1	CITY OF SANTA FE, NEW MEXICO
2	ORDINANCE NO. 2009-44
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5	AN ORDINANCE
6	CREATING A NEW ARTICLE 9-3 SFCC 1987 FOR THE PURPOSE OF ESTABLISHING A
7	SYSTEM OF VOLUNTARY PUBLIC FINANCING OF CAMPAIGNS.
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9	BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:
10	Section 1. A new Article 9-3 SFCC 1987 is ordained to read:
11	9-3 [NEW MATERIAL.] PUBLIC CAMPAIGN FINANCE CODE.
12	Section 2. A new Section 9-3.1 SFCC 1987 is ordained to read:
13	9-3.1 [NEW MATERIAL.] Short Title. Article 9-3 SFCC 1987 may be cited as the Public
14	Campaign Finance Code.
15	Section 3. A new Section 9-3.2 SFCC 1987 is ordained to read:
16	9-3.2 [NEW MATERIAL.] Findings and Purposes.
17	A. Findings. The Governing Body of the City of Santa Fe finds and declares that the
18	current system of privately financed campaigns for municipal office:
19	(1) Undermines public confidence in the democratic process and democratic
20	institutions.
21	(2) Creates a danger of undue influence by encouraging elected officials to take
22	money from private interests that are directly affected by governmental actions.
23	(3) Drives up the cost of campaigns, making it difficult for qualified candidates
24	without access to large contributors to mount competitive campaigns.
25	(4) Forces candidates to raise increasing amounts of money from interest groups

that have a financial stake in matters before Santa Fe city government in order to keep pace with escalating campaign costs.

- (5) Diminishes elected officials' accountability to their constituents by compelling them to be disproportionately accountable to the contributors who finance their campaigns.
- (6) Burdens office-holders with the incessant need to raise campaign funds and thus decreases the time available to them to carry out their public responsibilities.
- **B.** Purposes. The purposes of the Public Campaign Finance Code are:
  - (1) To strengthen public confidence in the governmental and election processes.
- (2) To eliminate the danger of undue influence on elected officials caused by the private financing of campaigns.
- (3) To restrain the escalating cost of elections and reduce the impact of access to large contributions as a determinant of whether a person becomes a candidate.
- (4) To provide candidates with sufficient resources to communicate with voters without the need to resort to private fund-raising.
- (5) To increase the accountability of elected officials to the constituents who elect them, as opposed to the contributors who fund their campaigns.
- (6) To free office-holders from the need to raise campaign money, and thus to allow them more time to carry out their official duties.

#### Section 4. A new Section 9-3.3 SFCC 1987 is ordained to read:

- 9-3.3 [NEW MATERIAL.] Definitions. As used in this Section, the following terms have the following meanings:
- A. Campaign depository means a bank, mutual savings bank, savings and loan association or credit union doing business in this state under which a campaign account or accounts are maintained.

- (d) The payment for the services of an individual serving on behalf of a candidate or political committee, which payments are made by a third party; and
- (e) The purchase of over twenty-five dollars (\$25.00) of tickets for fundraising events such as dinners, rallies, raffles, etc. and the proceeds of collections at fundraising events which are not otherwise reported.
- (2) The term "contribution" does not include:
- (a) A volunteer's personal services provided without compensation or the travel or personal expenses of such a campaign worker; and
- (b) The cost of an event held in honor of or on behalf of a candidate when the total cost of the event amounts to no more than two hundred dollars (\$200.).
- F. Election means any regular or special Santa Fe municipal election.
- G. Expenditure means a payment or transfer of anything of value in exchange for goods, services, property, facilities or anything of value for the purpose of assisting, benefiting or honoring any public official or candidate, or assisting in furthering or opposing any election campaign for a candidate or ballot proposition. This includes contributions, subscriptions, distributions, loans, advances, deposits, or gifts of money or anything of value, and includes a contract, a promise or agreement, whether or not legally enforceable, to make an expenditure. The term "expenditure" also means the transfer of funds or anything of value between political committees. In determining the dollar value of an expenditure, only that proportion of a payment or transfer of anything of value that is directly related to the campaign shall be considered an expenditure.
  - H. Fund means the public campaign finance fund created by Section 9-3.4 SFCC 1987.
  - I. Non-participating candidate means a candidate who is not a participating candidate.
- J. Participating candidate means a candidate who has qualified and has been certified pursuant to Section 9-3.9 SFCC 1987 as eligible to receive payments from the fund.
  - K. Qualified elector means a person who is registered to vote in the City of Santa Fe.

