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HOUSE BILL 154

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

INTRODUCED BY

Brian F. Egolf

AN ACT

RELATING TO ELECTIONS; PROHIBITING CORPORATIONS THAT ARE ORGANIZED UNDER THE LAWS OF NEW MEXICO FROM MAKING EXPENDITURES.

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

SECTION 1. Section 53-11-3 NMSA 1978 (being Laws 1967, Chapter 81, Section 3) is amended to read:

"53-11-3. PURPOSES.--Corporations may be organized under the Business Corporation Act for any lawful purpose or purposes, except banking, insurance, credit unions, savings and loan associations, railroads and waterworks organized under ~~[the Laws of 1887, Chapter 12]~~ Sections 62-2-1 through 62-2-19, 62-2-21 and 62-2-22 NMSA 1978; provided that any entity organized under the Business Corporation Act shall not have the power to expend money to influence the outcome of any state,

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1 county or local election."

2 SECTION 2. Section 53-17-1 NMSA 1978 (being Laws 1967,
3 Chapter 81, Section 103, as amended) is amended to read:

4 "53-17-1. ADMISSION OF FOREIGN CORPORATION.--No foreign
5 corporation shall transact business in this state until it has
6 procured a certificate of authority to do so from the
7 commission; provided that no foreign corporation may procure a
8 certificate of authority unless the foreign corporation agrees
9 not to expend money to influence the outcome of any state,
10 county or local election. No foreign corporation shall procure
11 a certificate of authority under the Business Corporation Act
12 to transact in this state any business ~~[which]~~ that a
13 corporation organized under the Business Corporation Act is not
14 permitted to transact. A foreign corporation shall not be
15 denied a certificate of authority because the laws of the state
16 or country under which the corporation is organized governing
17 its organization and internal affairs differ from the laws of
18 this state, and nothing in the Business Corporation Act
19 authorizes this state to regulate the organization or the
20 internal affairs of such corporation. Without excluding other
21 activities ~~[which]~~ that may not constitute transacting business
22 in this state, a foreign corporation shall not be considered to
23 be transacting business in this state, for the purposes of the
24 Business Corporation Act, by reason of carrying on in this
25 state any one or more of the following activities:

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1 A. maintaining or defending any action or suit or
2 any administrative or arbitration proceeding, or effecting the
3 settlement thereof or the settlement of claims or disputes;

4 B. holding meetings of its directors or
5 shareholders or carrying on other activities concerning its
6 internal affairs;

7 C. maintaining bank accounts;

8 D. maintaining offices or agencies for the
9 transfer, exchange and registration of its securities, or
10 appointing and maintaining trustees or depositaries with
11 relation to its securities;

12 E. effecting sales through independent contractors;

13 F. soliciting or procuring orders, whether by mail
14 or through employees or agents or otherwise, where the orders
15 require acceptance without this state before becoming binding
16 contracts;

17 G. creating as borrower or lender, or acquiring,
18 indebtedness or mortgages or other security interest in real or
19 personal property;

20 H. securing or collecting debts or enforcing any
21 rights in property securing them;

22 I. transacting any business in interstate commerce;

23 J. conducting an isolated transaction completed
24 within a period of thirty days and not in the course of a
25 number of repeated transactions of like nature; or

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1 K. investing in or acquiring, in transactions
2 outside New Mexico, royalties and other nonoperating mineral
3 interests and the execution of division orders, contracts of
4 sale and other instruments incidental to the ownership of the
5 nonoperating mineral interests."

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