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SENATE BILL 11

**52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016**

INTRODUCED BY

Peter Wirth

AN ACT

RELATING TO CAMPAIGN FINANCE; REQUIRING REPORTING OF  
INDEPENDENT EXPENDITURES; REDEFINING "POLITICAL COMMITTEE";  
DEFINING "ADVERTISEMENT", "BALLOT MEASURE", "CAMPAIGN  
EXPENDITURE", "COORDINATED EXPENDITURE", "INDEPENDENT  
EXPENDITURE" AND OTHER TERMS; ADJUSTING CONTRIBUTION AND  
EXPENDITURE REPORTING REQUIREMENTS, LIMITS AND THRESHOLDS;  
CHANGING PENALTIES; PROVIDING PENALTIES; AMENDING, REPEALING  
AND ENACTING SECTIONS OF THE NMSA 1978.

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

SECTION 1. A new section of the Campaign Reporting Act is  
enacted to read:

"[NEW MATERIAL] INDEPENDENT EXPENDITURES--REPORTING  
REQUIREMENTS.--

A. A person who makes an independent expenditure

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1 not otherwise required to be reported under the Campaign  
2 Reporting Act in an amount that exceeds one thousand dollars  
3 (\$1,000), or in an amount that, when added to the aggregate  
4 amount of the independent expenditures made by the same person  
5 during the preceding twelve months, exceeds one thousand  
6 dollars (\$1,000), shall file a report with the secretary of  
7 state within:

8 (1) twenty-four hours after making an  
9 independent expenditure of three thousand dollars (\$3,000) or  
10 more within fourteen days before a primary or general election;  
11 or

12 (2) three days after making any other  
13 independent expenditure for which a report is required by this  
14 section.

15 B. The report required by Subsection A of this  
16 section shall state:

17 (1) the name and address of the person who  
18 made the independent expenditure;

19 (2) the name and address of the person to whom  
20 the independent expenditure was made and the amount, date and  
21 purpose of the independent expenditure. If no reasonable  
22 estimate of the monetary value of a particular expenditure is  
23 practicable, it is sufficient to report instead a description  
24 of the services, property or rights furnished through the  
25 expenditure; and

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1 (3) the source of the contributions used to  
2 make the independent expenditure as provided in Subsections C  
3 and D of this section.

4 C. A person who makes independent expenditures  
5 totaling three thousand dollars (\$3,000) or less that are  
6 required to be reported pursuant to this section shall report  
7 the name and address of, and amount of contributions made by,  
8 each person who:

9 (1) contributed more than a total of two  
10 hundred dollars (\$200) in the previous twelve months; and

11 (2) earmarked, or responded to a solicitation  
12 for, contributions to fund independent expenditures.

13 D. A person who makes independent expenditures  
14 totaling more than three thousand dollars (\$3,000) that are  
15 required to be reported pursuant to this section, in addition  
16 to reporting the information specified in Subsection C of this  
17 section, shall either:

18 (1) establish a segregated bank account,  
19 consisting only of funds contributed to the account by  
20 individuals to be used for making independent expenditures, and  
21 report the name and address of, and amount of each contribution  
22 made by, each contributor who contributed more than two hundred  
23 dollars (\$200) to that account in the previous twelve months;  
24 or

25 (2) report the name and address of, and amount

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1 of each contribution made by, each contributor who contributed  
2 more than a total of five thousand dollars (\$5,000) to the  
3 person in the previous twelve months; provided, however, that a  
4 contribution is exempt from reporting pursuant to this  
5 paragraph if the contributor requested in writing that the  
6 contribution not be used to fund independent or coordinated  
7 expenditures or make contributions to a candidate, campaign  
8 committee or political committee.

9 E. Independent expenditures shall be reported  
10 electronically using software provided or approved by the  
11 secretary of state.

12 F. Failure of any person to report electronically  
13 pursuant to this section is a violation of the Campaign  
14 Reporting Act."

15 SECTION 2. A new section of the Campaign Reporting Act is  
16 enacted to read:

17 "[NEW MATERIAL] DISCLAIMERS IN ADVERTISEMENTS.--

18 A. A person who makes a campaign expenditure, a  
19 coordinated expenditure or an independent expenditure for an  
20 advertisement in an amount that exceeds three thousand dollars  
21 (\$3,000), or in an amount that, when added to the aggregate  
22 amount of the campaign expenditures, coordinated expenditures  
23 and independent expenditures for advertisements made by the  
24 same person during the preceding twelve months, exceeds three  
25 thousand dollars (\$3,000), shall ensure that the advertisement

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1 contains the name of the candidate, committee or other person  
2 who authorized and paid for the advertisement.

3 B. The requirements of Subsection A of this section  
4 do not apply to the following:

5 (1) bumper stickers, pins, buttons, pens and  
6 similar small items upon which the disclaimer cannot be  
7 conveniently printed; or

8 (2) skywriting, water towers, wearing apparel  
9 or other means of displaying an advertisement of such a nature  
10 that the inclusion of a disclaimer would be impracticable.

11 C. The disclaimer statements required by Subsection  
12 A of this section shall be set forth legibly on any  
13 advertisement that is disseminated or displayed by visual  
14 media. If the advertisement is transmitted by audio media, the  
15 statement shall be clearly spoken during the advertisement. If  
16 the advertisement is transmitted by audiovisual media, the  
17 statement shall be both written legibly and spoken clearly  
18 during the advertisement."

