

LFC Requester:

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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to billanalysis@dfa.nm.gov*****(Analysis must be uploaded as a PDF)*****SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}***Date Prepared:** 3/6/2025 *Check all that apply:***Bill Number:** HB 143 a Original ☐ Correction ☐
Amendment ☒ Substitute ☐

Sponsor: Sarah Silva
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 LOBBYING ACTIVITY
 REPORTS

Agency Name and Code Secretary of State - 370
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Short Title:

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$60-\$65	\$11	\$71-\$76	\$60-\$65 Nonrecurring \$11 - Recurring	General

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 143 creates a new section to the Lobbyist Reporting Act that would require lobbyists to file a “lobbying activity report” or reports with the Secretary of State’s Office (SOS) that discloses the lobbyist's or lobbyist's employer's lobbying activity on legislation that has been introduced, including any lobbying on the development of legislation prior to its introduction in a legislative session.

If passed, the lobbying activity report would include specific legislation lobbied; lobbyist's or lobbyist's employer’s support, opposition or other position taken on the legislation and whether the support, opposition or other position changed; and the name of the lobbyist's employer that lobbied on the legislation, either directly or through the registered lobbyist.

An amendment to Section 1 of the bill requires lobbyists to file the reports within 48 hours of the commencement of lobbying activity.

Further amendments prohibit lobbyists from making an expenditure on food, beverages, and gifts during the prohibitive period except for events that are open to the public and not exclusively to elected officials or their staff or employees. Outside of the prohibited period, lobbyists would be limited to \$50 per day “ for the benefit of: (1) any elected official of the state or any political subdivision of the state; (2) any staff or employee of an elected official of the state or any political subdivision of the state; or (3) any appointed public official with decision-making authority over laws of the state, administrative rules or public contracts.”

An additional amendment provides that lobbyists may contribute to campaigns in compliance with the Campaign Reporting Act during the prohibitive period.

Amendments in Section 3 lower the amount that triggers an individual expenditure reporting requirement from a lobbyist from \$100 to \$50.

The bill requires retention of lobbyist activity reports for ten years after filing and includes an effective date of January 1, 2027.

FISCAL IMPLICATIONS

HB 143 creates a new reporting requirement for lobbyists that would be filed electronically with the SOS. This would require the creation of an additional reporting module in the existing online Lobbyist Reporting System. The cost to add the module is estimated to include a one-time nonrecurring cost of \$60,000 to \$65,000 in FY26. Additional recurring future maintenance costs for the new module are estimated at \$11,000 annually.

SIGNIFICANT ISSUES

Lobbyists and lobbyist employers are currently prohibited from making political contributions to any statewide elected official, legislator, or candidates in those offices during the prohibited period. This includes lobbyists acting as an agent or intermediary for making or delivering contributions.

The prohibited period is defined in the Campaign Reporting Act (NMSA 1978 §1-19-34.1) and is based on the dates of regular and special legislative sessions summarized as follows:

- For legislators, attorney general, secretary of state, state treasurer, commissioner of public lands, state auditor or candidates for those offices – the prohibited period begins January 1 prior to any regular session of the legislature or, in the case of a special session, after the proclamation has been issued, and ending on adjournment of the regular or special session.
- For the governor and lieutenant governor or candidates for those offices – the prohibited period begins January 1 prior to any regular session of the legislature or, in the case of a special session, after the proclamation has been issued, and ending on the twentieth day following the adjournment of the regular or special session.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

The SOS appreciates the delayed effective date included in the bill of January 1, 2027. This should allow for the secure and successful implementation of HB 143's provisions, if passed.

If HB 143 passes, the SOS will have additional administration duties associated with education and compliance. The full funding of the SOS's budget request is necessary to keep up with the volume of work associated with all of the statutory duties supported by the office.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

Should HB 143 pass, there would be a conflict with 2-11-8.1 NMSA 1978 which makes "it unlawful during the prohibited period, as that term is defined in Section 1-19-34.1 NMSA 1978, for any lobbyist or lobbyist's employer to contribute to or act as an agent or intermediary for political contributions to or arrange for the making of political contributions to the campaign funds of any statewide elected official or legislator or any candidate for those offices."

OTHER SUBSTANTIVE ISSUES ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

