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STATE OF NEW MEXICO  
OFFICE OF THE SECRETARY OF STATE

PROPOSED RULE MAKING HEARING  
July 19, 2017  
9:02 AM  
Dona Ana County Government Center  
845 North Motel Boulevard  
Las Cruces, NM 88007

REPORTED BY: Fatima M. Sanchez, RPR, CSR, CCR  
NM CCR #509  
RUSSIN REPORTING, LLC  
340 N. Water Street  
Las Cruces, NM 88001

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I N D E X	
	PAGE
PUBLIC COMMENT	10
REPORTER'S CERTIFICATE	34
EXHIBITS	MARKED/IDENTIFIED
1. Sign-in Sheet	32

1           MR. LANGE: The hearing will now come to  
2 order. Today is July 19th, 2017. The time is 9:02 AM.  
3 We're assembled at the Doña Ana County Government  
4 Center in Las Cruces, New Mexico.

5           My name is Dylan Lange, the assistant attorney  
6 general. And I'll be acting as the presiding officer  
7 for today's public comment rule hearing. The purpose  
8 of this hearing is for the New Mexico Office of the  
9 Secretary of State to receive public comment, views and  
10 testimony on its proposed rule to be codified as  
11 1.10.13 NMAC.

12           The Secretary of State welcomes anyone present  
13 at this hearing whether in person or online.

14           SECRETARY TOULOUSE OLIVER: Good morning,  
15 ladies and gentlemen. I just want to say a quick  
16 introduction and welcome. I'm Maggie Toulouse Oliver,  
17 the Secretary of State. And I wish there were a few  
18 more folks here. But as I've said hello to each of you  
19 individually, I just want to say hello again. Thank  
20 you very much for being here and for participating in  
21 this important process. And I look -- my staff and I  
22 look very much forward to hearing from you-all this  
23 morning. Thank you.

24           MR. LANGE: This hearing will be conducted  
25 pursuant and in accordance with NMSA 1978

1 Section 1-19-26.2 which authorizes the Secretary of  
2 State to adopt and promulgate rules and regulations to  
3 implement provisions of the Campaign Reporting Act.  
4 The APA NMSA Chapter 12, Article 8 and the State Rules  
5 Act, Chapter 14, Article 4.

6 Public notice for this hearing was advertised in  
7 the New Mexico Register on June 13th, 2017, and in the  
8 Albuquerque Journal, Santa Fe New Mexican and the  
9 Las Cruces Sun-News on June 13th, 2017. Copies of the  
10 proposed rules have been available at the Secretary of  
11 State's Office since notices were published. Copies of  
12 the proposed rules were also published at the Secretary  
13 of State's websites and are available to anyone in  
14 attendance today in the back of the room. Copies of  
15 the proposed rules were also available upon request as  
16 of June 13th, 2017, through the Secretary of State's  
17 Office.

18 This hearing is also being live streamed on the  
19 Secretary of State's website at  
20 <http://www.sos.state.nm.us>. May I remind everyone to  
21 sign the attendance sheet that will later be entered as  
22 an exhibit into the record of this hearing.

23 Let the record show that staff from the  
24 Secretary of State's Office is present; Secretary of  
25 State Maggie Toulouse Oliver, Deputy Secretary of State

1 John Blair, Elections Director and Chief Information  
2 Officer Kari Fresquez and Deputy Elections Director  
3 Mandy Vigil.

4 This is a formal proceeding. A court reporter  
5 has been designated to transcribe the proceeding. A  
6 transcript of this hearing will become part of the rule  
7 of hearing record. Therefore, persons recognized to  
8 testify or offer comment are asked to identify yourself  
9 each time you address the presiding officer and speak  
10 loudly and clearly so the hearing officer -- the court  
11 reporter may hear you and be able to pick up your  
12 comments.

13 The hearing will be conducted in the following  
14 manner. I will be hearing testimony and comments from  
15 the audience. If you have indicated that you would  
16 like to testify, you should have signed your name on  
17 the corresponding attendance sheet. So if you'd like  
18 to speak on definitions, please make sure that you've  
19 signed up on that attendance sheet.

20 We'll proceed in numerical sequence through each  
21 part of the proposed rule. I will call individuals to  
22 testify in the order they have signed up.

23 After public comment is given on the specific  
24 sections of the rule, I will call for general comment.  
25 If you would like to give general comment about the

1 proposed rule, please save your comment until the  
2 general comment period. Speakers will address only one  
3 part of the rule at a time. Until the general comment  
4 period, please limit your testimony only to the part of  
5 the rule that we are receiving testimony on.

