Money received from the fund may only be
3	expended on the following expenses attributable to campaign
4	activities:
5	(1) services for communication media,
6	including production costs;
7	(2) printing, photography, graphic arts or
8	advertising services;
9	(3) campaign office supplies;
10	(4) postage and other commercial delivery
11	servi ces;
12	(5) meals, lodging and travel expenses for
13	the candidate and staff; and
14	(6) staff salaries.
15	B. Expenditures of money received from the fund
16	are subject to the reporting requirements of the Campaign
17	Reporting Act.
18	Section 9. [NEW MATERIAL] CAMPAIGN CONTRIBUTION
19	LIMITSRESTRICTIONS AND REQUIREMENTSPROVIDING PENALTIES
20	A. Except as otherwise provided in this section, a
21	candidate shall not accept contributions in excess of two
22	hundred fifty dollars (\$250) from a person other than himself.
23	B. A candidate may make contributions of any
24	amount of his personal funds to his campaign committee.
25	However, if a candidate contributes more than two thousand

five hundred dollars (\$2,500) of his personal money to his campaign, his opponent, or opponents on a prorated basis if more than one in that specific election, shall receive the amount from the fund that the candidate would have received. In addition, if a candidate contributes his personal money in excess of two thousand five hundred dollars (\$2,500), the restrictions in Subsection A of this section no longer apply to his opponent.

- C. To qualify for money from the fund, a candidate shall file a declaration of voluntary compliance with the provisions of the Public Regulation Commission Public Financing Act with the secretary of state at the time the candidate files his declaration of candidacy or nominating petition. The declaration shall state whether the candidate agrees to be bound by the provisions of that act to be entitled to qualify for money from the fund. Once filed, the declaration of voluntary compliance cannot be withdrawn, rescinded or changed.
- D. If a candidate files a declaration of voluntary compliance, he shall not exceed the expenditure limits set forth in the Public Regulation Commission Public Financing Act. If a candidate in a primary election violates his declaration of voluntary compliance, then his name shall not be printed on the general election ballot unless he pays, within forty-five days after the primary election, a fine of

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three times the amount by which he exceeded the limit. If a
candidate in a general election violates his declaration of
voluntary compliance, then he shall not receive his
certificate of election unless he pays a fine of five times
the amount by which he exceeded the limit. Money paid
pursuant to this subsection shall be deposited in the general
fund.

Section 10. Section 1-8-25 NMSA 1978 (being Laws 1969, Chapter 240, Section 170, as amended) is amended to read:

"1-8-25. PRIMARY ELECTION LAW-DECLARATION OF CANDIDACY-PROPER FILING OFFICER.--The proper filing officer for filing declarations of candidacy is:

- A. the secretary of state for the offices of:
  - (1) United States senator;
  - (2) United States representative;
  - (3) all state elective offices;
- (4) public regulation commissioners elected from districts;

 $\left[\frac{4}{5}\right]$  legislative offices elected from multicounty districts;

 $[\frac{(5)}{(6)}]$  all elective judicial offices in the judicial department, except magistrates; and

 $\left[\frac{(6)}{(7)}\right]$  all offices representing a district composed of more than one county; and

B. the county clerk for the offices of:

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- (1) all elective county offices;
- (2) magistrates; and
- (3) legislative offices elected from a district located wholly within one county or which is composed of only one county."

Section 11. Section 1-8-26 NMSA 1978 (being Laws 1975, Chapter 295, Section 12, as amended) is amended to read:

"1-8-26. PRIMARY ELECTION LAW-TIME OF FILING-DOCUMENTS
NECESSARY TO QUALIFY FOR BALLOT-CHALLENGE.--

A. Declarations of candidacy by preprimary convention designation for any statewide office, [or for the office of] United States representative or public regulation commission and declarations of candidacy for retention of a justice of the supreme court or judge of the court of appeals shall be filed with the proper filing officer on the second Tuesday in February of each even-numbered year between the hours of 9:00 a.m. and 5:00 p.m.