19 SECTION 3. Section 1-19-26 NMSA 1978 (being Laws 1979,  
20 Chapter 360, Section 2, as amended by Laws 2009, Chapter 67,  
21 Section 1 and by Laws 2009, Chapter 68, Section 2) is amended  
22 to read:

23 "1-19-26. DEFINITIONS.--As used in the Campaign Reporting  
24 Act:

25 [~~A. "advertising campaign" means an advertisement~~

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1 ~~or series of advertisements used for a political purpose and~~  
2 ~~disseminated to the public either in print, by radio or~~  
3 ~~television broadcast or by any other electronic means,~~  
4 ~~including telephonic communications, and may include direct or~~  
5 ~~bulk mailings of printed materials;]~~

6 A. "advertisement" means a communication for which  
7 an expenditure of at least fifty dollars (\$50.00) is made  
8 referring to a candidate or ballot measure that is published,  
9 disseminated, distributed or displayed to the public by print,  
10 broadcast, satellite, cable or electronic media, including  
11 recorded phone messages, or by printed materials, including  
12 mailers, handbills, signs and billboards, but "advertisement"  
13 does not include:

14 (1) a communication by a membership  
15 organization or corporation to its current members,  
16 stockholders or executive or administrative personnel;

17 (2) a communication appearing in a news story  
18 or editorial distributed through a print, broadcast, satellite,  
19 cable or electronic medium, unless the communication is paid  
20 for, or the medium is controlled or owned by, a candidate,  
21 campaign committee or political committee;

22 (3) a candidate debate or forum or a  
23 communication announcing a candidate debate or forum paid for  
24 on behalf of the debate or forum sponsor; provided that two or  
25 more candidates for the same position have been invited to

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1 participate; or

2 (4) nonpartisan voter guides allowed by the  
3 federal Internal Revenue Code of 1986 for Section 501(c)(3)  
4 organizations;

5 B. "anonymous contribution" means a contribution  
6 the contributor of which is unknown to the candidate or the  
7 candidate's agent or the political committee or its agent who  
8 accepts the contribution;

9 C. "ballot measure" means a constitutional  
10 amendment or other question submitted to the voters in an  
11 election;

12 [~~E.~~] D. "bank account" means an account in a  
13 financial institution [~~located in New Mexico~~] chartered and  
14 regulated by the United States or a state of the United States;

15 [~~D.~~] E. "campaign committee" means an association  
16 of two or more persons, authorized by a candidate to [~~raise,~~  
17 ~~collect or expend contributions~~] act on the candidate's behalf  
18 for the purpose of electing the candidate to office; provided  
19 that a candidate may have only one campaign committee;

20 F. "campaign expenditure" means an expenditure that  
21 is made by a campaign committee or by a candidate or public  
22 official in support of the candidate's or public official's  
23 campaign in an election;

24 [~~E.~~] G. "candidate" means an individual who seeks  
25 or considers an office in an election covered by the Campaign

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1 Reporting Act, including a public official, who either has  
2 filed a declaration of candidacy or nominating petition and has  
3 not subsequently filed a statement of withdrawal or:

4 (1) for a nonstatewide office, has received  
5 contributions or made expenditures of more than one thousand  
6 dollars (\$1,000) [~~or more~~] or authorized another person or  
7 campaign committee to receive contributions or make  
8 expenditures of more than one thousand dollars (\$1,000) [~~or~~  
9 ~~more~~] for the purpose of seeking election to the office; or

10 (2) for a statewide office, has received  
11 contributions or made expenditures of [~~two thousand five~~  
12 ~~hundred dollars (\$2,500) or~~] more than three thousand dollars  
13 (\$3,000) or authorized another person or campaign committee to  
14 receive contributions or make expenditures of [~~two thousand~~  
15 ~~five hundred dollars (\$2,500) or~~] more than three thousand  
16 dollars (\$3,000) for the purpose of seeking election to the  
17 office or for candidacy exploration purposes in the years prior  
18 to the year of the election;

19 [~~F-~~] H. "contribution":

20 (1) means a gift, subscription, loan, advance  
21 or deposit of money or other thing of value, including the  
22 estimated value of an in-kind contribution, that is made or  
23 received for a political purpose, including payment of a debt  
24 incurred in an election campaign [~~but "contribution"~~];

25 (2) includes a coordinated expenditure; and



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1                   (3) does not include the value of services  
2 provided without compensation or unreimbursed travel or other  
3 personal expenses of individuals who volunteer a portion or all  
4 of their time on behalf of a candidate or political committee  
5 nor does it include the administrative or solicitation expenses  
6 of a political committee that are paid by an organization that  
7 sponsors the committee;

8                   I. "coordinated expenditure" means an expenditure  
9 of five hundred dollars (\$500) or more that is made:

10                   (1) by a person other than a candidate or  
11 campaign committee;

12                   (2) at the request or suggestion of, or in  
13 cooperation, consultation or concert with, a candidate,  
14 campaign committee or political party or any agent or  
15 representative of such a candidate, campaign committee or  
16 political party; and

17                   (3) in order to pay for an advertisement that:

18                   (a) promotes, supports, attacks or  
19 opposes a clearly identified candidate; or

