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CITY OF SANTA FE
ETHICS AND CAMPAIGN REVIEW BOARD**

March 18, 2015

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**MINUTES OF THE
CITY OF SANTA FE**

ETHICS AND CAMPAIGN REVIEW BOARD

WEDNESDAY, MARCH 18, 2015

1. PROCEDURES

a) ROLL CALL

A regular meeting of the City of Santa Fe Ethics and Campaign Review Board was called to order by Roderick Thompson vice chair, on this date at approximately 3:00 pm in the City Council Chambers, 1st floor, City Hall, 200 Lincoln Avenue, Santa Fe, New Mexico.

Roll call indicated the presence of a quorum as follows:

Members Present:

Roderick Thompson, Vice Chair
Paul L. Biderman
Ruth Kovnat
Tara Lujan (arrived later)
Kristina Martinez
Seth McMillan

Members Absent:

Justin Miller, Chair (excused)

Staff Present:

Yolanda Vigil, City Clerk
Zachary Shandler, Assistant City Attorney

Others Present:

Jim Harrington, Common Cause
Members of the Public
Charmaine Clair, Stenographer

b) APPROVAL OF THE AGENDA

Ms. Martinez moved to approve the agenda as published. Ms. Kovnat seconded the motion, which was passed by unanimous voice vote.

c) APPROVAL OF THE MINUTES- February 18, 2015

Page two under the second bullet was clarified to read: Secondly, the subcommittee discussed how the rules should be promulgated; a recommendation to the Governing body to enact those amendments; or by the board's adoption of rules and regulations."

Page 3, fourth paragraph should read for clarity: "Ms. Kovnat said the subcommittee also tried to address a problem raised by the public. They added a proviso that an expenditure would not be considered a coordinated expenditure if the spender of the campaign funds uses the same vendors..." The word funds was added.

Mr. Biderman moved to approve the minutes of February 18, 2015 as amended. Ms. Martinez seconded the motion which passed by unanimous voice vote.

2. DISCUSSION AND POSSIBLE ACTION

a. Coordination Between Candidates and/or Their Campaigns and Independent Expenditure Groups or Individuals.

1) Proposals to Revise Ordinances

Ms. Kovnat said the subcommittee report is encompassed in the packet materials. She said she would hit the high spots, but also things that they included in the working draft. The subcommittee would like Board discussion on those items.

She thanked Mr. Shandler and Melissa Byers for putting the draft proposal into workable language. The working draft includes the proposed amendments to both the Campaign Code and the Public Finance Code. The two major purposes for the amendments is one, to clarify the meaning of *coordinated expenditures* operative under the Campaign Code. The coordinated expenditures would have to be reported as contributions. Under the Public Finance Code they would be forbidden if over a certain amount.

The second part of the draft that the proposals for clarifying coordinated expenditures is placed, are amendments to the Public Finance Code. She said first, the subcommittee urged commitment to the continuation of Public Finance. The second thing they identified is that the problem is a publically financed candidate facing either a privately financed candidate, or large expenditures of independent money.

She said independent expenditures cannot be regulated or limited so they can try to capture those that are coordinated. There will still remain the possibility of a publicly financed candidate being opposed by a privately financed candidate who could raise unlimited amounts of money; or another publicly financed candidate with truly independent expenditures made in support of that candidate's election.

Ms. Kovnat said the subcommittee looked at Common Cause's proposal and is grateful for their work. The general proposition is that the Public Finance Code would be amended to allow publicly financed candidates to raise private money in small amounts, thus reducing corruption; no more than 100 dollars. Then provide a match for the purpose to give the publicly financed candidate the resources to combat the opposing expenditures that cannot be regulated.

She said there are a few things included in the draft in which they want to be sure there is a discussion. One is the language that may be too narrow on page 2, line 18 that describes what is captured by campaign materials. Then a major change in the Public Finance Code which eliminates the idea of seed money and allows the publicly financed candidates to raise no more than \$100 from each contributor. The subcommittee left the requirement to qualify for the candidate to collect a certain number of qualifying contributions of no less than five dollars.

Ms. Kovnat said the question of whether the five dollars is useful has been raised. The subcommittee did not take a view of either of those two things, but wants a discussion. She said that Mr. Harrington sent the Board a memo (EXHIBIT 1) suggesting certain changes that she will talk about in more detail.