6 The SOS does not follow the rules of evidence  
7 but shall, to induce efficiency, reserve the right to  
8 limit all exhibits, testimony and commentary as it's  
9 deemed irrelevant, redundant or unduly repetitious.  
10 The decision as to whether such exhibits, testimony or  
11 commentary is irrelevant, redundant or unduly  
12 repetitious shall be made by me, the presiding officer.

13 After a person has testified or offered comment,  
14 any member of the audience wishing to ask a clarifying  
15 question may do so after being recognized by the  
16 presiding officer. Each person recognized by me shall  
17 identify him or herself for the record. Questions will  
18 be limited to only clarifying questions.

19 This is a public hearing intended to provide the  
20 public with an opportunity to voice opinions on the  
21 proposed rule. The public hearing is now open, and the  
22 Secretary of State's Office would like to incorporate  
23 by reference all exhibits that we've received prior  
24 to -- in our two public ruling hearings, the one in  
25 Santa Fe and one in Albuquerque. Those include the

1 legal notice published in the New Mexico Register, the  
2 legal notice published in the Albuquerque Journal,  
3 Santa Fe New Mexican and Las Cruces Sun-News, the  
4 proposed rule in its entirety, any written comment  
5 we've received at those public hearings and any and all  
6 written comment that our office has received throughout  
7 this whole public comment period.

8 We do -- we will offer as an exhibit all written  
9 comment that we've received in the office not  
10 introduced by the close of business at 5:00 o'clock.  
11 That is when up until we are receiving written comments  
12 on this rule. After 5:00 o'clock, we will admit then  
13 all documents that we've received as written comment on  
14 this rule and will be attached as an exhibit to the  
15 final record.

16 Any persons wishing to submit additional written  
17 testimony may do so after being recognized by me, after  
18 their comment or at any time during the process. I'll  
19 ask any person who will be testifying or commenting at  
20 this hearing to please rise and be sworn in. So if you  
21 do intend to give testimony, please stand then raise  
22 your right hand.

23 [Witnesses sworn.]

24 MR. LANGE: Thank you. Let the record show  
25 that all persons intending to testify or comment at



1 this hearing have sworn or affirmed that his or her  
2 testimony or commentary is truthful.

3 I will now open the floor to the audience for  
4 testimony and comment on each part of the rule. The  
5 audience may ask clarifying questions to each person  
6 after providing his or her testimony. To begin, may I  
7 see a show of hands of how many people in attendance  
8 support the rule? And how many people oppose the rule?  
9 Thank you.

10 I don't believe anyone has signed up for  
11 Section 1, "Issuing Agency." Is there anyone in  
12 attendance here who would like to speak on Section 1,  
13 "Issuing Agency"?

14 Seeing none, we'll move to Part 2, "Scope." No  
15 one has signed up to speak on the policy of "Scope."  
16 Is there anyone here today in the audience who would  
17 like to give testimony to Scope?

18 Seeing none, we'll move to Part 3, "Statutory  
19 Authority." No one has signed up to speak on Part 3,  
20 "Statutory Authority." Is there anyone in the audience  
21 who would like to speak on that?

22 Seeing none, Part 4, "Duration." No one has  
23 signed up. Is there a member of the audience who would  
24 like to give comment on Part 4?

25 Seeing none, we'll move to Part 5, "Effective

1 Date." No one has signed up. Is there a member of the  
2 audience who would now like to give testimony on  
3 Part 5?

4 Seeing none, we're moving to Part 6, the  
5 "Objective." No one has signed up to give public  
6 comment. Is there a member of the audience who would  
7 like to give comment on Part 6?

8 Seeing none, we will move on to Part 7,  
9 "Definitions." Ms. Fresquez?

10 MS. FRESQUEZ: Thank you, Mr. Lange. Part 7  
11 entitled "Definitions," this section defined important  
12 terms used in the rule and the Campaign Reporting Act  
13 such as "Advertisement," "Ballot measure," "Coordinated  
14 expenditure," "Independent expenditure," "Loan,"  
15 "Debt," "Treasurer" and others.

16 MR. LANGE: Thank you. First person on the  
17 list is Mr. Michael Aguilar. Please come forward.

18 MR. AGUILAR: Good morning. I just have a  
19 couple comments based on some of the language in the  
20 proposed rule change. Starting with -- right at the  
21 top in Section -- Part A, "Advertisements." The  
22 definition of advertisements is pretty broad. It  
23 includes terms like "print" that are very vague and can  
24 be interpreted differently based on the person who  
25 chooses to interpret these rules.