20                   (b) refers to a clearly identified  
21 candidate and is published and disseminated to the relevant  
22 electorate in New Mexico within thirty days before the primary  
23 election or sixty days before the general election at which the  
24 candidate is on the ballot;

25                   [6-] J. "deliver" or "delivery" means to deliver by

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1 certified or registered mail, telecopier, electronic  
2 transmission or facsimile or by personal service;

3 ~~[H.]~~ K. "election" means any primary or general ~~[or~~  
4 ~~statewide special]~~ election in New Mexico and includes county  
5 and judicial retention elections but excludes federal,  
6 municipal, school board and special district elections;

7 ~~[I.]~~ L. "election year" means an even-numbered year  
8 in which an election covered by the Campaign Reporting Act is  
9 held;

10 ~~[J.]~~ M. "expenditure" means a payment, transfer or  
11 distribution or obligation or promise to pay, transfer or  
12 distribute any money or other thing of value for a political  
13 purpose, including payment of a debt incurred in an election  
14 campaign or pre-primary convention ~~[but does not include the~~  
15 ~~administrative or solicitation expenses of a political~~  
16 ~~committee that are paid by an organization that sponsors the~~  
17 ~~committee];~~

18 N. "independent expenditure" means an expenditure  
19 that is:

20 (1) made by a person other than a candidate or  
21 campaign committee;

22 (2) not a coordinated expenditure as defined  
23 in the Campaign Reporting Act; and

24 (3) made to pay for an advertisement that:

25 (a) expressly advocates the election or

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1 defeat of a clearly identified candidate or the passage or  
2 defeat of a clearly identified ballot measure;

3 (b) is susceptible to no other  
4 reasonable interpretation than as an appeal to vote for or  
5 against a clearly identified candidate or ballot measure; or

6 (c) refers to a clearly identified  
7 candidate or ballot measure and is published and disseminated  
8 to the relevant electorate in New Mexico within thirty days  
9 before the primary election or sixty days before the general  
10 election at which the candidate or ballot measure is on the  
11 ballot;

12 ~~[K.]~~ O. "person" means an individual or entity;

13 ~~[L.]~~ P. "political committee" means ~~[two or more~~  
14 ~~persons, other than members of a candidate's immediate family~~  
15 ~~or campaign committee or a husband and wife who make a~~  
16 ~~contribution out of a joint account, who are selected,~~  
17 ~~appointed, chosen, associated, organized or operated primarily~~  
18 ~~for a political purpose; and "political committee" includes:~~

19 ~~(1) political parties, political action~~  
20 ~~committees or similar organizations composed of employees or~~  
21 ~~members of any corporation, labor organization, trade or~~  
22 ~~professional association or any other similar group that~~  
23 ~~raises, collects, expends or contributes money or any other~~  
24 ~~thing of value for a political purpose;~~

25 ~~(2) a single individual whose actions~~

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1 ~~represent that the individual is a political committee; and~~  
2 ~~(3) a person or an organization of two or more~~  
3 ~~persons that within one calendar year expends funds in excess~~  
4 ~~of five hundred dollars (\$500) to conduct an advertising~~  
5 ~~campaign for a political purpose];~~

6 (1) a political party;

7 (2) an association that consists of two or  
8 more persons whose primary purpose is to make contributions to  
9 candidates, campaign committees or political committees or make  
10 coordinated expenditures or any combination thereof; or

11 (3) an association that consists of two or  
12 more persons; whose primary purpose is to make independent  
13 expenditures; and that has received more than three thousand  
14 dollars (\$3,000) in contributions or made independent  
15 expenditures of more than three thousand dollars (\$3,000) in  
16 the preceding twelve months;

17 Q. "political party" means an association that has  
18 qualified as a political party pursuant to the provisions of  
19 Section 1-7-2 NMSA 1978;

20 ~~[M.]~~ R. "political purpose" means ~~[influencing or~~  
21 ~~attempting to influence an election or pre-primary convention,~~  
22 ~~including a constitutional amendment or other question~~  
23 ~~submitted to the voters]~~ for the purpose of supporting or  
24 opposing the nomination or election of candidates or the  
25 passage of ballot measures;

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1           ~~[N.]~~ S. "prescribed form" means a form or  
2 electronic format prepared and prescribed by the secretary of  
3 state;

4           ~~[O.]~~ T. "proper filing officer" means ~~[either]~~ the  
5 secretary of state; ~~[or the county clerk as provided in Section~~  
6 ~~1-19-27 NMSA 1978;~~

7           ~~P.]~~ U. "public official" means a person elected to  
8 an office in an election covered by the Campaign Reporting Act  
9 or a person appointed to an office that is subject to an  
10 election covered by that act; and

11           ~~[Q.]~~ V. "reporting individual" means every public  
12 official, candidate or treasurer of a campaign committee and  
13 every treasurer of a political committee."

14           SECTION 4. Section 1-19-26.1 NMSA 1978 (being Laws 1993,  
15 Chapter 46, Section 2, as amended) is amended to read:

16           "1-19-26.1. POLITICAL COMMITTEES--REGISTRATION--  
17 DISCLOSURES.--

18           A. It is unlawful for ~~[any]~~ a political committee  
19 ~~[that receives, contributes or expends in excess of five~~  
20 ~~hundred dollars (\$500) in any calendar year]~~ to continue to  
21 receive or make any contribution or expenditure for a political  
22 purpose ~~[unless that political committee appoints and maintains~~  
23 ~~a treasurer and registers with the secretary of state]~~ if that  
24 committee fails to meet the requirements of Subsections B and C  
25 of this section.

