1	SENATE BILL 51
2	49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010
3	INTRODUCED BY
4	Eric G. Griego
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10	AN ACT
11	RELATING TO ELECTIONS; ENACTING THE PUBLIC CAMPAIGN ACT;
12	PROVIDING FOR VOLUNTARY PUBLIC CAMPAIGN FINANCING OF ELECTIONS
13	FOR GOVERNOR, LIEUTENANT GOVERNOR, ATTORNEY GENERAL,
14	COMMISSIONER OF PUBLIC LANDS, STATE TREASURER, STATE AUDITOR,
15	SECRETARY OF STATE AND STATE LEGISLATORS; PRESCRIBING
16	PENALTIES; MAKING AN APPROPRIATION.
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18	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
19	Section 1. A new section of the Election Code is enacted
20	to read:
21	"[<u>NEW MATERIAL</u>] SHORT TITLESections 1 through 14 of
22	this act may be cited as the "Public Campaign Act"."
23	Section 2. A new section of the Election Code is enacted
24	to read:
25	"[<u>NEW MATERIAL</u>] DEFINITIONSAs used in the Public
	.180352.1

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1 Campaign Act:

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"applicant candidate" means a candidate who is 2 Α. 3 running for a covered office and who is seeking to be a 4 certified candidate in a primary or general election;

Β. "certified candidate" means a candidate running for a covered office who chooses to obtain financing pursuant to the Public Campaign Act and is certified as a Public Campaign Act candidate;

"contested election" means an election in which 9 C. 10 there are more candidates for a position than the number to be 11 elected to that position;

"covered office" means the office of governor, D. lieutenant governor, attorney general, commissioner of public lands, state treasurer, state auditor, secretary of state, state senator and state representative;

"election cycle" means the primary and general Ε. 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;

> "fund" means the public election fund; F.

"noncertified candidate" means either a

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1 candidate running for a covered office who does not choose to 2 participate in the Public Campaign Act and who is not seeking 3 to be a certified candidate or a candidate who declares the 4 intent to participate but who fails to qualify;

"qualifying contribution" means a donation of Η. between five dollars (\$5.00) and one hundred dollars (\$100) in the form of cash or a check or money order payable to the candidate or candidate's campaign committee in support of an applicant candidate that is:

(1) made by a registered voter who is eligible to vote for the covered office that the applicant candidate is seeking;

made during the designated qualifying (2) period and obtained through efforts made with the knowledge and approval of the applicant candidate; and

acknowledged by a receipt that identifies (3) 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 contributors and sent to the bureau of elections;

> "qualifying period" means: I.

for major party candidates, the period (1) beginning December 1 immediately preceding the election year and ending at 5:00 p.m. on the third Tuesday of March of the election year; and

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1 (2) for independent and minor party 2 candidates, the period beginning February 1 of the election 3 year and ending that year at 5:00 p.m. on the filing date for 4 independent or minor party candidates for the office for which 5 the candidate is running; and "secretary" means the secretary of state or the 6 J. 7 office of the secretary of state." 8 Section 3. A new section of the Election Code is enacted 9 to read: 10 "[NEW MATERIAL] TERMS OF PARTICIPATION--DECLARATION OF 11 INTENT.--12 A candidate choosing to obtain financing Α. 13 pursuant to the Public Campaign Act shall first file with the 14 secretary a declaration of intent to participate in that act as 15 an applicant candidate for a stated covered office. The 16 declaration of intent shall be filed with the secretary prior 17 to or during the qualifying period on forms and according to 18 procedures developed by the secretary. 19 Β. An applicant candidate choosing to participate 20 in the Public Campaign Act shall submit a declaration of intent 21 prior to collecting any qualifying contributions and make 22 explicit in the declaration that the candidate has complied 23 with and will continue to comply with that act's contribution 24 limits and all other requirements set forth in that act and 25 rules issued by the secretary. .180352.1

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C. A candidate shall not be eligible to become an
 applicant candidate if the candidate has accepted contributions
 totaling five hundred dollars (\$500) or 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. A new section of the Election Code is enacted

to read:

"[<u>NEW MATERIAL</u>] QUALIFYING CONTRIBUTIONS.--Applicant candidates shall obtain qualifying contributions as follows:

A. an applicant candidate running for the office of governor or lieutenant governor shall obtain qualifying contributions from that number of voters that is equal to at least one percent of the total voters in the state;

