

1 HOUSE BILL 517

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

3 INTRODUCED BY

4 Cathrynn N. Brown

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10 AN ACT

11 RELATING TO THE LEGISLATURE; REQUIRING ADDITIONAL FINANCIAL
12 DISCLOSURES AND DISCLOSURES OF CONFLICTS OF INTEREST FOR
13 LEGISLATORS AND LEGISLATIVE CANDIDATES.

14
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. [NEW MATERIAL] LEGISLATIVE CONFLICTS OF
17 INTEREST.--

18 A. In addition to the financial disclosure required
19 pursuant to the Financial Disclosure Act and the Campaign
20 Reporting Act, each legislator shall disclose any conflicts of
21 interest with proposed legislation on a form provided by the
22 legislative council service, filed with the committee secretary
23 prior to a vote in committee and with the chief clerk prior to
24 a vote on the floor. The written disclosure shall be a public
25 document. Before a legislator recuses the legislator's self or

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1 casts a vote on the legislation in committee or on the floor,
2 the committee secretary or the chief clerk shall announce the
3 conflict of interest.

4 B. As used in this section, "conflict of interest"
5 means a potential monetary benefit of greater than five hundred
6 dollars (\$500) to be gained or lost by a legislator or the
7 legislator's spouse or known to the legislator to be gained or
8 lost by the legislator's child, parent, sibling or in-law as a
9 result of legislation before the house or senate; provided that
10 "conflict of interest" does not include the gain or loss of a
11 monetary benefit that is substantially the same for the
12 legislator or a member of the legislator's family as that
13 received by the general public or the majority of the members
14 of a group to which the legislation applies.

15 SECTION 2. Section 10-16A-3 NMSA 1978 (being Laws 1993,
16 Chapter 46, Section 41, as amended) is amended to read:

17 "10-16A-3. REQUIRED DISCLOSURES FOR CERTAIN CANDIDATES
18 AND PUBLIC OFFICERS AND EMPLOYEES--CONDITION FOR PLACEMENT ON
19 BALLOT OR APPOINTMENT.--

20 A. At the time of filing a declaration of candidacy
21 or nominating petition, a candidate for [~~legislative or~~]
22 statewide office shall file with the proper filing officer, as
23 defined in Section 1-8-25 NMSA 1978, a financial disclosure
24 statement on a prescribed form. In addition, each year
25 thereafter during the month of January, [~~a legislator and~~] a

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1 person holding a statewide office shall file with the proper
2 filing officer a financial disclosure statement. If the proper
3 filing officer is not the secretary of state, the proper filing
4 officer shall forward a copy of the financial disclosure
5 statement to the secretary of state within seventy-two hours.

6 B. A state agency head or official whose
7 appointment to a board or commission is subject to confirmation
8 by the senate shall file with the secretary of state a
9 financial disclosure statement within thirty days of
10 appointment and during the month of January every year
11 thereafter that ~~[he]~~ the state agency head or official holds
12 public office.

13 C. The financial disclosure statement shall include
14 for any person identified in Subsection A or B of this section
15 and the person's spouse the following information for the prior
16 calendar year:

17 (1) the full name, mailing address and
18 residence address of each person covered in the disclosure
19 statement, except the address of the spouse need not be
20 disclosed; the name and address of the person's and spouse's
21 employer and the title or position held; and a brief
22 description of the nature of the business or occupation;

23 (2) all sources of gross income of more than
24 five thousand dollars (\$5,000) to each person covered in the
25 disclosure statement, identified by general category

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1 descriptions that disclose the nature of the income source, in
2 the following broad categories: law practice or consulting
3 operation or similar business, finance and banking, farming and
4 ranching, medicine and health care, insurance (as a business
5 and not as payment on an insurance claim), oil and gas,
6 transportation, utilities, general stock market holdings,
7 bonds, government, education, manufacturing, real estate,
8 consumer goods sales with a general description of the consumer
9 goods and the category "other", with direction that the income
10 source be similarly described. In describing a law practice,
11 consulting operation or similar business of the person or
12 spouse, the major areas of specialization or income sources
13 shall be described, and if the spouse or a person in the
14 reporting person's or spouse's law firm, consulting operation
15 or similar business is or was during the reporting calendar
16 year or the prior calendar year a registered lobbyist under the
17 Lobbyist Regulation Act, the names and addresses of all clients
18 represented for lobbying purposes during those two years shall
19 be disclosed;

20 (3) a general description of the type of real
21 estate owned in New Mexico, other than a personal residence,
22 and the county where it is located;

23 (4) all other New Mexico business interests
24 not otherwise listed of ten thousand dollars (\$10,000) or more
25 in a New Mexico business or entity, including any position held

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1 and a general statement of purpose of the business or entity;

2 (5) all memberships held by the reporting
3 individual and ~~his~~ the reporting individual's spouse on
4 boards of for-profit businesses in New Mexico;

5 (6) all New Mexico professional licenses held;

6 (7) each state agency that was sold goods or
7 services in excess of five thousand dollars (\$5,000) during the
8 prior calendar year by a person covered in the disclosure
9 statement;

10 (8) each state agency, other than a court,
11 before which a person covered in the disclosure statement
12 represented or assisted clients in the course of ~~his~~ the
13 person's employment during the prior calendar year; and

14 (9) a general category that allows the person
15 filing the disclosure statement to provide whatever other
16 financial interest or additional information the person
17 believes should be noted to describe potential areas of
18 interest that should be disclosed.

