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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/24/13

SPONSOR McCamley LAST UPDATED \_\_\_\_\_ HB 68

SHORT TITLE Limit Campaign Season SB \_\_\_\_\_

ANALYST Cerny

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	NFI	NFI	NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 93 Campaign Fund Transaction Reporting and SB 88 Campaign Fund Transaction Records.

Conflicts with SB 15 Campaign Finance Requirements and SB 16 Public Campaign.

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Secretary of State (SOS)

### SUMMARY

#### Synopsis of Bill

House Bill 68 would enact a new section of the Campaign Reporting Act, Section 1-19-34.8 NMSA 1978, relating to campaign expenditures. The bill would prohibit both candidates and campaign committees from accepting any contributions until 90 days before an election. It also prohibits them from expending any funds for any political purpose until 90 days before an election. Elections affected are primary, general or statewide special elections.

### SIGNIFICANT ISSUES

The SOS notes that the Campaign Reporting Act, Section 1-19-26(E) NMSA 1978 includes the definition of a candidate as an individual who has:

1. Filed a declaration of candidacy, which begins as early as 2<sup>nd</sup> Tues in February
2. Or nominating petition, as early as the 2<sup>nd</sup> Tues in February
3. Or received contributions of \$1000 non-statewide, or \$2500 statewide, “for the purpose of seeking election to the office or for candidacy exploration in the years prior to the year of the election.”

Thus, it is unclear how HB 68 would be read in conjunction with the definition of a candidate.

It is also unclear how HB 68 would be interpreted with regard to the term “political purpose” which is defined in Section 1-19-26(M) NMSA 1978 as “influencing or attempting to influence an election or pre-primary convention, including a constitutional amendment or other question submitted to the voters.”

Major party pre-primary conventions must be held no later than the third Sunday in March (Section 1-8-21.1 NMSA 1978). Candidates for pre-primary convention designation, for statewide offices, would not be allowed to receive contributions or make expenditures until 10-12 days before the conventions. (It is questionable whether the restriction could be applied to federal offices). Further, candidates begin circulating nominating petitions upon publication by the Secretary of State's office in October before the election.

Section 1-19-29.1 NMSA 1978 sets out the permissible uses of campaign funds. It is unclear how the 90 day restriction would fit with that section of law. For instance, would legislators use of campaign funds for expenditures related to the office be prohibited outside the 90-day window? Would purchasing advertising in local school programs, yearbooks, or similar activities outside the 90-day window be a violation of the sections proposed by the bill?

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Conflicts with SB15 and SB 16 that amend sections of the Campaign Reporting Act.

Relates to HB 93 Campaign Fund Transaction Reporting and SB 88 Campaign Fund Transaction Records

#### **OTHER SUBSTANTIVE ISSUES**

Political parties, PACs and independent expenditure committees would not be affected by the 90 day restriction.

There are no penalties stipulated for violation of the sections proposed by the bill.

CC/svb