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- L. Qualifying contribution means a contribution of no more or no less than five dollars (\$5.00) that is received from a qualified elector during the qualifying period by a candidate seeking to become a participating candidate.
- M. Qualifying period means the period during which a candidate seeking to become a participating candidate is permitted to collect qualifying contributions and to apply for certification as a participating candidate. It begins 183 days before the election and ends 76 days before the election.
- N. Race means the electoral process in which one or more candidates run and one candidate is elected to the office of mayor, municipal judge or city councilor for a particular district.
- O. Seed money contribution means a contribution of no more than one hundred dollars (\$100.00) made by an individual adult resident of the city of Santa Fe.
- P. Uncontested race means a race in which there is only one candidate for the office sought.

#### Section 5. A new Section 9-3.4 SFCC 1987 is ordained to read:

#### 9-3.4 [NEW MATERIAL.] Public Campaign Finance Fund.

- A. A dedicated public campaign finance fund ("the fund") is established to be administered by the city clerk for the purpose of providing public financing for the election campaigns of participating candidates. Monies in the fund and disbursed from the fund to participating candidates are public monies entrusted to the candidates to be used solely for the public purposes specified in this Article 9-3 SFCC 1987.
- B. Beginning with the city budget for fiscal year 2009-2010 and in each fiscal year thereafter, the sum of one hundred and fifty thousand dollars (\$150,000.00) shall be budgeted for and deposited in the fund.
- C. Beginning with the election of 2014, the governing body shall appropriate and deposit in the fund such additional sums, if any, as may be necessary to ensure:
  - (1) that the balance in the fund, eighty-four (84) days preceding each election for

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### Section 7. A new Section 9-3.6 SFCC 1987 is ordained to read:

- A candidate seeking to become a participating candidate may solicit and accept seed money contributions to defray expenses incurred in obtaining qualifying contributions and in seeking
- В. No seed money contribution shall exceed one hundred dollars (\$100.00) per contributor, and the aggregate amount of seed money contributions accepted by a candidate shall not exceed ten percent of the initial amount payable to a candidate in a contested election for the office sought under Section 9-3.10 SFCC 1987.
- C. Each seed money contribution shall be accompanied by a form signed by the contributor, which shall include the contributor's name, home address and telephone number. The form for a contribution exceeding twenty-five dollars (\$25.00) shall also state the contributor's occupation and name of employer.
  - D. All seed money contributions received by a candidate shall be deposited in a

campaign depository to be established by the candidate before soliciting or accepting any such contributions. All expenditures of seed money shall be made from the campaign depository.

E. Seed money contributions shall be used only for the purposes specified in paragraph A of this Section, and all seed money contributions that have not been spent or used for such purposes by the time the candidate applies for certification as a participating candidate or by the end of the qualifying period, whichever is sooner, shall then be paid over to the city clerk for deposit in the fund.

#### Section 8. A new Section 9-3.7 SFCC 1987 is ordained to read:

#### 9-3.7 [NEW MATERIAL.] Qualifying Contributions.

- A. Each qualifying contribution shall be accompanied by a form signed by the contributor, which shall include the contributor's name, home address and telephone number.
- B. No candidate or person acting on a candidate's behalf shall pay to any other person any form of compensation for soliciting or obtaining a qualifying contribution.
- C. No person shall knowingly make and no candidate shall knowingly receive a qualifying contribution which is not from the person named on the form or for which the person named on the form has been or will be reimbursed or compensated by another person.
- D. All qualifying contributions received by a candidate shall be deposited in a campaign depository to be established by the candidate before soliciting or accepting any such contributions, and shall be paid over to the city clerk for deposit in the fund when the candidate applies for certification as a participating candidate or when the qualifying period ends, whichever is sooner.

#### Section 9. A new Section 9-3.8 SFCC 1987 is ordained to read:

### 9-3.8 [NEW MATERIAL.] Application for Certification as a Participating Candidate.

A. A candidate who wishes to be certified as a participating candidate shall, before the end of the qualifying period, file an application for such certification with the city clerk on a form prescribed by the city clerk.

