

## NOTICE OF PROPOSED RULEMAKING

The Office of the New Mexico Secretary of State (“Office”) hereby gives notice that the Office will conduct a public hearing on the described rule below.

The purpose of this hearing is to obtain public input on amendments to the Campaign Finance rule codified as Part 1.10.13 NMAC.

A public hearing will be held on February 8, 2022, from 9:00 am to 12:00 pm, at the PERA Building located at 33 Plaza La Prensa Santa Fe, NM 87507. The public hearing allows members of the public an opportunity to submit data, testimony, and arguments in person on the proposed rule changes detailed below. All comments will be transcribed by a court reporter or recorded by audio recording.

**Authority:** Section 1-19-26.2 NMSA 1978

### **1.10.13 Campaign Finance**

**Purpose:** The objective of the rule is to conform the rule to changes made to the Campaign Reporting Act [Sections 1-19-25 through 1-19-36 NMSA 1978] based upon that passage of House Bill 244 during the 2021 Regular Legislative Session, to update procedures based upon the secretary of state implementing a new campaign finance information system, and to make additional clarifications to the rule regarding reporting and use of campaign funds.

**Summary of Full Text:** *Section 1.10.13.7 NMAC* removes definitions already defined in statute and adds a definition for “finding.” *Section 1.10.13.8 NMAC* provides updated procedures for candidate campaign registrations. *Section 1.10.13.10 NMAC* removes the political committee type of ‘other’ and updates political committee registration procedures. *Section 1.10.13.11 NMAC* remove language already in statute and further clarifies reporting requirements for independent expenditures. *Section 1.10.13.12 NMAC* clarifies reporting deadlines if a deadline falls on a state holiday and clarifies the responsibility of campaigns when reporting in-kind contributions. *Section 1.10.13.13 NMAC* clarifies that candidates who do not raise or spend funds for the duration of a primary election cycle or a general election cycle will be administratively closed by the secretary of state. *Section 1.10.13.15 NMAC* is updated to remove arbitrator provisions to align with updates to the Act. *Section 1.10.13.18 NMAC* provides that a committee making an in-kind donation to another committee is required to disclose the name of the benefitting candidate or political committee. *Section 1.10.13.21 NMAC* is repealed as it is duplicative to statutory language. *Section 1.10.13.22 NMAC* clarifies the handling of refunds and the reporting of excess anonymous funds. *Section 1.10.13.25 NMAC* is updated to include a list of prohibited per se personal use expenditures, allows for the use of campaign funds for satisfying fines under the Act, and requires that the state ethics commission make a determination regarding the use of campaign funds for legal expenses, and conforms language to the statute regarding a candidate or committee seeking an advisory opinion. *Section 1.10.13.30 NMAC* updates the process utilized by the secretary of state during a report examination conducted pursuant to section 1-19-32.1 NMSA 1978. *Section 1.10.13.32 NMAC* clarifies the update procedures for changing the designated leader of a legislative caucus committee. *Section 1.10.13.33 NMAC* provides that automatic recurring contributions are not impacted by the prohibited period.

**Details for Obtaining a Copy of Rule and Submitting Oral or Written Comments:** Copies of the proposed rule are available on the Office’s website at [www.sos.state.nm.us](http://www.sos.state.nm.us) or can be obtained from the Bureau of Elections by calling (505) 827-3600 or emailing [kari.fresquez@state.nm.us](mailto:kari.fresquez@state.nm.us). The proposed rule is also available on the New Mexico Sunshine Portal. Interested individuals may provide comments at the public hearing. Before the public hearing, written comments may be sent to Kari Fresquez, Director of Legislative and Executive Affairs, via email at [kari.fresquez@state.nm.us](mailto:kari.fresquez@state.nm.us), fax (505) 827-8403, or by regular mail at Attn: Kari Fresquez – proposed rule, The Office of the New Mexico Secretary of State, 325 Don Gaspar, Suite 300, Santa Fe, NM 87501. The deadline to receive written comment is February 7, 2022 by 5:00 pm. All written public comments will be posted on the website throughout the written comment period at: [www.sstate.nm.us](http://www.sstate.nm.us).

Any person with a disability who needs a reader, amplifier, qualified sign language interpreter, or auxiliary aid or service to attend or participate in the hearing should contact (505) 827-3600 or email [kari.fresquez@state.nm.us](mailto:kari.fresquez@state.nm.us) (5) business days prior to the hearing.