19 D. A complete financial disclosure statement shall
20 be filed every year. The secretary of state shall mail each
21 elected official required to file a financial disclosure
22 statement a copy of any statement the person filed the previous
23 year.

24 E. The financial disclosure statements filed
25 pursuant to this section are public records open to public

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1 inspection during regular office hours and shall be retained by
2 the state for five years from the date of filing.

3 F. A person who files a financial disclosure
4 statement may file an amended statement at any time to reflect
5 significant changed circumstances that occurred since the last
6 statement was filed.

7 G. ~~[Any]~~ A candidate for a ~~[legislative or]~~
8 statewide office who fails or refuses to file a financial
9 disclosure statement required by this section before the final
10 date for the withdrawal of candidates provided for in the
11 Election Code shall not have ~~[his]~~ the candidate's name printed
12 on the election ballot.

13 H. For a state agency head or an official whose
14 appointment to a board or commission is subject to confirmation
15 by the senate, the filing of the financial disclosure statement
16 required by this section is a condition of entering upon and
17 continuing in state employment or holding an appointed
18 position."

19 SECTION 3. A new section of the Financial Disclosure Act
20 is enacted to read:

21 "[NEW MATERIAL] REQUIRED DISCLOSURES FOR LEGISLATORS AND
22 CANDIDATES FOR LEGISLATIVE OFFICE.--

23 A. At the time of filing a declaration of candidacy
24 or nominating petition, a candidate for legislative office
25 shall file with the proper filing officer, as defined in

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1 Section 1-8-25 NMSA 1978, a financial disclosure statement on a
2 prescribed form. A financial disclosure statement shall be
3 filed for every year or part of a year of the candidacy for
4 legislative office. If the proper filing officer is not the
5 secretary of state, the proper filing officer shall forward a
6 copy of the financial disclosure statement to the secretary of
7 state within seventy-two hours.

8 B. Each legislator shall file with the secretary of
9 state a financial disclosure statement on or before the third
10 Wednesday of each year. The secretary of state shall mail each
11 legislator a copy of any financial disclosure statement the
12 legislator filed the previous year.

13 C. The financial disclosure statement shall include
14 the following information for the legislator or candidate for
15 legislative office and the legislator's or candidate's spouse
16 for the prior calendar year:

17 (1) the full name, mailing address and
18 residence address of each person covered in the disclosure
19 statement; the name and address of the person's employer and
20 the title or position held; and a brief description of the
21 nature of the business or occupation;

22 (2) the name, address and nature of any
23 business owned in whole or in part by each person covered in
24 the disclosure statement, including the specific description of
25 the business interest or interest held within a limited

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1 liability corporation or holding company, if applicable;

2 (3) all sources of gross income over five
3 thousand dollars (\$5,000) for each person covered in the
4 disclosure statement, identified by a specific description that
5 discloses the nature of the income source, in any of the
6 following categories:

7 (a) law practice or consulting operation
8 or similar business;

9 (b) finance and banking;

10 (c) farming and ranching;

11 (d) medicine and health care;

12 (e) insurance, as a business and not as
13 payment on an insurance claim;

14 (f) oil and gas;

15 (g) transportation;

16 (h) utilities;

17 (i) stock market holdings and bonds;

18 (j) government;

19 (k) education;

20 (l) manufacturing;

21 (m) real estate;

22 (n) consumer goods sales with a general
23 description of the consumer goods; and

24 (o) the category "other", with direction
25 that the income source be similarly described.

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1 In describing a law practice, consulting operation or
2 similar business of a person covered in the disclosure
3 statement, the major areas of specialization or income sources
4 shall be described, and if someone in the person's law firm,
5 consulting operation or similar business is or was a registered
6 lobbyist pursuant to the Lobbyist Regulation Act during the
7 reporting calendar year or the prior calendar year, the names
8 and addresses of all clients represented for lobbying purposes
9 during those two years shall be disclosed;

10 (4) ownership by a person covered in the
11 disclosure statement of any financial instruments, including
12 stocks, bonds and notes;

13 (5) a description of real estate owned, other
14 than a personal residence, and its location;

15 (6) all other business interests not otherwise
16 listed, including any position held and a general statement of
17 purpose of the business or entity;

18 (7) all memberships held by a person covered
19 in the disclosure statement on boards of for-profit or
20 nonprofit corporations or other businesses;

21 (8) all professional licenses held;

22 (9) all business licenses held;

23 (10) each state agency that was sold goods or
24 services by a person covered in the disclosure statement;

25 (11) each state agency, other than a court,

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1 before which a person covered in the disclosure statement
2 represented or assisted clients in the course of employment;

3 (12) any contracts with state agencies,
4 political subdivisions of the state or federal agencies;

5 (13) each state agency that conferred a direct
6 or indirect benefit on a person covered in the disclosure
7 statement; and

8 (14) a general category that allows the
9 legislator or candidate for legislative office to provide
10 whatever other financial interest or additional information the
11 legislator or candidate believes should be noted to describe
12 potential areas of interest that should be disclosed.

13 D. A legislator or candidate for legislative office
14 shall file an amended financial disclosure statement to reflect
15 significant changed circumstances that occurred since the last
16 statement was filed.

17 E. The financial disclosure statements filed
18 pursuant to this section are public records open to public
19 inspection during regular office hours and shall be retained by
20 the state for ten years from the date of filing.

21 F. A candidate for a legislative office who fails
22 or refuses to file a financial disclosure statement required by
23 this section before the final date for the withdrawal of
24 candidates provided for in the Election Code shall not have the
25 candidate's name printed on the election ballot."

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