1 Moving down to "communication," communication by  
2 membership organizations to its members. This process  
3 really doesn't define membership or members. This  
4 could cause some kind of -- excuse me -- confusion for  
5 many organizations like mine that the -- and groups as  
6 to which of their communications should be considered  
7 as advertisements or not.

8 Going down to Part F, we have "Coordinated  
9 expenditure." So attempting to define coordination in  
10 this matter could lead to false accusations and/or  
11 unattended coordination by like-minded individuals or  
12 brief conversations in which a candidate mentions a  
13 need or a struggle that is then interpreted by an  
14 individual as a suggestion for help.

15 Moving right along to "Earmarking." Unless a  
16 final draft of a given expenditure is provided to a  
17 donor, that donor is unable to explicitly agree to  
18 earmark their donation for expenditures that could  
19 cause their name and address to be subject to public  
20 disclosure.

21 "Expressly advocate," the nature of this  
22 definition for this -- for this word is up for  
23 interpretation. And it will be nearly impossible to  
24 set a precedent for M, or "Independent expenditure."  
25 It's unclear if only one of the three parts of Item 3

1 must be evident to be considered an independent  
2 expenditure or all three parts must be evident.

3 Part B by 3 in this section will undoubtedly  
4 classify the issue-based advocacy work and information  
5 and publications of many nonpolitical groups as  
6 independent expenditures, thus requiring them to  
7 disclose their donors. And that's all I have for you  
8 today. Thank you.

9 MR. LANGE: Thank you. Next on the list is  
10 Viki Harrison.

11 MS. HARRISON: Thank you very much. Viki  
12 Harrison, Common Cause New Mexico. We appreciate the  
13 secretary holding these hearings in three places in the  
14 state. That's three times above and beyond what you  
15 have to do, and we do appreciate that. Of course, that  
16 means you get to hear from advocates three or four  
17 times.

18 I just want to say on the definitions, there is  
19 a lot -- I appreciate what the gentleman said before  
20 me. But a lot of these definitions have been taken  
21 from existing federal law and federal court cases and  
22 have been vetted for that. And so I think that  
23 particularly for us, M, on being able to narrow the  
24 definition of "independent expenditure," is incredibly  
25 important because all of the court cases that have

1 struck down cases of our current Campaign Reporting Act  
2 for being incredibly broad. And by narrowing it down  
3 and really drilling down on the pieces that those  
4 groups who are truly non-major purpose and not doing  
5 express advocacy, which has been defined for many, many  
6 years, then they will not be caught up in this.

7 What they will be caught up in is when they do  
8 jump in and do express advocacy, which means, you know,  
9 vote for or vote against or do any kind of issue  
10 advocacy right before an election. Both have been  
11 vetted by the court not only in the 10th Circuit, but  
12 as well as the supreme court. And with that, I'm just  
13 going to end with something I rarely do.

14 But a little quote from Justice Scalia, who, as  
15 we all know, was part of the, you know, group that  
16 passed Citizens United and said, "Let's just open the  
17 floodgates on money" with the assumption that we would  
18 know where it came from. And the year before Citizens  
19 United, in another case, Scalia said, "Requiring people  
20 to stand up in public for their political act fosters  
21 civic courage, without which democracy is doomed."

22 For my part, I cannot look forward to societies  
23 which, thanks to the supreme court, campaign  
24 anonymously hidden from public scrutiny and protected  
25 from the accountability of criticism. This does not

1 resemble the home of the brave. Thank you very much.

2 MR. LANGE: Has everyone who signed up for  
3 Section 7 -- is there anyone from the audience who  
4 would like to speak on Section 7?

5 Seeing none, we'll move on to Section 8. No one  
6 has signed up for Section 8, "Candidate Campaign  
7 Committee Registration." Is there a member of the  
8 audience who would now like to speak on Section 8?

9 Seeing none, we'll move to Section 9,  
10 "Withdrawing from Candidacy." No one has signed up for  
11 Section 9. Is there a member of the public who would  
12 like to speak on Section 9?

13 Seeing none, we'll move to Section 10,  
14 "Political Committee Registrations." No one has signed  
15 up. Is there a member of the public who would like to  
16 comment on that section?

