

LFC Requester:	Connor Jorgensen
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**AGENCY BILL ANALYSIS
2016 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date 01/28/2016
Bill No: HB 261

Sponsor: Rep. G. Andres Romero
Short Title: CAMPAIGN REPORTING
REQUIREMENT CHANGES

Agency Code: 305
Person Writing AAG James J. Torres
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with:

SB 11

HB 105

HB 80

SECTION III: NARRATIVE

BILL SUMMARY

This analysis is neither a formal Attorney General’s Opinion nor an Attorney General’s Advisory Letter. This is a staff analysis in response to an agency’s, committee’s, or legislator’s request.

Synopsis:

HB 261 amends the reporting requirements set forth in the Campaign Reporting Act (“CRA”) and the Lobbyist Regulation Act (“LRA”) to make them more consistent.

Amendments to CRA

HB 261 amends Section 1-19-27 to require expenditure forms to cross-reference matching entries and contain the same descriptive language as that contained within the expenditure reports required by Section 2-11-6 of the CRA. The bill amends Section 2-11-6 identically. Further, reports, statements and registration information (including contributor, expenditure, person receiving contribution or expenditure, employer, occupation, mailing address) required by the Campaign Reporting Act shall be available on the secretary of state’s website in a searchable and downloadable form. The bill requires the secretary of state to maintain adequate staffing to provide technical assistance with such matters.

Section 1-19-32.1 would require the secretary of state to notify reporting individuals of potential violations and allow for ten days to cure reporting violations. The secretary of state must contract an independent auditor approved by the state auditor to conduct an examination of twenty percent of all reports filed. The statute currently requires the secretary of state to conduct an examination of ten percent of reports. Further, the secretary of state is granted power to subpoena a reporting person’s bank records on behalf of the independent auditor. Finally, an annual report of audits shall be prepared by the secretary of state and published on that agency’s website.

Section 1-19-34.4 is amended to bring the language of the section into conformance with the rest of the bill. The bill adds the possibility of secretary of state error to the possible responses made by a reporting individual to an accusation of wrongdoing.

Section 1-19-35 is amended to remove the burden of demonstrating that a reporting individual acted “intentionally” in filing an incomplete report.

Amendments to LRA

HB 261 amends Section 2-11-6 to mirror reporting protocol set forth in this bill's amendments to Section 1-19-27 of the CRA. Further, an expenditure report shall include whether a contribution was from a lobbyist's employer or directly from the lobbyist. All contributions made by contributors through lobbyists, rather than only those totaling over \$500, shall be reported. Finally, an expenditure report must be filed electronically.

Section 2-11-7 is amended to require that information in lobbyist registrations and expenditure reports be posted on the secretary of state's website and be searchable and sortable to the maximum extent possible. The secretary of state must ensure that contributions are reported in a manner that does not duplicate and is consistent with the reporting requirements of the CRA.

Section 2-11-8.2 is amended to bring the language of the section into conformance with the rest of the bill.

FISCAL IMPLICATIONS

N/A

SIGNIFICANT ISSUES

This bill attempts to resolve issues raised by recent news reports highlighting the discrepancies that exist between the reports submitted by candidates and officeholders vs. those submitted by contributors, lobbyists and lobbyist employers.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Conflicts with the following:

SB 11: amends Sections 1-19-27 and 2-11-7 in conflict with this bill

HB 105: amends Sections 2-11-6 and 2-11-7 in conflict with this bill

HB 80: amends Sections 1-19-27; 1-19-32.1; 1-19-34.4; 1-19-35; 2-11-6; and 2-11-7 in conflict with this bill

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

N/A