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1           B. A political committee shall [~~register~~] appoint  
2 and maintain a treasurer and file a statement of organization  
3 with the secretary of state within [~~ten~~] three days of  
4 receiving, contributing or expending in excess of [~~five hundred~~  
5 ~~dollars (\$500)~~] one thousand dollars (\$1,000) by paying a  
6 filing fee of fifty dollars (\$50.00) and filing a statement of  
7 organization.

8           C. A statement of organization required by  
9 Subsection B of this section shall be made under oath on a  
10 prescribed form showing:

11                   (1) the full name of the [~~political~~]  
12 committee, which shall fairly and accurately reflect the  
13 identity of the committee, including any sponsoring  
14 organization, and its address;

15                   (2) a statement of the purpose for which the  
16 [~~political~~] committee was organized;

17                   ~~[(3) the name, address and relationship of any~~  
18 ~~connected or associated organization or entity;~~

19                   ~~(4)]~~ (3) the names and addresses of the  
20 officers of the committee; and

21                   ~~[(5)]~~ (4) an identification of [~~the~~] any bank  
22 account used by the committee [~~for all expenditures or~~] to  
23 receive or make contributions [~~made or received~~] or make  
24 expenditures.

25           ~~[G.]~~ D. The provisions of this section do not apply

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1 to a political committee that ~~[is located in another state and]~~  
2 is registered with the federal election commission if the  
3 political committee reports on federal reporting forms filed  
4 with the federal election commission all expenditures for and  
5 contributions made to reporting individuals in New Mexico not  
6 otherwise reported and files with the secretary of state,  
7 according to the schedule required for the filing of forms with  
8 the federal election commission, a copy of either the full  
9 report or the cover sheet and the portions of the federal  
10 reporting forms that contain the information on expenditures  
11 for and contributions made to reporting individuals in New  
12 Mexico."

13 SECTION 5. Section 1-19-27 NMSA 1978 (being Laws 1979,  
14 Chapter 360, Section 3, as amended) is amended to read:

15 "1-19-27. REPORTS REQUIRED--~~[PROPER FILING OFFICER]~~  
16 ELECTRONIC REPORTING SYSTEM.--

17 ~~[A. Except for those candidates and public officials~~  
18 ~~who file a statement of no activity, all reporting individuals~~  
19 ~~shall file with the proper filing officer a report of~~  
20 ~~expenditures and contributions on a prescribed form.~~

21 ~~B. The proper filing officer for filing reports of~~  
22 ~~expenditures and contributions by a political committee is the~~  
23 ~~secretary of state.~~

24 ~~C. The proper filing officer for filing reports of~~  
25 ~~expenditures and contributions or statements of no activity is~~

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1 ~~the secretary of state for all candidates and public~~  
2 ~~officials.]~~

3 A. All reporting individuals shall file with the  
4 secretary of state reports of expenditures and contributions  
5 and statements of no activity when required by the Campaign  
6 Reporting Act on forms prescribed by the secretary of state.

7 ~~[D.]~~ B. The secretary of state shall develop or  
8 contract for services to develop an electronic reporting system  
9 for receiving and for public inspection of reports of  
10 expenditures and contributions and statements of no activity to  
11 the Campaign Reporting Act. The electronic reporting system  
12 shall:

- 13 (1) enable a person to file reports online by
- 14 filling out forms on the secretary of state's web site; and
- 15 (2) provide for encrypted transmissions."

16 **SECTION 6.** Section 1-19-29 NMSA 1978 (being Laws 1993,  
17 Chapter 46, Section 5, as amended) is amended to read:

18 "1-19-29. TIME AND PLACE OF FILING REPORTS.--

19 A. Except as otherwise provided in this section,  
20 all reporting individuals shall file with the proper filing  
21 officer by ~~[5:00 p.m.]~~ midnight on the second Monday in April  
22 and October a report of all expenditures made and contributions  
23 received on or before the first Monday in those months and not  
24 previously reported. The report shall be filed biannually  
25 until the ~~[reporting individual's bank account has been closed~~

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1 ~~and the other~~] provisions specified in Subsection F, G or H of  
2 this section have been satisfied.

3 B. In an election year, instead of the biannual  
4 reports provided for in Subsection A of this section, all  
5 reporting individuals, except for public officials who are not  
6 candidates in an election that year, shall file reports of all  
7 expenditures made and contributions received or, if applicable,  
8 statements of no activity, according to the following schedule:

9 (1) by [~~5:00 p.m.~~] midnight on the second  
10 Monday in April, a report of all expenditures made and  
11 contributions made or received on or before the first Monday in  
12 April and not previously reported;

13 (2) by [~~5:00 p.m.~~] midnight on the second  
14 Monday in May, a report of all expenditures made and  
15 contributions made or received on or before the first Monday in  
16 May and not previously reported;

17 (3) by [~~5:00 p.m.~~] midnight on the second  
18 Monday in September, a report of all expenditures made and  
19 contributions made or received on or before the first Monday in  
20 September and not previously reported;

