



STATE ETHICS COMMISSION

Hon. William F. Lang, Chair
Jeffrey L. Baker, Member
Stuart M. Bluestone, Member
Hon. Celia Castillo, Member
Hon. Gary Clingman, Member
Hon. Dr. Terry McMillan, Member
Dr. Judy Villanueva, Member

September 16, 2024, 10:00 a.m. to 11:00am. (Mountain Time)

https://us02web.zoom.us/webinar/register/WN_wfg2Rj2JQZm_tHfErW_sxw

(Follow this link to register and receive the Zoom meeting link.)

Commission Meeting

Chair Lang Calls the Meeting to Order

1. Roll Call
2. Approval of Agenda
3. Approval of Minutes of July 26, 2024 Commission Meetings

Commission Meeting Items

Action Required

4. FY26 Budget Request
(Farris)

Yes

Upon applicable motion, Commission goes into executive session under NMSA 1978, §§ 10-15-1(H)(3) (administrative adjudicatory proceedings) and 10-15-1(H)(7) (attorney client privilege pertaining to litigation).

5. Discussion regarding current and potential litigation:
(Farris)
 - a. Issues related to *State Ethics Commission v. TNMP, Inc., et al.*, D-202-CV-2024-04341, and *Bolen v. New Mexico Racing Commission*, S-1-SC-40427.
6. Discussion regarding administrative matters under State Ethics Commission Act:

(Boyd, Randall)

- a. Administrative Complaint No. 2024-05
- b. Administrative Complaint No. 2024-06
- c. Administrative Complaint No. 2024-18
- d. Administrative Complaint No. 2024-21
- e. Administrative Complaint No. 2024-23
- f. Administrative Complaint No. 2024-36

Upon applicable motion, Commission returns from executive session

- 7. Authorization of Civil Action: Yes
(Farris)
 - a. Authorizations related to *State Ethics Commission v. TNMP, Inc., et al.*, D-202-CV-2024-04341, and *Bolen v. New Mexico Racing Commission*, S-1-SC-40427.
- 8. Administrative Matters under State Ethics Commission Act: Yes
(Boyd, Randall)
 - a. Administrative Complaint No. 2024-05
 - b. Administrative Complaint No. 2024-06
 - c. Administrative Complaint No. 2024-18
 - d. Administrative Complaint No. 2024-21
 - e. Administrative Complaint No. 2024-23
 - f. Administrative Complaint No. 2024-36
- 9. Discussion of next meeting: No
(Lang)
- 10. Public Comment Yes
- 11. Adjournment

For inquiries or special assistance, please contact Ethics.Commission@sec.nm.gov

The Commission will accept written public comment to ethics.commission@sec.nm.gov, with the subject line: "Public Comment: September 16, 2024," which will be distributed to Commissioners prior to the meeting and included in the official meeting minutes. Individuals wishing to participate by providing oral comment at the meeting must register using the following link: https://us02web.zoom.us/webinar/register/WN_wfg2Rj2JQZm_tHfErW_sxw. Oral public comment will be heard during the public comment section of the meeting, must be addressed to an agenda item above, and will be limited to a maximum of three minutes.



STATE ETHICS COMMISSION

Commission Meeting Minutes of July 26, 2024, | 9:00AM [Subject to Ratification by Commission]

Call to Order

Chair Lang called meeting to order at 9:01 AM.

1. Roll Call

Chair Lang called roll; the following Commissioners were present:

Hon. William F. Lang, Chair
Jeffrey L. Baker
Stuart M. Bluestone
Hon. Celia Castillo
Hon. Terry McMillan
Ronald Solimon (attended virtually)
Dr. Judy Villanueva (attended virtually)

2. Approval of Agenda

Chair Lang sought motion for approval of agenda. Commissioner Castillo moved to approve agenda; Commissioner Solimon seconded. Hearing no discussion, Chair Lang conducted roll call vote, and Commissioners unanimously approved agenda.

3. Approval of May 24, 2024, Commission Meeting Minutes

Chair Lang sought motion for approval of minutes of May 24, 2024 meeting. Commissioner Solimon moved to approve minutes; Commissioner Bluestone seconded. Hearing no discussion, Chair Lang conducted roll call vote, and Commissioners unanimously approved minutes.

Commission Meeting Items

4. Financial Disclosure Act: Compliance Update

Chief Compliance Counsel Caroline Manierre and Deputy Compliance Counsel Rebecca Branch gave an update on the Commission's ongoing work to seek compliance with the Financial

Disclosure Act. Commissioner Baker raised the question whether getting the media involved would be a helpful tool for non-complaint parties and discussion took place. No action taken.

5. **Advisory Opinion 2024-04**

Chief Compliance Counsel Caroline Manierre gave an overview of the advisory opinion which addressed the question:

This opinion presents a series of follow-up questions to the State Ethics Commission concerning Advisory Opinion No. 2024-04, wherein the Commission opined that the Procurement Code prohibited a municipality from prepaying for the purchase of firetruck and that the municipality could only pay for the truck after the municipality's central purchasing office certified that the truck had been received and met specifications for which the municipality bargained

- 1. The first question presented here is whether Advisory Opinion No. 2024-04 specifically analyzed the applicability of Section 13-1-158(A) of the Procurement Code to only goods because that was the issue presented, or if a different analysis applies where the contemplated purchase for prepayment is for a service.*
- 2. The second question asks whether, given the language in Section 13-1-158(B), partial prepayment is acceptable where the terms of the contract provide for payment of fifty percent down and the balance due at completion.*
- 3. The third question asks about the term "receipt" in Section 13-1-158(A). The requester explained the agency is looking to purchase goods to assist with one of the agency's initiatives. The vendor is willing to warehouse the items (the vendor's physical location is in another state) and then drop ship them based on the agency's directive. The drop shipment dates would occur in Fiscal Year 2025. The funding available for this purchase is Fiscal Year 2024 funding and the agency would like to procure and pay for the items before June 30th. The request poses the question, since the vendor agreed to store the goods for the agency and it is in the agreement with the vendor stating as much, would this satisfy the receipt of goods requirement to pay the invoice for purpose of the procurement code or must the agency wait to certify receipt of the items until the drop ship occurs (that is, when the agency would have physical possession), which would require Fiscal Year 2025 funds for the purchase?*
- 4. The final question concerns the purchasing of IT software/hardware license or service agreements (subscriptions) and poses the question of whether a multi-year license or service agreement would violate the advance payment prohibition set forth in Section 13-1-158(A). The request specifically references a quote for IT equipment that includes a service agreement for software support is a 36-month term and is approximately \$34,000.*

ANSWER

1. *The prohibition against prepayment of purchases applies to payments for services, construction, and items of tangible personal property unless Section 13-1-98 excludes the purchase from the requirements of the Procurement Code.⁷*
2. *Unless an exemption applies, partial prepayment is prohibited under Section 13-1-158(A). Section 13-1-158(B) references the timeline on how invoices, certification, and payment following notice that the requested services or construction are completed or items of tangible personal property are delivered on site and received.*
3. *Items of tangible personal property are received for purposes of Section 13-1-158(A) when the property is delivered to the agency.*
4. *While a procuring agency is permitted to prepay a contract under ten thousand dollars for web-based and electronic subscriptions, other restrictions might prohibit payment for services across multiple fiscal years. For web-based and electronic subscriptions exceeding ten thousand dollars, the agency may not prepay for such purchases, but could enter into a multi-term contract in accordance with the provisions of the Procurement Code and make payment arrangements that, while not prepaying the contract, could otherwise ameliorate the concerns of the contractor, including a purchase order or progress payments.*

Chair Lang sought a motion to approve the advisory opinion. Commissioner Solimon moved to approve the opinion; Commissioner Castillo seconded. Chair Lang conducted a roll call vote and the advisory opinion was unanimously approved.

---Begin Executive Session---

Chair Lang sought a motion to enter executive session. Commissioner Castillo moved to enter executive session under NMSA 1978, §§ 10-15-1(H)(3) (administrative adjudicatory proceedings) and 10-15-1(H)(7) (attorney-client privilege pertaining to litigation); Commissioner McMillan seconded the motion. Hearing no discussion, Chair Lang conducted a roll call vote, Commissioners voted unanimously to enter executive session.

6. Discussion regarding administrative matters under State Ethics Commission Act: (Farris, Randall)

- a. Administrative Complaint No. 2024-10
- b. Administrative Complaint No. 2024-15
- c. Administrative Complaint No. 2024-16
- d. Consolidated Administrative Complaint Nos. 2024-19, 2024-20, 2024-022, 2024-024 through 2024-033
- e. Administrative Complaint No. 2024-34
- f. Administrative Complaint No. 2024-035

g. Administrative Complaint No. 2024-039

7. Discussion regarding current and potential litigation:
(Farris)

SEC v. TNMP, et al., 1:24-cv-00652 (D.N.M.)

---End Executive Session---

Matters discussed in closed meeting were limited to those specified in motion to enter executive session. After concluding discussion of these matters, the Commission resumed public session upon an appropriate motion pursuant to NMSA 1978, § 10-15-1(J).

8. **Action on Administrative Matters under the State Ethics Commission Act**
(Farris)

Commission considered the following motions regarding actions on Administrative Complaints:

- a. **Commission staff sought motion to approve settlement agreement Administrative Case Nos. 2024-10 (*Gallegos v. Weiner*), 2024-15 (*Kokinadis v. Republican Party of New Mexico*), and 2024-16 (*Gallegos v. Tobiassen*):** Commissioner Bluestone moved as stated above, Commissioner Castillo seconded. Hearing no discussion, Chair Lang conducted roll call vote. Commissioners and Chair voted in the affirmative, and administrative cases were settled and closed.
- b. **Commission staff sought motion of dismissal upon certification by the Secretary of State's office for voluntary compliance of Administrative Case Nos. 2024-19, 2024-20, 2024-22, 2024-24, 2024-25, 2024-26, 2024-27, 2024-28, 2024-29, 2024-30, 2024-31, 2024-32, and 2024-33:** Commissioner Bluestone moved as stated above, Commissioner Solimon seconded. Hearing no discussion, Chair Lang conducted roll call vote. Commissioners and Chair voted in the affirmative, and administrative cases were dismissed.
- c. **Commission staff sought motion of dismissal for lack of jurisdiction Administrative Case No. 2024-34:** Commissioner Castillo moved as stated above, Commissioner Baker seconded. Commissioners and Chair voted in the affirmative, and the administrative case was dismissed.
- d. **Commission staff sought motion of dismissal for lack of jurisdiction Administrative Case No. 2024-35:** Commissioner Castillo moved as stated above, Commissioner Baker seconded. Hearing no discussion, Chair Lang conducted roll call vote. Commissioners and Chair voted in the affirmative, and the administrative case was dismissed.

- e. **Commission staff sought motion of dismissal for lack of jurisdiction**
Administrative Case No. 2024-39: Commissioner Castillo moved as stated above, Commissioner Baker seconded. Hearing no discussion, Chair Lang conducted roll call vote. Commissioners and Chair voted in the affirmative, and the administrative case was dismissed.

9. Discussion of Next Meeting

Chair Lang confirmed next regularly scheduled meeting will take place October 4, 2024.

10. Public Comment

No public comment made.

Farewell to Commissioner Ronald Solimon

Commissioners took turns in thanking and honoring Commissioner Ronald Solimon for his service on the Commission.

11. Adjournment

Chair Lang raised the adjournment of meeting. With no objections made, the meeting adjourned at 10:50.

For inquiries or special assistance, please contact Ethics.Commission@sec.nm.gov



STATE ETHICS COMMISSION

Special Commission Meeting Minutes of July 26, 2024, 11:00 AM **[Subject to Ratification by Commission]**

Call to Order

Chair Pro Tem Castillo called meeting to order at 11:00 AM.

1. Roll Call

Roll was called; the following Commissioners were present:

Stuart M. Bluestone
Hon. Celia Castillo
Hon. Dr. Terry McMillan
Dr. Judy Villanueva (attended virtually)

2. Approval of Agenda

Chair Pro Tem Castillo sought a motion for approval of agenda. Commissioner Bluestone moved to approve agenda; Commissioner McMillan seconded. Hearing no discussion, Chair Pro Tem Castillo conducted a roll call vote, and Commissioners unanimously approved agenda.

Commission Meeting Items

3. Review of Commissioner selection process

Executive Director Farris gave an overview of Commissioner selection process and how applicants would be scored using rank choice voting.

Commissioner Bluestone moved to re-appoint Commissioner Jeff Baker to another four-year term; Commissioner Villanueva seconded. Hearing no discussion Chair Pro Tem Castillo conducted a roll call vote. Commissioners and Chair Pro Tem Castillo voted in the affirmative, and the Delcine-to-State / Minor Party position was filled for another four-year term.

Commissioners discussed amongst themselves how they wanted to conduct interviews.

4. Applicant Interviews

10:40AM: Robert Bevington, virtual
11:00AM: Gary Clingman, in-person

11:20AM: Mark Steven Gallegos, virtual

11:40AM: John Gonzales, virtual

12:00PM: David Florez, in-person

12:20PM: Raymond Romero, virtual

12:40PM: Ellis Vickers, in-person

5. Commissioner Appointment

Following the applicant interviews, the Commissioners completed their scorecards. Director Farris tallied the Commissioners' respective scores and, after aggregating the scores, announced that the Commission had appointed the Honorable Gary Clingman to the Republican seat for a four-year term.

6. Public Comment

No members of the public made comment.

7. Adjournment

Chair Pro Temp. Castillo raised adjournment of meeting. With no objections made, meeting adjourned at 1:00 PM

For inquiries or special assistance, please contact Ethics.Commission@sec.nm.gov



STATE ETHICS COMMISSION

<http://sec.nm.gov>

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Suite 215
Albuquerque, NM 87106
(505) 827-7800

BUDGET REQUEST Fiscal Year 2026 July 1, 2025 - June 30, 2026

STATE OF NEW MEXICO

Prepared By:
Jeremy D. Farris, Executive Director and
Wendy George, Finance & Administration Director



STATE ETHICS COMMISSION

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Hon. William F. Lang (Chair)
Jeffrey L. Baker
Stuart M. Bluestone
Hon. Celia Castillo
Hon. Gary Clingman
Hon. Dr. Terry McMillan
Dr. Judy Villanueva

Jeremy D. Farris, Executive Director

September 1, 2024

Dear Department of Finance & Administration and Legislative Finance Committee,

Please find enclosed the State Ethics Commission's FY26 appropriation request. The Commission is an independent, constitutional agency that promotes the integrity of government through the interpretation and enforcement of New Mexico's campaign finance, lobbying, procurement, and governmental conduct laws.

In FY26, the Commission is seeking a base budget request of \$1,980,100. Of this amount, \$153,900 is requested to add an Attorney LI position to the Commission's attorney staff. The remainder of the base budget request—viz., 1,826,200—is required to maintain the Commission's function at FY25 levels. This marks a 6.3 percent increase over the Commission's FY25 operating budget. This increase is driven predominantly by two factors. First, personnel costs for the Commission's 10 FTEs exceed FY25 base budget appropriations. The Commission has no vacancies and, thus, no vacancy savings to absorb personnel costs. Second, the Commission has experienced cost increases from DoIT for necessary IT fees; from GSD for workers compensation insurance premiums and employee liability insurance premiums; and from the Commission's independent public accountants, CLA, for services related to the Commission's annual audit and financial statement.

For FY26, the Commission does not anticipate any significant changes in projected revenue as compared to FY25.

For FY26, the Commission anticipates modest changes in projected expenditures. First, the Commission anticipates increases in its lease costs from the University of New Mexico. (The Commission leases office space from UNM at the Science and Technology Park.) Second, the Commission anticipates increases in the rental costs of equipment, including its Cannon printer and scanning machine, as well as its Quadient postage machine. Third, the Commission anticipates increases from Thomson Reuters for its subscriptions to WestLaw, which is an absolutely necessary tool for the Commission's attorney staff. Fourth, the Commission expects an increase associated with its subscription to Articulate 360, a software that the Commission is leasing to build online training modules.

