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Report: Prohibit Lobbyist Donations

N.M. Think Tank Advocates Ban

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SANTA FE — New Mexico should ban political contributions from lobbyists, governmental contractors and those seeking targeted taxpayer-financed subsidies, according to a new report released by an independent think tank.

Think New Mexico's proposals came in response to a series of recent public corruption scandals, including the convictions of two former state treasurers, a former state Senate leader and the indictment earlier this year of a former secretary of state.

"By banning political contributions from contractors and lobbyists to elected officials, we can establish a bright line between legal and illegal behavior, restore public trust in government and take an urgently needed step to change the culture of corruption that continues to hold New Mexico back," the group said in the report, which will provide more ammunition for advocates of campaign finance and ethics reforms.

Currently, there's no limit on campaign contributions to legislators and candidates for statewide offices such as governor.

However, that will change after next year's general election. A new law will cap contributions at \$5,000 per election for statewide candidates and \$2,300 for candidates for the Legislature and other non-statewide offices.

But the think tank recommends taking additional steps

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to stop contributions from those trying to influence governmental decisions, as well as those after contracts or subsidies and benefits targeted to particular companies, such as a financing proposal the Legislature considered earlier this year for an Albuquerque real estate development.

To illustrate why contractor contributions should be banned, the report pointed to the 2006 trial of former state Treasurer Robert Vigil.

Federal prosecutors played a videotape to jurors of Vigil accepting more than \$10,000 in cash from an investment adviser seeking business from the Treasurer's Office. Prosecutors alleged the payments were illegal kickbacks in exchange for Vigil steering state business to the investment adviser. However, Vigil's defense argued that the payments were legal campaign contributions.

Vigil was acquitted on extortion and racketeering charges but convicted of a single count of attempted extortion — a charge not related to the cash payments, which were part of a government sting operation.

"This defense underscores the frequently murky line between bribes and campaign contributions when they are made by those seeking state business," the report said.

Current law restricts contractor contributions only during the procurement process.

Once a government solicits bids and until it awards the contract, a company seeking the business deal can't make contributions to state and local officials with influence over the selection of the contractor. However, contributions can be given shortly after a company wins a contract or before bids are solicited.

The think tank proposes to expand the ban on contractor contributions, having it remain in place for two years after a contract is completed. Prospective contractors would also be barred from receiving a contract if they had made contributions within the previous two years to officials with influence over the awarding of the contract.

The group also proposes prohibiting "bundling" of contributions to state and local elected officials by lobbyists, contractors and those after targeted financial benefits from the government.

Bundlers help raise contributions from other individuals or companies on behalf of a candidate, political party or political action committee.

The restrictions on bundlers and those seeking government subsidies are broader than campaign finance measures considered recently by lawmakers. Bills to prohibit contributions by lobbyists, contractors and corporations failed in the Legislature earlier this year.

The Santa Fe-based think tank has been active in policy debates in the Legislature for a decade and successful in pushing several initiatives, including a food tax repeal and an overhaul of title insurance pricing.