17 Seeing none, we'll move to Section 11.

18 Ms. Fresquez?

19 MS. FRESQUEZ: Section 11 is entitled  
20 "Reporting of Independent Expenditures." This section  
21 verifies how entities shall disclose independent  
22 expenditures with the Secretary of State including when  
23 and how to disclose the source of funds used for the  
24 advertisement, as well as the dollar threshold that  
25 triggers and requires disclosure. This section further

1 verifies that candidates are not required to report  
2 independent expenditures.

3 MR. LANGE: Thank you for some of the  
4 lessons. Ms. Harrison?

5 MS. HARRISON: Thank you again. Section 11  
6 is, what I previously mentioned to you, a narrow -- it  
7 narrowed the reporting for those who do not have a  
8 major purpose of playing in elections. And so these  
9 are for people who every now and then do a political  
10 advertisement, which they can absolutely do as a C4.

11 And so every now and then, they throw out an ad  
12 or do a mailer or do a door hanger. And then this  
13 gives them a mechanism. Again, court cases have said  
14 these are great thresholds, good language, and -- but  
15 it's not their primary purpose.

16 So for example, Common Cause New Mexico, we  
17 don't plan elections, but if there were a ballot  
18 measure that came up around one of our issues -- public  
19 financing, ethics, disclosure, good voter bills -- then  
20 we would do that, and we would fall in this. And if we  
21 spent this -- so this is really narrowing, because,  
22 again, our current Campaign Reporting Act says anybody  
23 who spends \$500 to influence an election in a year --  
24 and that's just -- the courts obviously have said,  
25 "That's insane. You can't require that much."

1           So we really appreciate the Secretary working to  
2 really draw down and say, you know, again, "These are  
3 people who have either earmarked their donations for  
4 the ad or they reach a certain threshold of \$5,000."

5 Thank you very much.

6           MR. LANGE: Mr. Aguilar, you're next.

7           MR. AGUILAR: Good morning. And I just  
8 wanted to clarify, last time I came up here, I didn't  
9 introduce myself. My name is Michael Aguilar. I'm the  
10 executive director of the Southern New Mexico Business  
11 Alliance.

12           So moving forward, we have Section 11. We go  
13 down to Part C, in the 12-month period to donate up to  
14 \$200, that's not really causing the disclosure of  
15 people contributing "dark money." But it's really the  
16 average citizens who have donated their hard-earned  
17 money to a particular cause that may have produced  
18 incidentally political independent expenditures,  
19 according to the vague definitions listed elsewhere in  
20 this rule.

21           These ordinary citizens should not be subject to  
22 their name and address being made public and  
23 associated -- excuse me -- in association with any  
24 given organization. A series of small donations  
25 equaling \$200 within a 12-month period will not buy an



1 election. Additionally, the process of recording every  
2 donation by every individual for every 12-month period  
3 rather than a calendar year or election cycle is  
4 burdensome to many small organizations like mine by  
5 consuming time and the money for staff or volunteers.

6 MR. LANGE: There are no other names on the  
7 sign-in sheet. Is there a member of the public who  
8 would like to speak on Section 11 at this time?

9 Seeing none, we'll move to Section 12. No one  
10 was signed up for Section 12, "General Reporting  
11 Rules." Any member of the public who would like to  
12 speak on this?

13 Seeing none, we'll move to Part 13, "No  
14 Activity." No one has signed up. Is there a member of  
15 the public here today that would like to speak on  
16 Section 13?

17 Seeing none, we'll move to Section 14,  
18 "Supplemental Reports." No one has signed up to speak  
19 on "Supplemental Reports." Is there a member of the  
20 public who would like to speak on this section?

21 Seeing none, we'll move to Section 15, "Late  
22 Filing of Reports." No one has signed up to speak. Is  
23 there a member of the public who would like to speak on  
24 this section now?

25 Seeing none, we'll move to Part 16, "Loans." No

1 one has signed up to speak on Part 16, "Loans." Is  
2 there a member of the public who would now like to  
3 speak on this?

4 Seeing none, we'll move to Part 17, "Campaign  
5 Debts." No one has signed up to speak on "Campaign  
6 Debts." Is there a member of the public who would like  
7 to speak on this section now?

8 Seeing none, we'll move to Part 18, "In-kind  
9 Contributions." No one has signed up for "In-kind  
10 Contributions." Is there a member of the public here  
11 today who would like to speak on this section?

12 Seeing none, we'll move to Part 19,  
13 "Volunteers." No one has signed up for this section.  
14 Is there a member of the public who would like to speak  
15 on "Volunteers" now?