- B. Declarations of candidacy for any other office and declarations of candidacy for retention for all affected district judicial offices shall be filed with the proper filing officer on the third Tuesday of March of each even-numbered year between the hours of 9:00 a.m. and 5:00 p.m.
- C. Certificates of designation shall be submitted to the secretary of state on the first Tuesday following the preprimary convention at which the candidate's designation

took place between the hours of 9:00 a.m. and 5:00 p.m.

- D. No candidate's name shall be placed on the ballot until the candidate has been notified in writing by the proper filing officer that the declaration of candidacy, the petition and the certificate of registration of the candidate on file are in proper order and that the candidate, based on those documents, is qualified to have his name placed on the ballot. The proper filing officer shall mail the notice no later than 5:00 p.m. on the Tuesday following the filing date.
- E. If a candidate is notified by the proper filing officer that he is not qualified to have his name appear on the ballot, the candidate may challenge that decision by filing a petition with the district court within ten days of the notification. The district court shall hear and render a decision on the matter within ten days after the petition is filed."

Section 12. Section 1-8-33 NMSA 1978 (being Laws 1973, Chapter 228, Section 7, as amended) is amended to read:

- "1-8-33. PRIMARY ELECTION LAW-NOMINATING PETITION--NUMBER OF SIGNATURES REQUIRED. --
- A. As used in this section, "total vote" means the sum of all votes cast for all of the party's candidates for governor at the last preceding primary election at which the party's candidate for governor was nominated.
- B. Candidates who seek preprimary convention . 120327.1

designation shall file nominating petitions at the time of filing declarations of candidacy. Nominating petitions for those candidates shall be signed by a number of voters equal to at least two percent of the total vote of the candidate's party in the state or congressional district, or the following number of voters, whichever is greater: for statewide offices, two hundred thirty voters; [and] for congressional candidates, seventy-seven voters; and for public regulation commission, fifty voters.

- C. Nominating petitions for candidates for any other office to be voted on at the primary election for which nominating petitions are required shall be signed by a number of voters equal to at least three percent of the total vote of the candidate's party in the district or division, or the following number of voters, whichever is greater: for metropolitan court and magistrate courts, ten voters; for the state board of education, twenty-five voters; for state representative, ten voters; for state senator, seventeen voters; and for district attorney and district judge, fifteen voters.
- D. A candidate who fails to receive the preprimary convention designation that he sought may collect additional signatures to total at least four percent of the total vote of the candidate's party in the state or congressional district, whichever applies to the office he seeks, and file a new

declaration of candidacy and nominating petitions for the office for which he failed to receive a preprimary designation. The declaration of candidacy and nominating petitions shall be filed with the secretary of state either ten days following the date of the preprimary convention at which he failed to receive the designation or on the date all declarations of candidacy and nominating petitions are due pursuant to the provisions of the Primary Election Law, whichever is later."

Section 13. Section 1-8-36.1 NMSA 1978 (being Laws 1981, Chapter 156, Section 1, as amended) is amended to read:

"1-8-36. 1. PRIMARY ELECTION LAW--WRITE-IN CANDIDATES. --

- A. Write-in candidates are permitted in the primary election only for the offices of United States representative, <u>public regulation commission</u>, members of the legislature, district judges, district attorneys, state board of education, magistrates and any office voted upon by all voters of the state.
- B. A person may be a write-in candidate only for nomination by the major political party with which he is affiliated as shown by his certificate of registration, and such person shall have the qualifications to be a candidate in the primary election for the political party for which he is a write-in candidate.
- C. A person desiring to be a write-in candidate . 120327.1

for one of the offices listed in Subsection A of this section in the primary election shall file with the proper filing officer a declaration of intent to be a write-in candidate. Such declaration of intent shall be filed before 5:00 p.m. on the second Tuesday in March.

- D. A write-in vote shall be counted and canvassed only if:
- declared write-in candidate and shows two initials and last name; first name, middle initial or name and last name; first and last name; or the full name as it appears on the declaration of intent to be a write-in candidate and misspellings of the above combinations that can be reasonably determined by a majority of the members of the precinct board to identify a declared write-in candidate; and
- (2) the name is written in the proper slot on the voting machine or on the proper line provided on an absentee ballot or emergency paper ballot for write-in votes for the office for which the candidate has filed a declaration of intent.
- E. At the time of filing the declaration of intent to be a write-in candidate, the write-in candidate shall be considered a candidate for all purposes and provisions relating to candidates in the Election Code, including the obligations to report under the Campaign Reporting Act, except

that he shall not be entitled to have his name printed on the ballot.