B. an applicant candidate running for the office of state senator or state representative shall obtain qualifying contributions from that number of voters that is equal to at least one percent of the total voters in the district of the office for which the candidate is running;

C. an applicant candidate for any other covered office shall obtain qualifying contributions from that number of voters that is equal to at least one fourth percent of the total voters in the state;

D. applicant candidates may accept qualifying contributions from persons who become registered within the .180352.1

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1 statutory time frame that would enable that person to vote in 2 the primary election;

E. voters registered as independent are not excluded from making qualifying contributions but shall be registered within the statutory time frame as independent; and

F. no payment, gift or anything of value shall be given in exchange for a qualifying contribution."

Section 5. A new section of the Election Code is enacted to read:

"[<u>NEW MATERIAL</u>] ALLOWABLE CONTRIBUTIONS AND MATCHING FUNDS.--

A. A certified candidate may collect contributions from qualified electors registered to vote in the candidate's district in amounts of no more than one hundred dollars (\$100) per donor per election cycle. A certified candidate shall not accept contributions from any other source.

B. The secretary shall distribute matching funds from the fund to a certified candidate in an amount four times the total of contributions a certified candidate has collected after the candidate is certified pursuant to the Public Campaign Act, subject to the limitation in Subsection C of this section. Matching funds shall be distributed as soon as possible after the certified candidate has filed a campaign report required by the Campaign Reporting Act that indicates the candidate has collected additional contributions in .180352.1

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1 accordance with the provisions of Subsection A of this section. 2 C. The amount of all public money distributed to a 3 certified candidate in an election is limited to three times 4 the amount of the initial distribution allowed for that 5 candidate pursuant to Section 10 of the Public Campaign Act. No matching funds shall be distributed to a 6 D. candidate in an uncontested race." 7 8 Section 6. A new section of the Election Code is enacted 9 to read: 10 "[NEW MATERIAL] CERTIFICATION.--11 Α. Upon receipt of a final submission of the total 12 amount and proof of the required number of qualifying 13 contributions by an applicant candidate, the secretary shall 14 determine whether the applicant candidate has: 15 signed and filed a declaration of intent (1) 16 to obtain financing pursuant to the Public Campaign Act in 17 accordance with the requirements of that act; 18 (2) submitted the appropriate number of 19 qualifying contributions and reported the total of 20 contributions received; 21 qualified as a candidate pursuant to other (3) 22 applicable state election law; and 23 otherwise met the requirements for (4) 24 obtaining financing pursuant to the Public Campaign Act. 25 Β. The secretary shall certify applicant candidates .180352.1 - 7 -

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complying with the requirements of this section as certified candidates as soon as possible and no later than ten days after final submittal of proof 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 Public Campaign 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 Public Campaign Act for the remainder of the election cycle in question, even if the candidate decides not to accept such funds for the general election."

Section 7. A new section of the Election Code is enacted to read:

"[<u>NEW MATERIAL</u>] 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 the election cycle in which the money was distributed.

B. 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 .180352.1

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expenditures and debts to the amount of money distributed to that candidate from the fund plus any contributions raised by the candidate in accordance with the provisions of the Public Campaign Act.

D. A certified candidate shall return to the
secretary, within two weeks after the primary election, any
amount of distributed funds that is unspent or unencumbered by
the date of the primary election for direct deposit into the
fund.

E. A certified candidate shall return to the secretary, within two weeks after the general election, any amount of funds distributed to or collected by the candidate that is unspent or unencumbered by the date of the general election for direct deposit into the fund."

Section 8. A new section of the Election Code is enacted to read:

"[<u>NEW MATERIAL</u>] CANDIDATE REPORTING REQUIREMENTS .--

A. The secretary shall publish guidelines outlining permissible campaign-related expenditures.

B. Applicant candidates shall file reports of qualifying 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.

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1 C. Certified candidates shall report contributions 2 and expenditures according to the campaign reporting 3 requirements specified in the Campaign Reporting Act." 4 Section 9. A new section of the Election Code is enacted 5 to read: "[NEW MATERIAL] TIMING OF FUND DISTRIBUTION .--6 7 Beginning with the election cycle that ends with Α. 8 the general election in 2012, the secretary shall distribute 9 money from the fund to certified candidates. 10 Β. For a primary election certified candidate, the 11 secretary shall distribute the amount due to that certified 12 candidate for that covered office within one week of 13 certification. 14 C. For a candidate certified for the general 15 election, the secretary shall distribute the amount due to that 16 certified candidate for that covered office within one week 17 after the primary election or, for a minor party or independent 18 candidate, within one week after certification of the 19 candidate." 20 Section 10. A new section of the Election Code is enacted 21 to read: 22 "[NEW MATERIAL] AMOUNT OF FUND DISTRIBUTION .--23 For contested primary elections, the amount of Α. 24 money to be distributed to a certified candidate is equal to 25 the following: .180352.1

