

New Mexico PACs: Growth, Influence, and Shifting Interests Common Cause New Mexico Reforms Recommended

- Pass a meaningful disclosure law
- Uniform language on reports
- Improve website usability
- Increased website audits

Pass meaningful disclosure law:

One of CCNM's priority campaigns is passing a constitutional and meaningful disclosure law in New Mexico. In 2014, Senator Peter Wirth filed SB 18, Campaign Finance Reporting, which we support.

In a 5-4 decision in the now infamous *Citizens United v. Federal Election Commission* case, the U.S. Supreme Court ruled that corporations and unions have the same political speech rights as individuals under the First Amendment. It found no compelling government interest for prohibiting them from using their general treasury funds to make election-related independent expenditures. However, in an 8-1 decision, the Court ruled that the disclaimer and disclosure requirements associated with electioneering communications are constitutional. CCNM supports disclosure of money spent in politics in New Mexico – voters deserve to know who is paying for the advertisements and communications about candidates.

SB18 has two principal purposes – to restore the enforceability of the Campaign Reporting Act (CRA) and to adapt the CRA to modern methods of campaigning. Since the CRA was enacted, the courts have developed an extensive body of restrictions on the authority of governments to regulate campaign speech. Under these rules, several key provisions of the CRA have recently been invalidated by the courts, including most of the Act's reporting requirement for PACs and other independent groups. Additionally, when the CRA was enacted, candidates and political parties were virtually the only campaign participants. There are now numerous national and local independent groups participating in state elections in a variety of ways, ranging from campaign ads coordinated with candidates to an occasional ad mentioning a public official who is running for reelection. The bill would expand the CRA to cover all these kinds of new campaign activities in a constitutionally permissible way, and would also rewrite the CRA to conform to current constitutional rules.

Improve website usability:

We recommend an appropriation to the Secretary of State's (SoS) office so they can purchase a user-friendly site that tracks all relevant data, easy for the voters to access. Upgrading our system will allow the SoS to get better data so voters are fully informed about who is funding New Mexico elections.

1. Add an indicator to show when a transaction is made between two PACs.
2. Add a "Type" field with a standardized list to the Expenditures reporting form to show what the expenditure is for and a "Recipient" field to show who received the money.
3. If an expenditure is contributed to a candidate's campaign, the candidate's name should be separately indicated in the reporting to improve tracking of funds.
4. Assign identification numbers to PACs when they register with the SoS and use those numbers in addition to their names for consistency. For example, in 2008, the Plumbers Union used at least eleven different names to make contributions, making tracking them very difficult.

Use uniform language on reporting forms:

Without uniformity in the language used on reports, it is very difficult to track contributions and expenditures from and to PACs in New Mexico.

1. Add a standardized list of occupation categories to choose from to the “Occupation” field for contributors to increase accountability. For instance, “CEO, businessman or consultant” does not give any information about which industry a contributor represents.
2. Add a standardized list of spending purpose categories to choose from to the “Purpose” field for expenditures to increase disclosure of money being spent in New Mexico. Is the money spent on advertisements, robo-calls or campaign managers?
3. Eliminate “Dirty Data,” such as misspellings and inconsistent abbreviations and formatting.

Increased website audits:

We need resources available within the SoS’ office to do increased audits of reports by PACs in New Mexico.

1. Require all fields be filled in properly and appropriate boxes checked before the system accepts the form.
2. Eliminate “Dirty Data,” such as misspellings and inconsistent abbreviations and formatting.
3. On September 9, 2009, “Mickey Mouse” donated \$100,000 to the “Realtime Sites” PAC, followed by a \$50,000 donation five days later from the “Center for Mouse Studies.” Realtime Sites is the SoS vendor for the PAC reporting system, and the above was a “test” was done under a previous administration. Vendors routinely test their systems, but doing so on the live site increases the chances mistakes will be made. Obviously these two contributions aren’t legitimate, but having them in the actual system reduces access to valid data for voters. Fortunately the current administration no longer allows the vendor to test on the live site. This practice must be maintained.