Mr. Biderman suggested the Board discuss also whether the \$100 limit is the appropriate amount. He said the purpose of these additional contributions is that people can raise money to compensate if another candidate is gaining money through private financing or PAC contribution. His concern is whether \$100 can give them that opportunity. He said he does agree with the concept of the limited small contributions to prevent the reality or appearance of corruption.

Mr. McMillan said he wanted to hear from the public on the issue of whether the hundred dollars is appropriate. Ms. Martinez suggested the Board hear from the public on certain issues as they get to those issues.

Ms. Kovnat said the first change is on page two: a proposed amendment to the Campaign Code 9.23; to include a coordinated expenditure within the definition of contribution. The new language is K, line 15 and includes those items talked about at the last meeting. She read the definition of a *Coordinated Expenditure*. She said what is new are the following examples:

- K (1)-defines a coordinated expenditure. She said that is followed by examples of *when* that is presumed to be a coordinated expenditure. She said the subcommittee was urged to broaden the definition starting on line nineteen. The language was capped, but there are other suggestions and language that would be substituted is: "to promote, support, attack or oppose a candidate, or that refers in any way to a candidate and is published within a certain number of days before an election". The source of the subcommittee's language was the Brennan Report and is narrower than the suggested language. She would like the Board to discuss the language.

Ms. Martinez asked if the subcommittee would want to keep the language they selected originally since reading Mr. Harrington's memo, or would they want to add the "promote, supports, attacks, opposes" language.

Ms. Kovnat said it would not be in addition, it would be a substitute for the language. The language is broadening and captures more expenditures than included in the original. She said she personally favors the language, but would like Board discussion.

Mr. Harrington said there is a correction in his email; the Vermont Right to Life is one precedent that requires reporting by independent expenditures that is not for advertising. Ms. Kovnat replied that is on a different point.

He said Common Cause had access to the services of the lawyers of the Campaign Legal Center and he has tried to get views on the best language that will get the most disclosure and restrict coordination, and still avoid a legal challenge. He said he would pass on what the lawyers suggest.

Ms. Kovnat said according to the Brennan Center the language in the working draft would withstand a legal challenge. The language does define the definition of a coordinated expenditure to advocacy, urging the defeat of the election, or voting for or against an identifiable candidate. The other language is broader and might make some comfortable that there are more items being considered coordinated than otherwise would be. She said she would like a legal opinion on the "outer limits" available.

Ms. Stephanie Beninato said she has wanted to come to a meeting and did not know when they were. She is happy the Board is trying to do something about the coordinated expenditures, which she thinks is the only way to deal with the PACs. She said requiring people who contribute to PACs to be revealed is a trend happening. That will help people understand who is backing the PAC and in turn who is backing the candidate that the PAC is backing. She said that is an important inclusion.

She said [there should be] as many activities that can be considered coordinated as possible. The courts will tell them what the outer limits are with local attempts to make PACs accountable.

Ms. Beninato said two things regarding ethics: there is something in the code for public financing and people have ignored that. She said Michael Segura and Marie Campos and others paid their volunteers for gas and food. She said Ms. Campos bought lunch every day for volunteers and gave them gas money and Mr. Segura bought lunch for himself and others every day. She said that meant those people were not volunteers and their time was supposed to be paid for by the campaign.

She thought that is stated in a negative way and wondered if that could be rewritten to be specific and declaratory: *"if you pay your volunteers for gas; if you give your volunteers food"* they are no longer volunteers and have to be paid out of the public money at the affordable wage.

Ms. Beninato said law is subject to interpretation and when someone says something is 8 inches high and it is actually 22 inches high and that is in a public record and they are the building inspector and should know better; they have just falsified a public record. People who make public records should be held accountable for what they put in them. She said that is a long-term issue and not for the immediate campaign issues.

Mr. Thompson thanked Ms. Beninato. He asked the city clerk how the ECRB meetings are publicized.

Ms. Vigil said all of the meetings are put on a weekly meeting list and the meeting list is then put on the city website and the list also appears in the New Mexican. The complete packets that include the agenda and items under consideration are also on the website and the agenda is posted at city hall. She confirmed that the process for filing a complaint is also on the website.

Ms. Heldmeyer said she quickly read Mr. Harrington's memo and agrees with most of it. She said that her volunteers were bought food from time to time and she listed that as a campaign expense. She said she is not sure if there should be a difference.