16 Seeing none, we'll move to Part 20,  
17 "Contributions." No one has signed up to speak on  
18 Section 20, "Contributions." Is there a member of the  
19 public who would like to speak on this section?

20 Seeing none, we'll move to Part 21, "Candidate  
21 Designations of Contributions Over the Limit." No one  
22 has signed up to speak on Part 21. Is there a member  
23 of the public who would now like to speak on Part 21?

24 Seeing none, we'll move to Part 22, "Excessive  
25 or Prohibited Contributions." No one has signed up to

1 speak on this specific section. Is there a member who  
2 would now like to speak on this section?

3 Seeing none, we'll move to Part 23, "Date  
4 Contribution is Made versus Date of Receipt." No one  
5 has signed up to give comment on this section. Is  
6 there a member of the public who would now like to give  
7 comment on this section?

8 Seeing none, we'll move to Part 24,  
9 "Earmarking." No one signed up to give testimony on  
10 "Earmarking." Is there a member of the public who is  
11 in attendance now who would like to give comment on  
12 "Earmarking"?

13 Seeing none, we'll move to Part 25, "Candidate  
14 Expenditures." No one has signed up. Is there a  
15 member of the public who would like to give comment on  
16 "Candidate Expenditures"?

17 Seeing none, we'll move to Part 26, "Charitable  
18 Donations." No one has signed up to give testimony on  
19 "Charitable Donations." Is there a member of the  
20 public who would now like to give testimony on this  
21 section?

22 Seeing none, we'll move to Part 27, "Primary and  
23 General Election Cycles for Purposes of Contribution  
24 Limits." No one was signed up to give testimony on  
25 this subject. Is there a member of the public who

1 would now like to give testimony on this section?

2           Seeing none, we'll move to Part 28, "Coordinated  
3 Expenditures." No one has signed up to give testimony  
4 on "Coordinated Expenditures." Is there a member of  
5 the public who would now like to give testimony on  
6 Section 28, "Coordinated Expenditures"?

7           Seeing none, we'll move to Section 29, "Records  
8 Retention." No one was signed up to give comment on  
9 this section. Is there a member of the public here  
10 today who would now like to give comment on this  
11 section?

12           Seeing none, we'll move to Part 30, "Random  
13 Report Selection and Report Review Process." No one  
14 has signed up to give testimony on Part 30. Is there a  
15 member of the public who would now like to give  
16 testimony?

17           Seeing none, we'll move to Part 31, "Disclaimer  
18 Notices on Advertisements." No one has signed up to  
19 give testimony on this section. Is there a member of  
20 the public who would like to give testimony on this  
21 section?

22           Seeing none, that concludes our specific  
23 testimony we're receiving on specific sections of the  
24 rule. I'll now invite anyone who would like to give  
25 general comments about the rule to come forward.

1 Please identify yourself. Thank you.

2 Whoever would like to come first. Sir? Please.

3 Thank you.

4 MR. ELLINS: My name is Lynn Ellins. I'm  
5 the chief deputy county clerk here in Doña Ana County.  
6 I just want to make one short remark. There's been a  
7 lot of press reporting that opponents of the rule  
8 believe that disclosure of a person's identity is an  
9 invasion of privacy and a violation of free speech. As  
10 a former candidate, I'm required to report a  
11 contribution of any amount. And the person who  
12 contributes to my campaign or used to contribute is  
13 also subject to having that name publicly disclosed.

14 I see no difference between that and  
15 contributing to an organization who will then disclose  
16 the name of the contributor. So if there's a violation  
17 of privacy, it's been all over the place for years.  
18 But I don't believe there is. Thank you.

19 MR. LANGE: Next general comment?

20 Ms. Harrison?

21 MS. HARRISON: I was making sure that there  
22 wasn't anybody else, so I didn't jump in.

23 As a general comment, I just want to say that,  
24 you know, again, since the Campaign Reporting Act is so  
25 broad, requiring all of this reporting from anybody

1 spending over \$500, there is not a single requirement  
2 in these rules that has not already been encompassed in  
3 that sweeping mandate. So if you think about it, these  
4 rules are only narrowing what the statute already says.  
5 And the rules are trying to describe a way that the  
6 various courts have done this limited disclosure around  
7 broad mandate.

8         So with these numerous court cases leaving the  
9 Secretary of State's hands basically tied and basically  
10 having to look at every single complaint in the  
11 upcoming election session -- season -- I call it a  
12 "session." They're all sessions -- you would have to  
13 look at them one by one, piecemeal. To me, that's the  
14 true stomping of democracy. That's the true danger to  
15 free speech, is because the independent groups won't  
16 know what the rules are. They'll just have to throw  
17 something out and see how the office deals with it.