If the Commission does not receive its base budget request for personnel costs to cover the Commission's current 10 FTEs, the impact on the Commission's core mission will be significant and detrimental. The Commission has a very lean staff, no vacancies, and, within its five years of operation, has not experienced a single instance of unexpected turnover. Accordingly, the Commission has experienced very little vacancy savings and does not anticipate vacancy savings to absorb the difference between costs and appropriations in the personnel category. Every Commission staff member has a separate brief which is necessary to the Commission's mission—whether it be in administrative services, compliance (advisory opinions, advisory letters, training, the administration of cases involving notaries public, financial disclosure compliance), or enforcement (administrative cases and litigation). A loss of

any FTE for any amount of time would severely impact these functions. Therefore, if the Commission does not receive its base budget request for personnel costs for its 10 FTEs, the Commission would have to seek a supplemental appropriation in the following session.

Finally, the Commission has no proposed changes in program structure. The Commission is designed to function and grow in three columns: (1) compliance with New Mexico's ethics and disclosure laws (including advisory opinions, guides, in person and online trainings); (2) enforcement of New Mexico's ethics and disclosure laws (including litigation and the investigation and adjudication of administrative cases); and (3) administrative services (including all the Commission's financial and human-resources matters).

I respectfully request that you continue your support for the Commission's annual budget request. Since the Commission's inception, the Commission's staff and I have worked to build this agency in a fiscally responsible way, recruiting a talented and stable staff that can meet the agency's significant constitutional and statutory mandates. In the last five years, the Commission has produced significant results for New Mexico: a settlement with the Governor regarding the procurement of the managed care organizations that administer Turquoise Care; the compelled disclosure of expenditures and contributions for political campaigns in the 2020, 2022 and 2024 elections; the repeated enforcement of New Mexico's conflict of interest laws at the state and local level. The public has reason to be proud of the Commission, which it overwhelmingly approved on the 2018 ballot. The Commission has only been able to grow and succeed as an institution, however, because of the year-over-year increases in its appropriations. Please continue to help the Commission meet its constitutional and statutory mandates.

If you have any questions regarding the Commission's FY26 request, please do not hesitate to contact me or Wendy George, the Commission's CFO and director of finance and administration.

Sincerely,

/s/ Jeremy Farris
Jeremy Farris
Executive Director
State Ethics Commission

**APPROPRIATION REQUEST
CERTIFICATION
FORM S-1**

Agency Name: State Ethics Commission

Business Unit: 41000

I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.



Jeremy Farris, Executive Director



Hon. William F Lang, Chair



Wendy George, Director of Finance and Administration

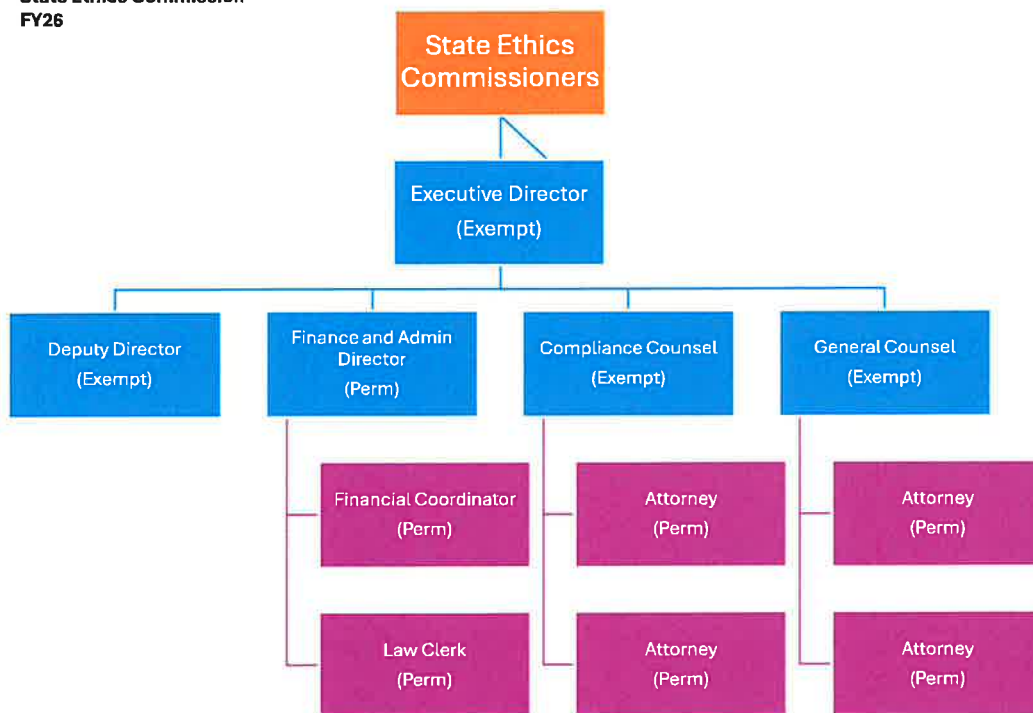
800 Bradbury Dr SE
STE 215
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505-554-7608

wendyj.george@sec.nm.gov

Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.

**State Ethics Commission
FY26**



State Ethics Commission

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

BU PCode Department
41000 P410 000000

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	FY 2026 Agency Request		Total
						Expansion		
REVENUE								
111 General Fund Transfers	1,510.2	1,460.2	1,712.9	0.0	1,975.1	0.0		1,975.1
112 Other Transfers	0.0	50.0	0.0	0.0	0.0	0.0		0.0
130 Other Revenues	0.0	6.1	5.0	0.0	5.0	0.0		5.0
REVENUE, TRANSFERS	1,510.2	1,516.3	1,717.9	0.0	1,980.1	0.0		1,980.1
REVENUE	1,510.2	1,516.3	1,717.9	0.0	1,980.1	0.0		1,980.1
EXPENSE								
200 Personal Services and Employee Benefits	1,172.7	1,124.9	1,351.0	1,302.9	1,607.8	0.0		1,607.8
300 Contractual services	200.0	166.6	211.9	0.0	211.9	0.0		211.9
400 Other	137.5	142.4	155.0	0.0	160.4	0.0		160.4
EXPENDITURES	1,510.2	1,433.8	1,717.9	1,302.86	1,980.1	0.0		1,980.1
EXPENSE	1,510.2	1,433.8	1,717.9	1,302.86	1,980.1	0.0		1,980.1
FTE POSITIONS								
810 Permanent	9.00	9.00	10.00	9.00	11.00	0.00		11.00
FTEs	9.00	9.00	10.00	9.00	11.00	0.00		11.00
FTE POSITIONS	9.00	9.00	10.00	9.00	11.00	0.00		11.00

State of New Mexico
 S-9 Account Code Revenue/Expenditure Summary
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
499105 General Fd. Appropriation	1,510.2	1,460.2	1,712.9	0.0	1,975.1	0.0	1,975.1
111 General Fund Transfers	1,510.2	1,460.2	1,712.9	0.0	1,975.1	0.0	1,975.1
499905 Other Financing Sources	0.0	50.0	0.0	0.0	0.0	0.0	0.0
112 Other Transfers	0.0	50.0	0.0	0.0	0.0	0.0	0.0
425902 Other Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
425906 Other Services - CU	0.0	0.0	5.0	0.0	5.0	0.0	5.0
462000 Legal Settlements	0.0	6.1	0.0	0.0	0.0	0.0	0.0
130 Other Revenues	0.0	6.1	5.0	0.0	5.0	0.0	5.0
TOTAL REVENUE	1,510.2	1,516.3	1,717.9	0.0	1,980.1	0.0	1,980.1
520100 Exempt Perm Positions P/T&F/T	472.5	485.1	484.9	520.2	542.7	0.0	542.7
520300 Classified Perm Positions F/T	409.8	364.7	521.8	475.2	655.8	0.0	655.8
520800 Annl & Comp Paid At Separation	0.0	1.6	0.0	0.0	0.0	0.0	0.0
521100 Group Insurance Premium	41.1	26.0	44.8	36.3	51.8	0.0	51.8
521200 Retirement Contributions	166.2	163.4	187.5	190.1	218.6	0.0	218.6
521300 F I C A	61.0	63.7	74.5	61.3	91.7	0.0	91.7
521400 Workers' Comp Assessment Fee	0.3	1.3	0.1	0.0	1.8	0.0	1.8
521410 GSD Work Comp Insur Premium	1.3	0.0	1.7	0.0	0.0	0.0	0.0
521500 Unemployment Comp Premium	0.0	0.0	13.2	0.0	13.3	0.0	13.3
521600 Employee Liability Ins Premium	2.2	2.1	1.6	0.0	2.1	0.0	2.1
521700 RHC Act Contributions	18.3	17.0	20.9	19.8	30.0	0.0	30.0
200 Personal Services and Employee Bene	1,172.7	1,124.9	1,351.0	1,302.9	1,607.8	0.0	1,607.8
535200 Professional Services	143.0	85.7	143.0	0.0	104.9	0.0	104.9
535209 Professional Svcs - Interagenc	6.0	5.3	6.0	0.0	7.0	0.0	7.0
535300 Other Services	0.0	0.6	0.0	0.0	1.0	0.0	1.0
535400 Audit Services	12.3	20.3	24.2	0.0	27.0	0.0	27.0
535500 Attorney Services	5.2	32.6	8.2	0.0	41.0	0.0	41.0
535600 IT Services	33.5	22.0	30.5	0.0	31.0	0.0	31.0
300 Contractual services	200.0	166.6	211.9	0.0	211.9	0.0	211.9
542100 Employee I/S Mileage & Fares	2.0	2.8	8.1	0.0	4.0	0.0	4.0
542200 Employee I/S Meals & Lodging	1.5	0.0	1.5	0.0	1.5	0.0	1.5
542300 Brd & Comm Mbr Meals & Lodging	8.0	0.1	1.2	0.0	1.0	0.0	1.0
542310 Brd & Comm Mbr Mileage & Fares	0.0	0.1	1.5	0.0	1.0	0.0	1.0
543300 Maint - Buildings & Structures	0.0	0.3	0.0	0.0	0.0	0.0	0.0

State of New Mexico

State Ethics Commission

BU PCode Department
41000 P410 000000

S-9 Account Code Revenue/Expenditure Summary
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
543400 Maint - Property Insurance	0.1	0.0	0.2	0.0	0.2	0.0	0.2
544000 Supply Inventory IT	5.2	6.7	4.0	0.0	4.0	0.0	4.0
544100 Supplies-Office Supplies	2.3	2.1	2.0	0.0	2.0	0.0	2.0
544400 Supplies-Field Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
544900 Supplies-Inventory Exempt	1.5	0.6	1.5	0.0	1.0	0.0	1.0
545600 Reporting & Recording	1.0	0.0	1.0	0.0	1.0	0.0	1.0
545700 ISD Services	6.3	8.6	7.9	0.0	9.0	0.0	9.0
545710 DOIT HCM Assessment Fees	3.3	3.0	3.2	0.0	3.3	0.0	3.3
545900 Printing & Photo Services	1.0	0.6	1.0	0.0	1.0	0.0	1.0
546100 Postage & Mail Services	1.0	0.5	1.0	0.0	1.0	0.0	1.0
546400 Rent Of Land & Buildings	61.8	61.7	63.0	0.0	65.0	0.0	65.0
546500 Rent Of Equipment	4.1	3.5	4.1	0.0	4.4	0.0	4.4
546610 DOIT Telecommunications	13.9	14.9	13.8	0.0	15.0	0.0	15.0
546700 Subscriptions/Dues/License Fee	15.0	24.2	25.5	0.0	33.7	0.0	33.7
546800 Employee Training & Education	3.5	3.5	3.5	0.0	4.0	0.0	4.0
546900 Advertising	3.0	5.8	3.0	0.0	3.3	0.0	3.3
547900 Miscellaneous Expense	0.0	0.1	0.0	0.0	0.0	0.0	0.0
548900 Buildings & Structures	0.0	0.0	5.0	0.0	0.0	0.0	0.0
549600 Employee O/S Mileage & Fares	1.5	0.9	1.5	0.0	2.0	0.0	2.0
549700 Employee O/S Meals & Lodging	1.5	2.4	1.5	0.0	3.0	0.0	3.0
400 Other	137.5	142.4	155.0	0.0	160.4	0.0	160.4
TOTAL EXPENSE	1,510.2	1,433.8	1,717.9	1,302.9	1,980.1	0.0	1,980.1
810 Permanent	9.00	9.00	10.00	9.00	11.00	0.00	11.00
810 Permanent	9.00	9.00	10.00	9.00	11.00	0.00	11.00
TOTAL FTE POSITIONS	9.00	9.00	10.00	9.00	11.00	0.00	11.00

State Ethics Commission

BU PCode Department
41000 0000 0000000000

State of New Mexico

S-9 Account Code Revenue Summary
(Dollars in Thousands)

Provider PCode	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request		Total
					Base	Expansion	
499105	1,510.2	1,460.2	0.0	0.0	1,975.1	0.0	1,975.1
111	1,510.2	1,460.2	1,712.9	0.0	1,975.1	0.0	1,975.1
499905	0.0	50.0	0.0	0.0	0.0	0.0	0.0
112	0.0	50.0	0.0	0.0	0.0	0.0	0.0
425902	0.0	0.0	0.0	0.0	0.0	0.0	0.0
425906	0.0	0.0	0.0	0.0	5.0	0.0	5.0
462000	0.0	6.1	0.0	0.0	0.0	0.0	0.0
130	0.0	6.1	5.0	0.0	5.0	0.0	5.0
TOTAL REVENUE	1,510.2	1,516.3	1,717.9	0	1,980.1	0.0	1,980.1

State of New Mexico

State Ethics Commission

BU PCode Department
41000 0000 0000000000

S-9 Account Code Expenditure Summary
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
520100 Exempt Perm Positions P/T&F/T	472.5	485.1	484.9	520.2	542.7	0.0	542.7
520300 Classified Perm Positions F/T	409.8	364.7	521.8	475.2	655.8	0.0	655.8
520800 Annl & Comp Paid At Separation	0.0	1.6	0.0	0.0	0.0	0.0	0.0
521100 Group Insurance Premium	41.1	26.0	44.8	36.3	51.8	0.0	51.8
521200 Retirement Contributions	166.2	163.4	187.5	190.1	218.6	0.0	218.6
521300 F I C A	61.0	63.7	74.5	61.3	91.7	0.0	91.7
521400 Workers' Comp Assessment Fee	0.3	1.3	0.1	0.0	1.8	0.0	1.8
521410 GSD Work Comp Insur Premium	1.3	0.0	1.7	0.0	0.0	0.0	0.0
521500 Unemployment Comp Premium	0.0	0.0	13.2	0.0	13.3	0.0	13.3
521600 Employee Liability Ins Premium	2.2	2.1	1.6	0.0	2.1	0.0	2.1
521700 RHC Act Contributions	18.3	17.0	20.9	19.8	30.0	0.0	30.0
200 Personal Services and Employee Benefits	1,172.7	1,124.9	1,351.0	1,302.9	1,607.8	0.0	1,607.8
535200 Professional Services	143.0	85.7	143.0	0.0	104.9	0.0	104.9
535209 Professional Svcs - Interagency	6.0	5.3	6.0	0.0	7.0	0.0	7.0
535300 Other Services	0.0	0.6	0.0	0.0	1.0	0.0	1.0
535400 Audit Services	12.3	20.3	24.2	0.0	27.0	0.0	27.0
535500 Attorney Services	5.2	32.6	8.2	0.0	41.0	0.0	41.0
535600 IT Services	33.5	22.0	30.5	0.0	31.0	0.0	31.0
300 Contractual services	200.0	166.6	211.9	0.0	211.9	0.0	211.9
542100 Employee I/S Mileage & Fares	2.0	2.8	8.1	0.0	4.0	0.0	4.0
542200 Employee I/S Meals & Lodging	1.5	0.0	1.5	0.0	1.5	0.0	1.5
542300 Brd & Comm Mbr Meals & Lodgin	8.0	0.1	1.2	0.0	1.0	0.0	1.0
542310 Brd & Comm Mbr Mileage & Fares	0.0	0.1	1.5	0.0	1.0	0.0	1.0
543300 Maint - Buildings & Structures	0.0	0.3	0.0	0.0	0.0	0.0	0.0
543400 Maint - Property Insurance	0.1	0.0	0.2	0.0	0.2	0.0	0.2
544000 Supply Inventory IT	5.2	6.7	4.0	0.0	4.0	0.0	4.0
544100 Supplies-Office Supplies	2.3	2.1	2.0	0.0	2.0	0.0	2.0
544400 Supplies-Field Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0
544900 Supplies-Inventory Exempt	1.5	0.6	1.5	0.0	1.0	0.0	1.0
545600 Reporting & Recording	1.0	0.0	1.0	0.0	1.0	0.0	1.0
545700 ISD Services	6.3	8.6	7.9	0.0	9.0	0.0	9.0
545710 DOIT HCM Assessment Fees	3.3	3.0	3.2	0.0	3.3	0.0	3.3