She said it is clear the subcommittee tried to do everything possible to show what could be considered coordination and Mr. Harrington's memo on how to broaden, is good. Said she does not agree with raising the reporting obligations from \$250 to \$1000, because they are talking about small municipal campaigns.

Ms. Heldmeyer said the reality is that all of the coordination issues will be difficult to prove and will either be by a whistleblower or a mistake on the part of the campaign. She said the question is whether the speculation alone will be such as to undermine the public's confidence and the Board should keep that in mind. She said that lends credence to the idea to broaden the spectrum of what is considered spending on a campaign that campaigns are now spending money on.

Mr. Shandler said the fulcrum of this issue is that if they say for instance that Ms. Vigil is a publicly funded candidate and can only get \$60,000 and he is ABC Independent expenditure group and he puts out a flyer. He asked what the legal element is- he makes an expenditure; is he "urging the election or

defeating a candidate". Mr. Shandler said the third part is if this falls within one of the six or seven examples.

Mr. Shandler said he needs to research the verb, because the defense would be "my flyer did not expressly urge the election or defeat". Or should it be the broader language: 'promotes, supports, attacks or opposes'. There his defense would be "I didn't urge, but I did support".

Ms. Kovnat said the broadening language includes the phrase "refer to any candidate within a period".

Ms. Martinez said she did not necessarily read '*promotes, supports, attacks*' language as broader than urges. She said urge is susceptible to different meanings and is largely semantics. She said where it is broad is when it says it refers to a candidate. Her question is in the original language it says: *for or against a clearly identified candidate*. She asked if that meant identified by photo or name or ... She said sometimes ads do not name a candidate, but you know who it is about. She said she is in favor of broadening, but is not sure this language accomplishes that.

Ms. Kovnat said the answer is "*the reasonable interpretation*". She said that would be the task of the adjudicator to determine based on the facts.

Mr. Harrington said the classic example of something that could be included in the restrictions on coordination, but might not require reporting, is something not involving any communication with the public, such as polling and opposition research. He said if a publicly financed candidate asked someone to spend \$10,000 on a poll and give them the results; that could be called coordinated and in that case would be prohibited. He thought you could not require reporting on polling and research, if totally independent, because there is no clear way to show that is connected with the election or intended to help the candidate. He said under the coordination section you are clearly not confined to advertising or things that urge people to vote.

Ms. Kovnat asked Mr. Harrington in his example, if the candidate asked someone to spend money for independent polling that is clearly an expenditure made at the request of the candidate. She said that is captured by the general definition of a coordinating expenditure; an "*expenditure that is made in cooperation, consultation or concert or at the request of a candidate or the candidate's political committee, including, but not limited to*". She said the examples given were an attempt for some specificity in the language of *at the request of*. She said his first example would be captured by the general definition of a coordinated expenditure (K).

Mr. Harrington said it would be captured by the general definition, but in 1 (a) '*There has been substantial discussion*', etc. that would not apply to a discussion of polling and opposition research, because paragraph one restricts that to advertising.

Ms. Kovnat said that is the argument for broadening the prefatory language code.

Mr. Biderman said to be clear if talking about referring to a candidate within a certain timeframe; that may start to encroach on real free speech. He said for example if the Sierra Club sends out a notice asking Senator Udall to amend his legislation in a certain way; that is not supporting or opposing reelection of the Senator. That is working on legislation and is an attempt to appeal to the candidate who happens to also be a sitting legislator to change or amend something. He said that is free speech.

Mr. Harrington said the concern of McCain-Feingold was ads that tried to look like an ad that came out right before the election. He said the ad at stake in the *Wisconsin Right to Life* right before an election said the Senate has been blocking President Bush's nominees to court and to "call Senators Kohl and

Feingold and tell them to stop blocking the President's nominees". Mr. Harrington said at issue was the outright ban on corporate spending that was later struck down in Citizens United. He said *Wisconsin Right to Life* said it has to be clearly unambiguously election campaign related.

He said the courts rejected the Citizens United argument and said disclosure laws are different and can be broader and any mention of a candidate in an ad 30 days before a primary/60 days before an election, is subject to reporting.