21 (4) by [~~5:00 p.m.~~] midnight on the second  
22 Monday in October, a report of all expenditures made and  
23 contributions made or received on or before the first Monday in  
24 October and not previously reported;

25 (5) by [~~5:00 p.m.~~] midnight on the Thursday

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1 before a primary or general [~~or statewide special~~] election, a  
2 report of all expenditures made and contributions received by  
3 5:00 p.m. on the Tuesday before the election and not previously  
4 reported. Any contribution or pledge to contribute that is  
5 made or received after 5:00 p.m. on the Tuesday before the  
6 election and that is for [~~five hundred dollars (\$500) or~~] more  
7 than one thousand dollars (\$1,000) in a legislative or  
8 nonstatewide judicial election, or [~~two thousand five hundred~~  
9 ~~dollars (\$2,500) or~~] more than three thousand dollars (\$3,000)  
10 in a statewide election, shall be reported to the proper filing  
11 officer either in a supplemental report on a prescribed form  
12 within twenty-four hours of receipt or in the report to be  
13 filed by [~~5:00 p.m.~~] midnight on the Thursday before a primary  
14 or general [~~or statewide special~~] election, except that any  
15 such contribution or pledge to contribute that is received  
16 after 5:00 p.m. on the Friday before the election may be  
17 reported by 12:00 noon on the Monday before the election; [~~and~~]

18 (6) by the earlier of midnight on the Thursday  
19 before a primary or general election, or within twenty-four  
20 hours of the independent expenditure, a report of each  
21 independent expenditure made after 5:00 p.m. on the Tuesday  
22 before the election that is for more than one thousand dollars  
23 (\$1,000) in a legislative or nonstatewide judicial election or  
24 more than three thousand dollars (\$3,000) in a statewide  
25 election. Such expenditures shall be reported to the proper

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1 filing officer either in a supplemental report on a prescribed  
2 form within twenty-four hours of being made or in the report to  
3 be filed by midnight on the Thursday before a primary or  
4 general election, except that any such expenditure that is made  
5 after 5:00 p.m. on the Friday before the election may be  
6 reported by 12:00 noon on the Monday before the election;

7 [~~(6)~~] (7) by [~~5:00 p.m.~~] midnight on the  
8 thirtieth day after a primary [~~general or statewide special~~]  
9 election, a report by all reporting individuals, except those  
10 individuals that become candidates after the primary election,  
11 of all expenditures made and contributions made or received on  
12 or before the twenty-fifth day after the primary election and  
13 not previously reported; and

14 (8) by midnight on the thirtieth day after a  
15 general election, a report of all expenditures made and  
16 contributions made or received on or before the twenty-fifth  
17 day after the general election and not previously reported.

18 C. If a candidate, political committee, campaign  
19 committee or public official has not received any contributions  
20 and has not made any expenditures since the candidate's,  
21 committee's or official's last report was filed with the proper  
22 filing officer, the candidate, committee or official shall only  
23 be required to file a statement of no activity, which shall not  
24 be required to be notarized, in lieu of a full report when that  
25 report would otherwise be due and shall not be required to file

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1 a full report until the next required filing date occurring  
2 after an expenditure is made or a contribution is received.

3 D. In an election year, a public official who is  
4 not a candidate shall file biannual reports of expenditures  
5 made and contributions received or statements of no activity in  
6 accordance with the schedule provided for in Subsection A of  
7 this section.

8 E. A report of expenditures and contributions filed  
9 after a deadline set forth in this section shall not be deemed  
10 to have been timely filed.

11 F. Except for candidates, political committees,  
12 campaign committees and public officials who file a statement  
13 of no activity, each reporting individual shall file a report  
14 of expenditures and contributions pursuant to the filing  
15 schedules set forth in this section, regardless of whether any  
16 expenditures were made or contributions were received during  
17 the reporting period. Reports shall be required until the  
18 reporting individual delivers a report to the proper filing  
19 officer stating that:

- 20 (1) there are no outstanding campaign debts;  
21 (2) all money has been expended in accordance  
22 with the provisions of Section 1-19-29.1 NMSA 1978; and  
23 (3) the bank account has been closed.

24 G. Each treasurer of a political committee shall  
25 file a report of expenditures and contributions pursuant to the

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1 filing schedules set forth in this section until the treasurer  
2 files a report that affirms that the committee has dissolved or  
3 no longer exists and that its bank account has been closed.

4 H. A reporting individual who is a candidate within  
5 the meaning of the Campaign Reporting Act because of the amount  
6 of contributions the candidate receives or expenditures the  
7 candidate makes and who does not ultimately file a declaration  
8 of candidacy or a nominating petition with the proper filing  
9 officer and does not file a statement of no activity shall file  
10 biannual reports in accordance with Subsection A of this  
11 section.

12 I. Reports required by this section shall be  
13 subscribed and sworn to by the candidate or the treasurer of  
14 the political committee or, in the case of candidates for  
15 judicial office, by the treasurer of the candidate's campaign  
16 committee. A report filed electronically shall be  
17 electronically authenticated by the candidate or the treasurer  
18 of the [~~political~~] committee using an electronic signature in  
19 conformance with the Electronic Authentication of Documents Act  
20 and the Uniform Electronic Transactions Act. For the purposes  
21 of the Campaign Reporting Act, a report that is electronically  
22 authenticated in accordance with the provisions of this  
23 subsection shall be deemed to have been subscribed and sworn to  
24 by the candidate or the treasurer of the [~~political~~] committee  
25 who was required to file the report.