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1 (1) for the office of governor, one dollar 2 fifty cents (\$1.50) for each voter of the candidate's party in 3 the state; 4 (2) for the office of lieutenant governor, 5 twenty-five cents (\$.25) for each voter of the candidate's 6 party in the state; 7 for the offices of commissioner of public (3) lands and attorney general, seventy-five cents (\$.75) for each 8 9 voter of the candidate's party in the state; 10 (4) for the offices of secretary of state, 11 state treasurer and state auditor, fifteen cents (\$.15) for 12 each voter of the candidate's party in the state; and 13 for the office of state legislator, one (5) 14 dollar fifty cents (\$1.50) for each voter of the candidate's 15 party in the candidate's legislative district. 16 For uncontested primary elections, the amount of Β. 17 money to be distributed to a certified candidate is equal to 18 fifty percent of the amount specified in Subsection A of this 19 section for candidates for statewide office and ten percent of 20 that amount for candidates for legislative offices. 21 C. For contested general elections, the amount of 22 money to be distributed to a certified candidate is equal to 23 the following: 24 for the office of governor, one dollar (1)25 fifty cents (\$1.50) for each voter in the state; .180352.1

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1 (2) for the office of lieutenant governor, 2 twenty-five cents (\$.25) for each voter in the state; 3 for the offices of commissioner of public (3) lands and attorney general, seventy-five cents (\$.75) for each 4 5 voter in the state; 6 (4) for the offices of secretary of state, 7 state treasurer and state auditor, fifteen cents (\$.15) for 8 each voter in the state; and 9 (5) for the office of state legislator, one 10 dollar fifty cents (\$1.50) for each voter in the candidate's 11 legislative district. 12 For uncontested general elections, the amount of D. 13 money to be distributed to a certified candidate is equal to 14 fifty percent of the amount specified in Subsection C of this 15 section for a candidate for statewide office and ten percent of 16 that amount for a candidate for legislative office. If a 17 general election race that is initially uncontested later 18 becomes contested because of the qualification of an 19 independent or minor party candidate to appear on the ballot 20 for that race, an additional amount of money shall be 21 distributed to the certified candidate to make that candidate's 22 total distribution amount equal to the amount distributed 23 pursuant to Subsection C of this section. 24 Once the certification for candidates for the Ε. 25 primary election has been completed, the secretary shall

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1 calculate the total amount of money to be distributed in the 2 primary election cycle based on the number of certified 3 candidates and the allocations specified in this section. The 4 secretary shall increase the total amount by twenty percent to 5 provide funds for additional matching funds in the primary election. The secretary shall also prepare an estimate of the 6 7 total amount of money that might be distributed in the general 8 election cycle. This estimate shall be increased by twenty 9 percent to provide funds for additional matching funds in the 10 general election. If the total amount to be distributed in the 11 primary election cycle, plus the added twenty percent and the 12 estimated total amount to be distributed in the general 13 election cycle, plus the added twenty percent, all taken 14 together, exceed the amount expected to be available in the 15 fund, the secretary shall allocate the amount available between 16 the primary and general election cycles. This allocation shall be based on the ratio of the two total amounts. 17

F. If the allocation specified in Subsection E 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 D 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."