Ms. Heldmeyer said one thing that should fit this is the question of push polls; calling someone and saying "if you knew that candidate x is beating their wife, would that make a difference in the way you vote for them". She said making that more clear would be good, because is an increase in push polls in city campaigns. She said close as many loopholes as possible. She said this is something the Board needs to anticipate, because it is not just going to happen it *has* happened.

Ms. Martinez said the umbrella of K is the coordinated expenditure definition and then the examples under K (1). She said the examples repeat things that are already included in K, such as something 'made in cooperation, consultation or concert with' and is exactly the same in (b). She said (f) gives an example of what would be a coordinated expenditure. She said K (1) says 'shall be presumed' and K (2) says "these shall not be presumed' almost creating a presumption system. She suggested restructuring that to be more clear and provide actual examples.

She asked if this language came from the Brennan Report.

Ms. Kovnat said this was primarily the Connecticut statute. She said the presumptions were intentional on the part of the subcommittee to list the examples of presumptions and to be sure the examples were not a limited list. She said if the complaint is filed alleging facts that fit into these examples, the Board would presume coordination, unless there was evidence to rebut the presumption. She said it is not possible to write into any code all of the things that someone might come up with.

Ms. Tara Lujan entered at this time.

Ms. Martinez agreed that the general definition is very broad and captures what Mr. Harrington talked about.

Ms. Kovnat thought the preface of K in the general definition would capture most of what Mr. Harrington said. She said examples were commonly expressed in other jurisdictions and were issues in Santa Fe in the last election.

She said the subcommittee thought it viable to specify on questions such as: "does the Sierra Club's invitation to a candidate to a meeting constitute an expenditure". She said that is not.

Ms. Martinez confirmed on K (2) when stating that *an expenditure will not be presumed*; that means that there is no presumption, not that there is a presumption that it is not coordinated. There is no presumption at all.

Ms. Beninato said page 4, (3) (b) *an individual or entity...would not be presumed to be a coordinated expenditure when the individual or entity making the expenditure has endorsed a candidate*. She thought support, endorsement is coordination. She said if not, how can it not be presumed to be an expenditure. She said that does not make sense to her.

Ms. Kovnat said there is free speech. There are many community organizations and organizations that want to support issues and the candidates who are in favor of those issues. She said the fact that there

is that group that endorses a candidate; it serves their purpose. The money that it spends cannot be contributed to the candidate. Ms. Kovnat said that would be a barrier to free speech beyond imagination.

Ms. Lujan said she echoes that; an endorsement is not the same as coordinated, because there is not an exchange of expenditure or money involved.

Ms. Kovnat said coordinated contributions are a big piece and the other big piece is the revision of the Public Finance Code. The purpose of the revision is to give the publically financed candidate some ability to raise funds to combat a privately financed candidate, or the expenditure of a lot of independent money. The current code has a seed money provision and a qualifying provision and all of that is eliminated in the new provision.

The new provision will permit a publically financed candidate to raise contributions of no more than 100 dollars from an individual contributor. A candidate running for the office of mayor would have to qualify by having 600 qualified contributions of no less than \$5 up to \$100 from each of the 600 people. Candidates running for office of City Council would still have to have 150 people that give no less than \$5 dollars but up to 100 dollars.

She said the candidate would then be entitled to a city match for the additional money the candidate is allowed to privately raise. She said the theory is that the money will enable the candidate to run a campaign against a privately financed or independent PAC driven candidate. She said that is the major change.

Mr. Biderman said to explain the rationale as he saw this; if someone is opposed by a PAC supported candidate, it would no longer matter under this approach whether there is a specific amount coming in, or how much. A candidate, who is not getting that support, will have the freedom to raise contributions, but small ones. He said under the current provisions candidates are limited in what they can raise regardless of how much your opponent benefits from PAC contributions. He said this is being tried at the legislature as well. He said previously he raised the question about the \$100 dollar limit and would like to speak to that when appropriate.

Mr. McMillan said he understands the rationale for the qualified small contributions, but was hoping to hear about why the \$5 contributions are required, especially in light of the public 'pushback' on the issue. He asked the roots of that.

Ms. Kovnat the subcommittee left that in with the hope that would be discussed in a public forum. She said initially that was because the city did not want to spend money on people who were not serious candidates. The thought was that the requirement to get \$5 each assured these were serious candidates who had support and should be afforded the benefit of public money.