State Ethics Commission
 BU PCode Department
 41000 0000 0000000000

State of New Mexico
 S-9 Account Code Expenditure Summary
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
545900 Printing & Photo Services	1.0	0.6	1.0	0.0	1.0	0.0	1.0
546100 Postage & Mail Services	1.0	0.5	1.0	0.0	1.0	0.0	1.0
546400 Rent Of Land & Buildings	61.8	61.7	63.0	0.0	65.0	0.0	65.0
546500 Rent Of Equipment	4.1	3.5	4.1	0.0	4.4	0.0	4.4
546610 DOIT Telecommunications	13.9	14.9	13.8	0.0	15.0	0.0	15.0
546700 Subscriptions/Dues/License Fee	15.0	24.2	25.5	0.0	33.7	0.0	33.7
546800 Employee Training & Education	3.5	3.5	3.5	0.0	4.0	0.0	4.0
546900 Advertising	3.0	5.8	3.0	0.0	3.3	0.0	3.3
547900 Miscellaneous Expense	0.0	0.1	0.0	0.0	0.0	0.0	0.0
548900 Buildings & Structures	0.0	0.0	5.0	0.0	0.0	0.0	0.0
549600 Employee O/S Mileage & Fares	1.5	0.9	1.5	0.0	2.0	0.0	2.0
549700 Employee O/S Meals & Lodging	1.5	2.4	1.5	0.0	3.0	0.0	3.0
400 Other	137.5	142.4	155.0	0.0	160.4	0.0	160.4
TOTAL EXPENSE	1,510.2	1,433.8	1,717.9	1,302.86	1,980.1	0.0	1,980.1

State of New Mexico

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

BusUnit	Line Item	2023-24 Actuals	2024-25 Opbud	Request		Recommendation							
				Base	Expansion	Base	Expansion						
41000	P410-R	State Ethics Commission											
	520100	Exempt Perm Positions P/T&F/T	485.09	484.9	542.7	0	0	0	0	0.0	0.0		
	520300	Classified Perm Positions F/T	364.69	521.8	655.8	0	0	0	0	0.0	0.0		
	520600	Annl & Comp Paid At Separation	1.58	0	0	0	0	0	0	0.0	0.0		
	521100	Group Insurance Premium	25.99	44.8	51.8	0	0	0	0	0.0	0.0		
	521200	Retirement Contributions	163.42	187.5	218.6	0	0	0	0	0.0	0.0		
	521300	F I C A	63.7	74.5	91.7	0	0	0	0	0.0	0.0		
	521400	Workers' Comp Assessment Fee	1.28	0.1	1.8	0	0	0	0	0.0	0.0		
	521410	GSD Work Comp Insur Premium	0	1.7	0	0	0	0	0	0.0	0.0		
	521500	Unemployment Comp Premium	0	13.2	13.3	0	0	0	0	0.0	0.0		
	521600	Employee Liability Ins Premium	2.12	1.6	2.1	0	0	0	0	0.0	0.0		
	521700	RHC Act Contributions	17	20.9	30	0	0	0	0	0.0	0.0		
	535200	Professional Services	85.75	143	104.9	0	0	0	0	0.0	0.0		
	535209	Professional Svcs - Interagenc	5.32	6	7	0	0	0	0	0.0	0.0		
	535300	Other Services	0.6	0	1	0	0	0	0	0.0	0.0		
	535400	Audit Services	20.34	24.2	27	0	0	0	0	0.0	0.0		
	535500	Attorney Services	32.59	8.2	41	0	0	0	0	0.0	0.0		
	535600	IT Services	21.96	30.5	31	0	0	0	0	0.0	0.0		
	542100	Employee I/S Mileage & Fares	2.84	8.1	4	0	0	0	0	0.0	0.0		
	542200	Employee I/S Meals & Lodging	0	1.5	1.5	0	0	0	0	0.0	0.0		
	542300	Brd & Comm Mbr Meals & Lodgin	0.1	1.2	1	0	0	0	0	0.0	0.0		
	542310	Brd & Comm Mbr Mileage & Fares	0.05	1.5	1	0	0	0	0	0.0	0.0		
	543300	Maint - Buildings & Structures	0.33	0	0	0	0	0	0	0.0	0.0		
	543400	Maint - Property Insurance	0	0.2	0.2	0	0	0	0	0.0	0.0		
	544000	Supply Inventory IT	6.72	4	4	0	0	0	0	0.0	0.0		
	544100	Supplies-Office Supplies	2.1	2	2	0	0	0	0	0.0	0.0		
	544900	Supplies-Inventory Exempt	0.63	1.5	1	0	0	0	0	0.0	0.0		
	545600	Reporting & Recording	0.04	1	1	0	0	0	0	0.0	0.0		
	545700	ISD Services	10.37	7.9	9	0	0	0	0	0.0	0.0		
	545710	DOIT HCM Assessment Fees	2.95	3.2	3.3	0	0	0	0	0.0	0.0		
	545900	Printing & Photo Services	0.57	1	1	0	0	0	0	0.0	0.0		
	546100	Postage & Mail Services	0.5	1	1	0	0	0	0	0.0	0.0		
	546400	Rent Of Land & Buildings	61.74	63	65	0	0	0	0	0.0	0.0		

State of New Mexico
S-13 Line Items by Business Unit Expenditures
(Dollars in Thousands)

Line Item	41000	P410-R	State Ethics Commission	2023-24	2024-25	Request	Recommendation		
			Actuals	Opbud	Base	Expansion	Base	Expansion	Opbud
546500			3.48	4.1	4.4	0	0	0	0.0
546610			17.44	13.8	15	0	0	0	0.0
546700			24.23	25.5	33.7	0	0	0	0.0
546800			3.52	3.5	4	0	0	0	0.0
546900			5.78	3	3.3	0	0	0	0.0
547900			0.11	0	0	0	0	0	0.0
548900			0	5	0	0	0	0	0.0
549600			0.86	1.5	2	0	0	0	0.0
549700			2.37	1.5	3	0	0	0	0.0
Subtotal for:	41000	P410-R	1,438.16	1,717.9	1,980.1	0	0	0	0.0
41000			1,438.16	1,717.9	1,980.1	0	0	0	0.0

Totals by Line Item

BusUnit	Line Item	2023-24	2024-25	Request	Recommendation
		Actuals	Opbud	Base	Expansion
41000	520100	485.09	484.9	542.7	0
	520300	364.69	521.8	655.8	0
	520800	1.58	0	0	0
	521100	25.99	44.8	51.8	0
	521200	163.42	187.5	218.6	0
	521300	63.7	74.5	91.7	0
	521400	1.28	0.1	1.8	0
	521410	0	1.7	0	0
	521500	0	13.2	13.3	0
	521600	2.12	1.6	2.1	0
	521700	17	20.9	30	0
	535200	85.75	143	104.9	0
	535209	5.32	6	7	0
	535300	0.6	0	1	0
	535400	20.34	24.2	27	0

State of New Mexico

S-13 Line Items by Business Unit Expenditures

(Dollars in Thousands)

535500	Attorney Services	32.59	8.2	41	0	0	0	0.0
535600	IT Services	21.96	30.5	31	0	0	0	0.0
542100	Employee I/S Mileage & Fares	2.84	8.1	4	0	0	0	0.0
542200	Employee I/S Meals & Lodging	0	1.5	1.5	0	0	0	0.0
542300	Brd & Comm Mbr Meals & Lodging	0.1	1.2	1	0	0	0	0.0
542310	Brd & Comm Mbr Mileage & Fares	0.05	1.5	1	0	0	0	0.0
543300	Maint - Buildings & Structures	0.33	0	0	0	0	0	0.0
543400	Maint - Property Insurance	0	0.2	0.2	0	0	0	0.0
544000	Supply Inventory IT	6.72	4	4	0	0	0	0.0
544100	Supplies-Office Supplies	2.1	2	2	0	0	0	0.0
544900	Supplies-Inventory Exempt	0.63	1.5	1	0	0	0	0.0
545600	Reporting & Recording	0.04	1	1	0	0	0	0.0
545700	ISD Services	10.37	7.9	9	0	0	0	0.0
545710	DOIT HCM Assessment Fees	2.95	3.2	3.3	0	0	0	0.0
545900	Printing & Photo Services	0.57	1	1	0	0	0	0.0
546100	Postage & Mail Services	0.5	1	1	0	0	0	0.0
546400	Rent Of Land & Buildings	61.74	63	65	0	0	0	0.0
546500	Rent Of Equipment	3.48	4.1	4.4	0	0	0	0.0
546610	DOIT Telecommunications	17.44	13.8	15	0	0	0	0.0
546700	Subscriptions/Dues/License Fee	24.23	25.5	33.7	0	0	0	0.0
546800	Employee Training & Education	3.52	3.5	4	0	0	0	0.0
546900	Advertising	5.78	3	3.3	0	0	0	0.0
547900	Miscellaneous Expense	0.11	0	0	0	0	0	0.0
548900	Buildings & Structures	0	5	0	0	0	0	0.0
549600	Employee O/S Mileage & Fares	0.86	1.5	2	0	0	0	0.0
549700	Employee O/S Meals & Lodging	2.37	1.5	3	0	0	0	0.0
Grand Total		1,438.16	1,717.9	1,980.1	0	0	0	0.0

State of New Mexico
S-13 Line Items by Business Unit Expenditures
(Dollars in Thousands)

BU PCCode
4-1000 P-410**Program Description:**

The State Ethics Commission is an independent state agency created by Article V, Section 17 of the New Mexico Constitution. The Commission has five core responsibilities:

First, the Commission investigates and adjudicates administrative complaints alleging violations of New Mexico's ethics laws—namely, New Mexico's governmental conduct, procurement, and disclosure laws, including laws requiring financial disclosure, campaign finance disclosure, and lobbyist disclosure.

Second, the Commission investigates and prosecutes violations of the ethics laws through civil enforcement actions in state court.

Third, the Commission educates public officers, public employees, and the public about New Mexico's ethics laws by issuing advisory opinions, offering trainings to legislators, state agencies, local governments, and affiliate organizations, and promulgating a model code of ethics.

Fourth, the Commission investigates and prosecutes in administrative proceedings violations of New Mexico's Revised Uniform Law on Notarial Act, which governs notaries public.

Fifth, the Commission makes annual recommendations to the Governor and the Legislature regarding amendments to New Mexico's ethics laws.

Major Issues and Accomplishments:

[I] Major Accomplishments and Events in FY24

[1] Investigation and Adjudication of Administrative Complaints

- In FY24, the Commission received, investigated and adjudicated 77 administrative complaints alleging violations of New Mexico's ethics and disclosure laws. At present, 10 of the 77 administrative matters filed during FY24 are still pending.
- On April 14, 2023, the New Mexico State Ethics Commission announced probable cause in *Eichenberg v. Montoya* (SEC No. 2022-006), involving allegations that State Treasurer Laura Montoya violated the Campaign Reporting Act (CRA). Montoya was accused of accepting \$10,000 in "straw donor" contributions from companies managed by Gary Plante, which were falsely reported as coming from Adelante Sandoval, a political committee. After a public hearing on August 21-22, 2023, Hearing Officer Alan C. Torgerson (Ret.) concluded that Montoya violated Section 1-19-34.7 (D) of the CRA by knowingly accepting contributions under a false name and Section 1-19-34.3(A) by misreporting these contributions. Montoya was fined \$1,000. Appeals were filed by both Tim Eichenberg and the State Ethics Commission's General Counsel, seeking further penalties, while Montoya challenged the findings.
- On December 19, 2023, the Commission upheld the Hearing Officer's decision, affirming the CRA violations and the penalty.
- On October 23, 2023, the New Mexico State Ethics Commission found probable cause in *Kokinadis v. Bedonie* (SEC No. 2022-027) for alleged Campaign Reporting Act violations. At a public hearing on May 13, 2024, Hearing Officer Judge Alan C. Torgerson (Ret.) determined that Karen Bedonie, the Libertarian candidate for governor, failed to report in-kind donations and expenditures and did not include proper disclaimers on campaign ads. On August 22, 2024, Bedonie appealed the decision, challenging these findings. The appeal will be decided by the full Commission.
- On November 9, 2023, the State Ethics Commission announced a settlement in the case of *Goolsby v. Zanetti* (Administrative Case No. 2023-035). The complaint alleged that former gubernatorial candidate Greg Zanetti's campaign violated the Campaign Reporting Act by accepting \$3,661 in anonymous contributions, exceeding the \$100 per individual and \$2,000 aggregate limits. Mr. Zanetti's candidate committee explained these contributions were collected at a "pass the hat" event, making donor identification impossible. To settle the matter, Zanetti's committee agreed to pay a \$3,661 civil penalty to the State of New Mexico. The settlement was approved by the Commission on November 3, 2023.

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- On November 9, 2023, the State Ethics Commission announced a settlement in *Rodriguez v. Eichenberg* (Administrative Case No. 2022-45). Former State Treasurer Tim Eichenberg admitted to failing to report a political ad expenditure on time, agreeing to pay a \$250 penalty. While denying any misuse of state resources, he also agreed to a \$250 penalty for that allegation. The settlement was approved on November 3, 2023.
 - On November 9, 2023, the State Ethics Commission announced a settlement in *Goolsby v. Colón* (Administrative Case No. 2023-038). Former State Auditor Brian Colón was accused of violating the Campaign Reporting Act by accepting contributions that exceeded the \$5,200 primary election limit and failing to detail specific purposes for campaign expenditures. To resolve the case, Colón refunded the excess contributions and clarified that detailed descriptions for expenditures were included in the original reports but were not shown in the Secretary of State's campaign finance system. The Commission approved the settlement on November 3, 2023.
 - On November 9, 2023, the State Ethics Commission announced a settlement in *Goolsby v. A Stronger New Mexico* (Administrative Case No. 2023-031). The political committee, without admitting wrongdoing, amended its campaign finance reports to disclose the candidates targeted by its expenditures, addressing allegations of violating the Campaign Reporting Act. The Commission approved the settlement on November 3, 2023.
 - On February 5, 2024, the State Ethics Commission announced a settlement in *Rael v. Lord* (Administrative Case No. 2023-025). Representative Stefani Lord was found to have improperly used campaign funds for legislative session housing and apparel, violating the Campaign Reporting Act. To resolve the matter, Representative Lord agreed to pay a \$500 civil penalty, considering she had already reimbursed the misused funds before the complaint was filed. The Commission approved the settlement on February 2, 2024.
 - On February 5, 2024, the State Ethics Commission announced a settlement in *Goolsby v. Morales* (Administrative Case No. 2023-036). Lieutenant Governor Howie Morales agreed to amend his campaign finance reports to correct disclosure discrepancies, complying with the Campaign Reporting Act. These amendments were verified by an auditor, and the settlement was approved by the Commission on February 2, 2024.
- [2] Civil Enforcement
- On August 1, 2023, the State Ethics Commission reached a pre-litigation settlement with New Mexico Values PAC, addressing violations of the Campaign Reporting Act. The Commission had previously authorized a civil action on June 2, 2023, in response to New Mexico Values PAC's failure to disclose timely and complete information regarding independent expenditures made against Representative Susan Herrera leading up to the June 7, 2022 Primary Election. The PAC's actions violated state law by withholding crucial information from the electorate about the sources of contributions used to fund these expenditures. Under the terms of the settlement, New Mexico Values PAC agreed to several conditions to resolve the matter: (i) it will register with the Office of the Secretary of State as an independent expenditure filer; (ii) it will fully disclose all expenditures made and contributions received during the 2022 election cycle; and (iii) it will pay a civil penalty of \$1,000. This agreement ensures compliance with the Campaign Reporting Act and aims to restore transparency in the electoral process.
 - On August 10, 2023, the Commission, New Mexico Governor Michelle Lujan Grisham, and the Human Services Department (HSD) reached a settlement agreement stemming from the Commission's authorization of a civil action related to the cancellation of the Request for Proposals (RFP) for Managed Care Organizations for Turquoise Care, New Mexico's Medicaid plan. HSD issued the RFP on September 30, 2022; evaluated and scored proposals; prepared contract notice of award letters; and, on January 30, 2023, following instructions communicated by Governor's office employees, canceled the RFP. Pursuant to a mediation conducted by the Honorable Judith K. Nakamura (Ret.), the settlement required HSD to: (i) rescind the cancellation of the RFP; (ii) issue four notices of intent to award contracts to the four Managed Care Organization (MCO) contractors that HSD had originally selected, including Blue Cross and Blue Shield of New Mexico, UnitedHealthcare of New Mexico, Molina Healthcare of New Mexico, Inc., and Presbyterian Health Plan; and (iii) issue the notice that HSD originally prepared to Western Sky Community Care that it was not selected for a contract award. Last, when negotiating contract awards with the

State of New Mexico
P-1 Program Overview

State Ethics Commission
BU PCCode
41000 P410

four offerors selected for contract awards, the settlement agreement requires HSD, or its successor, to adhere to the RFP and procurement law.