18         And the office will go to these same court  
19 cases, because they're the court cases that we have  
20 right now in this circuit and in this country, and come  
21 up with the same thing.

22         So by publishing these rules, you're leveling  
23 the playing field. And, again, only requiring those  
24 people who specifically said, "Use my money for  
25 politics," "Use my money to jump in and take somebody

1 out or put somebody in" -- well, we all know it's to  
2 take somebody out. I mean, negative ads are 97 percent  
3 of these ads. And we just need to have the fair rules  
4 of the game. And that is true free speech. That is  
5 true democracy.

6 And, again, we applaud and commend the Secretary  
7 of State's Office. And we don't say this enough, but  
8 obviously the AG's office as her helpful informative  
9 arm in this process and the staff to not only have  
10 these hearings but to have three instead of one and to  
11 come to Las Cruces and it not just be Santa Fe. Thank  
12 you very much.

13 MR. LANGE: Any other members who would like  
14 to give general comment, please come forward. Well,  
15 Mr. Aguilar --

16 MR. AGUILAR: No, go first. Go ahead. I've  
17 already --

18 MR. LANGE: Okay.

19 MS. BURTON RISELEY: My name is Mary Burton  
20 Riseley. I'm a fourth generation New Mexican now  
21 living in Cliff near Silver City.

22 I didn't intend to speak. I sent in my comment.  
23 I want to thank the Secretary very much. I'm in favor  
24 of all forms of transparency. But I have a question.  
25 It seems like there's no other country where people

1 start campaigning years in advance and that they're  
2 allowed to spend money on ads and collect donations and  
3 everything. And I don't know if the Secretary of  
4 State's rules could include any kind of time limiting  
5 of that.

6 And, of course, I think what would be the  
7 healthiest for our government is public financing. And  
8 I realize that is not in your purview, but thank you so  
9 much for your work.

10 MR. LAMB: My name is Patrick Lamb. I'm a  
11 registered voter here in Las Cruces. I have no other  
12 affiliations with any organization. But I do want to  
13 thank the Secretary of State for holding these meetings  
14 in Las Cruces. Sometimes we get forgotten down here in  
15 the southern part of the state. And I commend you for  
16 taking this step of having this campaign reporting  
17 issue looked at.

18 My wife and I sort of got interested in this  
19 issue when she looked at our money earlier this year.  
20 And since then, I've been concerned about things  
21 like -- and I doubt -- I'm not sure that this  
22 particular proposed rule would affect it -- but the  
23 amount of money that was put into the campaign in  
24 Santa Fe on the soda tax was really quite astonishing.  
25 And I just -- it's an issue, and I think we need to



1 look at where campaigns can be influenced by large  
2 amounts of money even coming from out of state.

3 The other thing I would say is several years  
4 ago, I entertained the possibility of running for a  
5 position in the state legislature. But I talked to the  
6 person who was then holding the seat who was moving on  
7 to another position. I asked her how much it would  
8 cost to run for that office. And she told me -- this  
9 is the state representative office -- about \$40,000.

10 And that occurred to me that that was an  
11 incredible amount of money for a position that you'd  
12 have to spend that amount for every two years. And I  
13 think it keeps a lot of people out of the possibility  
14 that they'd run for public office, which I think is  
15 something we all want to consider. And maybe putting  
16 some sort of limitations would allow more people to  
17 become involved in office.

18 I do completely understand the 1st Amendment and  
19 the right of free speech, but I think it's time to  
20 look, in general, at all aspects of campaign finance so  
21 it's a little bit more open, transparent and makes it  
22 easier for us all to participate in. Thank you.

23 MR. AGUILAR: Good morning. Once again, my  
24 name is Mike Aguilar. I represent the Southern  
25 New Mexico Business Alliance.

1           The Southern New Mexico Business Alliance is a  
2 local 501(c)(4) nonprofit organization dedicated to  
3 fostering a healthy balance between local government  
4 and business. SNMBA, like other 501(c)(4)  
5 organizations, is not required to disclose their  
6 donors. And let me tell you why it's a good thing.

7           Before SNMBA was created, business owners were  
8 quite literally afraid to speak out regarding issues  
9 that they believed in. And I'll tell you why. In the  
10 past, business owners who were targeted by, I guess,  
11 activists who showed up to their businesses, created  
12 boycotts, stood outside their doors completely within  
13 their legal right.