Ms. Kovnat said the subcommittee discussed alternatives to that, but the idea is to qualify as a publicly financed candidate they need to show they have some support; maybe it is more in petition signatures rather than 5 dollars. She said it was left in the current code, but a substitute needs to be crafted to satisfy the need to assure the seriousness of a candidate.

Mr. McMillan said he assumes that along with the \$5 contribution there is a signature. He asked if the signature is verified and if verification is possible.

Mr. Shandler said currently a certain number of petition signatures is required and verified against the County Clerk database to see if they are qualified electors. He said the publicly funded candidates

have additional paperwork; half sheet papers that people fill out. That is also verified against the county clerk's database.

He said under this proposal a candidate would still have to do petitions, but their campaign reports would be submitted instead of the half sheet papers. A certain number of people who give money must be qualified electors and the campaign reports are used to double-check against the clerk's database.

Mr. McMillan asked if the signatories provide a home address or corroborating information other than a name and signature.

Ms. Vigil explained the nominating petitions require the registered name and registered address and their signature. The phone number is required on the qualifying contribution forms in addition to that.

Mr. Harrington said there would still be a requirement under the proposal for submitting a form with each contribution under 100 dollars.

Ms. Beninato said in terms of the signature and \$5; the fact that people sign the petition means that the person is a serious candidate. She suggested increasing the number of signatures needed. She said getting \$5 from people is extremely awkward, especially in the first round. She thought it may be too much money for some people to give even though they want to support a candidate.

She thought it would be more egalitarian to require more signatures, but no money. She said at some point you have to decide not to deal with the PAC money and "hope people get it" or you will wind up spending all of your time. She said the whole idea of public money is defeated when you then have to get more money, because you are countering a PAC that is spending money.

Ms. Beninato said it is too bad they can't take money away from candidates supported by PACs, because that would be the best solution. She said disclosure is really important; if they knew who is playing the game and one PAC gives to another PAC who gives to a third PAC you cannot trace who is giving what. She would like to know who these people are; is it unions; the conservation groups; the pro-America groups. She said PACs do not have to post their purpose and it is like an anonymous donor. She said the less anonymity in donors is what will help bring light to this and possibly get people to stop using PACs and just support the candidate; or not.

Ms. Kovnat pointed out that tackling disclosures will be the next task of the subcommittee.

Ms. Heldmeyer said she assumes you can initially get \$5 or \$10 and then go back and ask for the other 90 dollars. She said one of the reasons that people supported public financing is so their campaigns would not turn into a campaign-long fundraise and that means that would be out the window. She said if you need more money you will try to get it and that will shift the focus of campaigns.

She said also on the discussion whether there is enough money, especially in a mayoral year, they are talking about a great deal more money than in the last election. She said if there is not enough money and everyone takes a cut, that makes the PACs that much stronger. She said when people in Santa Fe supported the Charter Amendment for public financing they did it for a couple of reasons; to make the campaigns about issues and not about money. She also heard people say they did not like the smear campaigns or push polls and out of town people knocking on their door several times a week. She said all of those things were bought in the last election.

Ms. Heldmeyer said Common Cause has good intentions, but she is afraid in light of what the Supreme Court has done that people are going to lose faith in public financing because it will not do what people

voted for. Ms. Heldmeyer said some will be even more irritated because more money will be involved. She said that is something the ECRB needs to think.

Ms. Kovnat said Ms. Heldmeyer's comments are spot on. She said speaking as one member of the Board; she thought their responsibility is to do the best they can within the limits of the Supreme Court interpretation of the First Amendment. She agrees that the underlying reason for public financing was to curb the impact of money and campaigns and free candidates from the need to raise money all of the time. She said the Supreme Court has made it impossible for a public body to regulate the amount of money in a campaign, as long as that amount is independent. She said this is an effort to give the publicly financed candidate some ability to combat that.

She said she feels the obligation is to do the best they can. She said this is a small community and Santa Fe might be a model if they can make this work. She said they cannot eliminate money in campaigns anymore.

Mr. Biderman said if we walk away from public financing or choose to do this the easy way and let the PACs do their thing, we are basically rolling over and letting the Supreme Court call the shots. He said one thing lawyers know is that the law changes and the Supreme Court rulings change. He said part of the way that happens is when pressure comes from people that say the Supreme Court got it wrong and we will show you it is wrong by taking every opportunity to challenge what you have done as far as the law allows, without violating the law. He said eventually things do change.