- On October 10, 2023, the New Mexico State Ethics Commission filed a civil enforcement action against Village of Taos Ski Valley Councilor Jay Christopher Slagg for alleged violations of the Governmental Conduct Act, asserting that Mr. Slagg participated in official decisions directly benefiting his employer, Taos Ski Valley, Inc. (TSVI), while serving on the Village's Planning and Zoning Commission. Specifically, the Commission contended

Overview of Request: The Commission seeks an FY26 appropriation for \$1,980,100. By category, this request amounts to \$1,607,800 for personnel; \$211,900 for contracts; and \$160,400 for other operating costs. The requested appropriation would: (1) fully fund the Commission's current 10 staff positions; (2) fund an additional attorney LI position that would assist the Commission perform its various mandates related to: (i) providing legal guidance upon request in the form of advisory letters, advisory opinions, and trainings; and (ii) provide backup on the processing of administrative cases and litigated matters; and (3) cover contracts and operating expenses that would allow the Commission to perform at FY25 levels.

Programmatic Changes: The Commission does not anticipate or seek any programmatic changes. Nor does the Commission seek any changes to its current performance metrics.

Base Budget Justification: The Commission's FY26 base budget request contemplates sufficient funding for the Commission's current ten staff members. The base budget request also covers cost increases that the Commission is experiencing in its contracts and other operating expense categories, including increases in the contract for the agency's audit and financial statement and contract for third-party IT services, increases in the workmen's compensation premiums, increases for costs associated with legal subscriptions and dues, and increases in the rates that DoIT assess, among other operating expense increases.

REV EXP COMPARISON

(Dollars in Thousands)

41000 - State Ethics Commission

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES	1,975.1	5.0	0.0	0.0	1,980.1
Personal Services and Employee Benefits	1,602.8	5.0	0.0	0.0	1,607.8
Contractual services	211.9	0.0	0.0	0.0	211.9
Other	160.4	0.0	0.0	0.0	160.4
USES Total:	1,975.1	5.0	0.0	0.0	1,980.1
Net:	0.0	0.0	0.0	0.0	0.0

REV EXP COMPARISON

(Dollars in Thousands)

41000 - State Ethics Commission

P410 - State Ethics Commission					
	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	1,975.1	5.0	0.0	0.0	1,980.1
Personal Services and Employee Benefits	1,602.8	5.0	0.0	0.0	1,607.8
Contractual services	211.9	0.0	0.0	0.0	211.9
Other	160.4	0.0	0.0	0.0	160.4
USES Total:	1,975.1	5.0	0.0	0.0	1,980.1
Net:	0.0	0.0	0.0	0.0	0.0

State of New Mexico
F4 PC Code Detail
(Dollars in Thousands)

State Ethics Commission
BU PCCode
41000 P410

Fund	Account	2023-24 Actuals	2024-25 Oppbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
20780	520100	485.1	484.9	520.24	542.7	0.0	0.0	0.0	542.7	See projection attachment. Request is amount needed to fund all existing positions in FY26 and missing. Reclass of 10111662. No positions vacancies for past 3 fiscal years.
20780	520300	364.7	521.8	475.2	650.8	5.0	0.0	0.0	655.8	Add 1 FTE FY26. Amount to fully fund existing positions at current salaries. See projections, PCF calc missing FTE
20780	520800	1.6	0.0	0	0.0	0.0	0.0	0.0	0.0	
20780	521100	26.0	44.8	36.31	51.8	0.0	0.0	0.0	51.8	Current salaries +1 FTE at single premium. Projections attached
20780	521200	163.4	187.5	190.1	218.6	0.0	0.0	0.0	218.6	Current salaries + 1 FTE
20780	521300	63.7	74.5	61.26	91.7	0.0	0.0	0.0	91.7	Current salaries + 1 FTE
20780	521400	1.3	0.1	0	1.8	0.0	0.0	0.0	1.8	Rate Sheet
20780	521410	0.0	1.7	0	0.0	0.0	0.0	0.0	0.0	see above
20780	521500	0.0	13.2	0	13.3	0.0	0.0	0.0	13.3	Rate Sheet
20780	521600	2.1	1.6	0	2.1	0.0	0.0	0.0	2.1	Based on FY24 actuals
20780	521700	17.0	20.9	19.76	30.0	0.0	0.0	0.0	30.0	Current salaries + 1 FTE
200	Personal Services and Employee Bene	1,124.9	1,351.0	1,302.86	1,602.8	5.0	0.0	0.0	1,607.8	
20780	542100	2.8	8.1	0	4.0	0.0	0.0	0.0	4.0	Travel for case litigation and trainings. NMSU MOU
20780	542200	0.0	1.5	0	1.5	0.0	0.0	0.0	1.5	Travel for case litigation and trainings. NMSU MOU
20780	542300	0.1	1.2	0	1.0	0.0	0.0	0.0	1.0	Amount is for in person commission meetings. change in commissioner will increase expense due to location
20780	542310	0.1	1.5	0	1.0	0.0	0.0	0.0	1.0	New Commissioners traveling a further distance for in person meetings.
20780	543300	0.3	0.0	0	0.0	0.0	0.0	0.0	0.0	
20780	543400	0.0	0.2	0	0.2	0.0	0.0	0.0	0.2	Notary bonding
20780	544000	6.7	4.0	0	4.0	0.0	0.0	0.0	4.0	Based on FY24 actuals + Desktop, Monitor, laptop based for new employee.
20780	544100	2.1	2.0	0	2.0	0.0	0.0	0.0	2.0	Based on FY24 actuals
20780	544900	0.6	1.5	0	1.0	0.0	0.0	0.0	1.0	
20780	545600	0.0	1.0	0	1.0	0.0	0.0	0.0	1.0	Required legal postings & notices
20780	545700	8.6	7.9	0	9.0	0.0	0.0	0.0	9.0	Based on actuals
20780	545710	3.0	3.2	0	3.3	0.0	0.0	0.0	3.3	HCM fee per 11 FTE
20780	545900	0.6	1.0	0	1.0	0.0	0.0	0.0	1.0	Canon Printing Fees rates increased effective 2024

Fund	Account	2023-24		2024-25		2025-26		FY 2026 Agency Request			Total	Justification
		Actuals	Opbud	Opbud	PCF Proj	GF	OSF	ISF/IAT	FF			
20780	546100		0.5	1.0	0	1.0	0.0	0.0	0.0	0.0	1.0	Postage purchased in current fiscal year
20780	546400		61.7	63.0	0	65.0	0.0	0.0	0.0	0.0	65.0	Rent Increase + key fees
20780	546500		3.5	4.1	0	4.4	0.0	0.0	0.0	0.0	4.4	Canon copier rate per contract
20780	546610		14.9	13.8	0	15.0	0.0	0.0	0.0	0.0	15.0	Change from rate sheet due to actual expenses incurred higher
20780	546700		24.2	25.5	0	33.7	0.0	0.0	0.0	0.0	33.7	Increase in legal subscriptions and dues due to additional staff in FY25
20780	546800		3.5	3.5	0	4.0	0.0	0.0	0.0	0.0	4.0	Additional FTE added in FY25
20780	546900		5.8	3.0	0	3.3	0.0	0.0	0.0	0.0	3.3	Ads for Commissioner vacancy in 2026
20780	547900		0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	0.0	
20780	548900		0.0	5.0	0	0.0	0.0	0.0	0.0	0.0	0.0	
20780	549600		0.9	1.5	0	2.0	0.0	0.0	0.0	0.0	2.0	COGEL Conference in person. Cost of flights increased
20780	549700		2.4	1.5	0	3.0	0.0	0.0	0.0	0.0	3.0	COGEL Conference in person. Hotel rates increased
	400		142.4	155.0	0	160.4	0.0	0.0	0.0	0.0	160.4	
	TOTAL EXPENSE		1,267.3	1,506.0		1,763.2	5.0	0.0	0.0	0.0	1,768.2	

Contract by PCode Detail
 (Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
20780	535200	1000	Professional Services	85.7	15.0	0.0	0.0	0.0	15.0	Contract Breakout for Actuals
20780	535200	1001	Interns	0.0	15.0	0.0	0.0	0.0	15.0	Summer legal interns.
20780	535200	1002	Paralegal Services.	0.0	24.9	0.0	0.0	0.0	24.9	Paralegal Services - expense increase expected due to workload increase.
20780	535200	1003	Professional Services	0.0	0.0	0.0	0.0	0.0	0.0	
20780	535200	1004	Hearing Officer Services	0.0	35.0	0.0	0.0	0.0	35.0	Hearing Officer, Alan Torgerson currently used.
20780	535200	1005	Court Reporting Services	0.0	15.0	0.0	0.0	0.0	15.0	Court Reporting and Hearing Services for increased case load.
20780	535209	1000	Professional Svcs - Interagen AHO Services	5.3	7.0	0.0	0.0	0.0	7.0	Required legal expenditures. AHO Projected based on FY25 expenses.
20780	535300	1000	Other Services	0.6	1.0	0.0	0.0	0.0	1.0	UNM and Horizons shredding and recycling costs.
20780	535400	1000	Audit Services	20.3	27.0	0.0	0.0	0.0	27.0	Per rate sheet.
20780	535500	1000	Attorney Services	32.6	41.0	0.0	0.0	0.0	41.0	Cost of Attorney Services to decrease due to the hiring of an additional attorney
20780	535600	1000	IT Services	22.0	31.0	0.0	0.0	0.0	31.0	Based on FY25 contract increase
TOTAL EXPENSE				166.6	211.9	0.0	0.0	0.0	211.9	

DFA Performance Based Budgeting Data System
Annual Performance Report

Agency: 41000 State Ethics Commission

Program: P410 State Ethics Commission

The purpose of the state ethics commission program is to receive, investigate and adjudicate complaints against public officials, public employees, candidates, those subject to the Campaign Reporting Act, government contractors, lobbyists and lobbyists' employers and to ensure that public ethics laws are clear, comprehensive and effective.

Performance Measures:		2023-24 Target	2023-24 Result	Met Target	Year End Result Narrative
Explanatory	Percent of ethics complaints within the agency's jurisdiction that are either disposed or set for public hearing within one hundred and eighty days after a complaint is received.	N/A	79%	N/A	
Output	Percent of advisory opinions issued within sixty days of receipt	90%	100%	Yes	exceeded target

Performance Measures Summary

P410 State Ethics Commission		2022-23	2023-24	2024-25	2025-26	2025-26
Performance Measures:		Actual	Actual	Budget	Request	Recomm
Purpose:	The purpose of the state ethics commission program is to receive, investigate and adjudicate complaints against public officials, public employees, candidates, those subject to the Campaign Reporting Act, government contractors, lobbyists and lobbyists' employers and to ensure that public ethics laws are clear, comprehensive and effective.					
Output	Percent of advisory opinions issued within sixty days of receipt	88%	100%	93%	93%	
Explanatory	Percent of ethics complaints within the agency's jurisdiction that are either disposed or set for public hearing within one hundred and eighty days after a complaint is received.	76%	79%	N/A	N/A	

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(505) 554-7706

New Mexico
State Ethics Commission

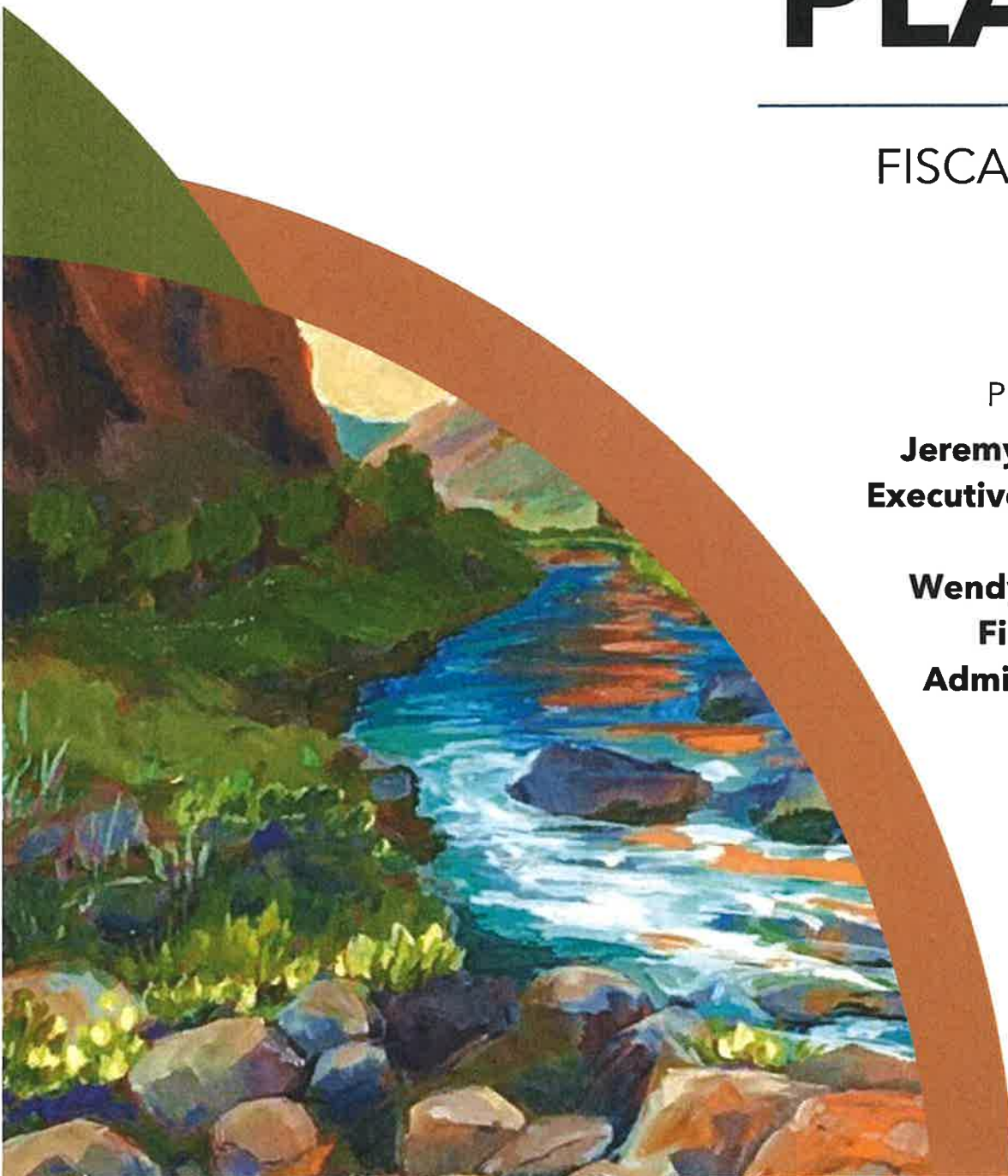


STRATEGIC PLAN

FISCAL YEAR
2026

Prepared by
Jeremy D. Farris,
Executive Director

Wendy George,
Finance and
Administration
Director



A Message from the Executive Director

I am pleased to present the *Strategic Plan* for the State Ethics Commission for fiscal year 2026—the Commission’s seventh year. The Commission is an independent, constitutional state agency that promotes the integrity of government through the interpretation, enforcement and improvement of New Mexico’s campaign finance, lobbying, procurement, and governmental conduct laws. The Commission has no staff vacancies and continues to experience increased levels of work to meet its constitutional and statutory mandates to oversee New Mexico’s governmental conduct, procurement, and disclosure laws. The Commission remains focused on hiring and achieving full funding for key personnel that are necessary for the Commission to minimally meet its significant mandates. This strategic plan is targeted to those needs.