- B. The application shall identify the candidate and the office that the candidate is seeking, and shall set forth:
  - (1) the candidate's averment under oath that the candidate satisfies the requisites for qualification and certification as a participating candidate prescribed by Section 9-3.5 SFCC 1987;
  - (2) the candidate's averment under oath that the candidate has accepted no contributions to the candidate's current campaign other than qualifying contributions and seed money contributions solicited and accepted in full compliance with Sections 9-3.6 SFCC 1987 and 9-3.7 SFCC 1987;
  - (3) the candidate's averment under oath that the candidate has made no expenditures for his or her current campaign from any source other than seed money contributions; and
  - (4) the candidate's agreement that his or her current campaign will not accept any further contributions and make any further expenditures from any sources other than payments received from the fund pursuant to Sections 9-3.10 SFCC 1987 and 9-3.13 SFCC 1987.
  - C. The application shall be accompanied by:
  - (1) reports listing all seed money contributions and qualifying contributions received by the candidate and all expenditures of seed money contributions made by the candidate, and showing the aggregate amounts of all such contributions and expenditures;
  - (2) copies of forms signed by contributors for all seed money contributions and qualifying contributions received by the candidate; and
  - (3) a check or checks drawn from the candidate's campaign depository for the amount of all qualifying contributions received by the candidate and all seed money contributions received by the candidate and not yet spent for the purposes specified in

paragraph A of Section 9-3.6 SFCC 1987.

#### Section 10. A new Section 9-3.9 SFCC 1987 is ordained to read:

#### 9-3.9 [NEW MATERIAL.] Certification as a Participating Candidate.

- A. On or before the fifty-fourth day before an election the city clerk shall make a determination whether the candidate's application complies with the requirements of Section 9-3.8 SFCC 1987 and whether the candidate satisfies the requisites for certification as a participating candidate prescribed by Section 9-3.5 SFCC 1987, and shall thereupon issue a decision, in accordance with the determination so made, granting or refusing such certification to the candidate.
- B. The city clerk may revoke a candidate's certification as a participating candidate for any violation by the candidate of the requirements of this Article, and may require that any candidate whose certification has been revoked shall repay to the fund any amounts previously paid to the candidate pursuant to Sections 9-3.10 SFCC 1987 and 9-3.13 SFCC 1987.

#### Section 11. A new Section 9-3.10 SFCC 1987 is ordained to read:

#### 9-3.10 [NEW MATERIAL.] Initial Payments to Participating Candidates.

- A. Immediately upon certifying a candidate as a participating candidate, the city clerk shall disburse to the candidate from the fund:
  - 1. Sixty thousand dollars (\$60,000.00) for a candidate in a contested race for the office of mayor;
  - 2. Fifteen thousand dollars (\$15,000.00) for a candidate in a contested race for the office of City Councilor;
  - 3. Fifteen thousand dollars (\$15,000.00) for a candidate in a contested race for the office of Municipal Judge; or
  - 4. For a candidate in an uncontested race, ten percent of the amount that would be due to a candidate in a contested race for the same office.
  - B. If the amounts required to be paid to candidates under paragraph A of this Section

exceed the total amount available in the fund, each payment shall be reduced in proportion to the amount of such excess. Any such proportionate reduction in the payment due to any candidate under paragraph A of this Section shall give the candidate the option to reject the payment and to withdraw as a participating candidate. A candidate who withdraws as a participating candidate pursuant to this paragraph shall file an affidavit with the city clerk so stating and shall thenceforth be treated for all purposes as a non-participating candidate relieved of all obligations and restrictions and excluded from all benefits and exemptions imposed or conferred on a participating candidate by this Article 9-3 SFCC 1987.

#### Section 12. A new Section 9-3.11 SFCC 1987 is ordained to read:

## 9-3.11 [NEW MATERIAL.] Use of Payments from the Fund; the Fund as Exclusive Source.

- A. All payments received by a participating candidate from the fund shall be deposited in the candidate's campaign depository and shall be used exclusively to pay expenses reasonably incurred in furtherance of the candidate's current campaign.
  - B. Payments received from the Fund shall not be used for any other purpose, including:
  - (1) The candidate's personal living expenses or compensation to the candidate or the candidate's family;
  - (2) A contribution to another campaign of the candidate or a payment to retire debt from another such campaign;
  - (3) A contribution to the campaign of another candidate or to a political party or political committee or to a campaign supporting or opposing a ballot proposition;
  - (4) An expenditure supporting the election of another candidate or the passage or defeat of a ballot proposition or the defeat of any candidate other than an opponent of the participating candidate;
    - (5) Payment of legal expenses or any fine levied by a court or the ethics and

campaign review board.