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1 J. Reports required by this section shall be filed  
2 electronically by all reporting individuals.

3 K. Reporting individuals may apply to the secretary  
4 of state for exemption from electronic filing in case of  
5 hardship, which shall be defined by the secretary of state."

6 SECTION 7. Section 1-19-31 NMSA 1978 (being Laws 1979,  
7 Chapter 360, Section 7, as amended) is amended to read:

8 "1-19-31. CONTENTS OF REPORT.--~~[A.]~~ Each required report  
9 of expenditures and contributions shall be typed or printed  
10 legibly, or on a computer disc or format approved by the  
11 secretary of state, and shall include:

12 [~~(1)~~] A. the name and address of the person or  
13 entity to whom an expenditure was made or from whom a  
14 contribution was received, except as provided for anonymous  
15 contributions or contributions received from special events as  
16 provided in Section 1-19-34 NMSA 1978; provided that for  
17 contributors, the name of the entity or the first and last  
18 names of any individual shall be the full name of the entity or  
19 individual, and initials only shall not constitute a full name  
20 unless that is the complete legal name;

21 [~~(2)~~] B. the occupation [~~or~~], name and type of  
22 business, as applicable, of any [~~person~~] individual or entity  
23 making contributions of two hundred fifty dollars (\$250) or  
24 more in the aggregate per election;

25 [~~(3)~~] C. the amount of the expenditure or

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1 contribution or value thereof;

2 [~~(4)~~] D. the purpose of the expenditure; [~~and~~

3 ~~(5)~~] E. the date that the expenditure was made or  
4 the contribution was made or received;

5 [~~B. Each report shall contain an]~~

6 F. the opening and closing cash balance for the  
7 bank account maintained by the reporting individual during the  
8 reporting period and the name of the financial institution; and

9 [~~G. Each report shall specify the]~~

10 G. the amount of each unpaid debt and the identity  
11 of the person to whom the debt is owed."

12 SECTION 8. Section 1-19-34 NMSA 1978 (being Laws 1979,  
13 Chapter 360, Section 10, as amended) is amended to read:

14 "1-19-34. CANDIDATES--POLITICAL OR CAMPAIGN COMMITTEES--  
15 TREASURER--BANK ACCOUNT--ANONYMOUS CONTRIBUTIONS--CONTRIBUTIONS  
16 FROM SPECIAL EVENTS.--

17 A. [~~It is unlawful for the members of any]~~ A  
18 political or campaign committee or any candidate [~~to make any~~  
19 ~~expenditure or solicit or accept any contribution for a~~  
20 ~~political purpose unless]~~ shall ensure that:

21 (1) a treasurer has been appointed and is  
22 constantly maintained; provided, however, that when a duly  
23 appointed treasurer is unable for any reason to continue as  
24 treasurer, the candidate or [~~political~~] committee shall appoint  
25 a successor; and provided further that a candidate may serve as

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1 the candidate's own treasurer;

2 (2) all disbursements of money and receipts of  
3 contributions are authorized by and through the candidate or  
4 treasurer;

5 (3) a separate bank account has been  
6 established and all receipts of money contributions are  
7 deposited in and all expenditures of money are [~~deposited in~~  
8 ~~and~~] disbursed from [~~the~~] one or more bank [~~account~~] accounts  
9 maintained by the treasurer in the name of the candidate or  
10 [~~political~~] committee; provided that nothing in this section  
11 shall prohibit investments from [~~the~~] such bank account to earn  
12 interest as long as the investments and earnings are fully  
13 reported. All disbursements except for disbursements made from  
14 a petty cash fund of one hundred dollars (\$100) or less shall  
15 be made in a form such that the date, amount and payee of the  
16 transaction are automatically recorded or by check made payable  
17 to the person or entity receiving the disbursement and not to  
18 "cash" or "bearer"; and

19 (4) the treasurer, upon disbursing or  
20 receiving money or other things of value, immediately enters  
21 and thereafter keeps a proper record preserved by the  
22 treasurer, including a full, true and itemized statement and  
23 account of each sum disbursed or received, the date of such  
24 disbursal or receipt, to whom disbursed or from whom received  
25 and the object or purpose for which it was disbursed or

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1 received.

2 B. No anonymous contributions may be accepted [~~in~~  
3 ~~excess of~~] for more than one hundred dollars (\$100). The  
4 aggregate amount of anonymous contributions received by a  
5 reporting individual during a primary or general election or a  
6 statewide special election shall not [~~exceed two thousand~~  
7 ~~dollars (\$2,000)~~] be more than three thousand dollars (\$3,000)  
8 for statewide races and [~~five hundred dollars (\$500)~~] one  
9 thousand dollars (\$1,000) for all other races.