He said if they do not keep the pressure up by sending the signal that we are committed to this as far as this can be done, it would be a big mistake.

Ms. West said she was glad that the Board is wrestling with the issue. She thought when the Board gets to the part about disclosure, revisiting the issue will be easier. She told about a friend of hers who sent a comment in to her newspaper in relation to Senator Wirth's campaign-finance transparency. Her friend said until there is a change in the Supreme Court, the consequences of Citizens United will likely not be revisited; however there are many states where citizens at least have the right to monitor who is giving to whom.

Ms. West said she thought that key and is looking forward to the discussion on how much muscle can be put on disclosure and monitoring.

Mr. Harrington bought that when people think about getting money out of politics, they are thinking about two different things. One is that fundraising takes so much time, and nothing can be done about that. He said the other thing is that some contributors may take large contributions and is inevitable there will be a sense of gratitude and influence over public decisions. He said this law would do something about that.

Ms. Kovnat said it may be that the Board should not come to an action today until the subcommittee works on disclosure.

Mr. Biderman suggested the Board give thought to the \$100 limit. He talked about being impressed by the Oregon Senator Wayne Morris who voluntarily would not take a contribution over a certain limit, because he thought it too likely to be seen as an influence. He said the Senator's limit was 100 dollars.

Mr. Biderman said he wonders if \$100 is an appropriate limit; but on the other hand he realizes the higher they go with the limit, the more they are in fact bringing money back in, fund raising back in and

that starts to take away the value of having public financing. Mr. Biderman said he is not advocating a different limit, but thought it worthy of discussion.

Ms. Kovnat said she likes the \$100 limit and thought it reasonable for this community.

Mr. Harrington said he thought in Santa Fe a \$500 contribution would be in the top 1% of contributors to council candidates. He said that is what they want to avoid.

Ms. Beninato said there was a proposal that when PAC money was spent the city would provide more money to the public candidates who were not publicly financed and did not have PAC support. She said that could get to be quite expensive and unpredictable. She said if they take money out and candidates do not have to raise money, they could look at issues and is part of why they did public financing. She thought there could be other alternatives to give more money if the PACs oppose a candidate that is publicly financed.

She understands that the Supreme Court tied their hands, but likes Mr. Biderman's approach to keep pushing the limit to finally get a court to recognize they made a mistake. She said that will never happen if the courts are not given a case to look at again. She thought it a good idea for the Board to wait before taking action until they look at disclosure and know what part plays which role.

Ms. Heldmeyer said Mr. Harrington may not think that \$100 buys influence, but sometimes people who give \$100 think it does and she has returned the money twice. She said this is not statewide or national campaign; they are talking a small local campaign.

b) Update on Status of Campaign Laws at the State Legislature.

Mr. Biderman said his report last month included two campaign bills carried by Senator Wirth (SB58- a Campaign Public Financing change); SB278 (on Campaign Finance reform) and HB115 (the State Ethics Commission Bill). He said all three are sitting in the House Judiciary Committee.

He said he has real concerns that the bills may not happen. He said 278 passed both House referrals with one dissenting vote out of two committees, but as of today is still not on the House Judiciary agenda and is disturbing.

Mr. Biderman said SB289 (adds legislators to the public financing) is still in the Senate Rules Committee as it was a month ago; HB205 by Representative Garcia also adds legislators to publically financed state races and passed out of the House Judiciary with no recommendation and is now in its third referral to the House Appropriations and Finance Committee.

He said all of the bills except 58 would have to get through another committee and through the floor of the House and then go to the governor. He said SB58 has to go to the floor of the House and SB289 has to get out of its first committee, the Senate Rules Committee.

Ms. Lujan said she was late because she was working on bill SB675 that addresses the truth in political advertising. She said they are looking to create a rating system; a "truth meter" on advertising during campaigns and the bill will go to House Judiciary today. She said there is a stall on this type of bill.

Mr. Harrington said SB278 is a popular issue and polls at 92% in favor of full disclosure of who is supporting candidates and issues. He said no one wants to be seen voting against it or to veto it and are trying to prevent it from getting to that point. Mr. Harrington said the religious conservatives are hostile to disclosure and the lobbyists are working that.