- (6) Any gift or transfer for which compensating value is not received.
- C. All payments from the fund received by a participating candidate which have not been spent or obligated for the purposes specified in paragraph A of this Section as of the date of the election shall be returned by the candidate to the fund within ten days after that date.
- D. In accordance with the agreement entered into pursuant to subparagraph B(4) of Section 9-3.8 SFCC 1987, a candidate who has been certified as a participating candidate shall not thereafter accept any contribution to the candidate's campaign other than payments received from the fund pursuant to Sections 9-3.10 SFCC 1987 and 9-3.13 SFCC 1987, and shall not make any expenditure in support of the candidate's campaign from any source other than payments so received and previously deposited in the candidate's campaign depository.

#### Section 13. A new Section 9-3.12 SFCC 1987 is ordained to read:

### 9-3.12 [NEW MATERIAL.] Reports of Expenditures by Non-Participating Candidates and Other Persons.

- A. For any race in which a participating candidate is one of the candidates, every non-participating candidate shall, in addition to filing the campaign finance statements required by Section 9-2.10 SFCC 1987, file with the city clerk by 9:00 a.m. on each of the last six Thursdays before the election, a report under oath stating the aggregate amounts of the contributions received and the expenditures made or obligated to be made by the candidate or by the candidate's campaign through the date of the report.
- B. For any race in which a participating candidate is one of the candidates, any person or entity, other than a candidate, who spends over two hundred fifty dollars (\$250.00) in the aggregate to disseminate campaign materials within one hundred eighty (180) days before the election for the purpose of influencing the race in favor of an identifiable candidate or candidates shall, in addition to filing any reports required by Sections 9-2.6 SFCC 1987 or 9-2.10 SFCC 1987, file with the city

clerk, by 9:00 a.m. on each of the last six Thursdays before the election, a report under oath stating the aggregate amounts of the contributions received and the expenditures made or obligated to be made for such purpose through the date of the report.

#### Section 14. A new Section 9-3.13 SFCC 1987 is ordained to read:

## 9-3.13 [NEW MATERIAL.] Additional Matching Payments to Participating Candidates.

- A. By 5:00 p.m. on each of the last six Thursdays before the election, the city clerk shall calculate:
  - (1) for each participating candidate, the sum of:
  - (a) the aggregate amounts previously paid to the candidate pursuant to Section 9-3.10 SFCC 1987 and this Section; and
  - (b) the contributions received or the expenditures made or obligated to be made, whichever is greater, to disseminate campaign materials within one hundred eighty (180) days before the election for the purpose of influencing the race in favor of the candidate by every other person or entity who has spent over two hundred fifty dollars (\$250.00) for such purpose.
  - (2) for each non-participating candidate in any contested race in which a participating candidate is one of the candidates, the sum of:
    - (a) the contributions received or the expenditures made or obligated to be made, whichever is greater, by the candidate or by the candidate's campaign; and
    - (b) the contributions received or the expenditures made or obligated to be made, whichever is greater, to disseminate campaign materials within one hundred eighty (180) days before the election for the purpose of influencing the race in favor of the candidate by every other person or entity who has spent over two hundred fifty dollars (\$250.00) for such purpose.

- B. For any race in which a participating candidate is one of the candidates, if the greatest of the sums calculated for each candidate pursuant to paragraph A of this Section exceeds the sum calculated for any participating candidate pursuant to subparagraph A(1) of this Section, the city clerk shall immediately make an additional payment from the fund to such participating candidate in the amount of such excess.
- C. The aggregate amount of additional payments made to any participating candidate pursuant to paragraph B of this Section shall not exceed two hundred percent (200%) of the amount initially paid to the candidate pursuant to Section 9-3.10 SFCC 1987.
- D. If the amounts required to be paid to candidates under paragraph B of this Section exceed the total amount available in the fund, each payment shall be reduced in proportion to the amount of such excess. Any such proportionate reduction in the payment due to any candidate under paragraph B of this Section shall give the candidate the option to reject the payment and to withdraw as a participating candidate. A candidate who withdraws as a participating candidate pursuant to this paragraph may retain any amounts previously paid to the candidate from the fund and shall thenceforth be treated for all purposes as a non-participating candidate relieved of all obligations and restrictions and excluded from all benefits and exemptions imposed or conferred on a participating candidate by this Article 9-3 SFCC 1987.