Section 11. A new section of the Election Code is enacted .180352.1

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1 to read: "[NEW MATERIAL] ADMINISTRATION--SECRETARY OF 2 STATE--DUTIES.--3 4 The secretary shall adopt rules to ensure Α. 5 effective administration of the Public Campaign Act. 6 Β. The rules shall include procedures for: 7 (1) qualifications, certification and 8 disbursement of revenues and return of unspent fund revenues; 9 (2) obtaining qualifying contributions; 10 (3) certification of candidates; 11 (4) collection of revenues; and 12 return of fund disbursements and other (5) 13 money to the fund." 14 Section 12. A new section of the Election Code is enacted 15 to read: 16 "[NEW MATERIAL] APPEALS.--A challenge of a certification 17 or distribution decision by the secretary may be filed and 18 heard in accordance with the provisions of Section 1-19A-16 19 NMSA 1978." 20 Section 13. A new section of the Election Code is enacted 21 to read: 22 "[<u>NEW MATERIAL</u>] PENALTIES.--23 In addition to other penalties that may be Α. 24 applicable, a person who violates a provision of the Public 25 Campaign Act is subject to a civil penalty of up to ten .180352.1 - 14 -

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thousand dollars (\$10,000) per violation. In addition to a 2 fine, a certified candidate found in violation of that act may be required to return to the fund all amounts distributed to the candidate from the fund. If the secretary makes a determination that a violation of the Public Campaign Act has occurred, the secretary shall impose a fine or transmit the 7 finding to the attorney general for prosecution. In 8 determining whether a certified candidate is in violation of the expenditure limits of the Public Campaign Act, the 10 secretary may consider as a mitigating factor any circumstances 11 out of the candidate's control.

A person who willfully or knowingly violates the Β. provisions of the Public Campaign Act or rules of the secretary or knowingly makes a false statement in a report required by the Campaign Reporting Act is guilty of a fourth degree felony and, if the person is a certified candidate, shall return to the fund all money distributed to that candidate."

Section 14. SEVERABILITY.--If any part of or application of the Public Campaign Act is held invalid, the remainder of its provisions or its application to other situations or persons shall not be affected.

Section 15. Section 1-19A-10 NMSA 1978 (being Laws 2003, Chapter 14, Section 10, as amended) is amended to read:

"1-19A-10. PUBLIC ELECTION FUND--CREATION--USE.--

Α. There is created in the state treasury the .180352.1

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1 "public election fund" solely for the purposes of carrying out 2 the provisions of the Voter Action Act and the Public Campaign 3 Act, including: 4 (1)financing the election campaigns of 5 certified candidates for covered offices; 6 (2) paying administrative and enforcement 7 costs of the Voter Action Act and the Public Campaign Act; and 8 carrying out all other specified (3) 9 provisions of the Voter Action Act and the Public Campaign Act. 10 The state treasurer shall invest the funds as Β. 11 other state funds are invested, and all income derived from the 12 fund shall be credited directly to the fund. Remaining 13 balances at the end of a fiscal year shall remain in the 14 election fund and not revert to the general fund. 15 Money received from the following sources shall C. 16 be deposited directly into the fund: 17 qualifying contributions that have been (1) 18 submitted to the secretary; 19 (2)any recurring balance of unspent fund 20 money distributed to a certified candidate who does not remain 21 a candidate through the primary or general election period for 22 which the money was distributed; 23 money that remains unspent or unencumbered (3) 24 by a certified candidate following the date of the primary 25 election; .180352.1 - 16 -

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1 money that remains unspent or unencumbered (4) 2 by a certified candidate following the date of the general 3 election; 4 (5) unspent seed money that cannot be used for 5 any other purpose; money distributed to the fund from funds 6 (6) 7 received pursuant to the Uniform Unclaimed Property Act (1995); 8 and 9 money appropriated by the legislature. (7) 10 A subaccount shall be established in the fund, D. 11 and money in the subaccount shall only be used to pay the costs 12 of carrying out the provisions of the Voter Action Act related 13 to public regulation commission elections. 14 Ε. Three hundred thousand dollars (\$300,000) per 15 year shall be collected and deposited in the subaccount for 16 public regulation commission elections as follows: 17 one hundred thousand dollars (\$100,000) (1) 18 from inspection and supervision fees collected pursuant to 19 Section 62-8-8 NMSA 1978; 20 one hundred thousand dollars (\$100,000) (2) 21 from utility and carrier inspection fees collected pursuant to 22 Section 63-7-20 NMSA 1978; and 23 one hundred thousand dollars (\$100,000) (3) 24 from the insurance premium tax collected pursuant to Section 25 59A-6-2 NMSA 1978." .180352.1

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	1	Section 16. EFFECTIVE DATEThe effective date of the
	2	provisions of this act is November 3, 2010.
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