Sincerely,

Jeremy Farris
Executive Director
State Ethics Commission

September 1, 2024



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Mission Statement

The State Ethics Commission is an independent, constitutional agency committed to preventing and remedying public corruption and building trust in state government. The Commission promotes the integrity of government through the interpretation, enforcement, and improvement of New Mexico's governmental conduct, procurement, campaign finance reporting, and financial disclosure laws.

Agency Overview

Legal Foundation and Creation

The State Ethics Commission is an independent state agency created by Article V, Section 17 of the New Mexico Constitution and enabled by the State Ethics Commission Act. The Commission's initial Commissioners were appointed on July 1, 2019. The Commission's jurisdiction and enforcement authority began on January 1, 2020.

Structure

The Commission is comprised of seven Commissioners and chaired by a retired judge. The State Ethics Commission Act sets forth both the qualifications to serve as a Commissioner and a procedure for appointing Commissioners that ensures an independent commission: The Governor appoints the Chair, who must be a retired judge. The Speaker of the House, the House Minority Floor Leader, the President Pro Tempore of the Senate, and the Senate Minority leader each appoint a Commissioner. The legislatively appointed Commissioners appoint two other Commissioners.

No more than three Commissioners may be members of the same political party. Except for the initial Commissioners, the Commissioners are appointed for staggered terms of four years. No Commissioner may serve more than two consecutive four-year terms. Commissioners are removable for cause only, following a removal proceeding before the New Mexico Supreme Court. The seven current Commissioners are listed at Appendix I, *infra*.

The Commission hires an Executive Director, who in turn hires the staff, including the Commission's General Counsel. Both the Commission's Executive Director and General Counsel are term-limited positions created by statute. The current and founding Executive Director is Jeremy Farris. The current and founding General Counsel is Walker Boyd.

Agency Powers

The Commission has five core responsibilities:

- (1) to investigate and adjudicate administrative complaints alleging violations of New Mexico's ethics laws;
- (2) to investigate and prosecute violations of the ethics laws through civil enforcement actions in state court;
- (3) to provide guidance to public officers, employees, and the public about New Mexico's governmental conduct, procurement and disclosure laws;
- (4) to investigate and prosecute in administrative proceedings violations of New Mexico's Revised Uniform Law on Notarial Acts; and
- (5) to make annual recommendations to the Governor and the Legislature regarding amendments to New Mexico's ethics laws.

First, the Commission may investigate and adjudicate administrative complaints against state government officials, employees, candidates, lobbyists and contractors. These administrative complaints must allege violations of the Campaign Reporting Act, the Financial Disclosure Act, the Gift Act, the Lobbyist Regulation Act, the Voter Action Act, the Governmental Conduct Act, the Procurement Code, the State Ethics Commission Act, or Article IX, Section 14 of the New Mexico Constitution, commonly known as the "Anti-Donation Clause." The Commission may also issue advisory opinions upon appropriate request, opinions which may bind the Commission's decisions in future administrative adjudications.

Second, under its discretionary, executive power, the Commission may investigate and initiate enforcement actions in state court to remedy violations of New Mexico's ethics laws, including the Governmental Conduct Act, the Procurement Code, the Financial Disclosure Act, and the Campaign Reporting Act. The Commission may also initiate administrative proceedings and petition state district courts to issue subpoenas related to investigations.

Third, the Commission provides guidance to government officers and employees and members of the public about New Mexico's ethics and disclosure laws. The Commission fulfills this responsibility by answering requests for advice through either advisory opinions or informal advisory letters and by offering trainings and guidance materials for public officials and employees. The Commission also provides trainings and presentations to associations that support public officials and employees, including the Municipal League, New Mexico Counties, the New Mexico Public Procurement Association, the New Mexico Society of Certified Public Accountants, and members of the New Mexico State Bar. The Commission's advisory opinions are published by the New Mexico Compilation Commission and are publicly available on www.NMOneSource.com. The Commission has also issued a model code of ethics at 1.8.4 NMAC, which is available for state agencies to adopt in whole or in part.

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Fourth, under the Revised Uniform Law on Notarial Acts (“RULONA”), the State Ethics Commission has authority to “deny, refuse to renew, revoke, suspend or impose a condition on a commission as a notary public for any act or omission that demonstrates that the individual lacks the honesty, integrity, competence or reliability to act as a notary public . . .” NMSA 1978, § 14-14A-22(A) (2021). Under this authority, the Commission investigates and adjudicates complaints against notaries public. These administrative cases are handled separately from the Commission’s ethics docket, and they reflect a growing and significant part of the Commission’s work.

Fifth, the Commission is tasked to make an annual report to the Governor and the Legislature for amendments to statutes relating to the Commission’s jurisdiction and New Mexico’s ethics laws, including New Mexico’s governmental conduct, procurement, campaign finance reporting, and financial disclosure statutes.

The Commission also has several responsibilities that flow from the core functions described above. The Commission periodically issues and amends administrative rules governing the issuance of advisory opinions (1.8.1 NMAC), commissioner recusals (1.8.2 NMAC), and administrative hearing procedures (1.8.3 NMAC). The Commission also provides the Legislature and the Governor with annual reports on its activities and potential amendments to the laws under the Commission’s jurisdiction. Additionally, to foster a community of attorneys in New Mexico that are familiar with the Commission and the state’s ethics laws, the Commission annually recruits law students at both the University of New Mexico School of Law and out-of-state law schools for paid summer associate positions with the Commission.

Major Events and Accomplishments (FY24)

Civil Enforcement Actions and Pre-Litigation Settlements:

- On August 1, 2023, the State Ethics Commission reached a pre-litigation settlement with New Mexico Values PAC, addressing violations of the Campaign Reporting Act. The Commission had previously authorized a civil action on June 2, 2023, in response to New Mexico Values PAC's failure to disclose timely and complete information regarding independent expenditures made against Representative Susan Herrera leading up to the June 7, 2022 Primary Election. The PAC's actions violated state law by withholding crucial information from the electorate about the sources of contributions used to fund these expenditures. Under the terms of the settlement, New Mexico Values PAC agreed to several conditions to resolve the matter: (i) registered with the Office of the Secretary of State as an independent expenditure filer; (ii) it fully disclosed all expenditures made and contributions received during the 2022 election cycle; and (iii) paid a civil penalty of \$1,000. This agreement ensured compliance with the Campaign Reporting Act and aimed to restore transparency in the electoral process.
- On August 10, 2023, the Commission, New Mexico Governor Michelle Lujan Grisham, and the Human Services Department (HSD) reached a settlement agreement stemming from the Commission's authorization of a civil action related to the cancellation of the Request for Proposals (RFP) for Managed Care Organizations for Turquoise Care, New Mexico's Medicaid plan. HSD issued the RFP on September 30, 2022; evaluated and scored proposals; prepared contract notice of award letters; and, on January 30, 2023, following instructions communicated by Governor's office employees, canceled the RFP. Pursuant to a mediation conducted by the Honorable Judith K. Nakamura (Ret.), the settlement required HSD to: (i) rescind the cancellation of the RFP; (ii) issue four notices of intent to award contracts to the four Managed Care Organization (MCO) contractors that HSD had originally selected, including Blue Cross and Blue Shield of New Mexico, UnitedHealthcare of New Mexico, Molina Healthcare of New Mexico, Inc., and Presbyterian Health Plan; and (iii) issue the notice that HSD originally prepared to Western Sky Community Care that it was not selected for a contract award. Last, when negotiating contract awards with the four offerors selected for contract awards, the settlement agreement required HSD, or its successor, to adhere to the RFP and procurement law.

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- On October 10, 2023, the Commission filed a civil enforcement action against Village of Taos Ski Valley Councilor Jay Christopher Stagg for actions the Commission alleged violated the Governmental Conduct Act, asserting that Mr. Stagg participated in official decisions directly benefiting his employer, Taos Ski Valley, Inc. (TSVI), while serving on the Village's Planning and Zoning Commission. Specifically, the Commission contended that Mr. Stagg, also Vice President of TSVI, improperly engaged in decisions regarding a conditional use permit for a new hotel and a land transaction for a gondola construction, despite the Act's requirement for recusal in such conflict-of-interest situations. The case was resolved through a settlement approved on July 17, 2024, by the Honorable Emilio Chavez, Chief Judge of the 8th Judicial District Court. Under the settlement, Mr. Stagg agreed to recuse himself from any future quasi-judicial proceedings and commercial transactions involving TSVI for the remainder of his current and any future terms on the Village Council or other Village entities. The court retains continuing enforcement authority to ensure compliance with these terms, allowing the Commission to seek further enforcement if necessary.
- On November 28, 2023, the Commission reached a settlement agreement with Lordsburg Mayor Glenda Greene following the filing of a civil enforcement action related to violations of the Governmental Conduct Act. The Commission's lawsuit alleged that Mayor Greene misused her mayoral powers to interfere with a DWI investigation involving herself and retaliated against the former Chief of Police for refusing to halt the investigation. Specifically, the complaint detailed that on May 27, 2023, Greene attempted to stop the investigation by directing the former Chief of Police to intervene. After his refusal and the subsequent public availability of the incident report, Greene retaliated by demoting him to a newly created Lieutenant position. Under the settlement, Mayor Greene admitted to three violations of the Governmental Conduct Act, including: (i) using her authority as mayor to attempt to interfere with a DWI investigation; (ii) deciding not to reappoint the then-Chief of Police for his refusal to interfere in the DWI investigation; and (iii) creating a Lieutenant position for the then-Chief of Police to demote into. Greene also agreed to pay a \$750 fine for these violations.
- On December 8, 2023, the Commission entered into a settlement with Yvonne Otero, the former Torrance County Clerk, to enforce the Governmental Conduct Act's main public trust provisions. On February 9, 2023, the Commission filed a civil enforcement action against Otero, alleging that, during her tenure as County Clerk, she violated the Governmental Conduct Act by using her elected position and public assets for personal gain and pursuits. The allegations included the deletion of electronically cast absentee ballots

STRATEGIC PLAN FY26

under federal Uniformed and Overseas Citizens Absentee Voting Act, mishandling of ballots, attempting to pre-certify ballot tabulators for vacation purposes, engaging in inappropriate behavior during work hours, openly discussing illicit drug use, and subjecting subordinates to danger and threats for both amusement and coercion. Under the settlement, Otero admitted to two violations of Subsection 10-16-3(A), one violation of Subsection 10-16-3(C), and one violation of Subsection 10-16-3.1(C) of the Governmental Conduct Act by: (i) using her positions as County Clerk to solicit prescription medications from an employee on at least one occasion; (ii) discharging a taser beside the head of her subordinate employee; (iii) breaching the legal duties as County Clerk by pre-signing blank verification forms of vote tabulating machines; and (iv) by allowing Tarrant County property to be used for other than an authorized purpose. Ms. Otero agreed to pay the corresponding civil penalty of \$1,000 for four violations of the Governmental Conduct Act.

- On February 29, 2024, the Commission settled with former Capitan Mayor Ron Lowrance regarding a violation of Subsection 10-16-3.1(C) of the Governmental Conduct Act, which prohibits public officers from using government property for unauthorized purposes. Lowrance admitted to using the Village of Capitan's official letterhead and resources to advocate for specific municipal candidates and agreed to pay a \$250 civil penalty as part of a pre-litigation settlement.
- On April 5, 2024, the Commission entered into a settlement with Ruidoso Manager Ron Sena for violating the Governmental Conduct Act by using government resources for political activities. Mr. Sena self-reported sending texts to Village employees urging political support and using a Village vehicle for campaign purposes. Under the agreement, the Commission waived civil penalties in exchange for Mr. Sena's agreement to apologize to the employees and clarify the GCA's rules on political activity and the use of public resources.
- On May 24, 2024, the Commission filed a lawsuit against The New Mexico Project (TNMP) and Jeff Apodaca, alleging that TNMP had spent significant funds to influence elections in at least 15 legislative districts in New Mexico without registering as a political committee and without TNMP or Apodaca disclosing expenditures and contributions, as required by law. The CRA mandates that political committees and organizations making independent expenditures exceeding \$1,000 in non-statewide elections must make certain disclosures of their expenditures and the sources of their contributions. TNMP's failure to comply led the Commission to seek a preliminary injunction, asking the court to compel TNMP to register as a political committee with the Secretary of State and to file reports detailing its contributions and

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expenditures ahead of the 2024 general election. The case remains pending in the Second Judicial District Court.

- On May 29, 2024, the Commission reached a pre-litigation settlement with Albuquerque City Council President Dan Lewis for violating the Governmental Conduct Act. The Commission alleged that Lewis improperly acquired a financial interest in employment with the Albuquerque Pavement Association of New Mexico (APANM) while sponsoring and voting on legislation related to the Albuquerque-Bernalillo County Joint Air Quality Control Board (AQCB) which directly affected his prospective employment. Specifically, Lewis sponsored a resolution to impose a moratorium on the AQCB's rulemaking authority and an ordinance to dissolve and replace the AQCB, actions that coincided with his negotiations for the role of executive director at APANM, whose members were involved in AQCB rulemaking. To settle this matter, City Council President Lewis agreed to recuse himself in all matters that come before the Albuquerque City Council relating to the AQCB (or any successor entity to the AQCB), the APANM, or any APANM member, so long as he serves on the Albuquerque City Council and also is employed by APANM.
- On June 24, 2024, the Commission filed a civil enforcement action against Village of Angel Fire officials, including the Village Mayor, and Carristo Creative Consulting LLC, a Village contractor, alleging violations of the Procurement Code. The Commission's investigation found that the Village had awarded a \$1 million contract to Carristo Creative without issuing a request for proposals or seeking competitive bids, in violation of the Procurement Code. The contract encompassed services such as branding creation, video and photography deliverables, website upgrades, and social media management, which exceeded the scope of the Code's exemption for "purchases of advertising." The Commission raised concerns about conflicts of interest, citing the personal and professional ties between Carristo Creative and the Village's mayor. The matter remains pending before the Eighth Judicial District Court.

Investigation and Adjudication of Administrative Complaints:

- In FY24, the Commission received, investigated and adjudicated 77 administrative complaints alleging violations of New Mexico's ethics and disclosure laws. At present, 10 of the 77 administrative matters filed during FY24 are still pending.
- On April 14, 2023, the Commission announced probable cause in *Eichenberg v. Montoya* (SEC No. 2022-006), involving allegations that State Treasurer Laura Montoya violated the Campaign Reporting Act (CRA). Montoya was

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accused of accepting \$10,000 in “straw donor” contributions from companies managed by Gary Plante, which were falsely reported as coming from Adelante Sandoval, a political committee. After a public hearing on August 21-22, 2023, Hearing Officer Alan C. Torgerson (Ret.) concluded that Montoya violated Section 1-19-34.7(D) of the CRA by knowingly accepting contributions under a false name and Section 1-19-34.3(A) by misreporting these contributions. Montoya was fined \$1,000. Appeals were filed by both Tim Eichenberg and the State Ethics Commission’s General Counsel, seeking further penalties, while Montoya challenged the findings. On December 19, 2023, the Commission upheld the Hearing Officer's decision, affirming the CRA violations and the penalty.