14           But could you imagine owning a business and  
15 having these people chase your customers away all  
16 because you decided to speak up about an issue that you  
17 believed in? And that's what's happening down here in  
18 Las Cruces. In fact, it became so bad that some of  
19 these activists began showing up at these business  
20 owners' homes. And that's all because their  
21 information, their private information, was published  
22 on a government list that was readily available to  
23 anybody who decided to look it up. That created a  
24 threat to their families.

25           It got so bad that one -- a personal friend of

1 mine, who is also a business owner, was forced to hire  
2 private security to keep their home safe. They had  
3 kids -- a wife and kids. And when people start showing  
4 up to your home to speak their minds about an issue  
5 that they believe in, you know, it gets scary.

6 So if you get your way, Madam Secretary, and are  
7 successful in creating laws by convincing the state  
8 legislature and our governor, you'll be putting those  
9 members of our community back at risk. People in our  
10 community will have to chose between being attacked for  
11 their beliefs or remaining silent to protect their  
12 families. It seems to me that we should be leaving  
13 legislating to the legislature. Thank you.

14 MR. NICKLE: Good morning, Madam Secretary  
15 and staff. Thank you for the opportunity to speak  
16 today. My name is Doug Nickle of Take Back Our  
17 Republic. We are a conservative nonprofit engaged in  
18 research, education and advocacy on competent campaign  
19 finance reform. We do so at the local, state and  
20 federal level because we believe that campaign finance  
21 reform is the first and most effective step toward  
22 providing increased access and engagement in our  
23 political system for our fellow citizens.

24 So, first of all, I would like to thank my  
25 fellow citizens for showing up here today. This is a

1 participate sport. And, unfortunately, the turnout  
2 today is reflective of the overall engagement in our --  
3 in substantive issues.

4 We have plenty of people involved in visceral  
5 and emotional issues of the day. But, unfortunately,  
6 those issues will never be resolved until we increase  
7 the regulations on campaign finance that fuel the  
8 system, that put money in the system and regulate the  
9 behavior of our elected officials. And so we think  
10 very much that this is a keystone issue to reforming  
11 the systemic laws within our -- within our democracy.

12 I'd like to offer a couple very specific  
13 comments first, some of which will address both the  
14 opposition viewpoint, as well as those who support  
15 these reforms. SB-96 was a legislative approach to the  
16 issues that we're discussing within these rules and  
17 regulations. SB-96 passed, in a large bipartisan  
18 fashion, the State House. It had broad-based  
19 bipartisan support in the state legislature and was  
20 sent to the governor; and, by her prerogative, she  
21 vetoed it.

22 I also think that it is the Secretary of State's  
23 prerogative to enforce these rules that enjoy  
24 92 percent support among the public. That's 92 percent  
25 across every demographic. That's 92 percent support

1 from all parties including third parties and  
2 unrecognized parties. So I think that SB-96 endeavored  
3 to do what the legislature tried to do. And it  
4 added -- provided increased access to our system. It  
5 provided increased transparency and disclosure to our  
6 system. So in reality, I think the Secretary of  
7 State's Office is, in fact, going back to what the  
8 public wanted in a sense of direct democracy.

9       General comments on public -- or, excuse me --  
10 on campaign finance, we're at a point of unprecedented  
11 visceral rancor in our country right now. We keep  
12 having petty ideological debates on a range of issues.  
13 Everybody has a number of issues about which they can  
14 and should be passionate about. However, these  
15 ideological debates will to be -- will continue to  
16 occur until we address what is fueling our public  
17 system and our democracy.

18       Until we can make some substantive changes, many  
19 of which the rules that you're proposing, Madam  
20 Secretary, do, we are going to just continue to shout  
21 at each other. So from the general sense, whether  
22 you're conservative, whether you're a liberal,  
23 republican, democrat, whatever label you ascribe to  
24 yourself, at the end of the day, those ideological  
25 debates mean nothing until we reform the system to

1 reflect the direct -- democracy we grew up thinking we  
2 actually had.

3 So I think this is a positive first step. And  
4 with these steps that we're taking through these rules  
5 and regulations, I have a firm belief that we can then  
6 incrementally take large steps to increase  
7 participation and engagement in our political process.  
8 Thank you.