10 C. Cash contributions received at special events  
11 that are unidentifiable as to specific contributor but  
12 identifiable as to the special event are not subject to the  
13 anonymous contribution limits provided for in this section so  
14 long as no single special event raises, after expenses, more  
15 than one thousand dollars (\$1,000) in such cash contributions.  
16 For those contributions, due diligence and best efforts shall  
17 be made to disclose on a special prescribed form the sponsor,  
18 date, place, total amount received, expenses incurred,  
19 estimated number of persons in attendance and other  
20 identifiable factors that describe the special event. For  
21 purposes of this subsection, "special event" includes an event  
22 such as a barbecue or similar fundraiser where tickets costing  
23 [~~fifteen dollars (\$15.00)~~] twenty-five dollars (\$25.00) or less  
24 are sold or an event such as a coffee, tea or similar  
25 reception; provided that no person shall contribute more than

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1 twenty-five dollars (\$25.00) in cash at a special event.

2 D. Any contributions received pursuant to this  
3 section in excess of the limits established in Subsections B  
4 and C of this section shall be donated to the state general  
5 fund or an organization to which a federal income tax deduction  
6 would be available under Subparagraph (A) of Paragraph (1) of  
7 Subsection (b) of Section 170 of the Internal Revenue Code of  
8 1986, as amended."

9 SECTION 9. Section 1-19-34.1 NMSA 1978 (being Laws 1993,  
10 Chapter 46, Section 12, as amended) is amended to read:

11 "1-19-34.1. LEGISLATIVE SESSION--FUNDRAISING  
12 PROHIBITION.--

13 A. It is unlawful during the prohibited period for  
14 a state legislator or a candidate for state legislator, or any  
15 agent on behalf of either, to knowingly solicit a contribution  
16 for a political purpose. For purposes of this subsection,  
17 "prohibited period" means that period beginning January 1 prior  
18 to any regular session of the legislature or, in the case of a  
19 special session, after the proclamation has been issued, and  
20 ending on adjournment of the regular or special session.

21 B. It is unlawful during the prohibited period for  
22 the governor, or any agent on [~~his~~] the governor's behalf, to  
23 knowingly solicit a contribution for a political purpose. For  
24 purposes of this subsection, "prohibited period" means that  
25 period beginning January 1 prior to any regular session of the

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1 legislature or, in the case of a special session, after the  
2 proclamation has been issued, and ending on the twentieth day  
3 following the adjournment of the regular or special session."

4 SECTION 10. Section 1-19-34.3 NMSA 1978 (being Laws 1993,  
5 Chapter 46, Section 14, as amended) is amended to read:

6 "1-19-34.3. CONTRIBUTIONS IN ONE NAME GIVEN FOR ANOTHER  
7 PROHIBITED--CONCEALING SOURCE OF CONTRIBUTIONS USED FOR  
8 INDEPENDENT EXPENDITURES.--

9 A. It is unlawful for a person to make a  
10 contribution in the name of another person, and no person shall  
11 knowingly accept a contribution made by one person in the name  
12 of another person.

13 B. No person may make contributions or expenditures  
14 to conceal the names of persons who are the true source of  
15 funds used to make independent expenditures."

16 SECTION 11. Section 1-19-34.6 NMSA 1978 (being Laws 1995,  
17 Chapter 153, Section 19) is amended to read:

18 "1-19-34.6. CIVIL PENALTIES.--

19 A. If the secretary of state reasonably believes  
20 that a person committed, or is about to commit, a violation of  
21 the Campaign Reporting Act, the secretary of state shall refer  
22 the matter to the attorney general or a district attorney for  
23 enforcement.

24 B. With or without a referral from the secretary of  
25 state, the attorney general or district attorney may institute

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1 a civil action in district court for any violation of the  
2 Campaign Reporting Act or to prevent a violation of that act  
3 that involves an unlawful solicitation or the making or  
4 acceptance of an unlawful contribution. An action for relief  
5 may include a permanent or temporary injunction, a restraining  
6 order or any other appropriate order, including a civil penalty  
7 of [~~two hundred fifty dollars (\$250)~~] up to one thousand  
8 dollars (\$1,000) for each violation not to exceed [~~five~~  
9 ~~thousand dollars (\$5,000)~~] a total of twenty thousand dollars  
10 (\$20,000), and forfeiture of any contribution received as a  
11 result of an unlawful solicitation or unlawful contribution.  
12 Each unlawful solicitation and each unlawful contribution made  
13 or accepted shall be deemed a separate violation of the  
14 Campaign Reporting Act.

15 C. With or without a referral from the secretary of  
16 state, the attorney general or district attorney may institute  
17 a civil action in district court if a violation has occurred or  
18 to prevent a violation of any provision of the Campaign  
19 Reporting Act other than that specified in Subsection B of this  
20 section. Relief may include a permanent or temporary  
21 injunction, a restraining order or any other appropriate order,  
22 including an order for a civil penalty of [~~fifty dollars~~  
23 ~~(\$50.00)~~] up to one thousand dollars (\$1,000) for each  
24 violation not to exceed [~~five thousand dollars (\$5,000)~~] a  
25 total of twenty thousand dollars (\$20,000)."