- On October 23, 2023, the Commission’s general counsel found probable cause in *Kokinadis v. Bedonie* (SEC No. 2022-027) for alleged Campaign Reporting Act violations. At a public hearing on May 13, 2024, Hearing Officer Judge Alan C. Torgerson (Ret.) determined that Karen Bedonie, the Libertarian candidate for governor, violated the Campaign Reporting Act in relation to her failure to report in-kind contributions and coordinated expenditures, as well as her failure to include proper disclaimers on campaign ads. Hearing Officer Torgerson imposed a \$4,500.00 civil penalty. On August 22, 2024, Bedonie appealed the decision, challenging these findings. The appeal will be decided by the full Commission.
- On November 9, 2023, the Commission announced a settlement in the case of *Goolsby v. Zanetti* (Administrative Case No. 2023-035). The complaint alleged that former gubernatorial candidate Greg Zanetti's campaign violated the Campaign Reporting Act by accepting \$3,661 in anonymous contributions, exceeding the \$100 per individual and \$2,000 aggregate limits. Mr. Zanetti's candidate committee explained these contributions were collected at a "pass the hat" event, making donor identification impossible. To settle the matter, Zanetti's committee agreed to pay a \$3,661 civil penalty to the State of New Mexico. The settlement was approved by the Commission on November 3, 2023.
- On November 9, 2023, the Commission announced a settlement in *Rodriguez v. Eichenberg* (Administrative Case No. 2022-45). Former State Treasurer Tim Eichenberg admitted to failing to report a political ad expenditure on time, agreeing to pay a \$250 penalty. While denying any misuse of state resources, he also agreed to a \$250 penalty for that allegation. The settlement was approved on November 3, 2023.
- On November 9, 2023, the State Ethics Commission announced a settlement in *Goolsby v. Colón* (Administrative Case No. 2023-038). Former State Auditor

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Brian Colón was accused of violating the Campaign Reporting Act by accepting contributions that exceeded the \$5,200 primary election limit and failing to detail specific purposes for campaign expenditures. To resolve the case, Colón refunded the excess contributions and clarified that detailed descriptions for expenditures were included in the original reports but were not shown in the Secretary of State's campaign finance system. The Commission approved the settlement on November 3, 2023.

- On November 9, 2023, the State Ethics Commission announced a settlement in *Goolsby v. A Stronger New Mexico* (Administrative Case No. 2023-031). The political committee, without admitting wrongdoing, amended its campaign finance reports to disclose the candidates targeted by its expenditures, addressing allegations of violating the Campaign Reporting Act. The Commission approved the settlement on November 3, 2023.
- On February 5, 2024, the State Ethics Commission announced a settlement in *Rael v. Lord* (Administrative Case No. 2023-025). Representative Stefani Lord was found to have improperly used campaign funds for legislative session housing and apparel, violating the Campaign Reporting Act. To resolve the matter, Representative Lord agreed to pay a \$500 civil penalty, considering she had already reimbursed the misused funds before the complaint was filed. The Commission approved the settlement on February 2, 2024.
- On February 5, 2024, the State Ethics Commission announced a settlement in *Goolsby v. Morales* (Administrative Case No. 2023-036). Lieutenant Governor Howie Morales agreed to amend his campaign finance reports to correct disclosure discrepancies, complying with the Campaign Reporting Act. These amendments were verified by an auditor, and the settlement was approved by the Commission on February 2, 2024.

Advisory Opinions, Education and Trainings, Compliance, and RULONA:

- In FY24, the Commission issued 8 advisory opinions, available on www.NMOneSource.com, and 25 advisory letters. The advisory opinions covered several of the laws under the Commission's authority:
 - In Commission Advisory Opinion 2023-05, the Commission opined that the Governmental Conduct Act requires a municipality to provide notice and follow a competitive process before sale or lease of municipal property to a Trustee or a business owned by the Trustee, and that the business's use of the property without compensation likely violated the Anti-Donation Clause.

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- Commission Advisory Opinion 2023-06 also dealt with a question under the Governmental Conduct Act, where the Commission concluded that a former mayor of a municipality was permitted under the Act to engage in negotiations for an agreement with the City on behalf of a police officers association despite his work on a previous agreement because the work was sufficiently attenuated from his official acts as mayor.
- In Commission Advisory Opinion 2023-07 and related opinion 2024-01, the Commission opined that the Procurement Code applies to contracts for legal services on a contingent-fee basis, allows a state agency to award two or more contracts to private law firms for legal representation of the state, and prohibits a state agency from making an emergency procurement for legal services to file an action to avoid the running of a statute of limitations, a statute or repose, or some other filing deadline.
- In Commission Advisory Opinion 2023-08, the Commission again considered the Anti-Donation Clause, determining the Clause does not apply to Central New Mexico Community College, but to the extent it does, CNM is permitted to expend funds for the purchase of laptops and textbooks for student use.
- Commission Advisory Opinions 2024-02 and 2024-03 both related to activities by legislators. Opinion 2024-02 opined that the Campaign Reporting Act allows for the expenditure of campaign funds by a legislator that are reasonably related to performing the duties of the office held, which may include training and travel expenditures. Opinion 2024-03 concluded that legislators are permitted to use an official legislative email address to email contacts about an event, including speakers and sponsors, in order to address general administration and logistics of an event, but the use of a legislative email address to contact sponsors for the purpose of soliciting donations to a charity is likely prohibited by the Gift Act.
- In FY24, delivered 24 separate trainings to legislators, legislative committees and staff, state agencies, state boards and commissions, local governments, universities, affiliate and professional organizations, and bar associations around New Mexico.
- On October 18, 2023, the State Ethics Commission announced that it successfully obtained financial disclosure filings from several state agency heads and members of significant boards and commissions, following referrals from the Secretary of State. These individuals, required by the Financial Disclosure Act to file annual disclosures, included those from the Office of the

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State Engineer, the Military Base Planning Commission, the State Board of Finance, the State Investment Council, and the State Racing Commission. The Commission's efforts ensure compliance with the law, which applies to approximately 675 officials statewide.

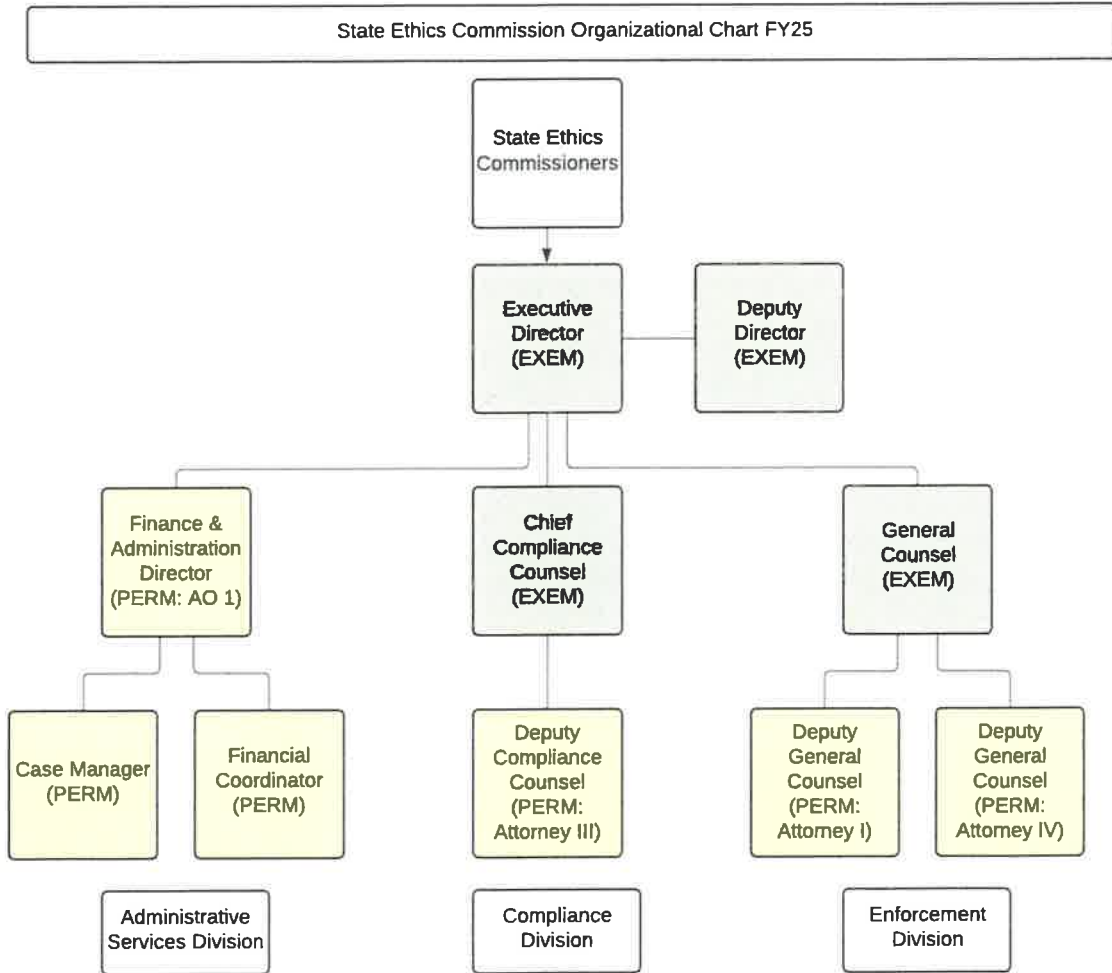
- Since January 1, 2022, when the Commission was assigned jurisdiction for notaries public the Commission has received, investigated, or prosecuted over 49 separate administrative matters involving a potential remedial action against a notary public's commission under RULONA. IN FY24, the Commission received 16 administrative matters related to notaries public.

Capacity-Building Accomplishments:

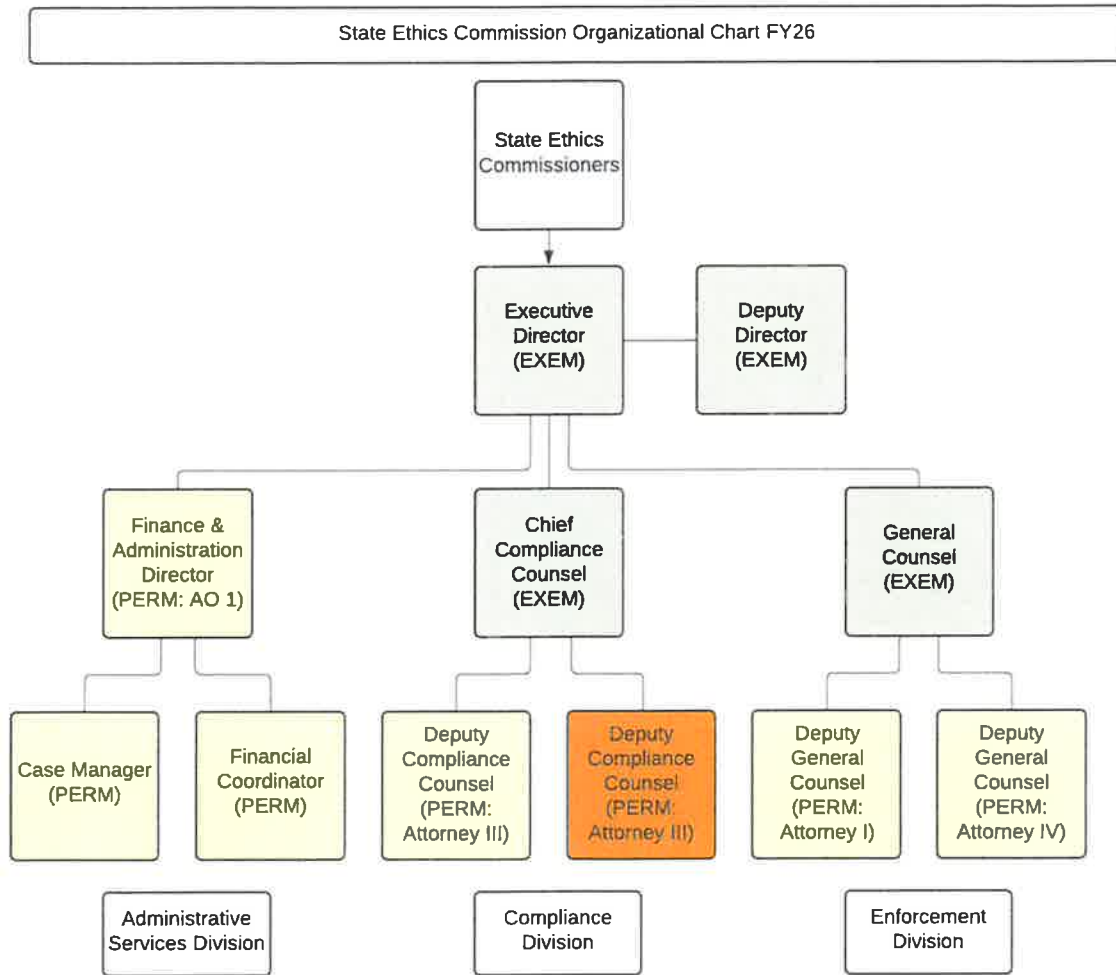
- In FY24, the Commission divided its internal organization to assign staff to three separate functions: enforcement (responsible for litigation and administrative adjudications); compliance (responsible for advisory opinions, education, efforts at voluntary compliance under the statutes the Commission administers, and compliance with regulatory statutes applicable to the Commission's operations, including the Inspection of Public Records Act and the Open Meetings Act); and administrative services (responsible for budget, audit, financial transactions, and human resources).
- In FY24, the Commission hosted its fifth class of law student summer associates—three students from the University of New Mexico School of Law.

Organizational Structure

State Agency Organizational Chart (FY25):



State Agency Organizational Chart (FY26):



*The position in orange in the above chart reflects the additional position that the Commission seeks as part of its FY26 budget request.

FY26 Objectives and Strategic Actions

Through FY26, the Commission will retain the same basic objectives as in previous fiscal years: investigation and adjudication of administrative complaints; enforcement of New Mexico's governmental conduct, procurement and disclosure laws; guidance and education; and building the agency's capacity and visibility. Looking forward to FY26, the Commission proposes the following strategic actions.

ADMINISTRATIVE ADJUDICATION

The Commission's primary function is the investigation and adjudication of administrative complaints filed either by members of the public or referred by other state agencies. In FY26, the Commission intends to take the following strategic actions to improve its administrative adjudications:

Strategic Actions

- Assign and delegate dedicated attorney staff to issue initial notices, jurisdictional determinations, referrals to other agencies, investigations, and findings of probable cause for administrative cases filed in the Commission subject to the State Ethics Commission Act responsible.
- Continue contracting for hearing-officer services with a retired state judge or retired federal magistrate or bankruptcy judge and with the Administrative Hearings Office.
- Improve the efficiency of complaint filings and other submissions to the Commission by developing an online assessment to determine if an issue falls within the Commission's jurisdiction or implicates the Commission's enforcement authority and the appropriate type of complaint to file.

ENFORCEMENT

The Commission may pursue civil enforcement actions in state court to prevent or remedy violations of the laws provided for in Section 10-16G-9(A) of the State Ethics Commission Act, including the Governmental Conduct Act, the Procurement Code, and the Campaign Reporting Act. This discretionary authority is the Commission's greatest tool to directly vindicate New Mexico's ethics laws. In FY26, the Commission intends to take the following strategic actions to enable and effectuate its enforcement authority:

Strategic Actions

- Enter into and operate under an interagency agreement with the New Mexico Department of Justice regarding referrals, information sharing, parallel enforcement, and training.
- Improve and streamline the Commission's intake processes so that every allegation is given appropriate consideration and review.
- Contract for paralegal services to support the Commission's attorneys in the investigation and prosecution of civil enforcement actions and special statutory proceedings.

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- File and litigate enforcement actions in state court as necessary and participate as *amicus curiae* on appellate cases implicating New Mexico's ethics laws.
- Review databases of filings under the Campaign Reporting Act, the Lobbyist Regulation Act, and the Financial Disclosure Act.