9 MR. KRAHLING: Good morning. And I'm sorry  
10 I wasn't here at the beginning to welcome you. My name  
11 is Scott Krahling. I'm the Doña Ana County Clerk, but  
12 I'm also a voter. Thank you so much, first, for being  
13 here in Las Cruces. I hope that you don't see a small  
14 group -- a very committed, great group. Don't get me  
15 wrong -- and think that this was not a successful  
16 attempt. This was just hopefully the first attempt.  
17 And the more that we do this, I think that more people  
18 will show up the more we practice this.

19 We're used to it. We're not used to state  
20 agencies giving us attention. So thank you for doing  
21 that. And please come back and do it again.

22 I just want to express that, for me, there's no  
23 reason to be afraid of transparency when our goal is to  
24 get people to vote. We should do what we can to  
25 restore trust in our political process and get people

1 to participate in democracy. So I wholeheartedly  
2 appreciate your attempts to shine the light on the  
3 money that is trying to buy our democracy. Thank you  
4 very much.

5 SECRETARY TOULOUSE OLIVER: Mr. Hearing  
6 Officer, if I may briefly, I just wanted to say thank  
7 you, Scott, and Deputy Clerk Ellins and their staff for  
8 helping facilitate this meeting here today. We really  
9 appreciate that and look forward to doing more of these  
10 with you in the future, as well. Thank you.

11 MR. WOOD: My name is Mark Wood. I'm a  
12 registered voter in Las Cruces. I've lived here since  
13 1967 and voted here since 1967. And I had no intention  
14 of speaking before certain comments were made.

15 I've looked through this, and I can understand  
16 anybody else who had looked at it who didn't show up  
17 because I find nothing to argue with it. A comment was  
18 made about business owners who fear for their lives,  
19 fear for their safety, fear for their children. And I  
20 don't see that happening in Las Cruces.

21 I know I have showed up particularly to protest  
22 Steve Pearce. And you can't find Steve Pearce. I  
23 finally wound up going to a town hall in Ruidoso  
24 because he wasn't going to have one here. And I don't  
25 think we need to curb people's enthusiasm for the

1 process and put any more limits.

2 And business -- small business owners, if they  
3 don't want to appear where we can talk to them, they  
4 can hide in their offices where we can't go in. And  
5 sometimes the only place you can find someone is at  
6 home, because they make it a point not to be where you  
7 can find them. Thank you. That's all I have to say.

8 MR. LANGE: Is there anyone who hasn't  
9 provided testimony and would like to give public  
10 comment at this time? Is there anyone further who  
11 would like to give public comment?

12 Seeing none, I'll ask if there's any person  
13 wishing to submit written comment at this time, please  
14 identify yourself.

15 Seeing none, and seeing no more interested  
16 persons coming forward to give public comments, I'll  
17 ask: Has everyone signed the attendance sheet in the  
18 back of the room? We will be submitting that as an  
19 exhibit into this public record, so please do so if you  
20 haven't. I'll hear by admit that attendance sheet into  
21 the record as Exhibit 1 of today's hearing.

22 [Exhibit 1 admitted.]

23 MR. LANGE: The hearing record is now closed  
24 and no further oral testimony will be heard. However,  
25 written comment will be accepted by the Secretary of



1 State's Office up until today at 5:00 PM. After that,  
2 all written comment will be submitted into the record  
3 for the final record. So if you would still like an  
4 opportunity to submit written comments, please do so to  
5 the Secretary of State's Office by 5:00 o'clock today.

6 The testimony and written comments in total  
7 during this rule of hearing and all the other rule of  
8 hearings will be dually considered by the Office of the  
9 Secretary of State. Any rules adopted by the Secretary  
10 of State will be found at the State Records and Archive  
11 Center in acceptance -- in accordance with the State  
12 Rules Act and the New Mexico registered publications  
13 deadlines.

14 I would like to thank all members of the public  
15 who are present today and thank you for your  
16 participation and attendance. Let the record reflect  
17 that this hearing was adjourned at 9:43 AM on  
18 July 19th, 2017. Thank you very much.

19 [The hearing was concluded at 9:43 AM.]

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REPORTER'S CERTIFICATE

I, Fatima M. Sanchez, RPR, CSR, NM CCR #509, DO  
HEREBY CERTIFY that on July 19, 2017, the proceedings  
in the above-captioned matter were taken before me,  
that I did report in stenographic shorthand the  
proceedings set forth herein, and the foregoing pages  
are a true and correct transcription to the best of my  
ability.

I FURTHER CERTIFY that I am neither employed by  
nor related to nor contracted with (unless excepted by  
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final disposition of this case in any court.

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