#### Section 15. A new Section 9-3.14 SFCC 1987 is ordained to read:

# 9-3.14 [NEW MATERIAL.] Reports of Expenditures; Exemption from Certain Reporting Requirements.

A. A participating candidate shall file with the city clerk reports under oath of expenditures made from the payments received from the fund, showing the amount of each expenditure, the name and address of the person or organization to whom it was made, the purpose of the expenditure, the aggregate amount of expenditures made to each person or organization and the aggregate amount of all expenditures made by the candidate or by his or her campaign.

- B. The reports required by paragraph A of this Section shall be filed on each of the days prescribed for the filing of campaign finance statements by Section 9-2.10 SFCC 1987.
- C. Except as provided in paragraphs A and B of this Section and paragraph C of Section 9-3.8 SFCC 1987, participating candidates are exempt from the requirement to file campaign finance statements imposed by Sections 9-2.10 SFCC 1987 through 9-2.12 SFCC 1987 and from the requirement to file campaign records with the city clerk imposed by paragraph C of Section 9-2.9 SFCC 1987; provided, however, that campaign records shall be maintained in the manner required by the applicable provisions of the Campaign Code (Article 9-2 SFCC 1987) and shall be made available upon request to the city clerk and the ethics and campaign review board.

#### Section 16. A new Section 9-3.15 SFCC 1987 is ordained to read:

9-3.15 [NEW MATERIAL.] Contributions and Expenditures to Retire Debt from
Previous Campaigns. Notwithstanding any other provision of this Article, a candidate shall not be
considered ineligible for certification as a participating candidate and shall not be deemed to have
violated the provisions of paragraph D of Section 9-3.11 SFCC 1987 solely by reason of contributions
received or expenditures made to retire debt incurred in the course of a previous campaign in which
the candidate was not a participating candidate, provided that any such contribution or expenditure
has been made and duly reported in full compliance with the requirements of the Campaign Code
(Article 9-2 SFCC 1987).

#### Section 17. A new Section 9-3.16 SFCC 1987 is ordained to read:

9-3.16 [NEW MATERIAL.] Rules and Educational Materials. The city clerk and the ethics and campaign review board may adopt and publish rules and educational materials explaining and applying the provisions of this Article.

#### Section 18. A new Section 9-3.17 SFCC 1987 is ordained to read:

9-3.17 [NEW MATERIAL.] Enforcement and Review. This Article shall be enforced by the ethics and campaign review board pursuant to the provisions of Article 6-16 SFCC 1987. Any

1	decision of the city clerk under this Article is reviewable by the ethics and campaign review board on
2	petition of an aggrieved party. This provision shall not be construed to prevent the enforcement of any
3	otherwise applicable state criminal or civil statutes, laws or municipal ordinances.
4	Section 19. A new Section 9-3.18 SFCC 1987 is ordained to read:
5	9.3.18. Reports and Forms.
6	A. All reports and forms that are required by Article 9-3 SFCC 1987 shall be signed
7	under oath and on forms prescribed by the city clerk.
8	B. The city clerk is authorized to reject any incomplete report or form. The city clerk
9	shall notify a participating candidate that the report or form is incomplete.
10	C. The city clerk shall assess a fine of one hundred dollars (\$100.) for unexcused late
11	filing of reports or forms."
12	Section 20. A new Section 9-3.18 SFCC 1987 is ordained to read:
13	9-3.19 [NEW MATERIAL.] Severability. The provisions of this Article and each of its
14	Sections, Subsections, Paragraphs, Subparagraphs, sentences and clauses are severable. In the event
15	that any such provision is held to be invalid or unenforceable by any judicial or administrative
16	tribunal, it is the intent of the governing body that all other provisions thereof shall remain in full
17	force and effect.
18	PASSED, APPROVED and ADOPTED this 14th day of October, 2009.
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APPROVED AS TO FORM:

FRANK D. KATZ, CAT ATTORNEY

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