GUIDANCE AND EDUCATION

The Commission has the responsibility to provide guidance on the Governmental Conduct Act, the Procurement Code and other of the state's ethics and disclosure laws to officials and employees across New Mexico's state and local governments. In FY26, the Commission intends to take the following strategic actions to continue and increase its guidance function:

Strategic Actions

- Subject to requested appropriations, fully fund an additional attorney position, so that the Commission has a greater ability to timely issue formal advisory opinions and advisory letters that are legally correct and responsive to any requester.
- Research and prepare recommended amendments to the state ethics laws for consideration by members of the legislature during future legislative sessions.
- Develop and offer trainings, opinion and editorial pieces, and continuing legal education courses (and related materials) on the Governmental Conduct Act, the Procurement Code, and other laws within the Commission's authority; provide those trainings to both state agencies, local public bodies, and affiliate organizations.
- Expand ethics training through NMEdge, the State of New Mexico Enterprise Learning Management (ELM), and online platforms by developing modules and programs that provide accessible education on ethics laws for state and local government officials and employees.
- Issue advisory opinions and advisory letters upon proper request.
- Work with the New Mexico Compilation Commission to ensure that State Ethics Commission advisory opinions are published on www.NMOneSource.com and New Mexico's statutes are annotated with the growing body of State Ethics Commission advisory opinions.
- Improve the Commission's guidance function by exploring the development of an online application to provide answers to ethics questions based on the Commission's advisory opinions and advisory letters.

CAPACITY BUILDING

FY26 will be the Commission's seventh year. The Commission remains a young state agency, mostly staffed by its initial staff members. To further build capacity to perform its basic constitutional and statutory mandates, in FY26, the Commission intends to take the following strategic actions:

Strategic Actions

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- Conduct a summer associate program for law students to develop a pipeline of New Mexico lawyers familiar with and concerned about New Mexico's ethics and disclosure laws and the Commission's work enforcing those laws.
- Relatedly, pending approval of the Commission's FY26 request the Commission seeks to add an additional attorney position so that the Commission has the continued ability to recruit out of its summer law school program, and thereby build a strong and tight-knit office culture, with a ladder for career advancement.

IMPROVED ENGAGEMENT WITH LOCAL GOVERNMENTS

While the Commission lacks jurisdiction for administrative complaints filed against local government officials and employees, many of New Mexico's ethics laws apply to these individuals. The Commission interacts with New Mexico local governments in two main ways: First, the Commission provides advisory letters and trainings to local government officials and employees. Second, the Commission has the discretionary authority to commence civil actions in district court to enforce violations of those ethics laws that apply to local government officials and employees. Beyond its enforcement duties and its responsibilities to provide advisory services and trainings, the Commission can more deeply engage with local governments to better ensure compliance with New Mexico's ethics and disclosure laws. To that end, in FY26, the Commission intends to take the following strategic actions:

Strategic Actions

- Host an Annual Statewide Ethics Conference to connect local ethics boards across the state, offering networking opportunities, workshops, and discussions on topics such as ethics enforcement, public trust, transparency, and the latest developments in ethics laws.
- Develop a toolkit of resources that local governments can consult to enact local ethics and disclosure ordinances and local ordinances creating local ethics boards to adjudicate local ethics complaints.
- Participate in conferences hosted by the Municipal League, the New Mexico Association of Counties, and the New Mexico Public Procurement Association to discuss best practices and to publicize the Commission's work and resources available to local governments.
- Produce a quarterly newsletter highlighting best practices, recent case studies, and information on ethics laws, tailored specifically for local government officials and employees.

REVISED UNIFORM LAW ON NOTARIAL ACTS (RULONA)

The Commission may "deny, refuse to renew, revoke, suspend or impose a condition on a commission as a notary public for any act or omission that demonstrates that the individual lacks the honesty, integrity, competence or reliability to act as a notary public . . ." § 14-14A-22(A). Under this authority, the Commission investigates and adjudicates complaints against notaries public. These RULONA administrative cases

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are handled separately from the Commission's ethics docket, and they reflect a growing and significant part of the Commission's work.

Strategic Actions

- Contract for paralegal services to assist the Attorney III in the management of the RULONA administrative docket.
- Continue to work with the Business Services Division of the Office of the Secretary of State to ensure that Commission adverse actions on notary public commissions are reflected and made available to the public.

Performance Measures

Under the Accountability in Government Act, NMSA 1978, §§ 6-3A-1 to -10 (1999, as amended 2019), each state agency submits performance measures and outcomes under those measures to the State Budget Division of the Department of Finance and Administration and the Legislative Finance Committee. The Commission's performance measures were recently amended to better reflect agency performance. These amendments were made in consultation with staff of the Legislative Finance Committee and the Department of Finance and Administration. The Commission's current performance measures and outcomes are:

Existing Measure	FY24 Actual	FY26 Target
Percent of advisory opinions issued within sixty days of receipt of request.	100%	90%
Percent of ethics complaints within the agency's jurisdiction that are either disposed of or set for public hearing within 180 days after a complaint is received.	79%*	90%

* There are several reasons why the Commission sometimes requires more than 180 days to resolve an administrative complaint. There are substantial delays that can occur before a probable cause determination and a hearing. Under applicable regulations (1.8.3 NMAC), the parties to administrative cases may request extensions to deadlines. These requests are routinely made and granted. Further, the Risk Management Division of the General Services Department is required to hire and pay attorneys to represent respondents who are officers or employees of the state. Risk Management Division counsel often request extensions of time to become familiar with the case. Further, parties often elect to challenge Commission subpoenas. Litigating novel and complex issues in front of district courts and the courts of appeal is common, and these proceedings can take longer than 180 days to resolve. Last, it can also take time for the Commission's general counsel and other Commission attorneys to schedule interviews and depositions, working with the schedules of parties and witnesses.

Considerations

Two considerations are relevant to the Commission's strategic plan for FY26:

1. Since the Commission's creation on July 1, 2019, the Commission has grown in an incremental and fiscally responsible manner. With a current staff of 10 employees, the Commission remains very lean in comparison to its constitutional and statutory mandate to ensure compliance with New Mexico's governmental ethics, procurement, and disclosure laws.
2. Under Section 10-16G-10(K) of the State Ethics Commission Act, a public official or state employee who is a respondent to an administrative complaint alleging an ethics violation made in the performance of the respondent's duties shall be entitled to representation by the risk management division of the general services department. After consulting with other state ethics commissions, this provision stands as an aberration among other state ethics regimes. As a result of Section 10-16G-10(K) and considering the incentives of private attorneys providing legal defenses to their clients, administrative matters where respondents are represented by risk counsel tend to generate significant expense for the State and significant work for the Commission's attorney staff. So long as Section 10-16G-10(K) remains the law, the Commission will maintain a concern whether it has adequate attorney staff to investigate and adjudicate administrative ethics cases.

Appendix I: Current Commissioners

The current Commissioners are:

Hon. William F. Lang, Chair

Appointing authority: Governor Michelle Lujan Grisham
Term expires: June 30, 2026

Jeffrey Baker, Member

Appointing authority: Legislatively appointed Commissioners
Term expires: July 26, 2028

Stuart M. Bluestone, Member

Appointing authority: Speaker of the House, Javier Martínez
Term expires: June 30, 2027

Hon. Celia Castillo, Member

Appointing authority: President Pro Tem of the Senate, Mimi Stewart
Term expires: June 30, 2025

Hon. Gary L. Clingman, Member

Appointing authority: Legislatively appointed Commissioners
Term expires: July 26, 2028

Hon. Dr. Terry MacMillan

Appointing authority: Minority Floor Leader of the Senate, Gregory Baca
Term expires: June 30, 2027

Dr. Judy Villanueva, Member

Appointing authority: Minority Floor Leader of the House, James
Townsend
Term expires: June 30, 2025

Appendix II: The Commission's Legal Authority

Article V, Section 17 of the New Mexico Constitution

A. The "state ethics commission" is established as an independent state agency under the direction of seven commissioners, no more than three of whom may be members of the same political party, whose terms and qualifications shall be as provided by law. The governor shall appoint one commissioner. One commissioner each shall be appointed by the president pro tempore of the senate, the minority floor leader of the senate, the speaker of the house of representatives and the minority floor leader of the house of representatives, all as certified by the chief clerks of the respective chambers. Two commissioners, who shall not be members of the same political party, shall be appointed by the four legislatively appointed commissioners.

B. The state ethics commission may initiate, receive, investigate and adjudicate complaints alleging violations of, and issue advisory opinions concerning, standards of ethical conduct and other standards of conduct and reporting requirements, as may be provided by law, for state officers and employees of the executive and legislative branches of government, candidates or other participants in elections, lobbyists or government contractors or seekers of government contracts and have such other jurisdiction as provided by law.

C. The state ethics commission may require the attendance of witnesses or the production of records and other evidence relevant to an investigation by subpoena as provided by law and shall have such other powers and duties and administer or enforce such other acts as further provided by law. (As added November 6, 2018.)

NMSA 1978, § 1-19-34.6 (2021) (Campaign Reporting Act)

A. If the secretary of state exhausts efforts in seeking voluntary compliance and reasonably

believes that a person committed, or is about to commit, a violation of the Campaign Reporting Act, the secretary of state shall refer the matter to the state ethics commission for enforcement; provided, however, that if the secretary of state waives the imposition of a fine pursuant to Subsection D of Section 1-19-35 NMSA 1978, the matter shall not be referred.

B. With or without a referral from the secretary of state, the state ethics commission may institute a civil action in district court for any violation of the Campaign Reporting Act or to prevent a violation of that act that involves an unlawful solicitation or the making or acceptance of an unlawful contribution. An action for relief may include a permanent or temporary injunction, a restraining order or any other appropriate order, including a civil penalty of up to one thousand dollars (\$1,000) for each violation not to exceed a total of twenty thousand dollars (\$20,000), and forfeiture of any contribution received as a result of an unlawful solicitation or unlawful contribution. Each unlawful solicitation and each unlawful contribution made or accepted shall be deemed a separate violation of the Campaign Reporting Act.

C. With or without a referral from the secretary of state, the state ethics commission may institute a civil action in district court if a violation has occurred or to prevent a violation of any provision of the Campaign Reporting Act other than that specified in Subsection B of this section. Relief may include a permanent or temporary injunction, a restraining order or any other appropriate order, including an order for a civil penalty of up to one thousand dollars (\$1,000) for each violation not to exceed a total of twenty thousand dollars (\$20,000).

NMSA 1978, § 1-19-34.8 (2021) (Campaign Reporting Act)

A. The state ethics commission shall have jurisdiction to investigate and adjudicate a complaint alleging a civil violation of a

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provision of the Campaign Reporting Act in accordance with the provisions of that act.

B. The secretary of state shall forward complaints it receives alleging violations of the Campaign Reporting Act to the state ethics commission in accordance with the provisions of the Campaign Reporting Act and a formalized agreement.

NMSA 1978, § 1-19A-15.1 (2021) (Voter Action Act)

A. The state ethics commission shall have jurisdiction to investigate and adjudicate a complaint alleging a civil violation of a provision of the Voter Action Act in accordance with the provisions of the State Ethics Commission Act [10-16G-1 to 10-16G-16 NMSA 1978].

B. The secretary of state shall forward complaints it receives alleging violations of the Voter Action Act to the state ethics commission in accordance with a formalized agreement.

NMSA 1978, § 2-11-8.2 (2021) (Lobbyist Regulation Act)

A. The secretary of state shall advise and seek to educate all persons required to perform duties pursuant to the Lobbyist Regulation Act of those duties. This includes advising all registered lobbyists at least annually of the Lobbyist Regulation Act's deadlines for submitting required reports. The state ethics commission, in consultation with the secretary of state, shall issue advisory opinions, when requested to do so in writing, on matters concerning the Lobbyist Regulation Act.

B. The secretary of state may conduct examinations of reports and the state ethics commission may initiate investigations to determine whether the Lobbyist Regulation Act has been violated. Any person who believes that a provision of the Lobbyist Regulation Act has been violated may file a written complaint with the state ethics commission pursuant to the terms of the State Ethics Commission Act [10-16G-1 to 10-16G-16 NMSA 1978]. If the

commission has jurisdiction for the complaint, the state ethics commission shall refer the complaint to the secretary of state. Upon referral, the secretary of state shall attempt to achieve voluntary compliance with the Lobbyist Regulation Act. Within twenty days after receiving the complaint from the state ethics commission, the secretary of state shall return the complaint to the state ethics commission and certify to the state ethics commission whether voluntary compliance was achieved. If the secretary of state certifies voluntary compliance, the state ethics commission shall dismiss the complaint or that part of the complaint alleging a violation of the Lobbyist Regulation Act. If the secretary of state does not certify voluntary compliance, the state ethics commission shall proceed with the complaint pursuant to the terms of the State Ethics Commission Act.

C. The secretary of state and the state ethics commission shall at all times seek to ensure voluntary compliance with the provisions of the Lobbyist Regulation Act. Additionally, the state ethics commission shall give a person who violates that act unintentionally or for good cause ten days' notice to come into compliance before the commission takes any action on a complaint filed with or referred to the commission against that person.

D. Any person who fails to file or files a report after the deadline imposed by the Lobbyist Regulation Act shall be liable for and shall pay to the secretary of state fifty dollars (\$50.00) per day for each regular working day after the time required for the filing of the report until the complete report is filed, up to a maximum of five thousand dollars (\$5,000).

E. If the secretary of state determines that a reporting entity subject to the reporting provisions of the Lobbyist Regulation Act has failed to file or has filed a report after the deadline, the secretary of state shall by written notice set forth the violation and the fine that may be imposed and inform the reporting individual that the individual has ten working days from the date of the letter to come into voluntary compliance and to provide a written explanation, under penalty of perjury, stating

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any reason why the violation occurred. If a timely explanation is filed and the secretary of state determines that good cause exists to waive the imposition of a fine, the secretary of state may by a written notice of final action partially or fully waive the imposition of a fine for any late report or statement of no activity. A written notice of final action shall be sent by certified mail. The secretary of state may file an appropriate court action to remit outstanding fines for good cause or refer unpaid fines for enforcement pursuant to Subsection F of this section.

F. The secretary of state may refer a matter to the state ethics commission for a civil injunctive or other appropriate order or enforcement.

NMSA 1978, § 2-11-8.3 (2021) (Lobbyist Regulation Act)

A. The state ethics commission shall have jurisdiction to investigate and adjudicate a complaint alleging a civil violation of a provision of the Lobbyist Regulation Act in accordance with the provisions of that act.

B. The secretary of state shall forward complaints it receives alleging violations of the Lobbyist Regulation Act to the state ethics commission in accordance with the Lobbyist Regulation Act and a formalized agreement.

NMSA 1978, § 10-16-11 (2021) (Governmental Conduct Act)

...

C. The head of every executive and legislative agency and institution of the state may draft a separate code of conduct for all public officers and employees in that agency or institution. The separate agency code of conduct shall prescribe standards, in addition to those set forth in the Governmental Conduct Act and the general codes of conduct for all executive and legislative branch public officers and employees, that are peculiar and appropriate to the function and purpose for which the agency or institution was created or exists. The separate codes, upon approval of the responsible executive branch public officer for

executive branch public officers and employees or the New Mexico legislative council for legislative branch employees, govern the conduct of the public officers and employees of that agency or institution and, except for those public officers and employees removable only by impeachment, shall, if violated, constitute cause for dismissal, demotion or suspension. The head of each executive and legislative branch agency shall adopt ongoing education programs to advise public officers and employees about the codes of conduct. All codes shall be filed with the state ethics commission and are open to public inspection.

...

E. All legislators shall attend a minimum of two hours of ethics continuing education and training developed and provided, in consultation with the director of the legislative council service, by the state ethics commission or a national state legislative organization of which the state is a member, approved by the director, biennially.

NMSA 1978, § 10-16-18 (2021) (Governmental Conduct Act)

A. If the state ethics commission reasonably believes that a person committed, or is about to commit, a violation of the Governmental Conduct Act, the state ethics commission may refer the matter to the attorney general or a district attorney for enforcement.

B. The state ethics commission may institute a civil action in district court or refer a matter to the attorney general or a district attorney to institute a civil action in district court if a violation has occurred or to prevent a violation of any provision of the Governmental Conduct Act. Relief may include a permanent or temporary injunction, a restraining order or any other appropriate order, including an order for a civil penalty of two hundred fifty dollars (\$250) for each violation not to exceed five thousand dollars (\$5,000).

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NMSA 1978, § 10-16A-8 (2021) (Financial Disclosure Act)

A. If the state ethics commission reasonably believes that a person committed, or is about to commit, a violation of the Financial Disclosure Act, the commission may refer the matter to the attorney general or a district attorney for enforcement.

B. The state ethics commission may institute a civil action in district court or refer a matter to the attorney general or a district attorney to institute a civil action in district court if a violation has occurred or to prevent a violation of any provision of the Financial Disclosure Act. Relief may include a permanent or temporary injunction, a restraining order or any other appropriate order, including an order for a civil penalty of two hundred fifty dollars (\$250) for each violation not to exceed five thousand dollars (\$5,000).