Ms. Beninato said she analyzed the bill Ms. Lujan spoke of and it was a good bill. She asked Ms. Lujan to share that with the Board members. She thought it would add to the disclosure part of the public financing law. She said ads would have to be approved or say they are not approved and incur a penalty. She said even PACs would have to do that and there would not be the anonymous attack ads that come out at the last moment, or they are subject to heavy fines. She said to her this is about how to deal with PACs and how to make a level playing field.

c) Incentives and Disincentives to Public Financing, Including Matching Fund Proposals

Mr. Shandler said Mr. Miller asked that this item be on the agenda to be sure the subcommittee included this as part of their proposal and today's discussion. He said these items were addressed in 2 (a) and if not, could be addressed in the next topic.

d) Next Meeting and Topics for Consideration

Ms. Vigil said the next meeting is on April 15th at 3 p.m.

Ms. Kovnat said the task for the subcommittee between today and the next meeting is to work on disclosures and have a subcommittee substitute language for the \$5 provision in the current draft.

Mr. Shandler said Chairman Miller wanted to start the discussion about the parties and whether Common Cause's proposal to raise \$100 and get a four-time match, is the appropriate steps for the future of public funding.

Ms. Kovnat confirmed that topic is also to be included in the working draft.

Ms. Lujan asked about having the meeting at a later time on Wednesday the 15th, so more people could attend.

Ms. Vigil said the meeting for April 15th, could be a later meeting because there is nothing scheduled later. She is not sure that all of the meetings would allow starting later.

Ms. Lujan moved to change the meeting time to 5:00 p.m. if appropriate, to open up more opportunities for the public to attend the meeting.

Board members discussed the change to the meeting time for future meetings.

Ms. Vigil confirmed that all of the meeting times and dates were set at three p.m. through the end of June and the schedule is published on the website.

Mr. Thompson suggested they first check to see if moving the meeting is possible. Ms. Vigil recommended the motion be made based on availability. She said she would need to verify if the Council Chambers are available. Ms. Vigil said press releases have been sent regarding the times, but it would be the Board's call.

There was no second to the motion and Ms. Lujan withdrew her motion.

3. BOARD MATTERS

Mr. Biderman said his understanding is that what the Board drafted is still a work in progress and subject to fine tuning, especially in the regard to the disclosure discussion.

Ms. Kovnat confirmed that the draft is a working draft.

Mr. McMillan suggested the Board consider one evening meeting before furnishing a proposal to the Council to have as full public participation as possible, based on what the Board hopes to propose.

Ms. Vigil clarified the difference in the forms for Vice Chair Thompson: the seed money form has the contributor's name, their home address, telephone number, occupation and name of employer. The qualifying contribution form has the contributor's name and the *registered* address, not their home address and their telephone number.

Mr. McMillan asked if both forms are verified by using the address or if there is a spot check where people are telephoned and asked if they signed the form.

Ms. Vigil said she does not call the numbers to verify, but does put all of the information regarding reports on the website. She said the thought is the candidates will bring it to her attention if there is a problem. She said with the qualifying contributions she does use the registered voter list to verify.

Ms. Lujan added that is also what happens at the Secretary of State's office as well. She said if anything is countered by another candidate or looks like falsification that is why there is additional information.

Mr. Thompson said he wanted to clarify that he was tempted to support Ms. Lujan's motion, but was swayed by the fact that the meetings have already been publicized. He expressed future support for changing the time after June, so the public has access and scheduling that might work better for others.

4. PUBLIC COMMENT

Ms. Beninato said she appreciated Ms. Lujan's suggestion. She thought they get so few people because the meeting is at three. She said she saw the ad in the paper, but couldn't drop everything to come to a meeting at three, but she can take a break by five. She liked the idea of at least one, possibly two meetings in the evening to discuss the Board's proposal.

Ms. Lujan asked if the advertising states that the dates are subject to change. Ms. Vigil said she could not recall and will check that.

Mr. Thompson thanked the Board and the public for their comments and Mr. Biderman and Ms. Lujan for their information on the legislature.

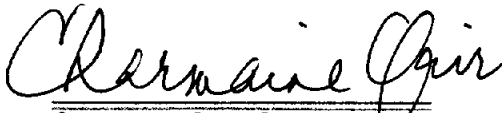
5. ADJOURNMENT

There being no further matters to discuss and the agenda having been completed, the meeting adjourned at 4:38 p.m.

Approved by:

Roderick Thompson, Vice Chair

Submitted by:



Charmaine Clair, Stenographer