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1           SECTION 12. Section 1-19-34.7 NMSA 1978 (being Laws 2009,  
2 Chapter 68, Section 1) is amended to read:

3           "1-19-34.7. CONTRIBUTION LIMITATIONS--CANDIDATES--  
4 POLITICAL COMMITTEES.--

5           A. ~~[The following contributions by the following~~  
6 ~~persons are prohibited:~~

7                   ~~(1) from a person, not including a political~~  
8 ~~committee, to a:~~

9                           ~~(a) candidate for nonstatewide office,~~  
10 ~~including the candidate's campaign committee, in an amount that~~  
11 ~~will cause that person's total contributions to the candidate~~  
12 ~~to exceed two thousand three hundred dollars (\$2,300) during~~  
13 ~~the primary election or two thousand three hundred dollars~~  
14 ~~(\$2,300) during the general election;~~

15                           ~~(b) candidate for statewide office,~~  
16 ~~including the candidate's campaign committee, in an amount that~~  
17 ~~will cause that person's total contributions to the candidate~~  
18 ~~to exceed five thousand dollars (\$5,000) during the primary~~  
19 ~~election or five thousand dollars (\$5,000) during the general~~  
20 ~~election; or~~

21                           ~~(c) political committee in an amount~~  
22 ~~that will cause that person's total contributions to the~~  
23 ~~political committee to exceed five thousand dollars (\$5,000)~~  
24 ~~during a primary election or five thousand dollars (\$5,000)~~  
25 ~~during a general election; and~~

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~~(2) from a political committee to:~~

~~(a) a candidate for office, including the candidate's campaign committee, in an amount that will cause the political committee's total contributions to the candidate to exceed five thousand dollars (\$5,000) during the primary election or five thousand dollars (\$5,000) during the general election; or~~

~~(b) another political committee in an amount that will cause that political committee's total contributions to the political committee to exceed five thousand dollars (\$5,000) during a primary election or five thousand dollars (\$5,000) during a general election.] Except as provided in Subsections F and G of this section, a person, including a political committee, shall not make a contribution to a candidate, including the candidate's campaign committee, or to a political committee in an amount that will cause that person's total contributions to the candidate or political committee to exceed five thousand dollars (\$5,000) during a primary election cycle or five thousand dollars (\$5,000) during a general election cycle.~~

B. All contributions made by a person to a candidate, either directly or indirectly, including contributions that are in any way earmarked or otherwise directed through another person to a candidate, shall be treated as contributions from the person to that candidate.

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1           C. A person, including a political committee, shall  
2 not knowingly accept or solicit a contribution, directly or  
3 indirectly, including a contribution earmarked or otherwise  
4 directed or coordinated through another person, including a  
5 political committee, that violates the contribution limits  
6 provided for in this section.

7           D. On the day after each general election, the  
8 contribution amounts provided in Subsection A of this section  
9 shall be increased by the percentage of the preceding two  
10 calendar [~~year's~~] years' increase of the consumer price index  
11 for all urban consumers, United States city average for all  
12 items, published by the United States department of labor. The  
13 amount of the increase shall be rounded to the nearest multiple  
14 of one hundred dollars (\$100). The secretary of state shall  
15 publish by October 1 before each general election the adjusted  
16 contribution limits that shall take effect the day after the  
17 following general election.

18           E. All contributions in excess of the limits  
19 imposed by the provisions of this section shall be deposited in  
20 the public election fund upon a finding by [~~the secretary of~~  
21 ~~state~~] a district court that the contribution limits have been  
22 exceeded.

23           F. The limitation on contributions to a candidate  
24 provided for in Subsection A of this section shall not apply to  
25 a candidate's own contribution from the candidate's personal

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1 funds to the candidate's own campaign.

2 [~~G. For the purposes of this section:~~

3 ~~(1) "primary election" means the period~~  
4 ~~beginning on the day after the general election for the~~  
5 ~~applicable office and ending on the day of the primary for that~~  
6 ~~office; and~~

7 ~~(2) "general election" means the period~~  
8 ~~beginning on the day after the primary for the applicable~~  
9 ~~office and ending on the day of the general election for that~~  
10 ~~office.]~~

11 G. The limitations on contributions to political  
12 committees provided for in Subsection A of this section shall  
13 not apply to a political committee that makes only independent  
14 expenditures or to any contribution to a political committee  
15 that is deposited in a segregated bank account that may only be  
16 used to make independent expenditures."

17 SECTION 13. Section 1-19-36 NMSA 1978 (being Laws 1979,  
18 Chapter 360, Section 12, as amended) is amended to read:

19 "1-19-36. PENALTIES [~~CRIMINAL ENFORCEMENT~~].--

20 A. Any person who knowingly and willfully violates  
21 any provision of the Campaign Reporting Act is guilty of a  
22 misdemeanor and shall be punished by a fine of not more than  
23 one thousand dollars (\$1,000) or by imprisonment for not more  
24 than one year or both.

25 B. The Campaign Reporting Act may be enforced by



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1 the attorney general or the district attorney in the county  
2 where the candidate resides, where a political committee has  
3 its principal place of business or where the violation  
4 occurred."

5 SECTION 14. TEMPORARY PROVISION.--The secretary of state,  
6 in consultation with the attorney general, shall promulgate  
7 rules to implement the amendatory provisions of this act by  
8 December 31, 2016.

9 SECTION 15. REPEAL.--Sections 1-19-16 and 1-19-17 NMSA  
10 1978 (being Laws 1973, Chapter 401, Sections 1 and 2) are  
11 repealed.

12 SECTION 16. EFFECTIVE DATE.--The effective date of the  
13 provisions of this act is November 9, 2016.