- F. No unopposed write-in candidate shall have his nomination certified unless he receives at least the number of write-in votes in the primary election as he would need signatures on a nominating petition pursuant to the requirements set out in Section 1-8-33 NMSA 1978.
- G. A write-in vote shall be cast by writing in the name. As used in this section, "write-in" does not include the imprinting of any name by rubber stamp or similar device or the use of preprinted stickers or labels."

Section 14. Section 1-8-39.1 NMSA 1978 (being Laws 1993, Chapter 55, Section 10) is amended to read:

"1-8-39. 1. DECLARATION OF PREPRIMARY DESIGNATION -- CERTIFICATION BY SECRETARY OF STATE. --

A. Not later than six days after the dates for filing declarations of candidacy by preprimary convention designation, the secretary of state shall certify to the chairman of each state political party the names of that party's candidates for office of United States representative, <a href="mailto:public regulation commission">public regulation commission</a> or for other statewide office who have filed their declarations of candidacy by convention designation and have otherwise complied with the requirements of the Primary Election Law.

B. No person shall be placed in nomination at the .120327.1  $\,$ 

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convention unless he has been certified by the secretary of state."

Section 15. Section 1-8-43 NMSA 1978 (being Laws 1969, Chapter 240, Section 180, as amended) is amended to read:

"1-8-43. PRIMARY ELECTION LAW-ORDER OF CANDIDATES ON BALLOT. --

A. Candidates designated and certified by state convention for a statewide office, [or] the office of United States representative or public regulation commission shall be placed on the primary election ballot in the order of the vote received at the state convention. The candidate receiving the highest vote shall be placed first in order on the ballot, followed by the candidate receiving the next highest vote, and so on until all the candidates designated for that office have been placed on the ballot, provided that the names of two or more candidates receiving an equal number of votes for designation by convention for the same office shall be placed on the primary ballot in the order determined by lot. Names of candidates for statewide office, [or] the office of United States representative or public regulation commission who do not receive preprimary convention designation but who are qualified candidates by declaration of candidacy shall be placed on the ballot as determined by lot following convention designated candidates.

B. The names of candidates for any other office in . 120327.1

the primary election who are candidates by declaration of candidacy shall be arranged on the ballot as determined by lot.

- C. The determination by lot shall be made immediately following the closing time for filing declarations of candidacy and all candidates or their agents shall be entitled to be present at such time.
- D. The order of preference for position on the ballot shall be first, the top name position on the left-hand column for each office, and thereafter, consecutively down each name position in that column to the last name position. If the number of candidates filing for the office so requires, the order of preference shall continue consecutively from the top name position on the left-hand column to the top name position on the right-hand column, thence to the second name position on the left-hand column, then to the second name position on the right-hand column and thereafter continuing in the same manner until all the candidates are positioned on the ballot."

Section 16. TEMPORARY PROVISION--TRANSFER OF FUND.--When the Public Regulation Commission Public Financing Act is repealed, unexpended or unencumbered balances remaining in the public regulation commission campaign fund shall be transferred to the general fund.

Section 17. APPROPRIATION--LOAN.--Three hundred thousand . 120327.1

dollars (\$300,000) is appropriated from the general fund to the public regulation commission campaign fund to provide initial funding for the public financing of candidates for the public regulation commission. This appropriation shall be considered a loan from the general fund, and the state treasurer shall repay the general fund as soon as practicable from money deposited in the public regulation commission campaign fund.

Section 18. DELAYED REPEAL. -- The Public Regulation

Section 18. DELAYED REPEAL. -- The Public Regulation Commission Public Financing Act is repealed on January 1, 2005.

Section 19. APPLICABILITY. -- This act applies to primary and general elections in and after 1998.

Section 20. EMERGENCY. -- It is necessary for the public peace, health and safety that this act take effect immediately.

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