NMSA 1978, § 10-16B-5 (2019) (Gift Act)

A. The state ethics commission may initiate investigations to determine whether the provisions of the Gift Act have been violated. A person who believes that a violation of the Gift Act has occurred may file a complaint with the state ethics commission.

B. If the state ethics commission determines that a violation has occurred, the commission shall refer the matter to the attorney general for criminal prosecution.

NMSA 1978, § 13-1-196 (2019) (Procurement Code)

Any person, firm or corporation that knowingly violates any provision of the Procurement Code is subject to a civil penalty of not more than one thousand dollars (\$1,000) for each procurement in violation of any provision of the Procurement Code. The district attorney in the jurisdiction in which the violation occurs or the state ethics commission is empowered to bring a civil action for the enforcement of any provision of the Procurement Code; provided

that the commission may refer a matter for enforcement to the attorney general or the district attorney in the jurisdiction in which the violation occurred. Any penalty collected under the provisions of this section shall be credited to the general fund of the political subdivision in which the violation occurred and on whose behalf the suit was brought.

NMSA 1978, § 13-1-196.1 (2019) (Procurement Code)

The state ethics commission may investigate complaints against a contractor who has a contract with a state agency or a person who has submitted a competitive sealed proposal or competitive sealed bid for a contract with a state agency. The state ethics commission may impose the civil penalties authorized in Sections 13-1-196 through 13-1-198 NMSA 1978 pursuant to the provisions of those sections.

NMSA 1978, § 10-16G-1 to -16 (2019, as amended through 2023) (State Ethics Commission Act)

§ 10-16G-1. Short Title

Sections 1 through 16 of this act may be cited as the "State Ethics Commission Act".

§ 10-16G-2. Definitions

As used in the State Ethics Commission Act:

- A. "commission" means the state ethics commission;
- B. "commissioner" means a member of the commission;
- C. "complainant" means a person who files a verified complaint with the commission;
- D. "complaint" means a complaint that has been signed by the complainant and the complainant attests under oath and subject to penalty of perjury that the information in the complaint, and any attachments provided with the complaint, are true and accurate;
- E. "director" means the executive director of the commission;
- F. "government contractor" means a person who has a contract with a public agency or who has submitted a competitive sealed proposal or competitive sealed bid for a contract with a public agency;

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G. "legislative body" means the house of representatives or the senate;

H. "lobbyist" means a person who is required to register as a lobbyist pursuant to the provisions of the Lobbyist Regulation Act [Chapter 2, Article 11 NMSA 1978];

I. "political party" means a political party that has been qualified in accordance with the provisions of the Election Code [Chapter 1 NMSA 1978];

J. "public agency" means any department, commission, council, board, committee, agency or institution of the executive or legislative branch of government of the state or any instrumentality of the state, including the New Mexico mortgage finance authority, the New Mexico finance authority, the New Mexico exposition center authority, the New Mexico hospital equipment loan council and the New Mexico renewable energy transmission authority;

K. "public employee" means an employee of a public agency;

L. "public official" means a person elected to an office of the executive or legislative branch of the state or a person appointed to a public agency; and

M. "respondent" means a person against whom a complaint has been filed with or by the commission.

§ 10-16G-3. State Ethics Commission Created; Membership; Terms; Removal

A. The "state ethics commission", as created in Article 5, Section 17 of the constitution of New Mexico, is composed of seven commissioners, appointed as follows:

(1) one commissioner appointed by the speaker of the house of representatives;

(2) one commissioner appointed by the minority floor leader of the house of representatives;

(3) one commissioner appointed by the president pro tempore of the senate;

(4) one commissioner appointed by the minority floor leader of the senate;

(5) two commissioners appointed by the four legislatively appointed commissioners; and

(6) one commissioner appointed by the governor, who shall be a retired judge and who shall chair the commission.

B. No more than three members of the commission may be members of the same political party.

C. The appointing authorities shall give due regard to the cultural diversity of the state and to achieving geographical representation from across the state. Each appointing authority shall file letters of appointment with the secretary of state.

D. Commissioners shall be appointed for staggered terms of four years beginning July 1, 2019. The initial commissioners appointed by the speaker of the house of representatives and senate minority floor leader shall serve an initial term of four years; members appointed by the president pro tempore of the senate and house minority floor leader shall serve an initial term of two years; members appointed by the legislatively appointed members shall serve an initial term of one year; and the member appointed by the governor shall serve an initial term of three years. Members shall serve until their successors are appointed and qualified.

E. A person shall not serve as a commissioner for more than two consecutive four-year terms.

F. When any member of the commission dies, resigns or no longer has the qualifications required for the commissioner's original selection, the commissioner's position on the commission becomes vacant. The director shall notify the original appointing authority of the vacant position. The original appointing authority shall select a successor in the same manner as the original selection was made. A vacancy shall be filled by appointment by the original appointing authority no later than sixty days following notification of a vacancy for the remainder of the unexpired term. A vacancy on the commission shall be filled by appointment by the original appointing authority for the remainder of the unexpired term.

G. The commission shall meet as necessary to carry out its duties pursuant to the State Ethics Commission Act. Commissioners are entitled to receive per diem and mileage as provided in the Per Diem and Mileage Act and shall receive no other compensation, perquisite or allowance.

H. Four commissioners consisting of two members of the largest political party in the

state and two members of the second largest political party in the state constitute a quorum for the transaction of business. No action shall be taken by the commission unless at least four members, including at least two members of the largest political party in the state and two members of the second largest political party in the state, concur.

I. A commissioner may be removed only for incompetence, neglect of duty or malfeasance in office. A proceeding for the removal of a commissioner may be commenced by the commission or by the attorney general upon the request of the commission. A commissioner shall be given notice of hearing and an opportunity to be heard before the commissioner is removed. The supreme court has original jurisdiction over proceedings to remove commissioners, and its decision shall be final. A commissioner is also liable to impeachment pursuant to Article 4, Section 36 of the constitution of New Mexico.

§ 10-16G-4. Commissioners; Qualifications; Limitations

A. To qualify for appointment to the commission, a person shall:

- (1) be a qualified elector of New Mexico;
- (2) not have changed party registration in the five years next preceding the member's appointment in such a manner that the member's prior party registration would make the member ineligible to serve on the commission;
- (3) not continue to serve as a commissioner if the member changes party registration after the date of appointment in such a manner as to make the member ineligible to serve on the commission; and
- (4) not be, or within the two years prior to appointment shall not have been, in New Mexico, any of the following:
 - (a) a public official;
 - (b) a public employee;
 - (c) a candidate;
 - (d) a lobbyist;
 - (e) a government contractor; or
 - (f) an office holder in a political party at the state or federal level.

B. Before entering upon the duties of the office of commissioner, each commissioner

shall review the State Ethics Commission Act and other laws and rules pertaining to the commission's responsibilities and to ethics and governmental conduct in New Mexico. Each commissioner shall take the oath of office as provided in Article 20, Section 1 of the constitution of New Mexico and, pursuant to the Financial Disclosure Act [Chapter 10, Article 16A NMSA 1978], file with the secretary of state a financial disclosure statement within thirty days of appointment and during the month of January every year thereafter that the commissioner serves on the commission.

C. For a period of one calendar year following a commissioner's tenure or following the resignation or removal of a commissioner, the commissioner shall not:

- (1) represent a respondent, unless appearing on the commissioner's own behalf; or
- (2) accept employment or otherwise provide services to a respondent unless the commissioner accepted employment or provided services prior to the filing of a complaint against the respondent.

D. During a commissioner's tenure, a commissioner shall not hold another public office or be:

- (1) a public employee;
- (2) a candidate;
- (3) a lobbyist;
- (4) a government contractor; or
- (5) an office holder in a political party at the state or federal level.

E. A commissioner who changes political party affiliation in violation of the provisions of Subsection A of this section or who chooses to seek or hold an office in violation of Subsection D of this section shall resign from the commission or be deemed to have resigned.

§ 10-16G-5. Commission; Duties and Powers

A. The commission shall:

- (1) employ an executive director, who shall be an attorney, upon approval of at least five commissioners;
- (2) develop, adopt and promulgate the rules necessary for it to implement and administer the provisions of the State Ethics Commission Act; and

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(3) establish qualifications for hearing officers and rules for hearing procedures and appeals.

B. Beginning January 1, 2020, the commission shall:

(1) receive and investigate complaints alleging ethics violations against public officials, public employees, candidates, persons subject to the Campaign Reporting Act, government contractors, lobbyists and lobbyists' employers;

(2) hold hearings in appropriate cases to determine whether there has been an ethics violation;

(3) compile, index, maintain and provide public access to all advisory opinions and reports required to be made public pursuant to the State Ethics Commission Act;

(4) draft a proposed code of ethics for public officials and public employees and submit the proposed code to each elected public official and public agency for adoption; and

(5) submit an annual report of its activities, including any recommendations regarding state ethics laws or the scope of its powers and duties, in December of each year to the legislature and the governor.

C. Beginning January 1, 2020, the commission may:

(1) by approval of at least five commissioners, initiate complaints alleging ethics violations against a public official, public employee, candidate, person subject to the Campaign Reporting Act, government contractor, lobbyist or lobbyist's employer;

(2) petition a district court to issue subpoenas under seal requiring the attendance of witnesses and the production of books, records, documents or other evidence relevant or material to an investigation;

(3) issue advisory opinions in accordance with the provisions of the State Ethics Commission Act;

(4) compile, adopt, publish and make available to all public officials, public employees, government contractors and lobbyists an ethics guide that clearly and plainly explains the ethics requirements set forth in state law, including those that relate to conducting business with the state and public agencies; and

(5) offer annual ethics training to public officials, public employees, government contractors, lobbyists and other interested persons.

§ 10-16G-6. Executive director; appointment; duties and powers

A. The commission shall appoint an executive director who shall be knowledgeable about state ethics laws and who shall be appointed without reference to party affiliation and solely on the grounds of fitness to perform the duties of the office. The director shall hold office from the date of appointment until such time as the director is removed by the commission.

B. The director shall:

(1) take the oath of office required by Article 20, Section 1 of the constitution of New Mexico;

(2) hire a general counsel who may serve for no more than five years, unless rehired for up to an additional five years;

(3) hire additional personnel as may be necessary to carry out the duties of the commission;

(4) prepare an annual budget for the commission and submit it to the commission for approval;

(5) make recommendations to the commission of proposed rules or legislative changes needed to provide better administration of the State Ethics Commission Act;

(6) perform other duties as assigned by the commission; and

(7) be required to reapply for the position after six years of service and may serve as director for no more than twelve years.

C. The director may:

(1) enter into contracts and agreements on behalf of the commission; and

(2) have the general counsel administer oaths and take depositions subject to the Rules of Civil Procedure for the District Courts.

D. For a period of one calendar year immediately following termination of the director's employment with the commission, the director shall not:

(1) represent a respondent, unless appearing on the director's own behalf; or

(2) accept employment or otherwise provide services to a respondent, unless the director accepted employment or provided services prior to the filing of a complaint against the respondent.

§ 10-16G-7. Recusal and Disqualification of a Commissioner

A. A commissioner may recuse from a particular matter.

B. A commissioner shall recuse from any matter in which the commissioner is unable to make a fair and impartial decision or in which there is a reasonable doubt about whether the commissioner can make a fair and impartial decision, including:

(1) when the commissioner has a personal bias or prejudice concerning a party to the proceeding or has prejudged a disputed evidentiary fact involved in a proceeding prior to a hearing. For the purposes of this paragraph, "personal bias or prejudice" means a predisposition toward a person based on a previous or ongoing relationship that renders the commissioner unable to exercise the commissioner's functions impartially;

(2) when the commissioner has a pecuniary interest in the outcome of the matter; or

(3) when in previous employment the commissioner served as an attorney, adviser, consultant or witness in the matter in controversy.

C. A party to the proceeding may request the recusal of a commissioner and shall provide the commission with the grounds for the request. If the commissioner declines to recuse upon request of a party to the proceeding, the commissioner shall provide a full explanation in support of the refusal to recuse.

D. A party may appeal a commissioner's refusal to recuse, or if the propriety of a commissioner's participation in a particular matter is otherwise questioned, the issue shall be decided by a majority of the other commissioners present and voting.

E. A disqualified commissioner shall not participate in any proceedings with reference to the matter from which the commissioner is disqualified or recused, and the commissioner

shall be excused from that portion of any meeting at which the matter is discussed.

F. Minutes of commission meetings shall record the name of any commissioner not voting on a matter by reason of disqualification or recusal.

G. If two or more commissioners have recused themselves or are disqualified from participating in a proceeding, the remaining commissioners shall appoint temporary commissioners to participate in that proceeding. Appointments of temporary commissioners shall be made by a majority vote of the remaining commissioners in accordance with the political affiliation and geographical representation requirements and the qualifications set forth in the State Ethics Commission Act.

H. The commission shall promulgate rules for the recusal and disqualification of commissioners, for an appeal of a recusal decision and for the appointment of temporary commissioners.

§ 10-16G-8. Advisory Opinions

A. The commission may issue advisory opinions on matters related to ethics. Advisory opinions shall:

(1) be requested in writing by a public official, public employee, candidate, person subject to the Campaign Reporting Act, government contractor, lobbyist or lobbyist's employer;

(2) identify a specific set of circumstances involving an ethics issue;

(3) be issued within sixty days of receipt of the request unless the commission notifies the requester of a delay in issuance and continues to notify the requester every thirty days until the advisory opinion is issued; and

(4) be published after omitting the requester's name and identifying information.

B. A request for an advisory opinion shall be confidential and not subject to the provisions of the Inspection of Public Records Act.

C. Unless amended or revoked, an advisory opinion shall be binding on the commission in any subsequent commission proceedings concerning a person who acted in good faith and in reasonable reliance on the advisory opinion.

§ 10-16G-9. Commission Jurisdiction; Compliance Provisions

A. The commission has jurisdiction to enforce the applicable civil compliance provisions for public officials, public employees, candidates, persons subject to the Campaign Reporting Act [~~1-19-25 to 1-19-36~~ NMSA 1978], government contractors, lobbyists and lobbyists' employers of:

- (1) the Campaign Reporting Act;
- (2) the Financial Disclosure Act [Chapter 10, Article 16A NMSA 1978];
- (3) the Gift Act [~~10-16B-1 to 10-16B-4~~ NMSA 1978];
- (4) the Lobbyist Regulation Act [Chapter 2, Article 11 NMSA 1978];
- (5) the Voter Action Act [~~1-19A-1 to 1-19A-17~~ NMSA 1978];
- (6) the Governmental Conduct Act [Chapter 10, Article 16 NMSA 1978];
- (7) the Procurement Code [~~13-1-28 to 13-1-199~~ NMSA 1978];
- (8) the State Ethics Commission Act;
- (9) the Revised Uniform Law on Notarial Acts [Chapter 14, Article 14A NMSA 1978]; and
- (10) Article 9, Section 14 of the constitution of New Mexico.

B. All complaints filed with a public agency regarding the statutes listed in Subsection A of this section shall be forwarded to the commission.

C. The commission may choose to act on some or all aspects of a complaint and forward other aspects of a complaint to another state or federal agency with jurisdiction over the matter in accordance with Subsection E of this section.

D. If the commission decides not to act on a complaint, whether the complaint was filed with the commission or forwarded from another public agency, or decides only to act on part of a complaint, the commission shall promptly forward the complaint, or any part of a complaint on which it does not wish to act, to the public agency that has appropriate jurisdiction within ten days of the decision. The complainant and respondent shall be notified in writing when the complainant's request has been forwarded to another agency unless

otherwise provided pursuant to Subsection H of Section ~~10-16G-10~~ NMSA 1978.

E. The commission may share jurisdiction with other public agencies having authority to act on a complaint or any aspect of a complaint. Such shared jurisdiction shall be formalized through an agreement entered into by all participating agencies involved with the complaint and the director. The commission may also investigate a complaint referred to the commission by the legislature, or a legislative committee, in accordance with an agreement entered into pursuant to policies of the New Mexico legislative council or rules of the house of representatives or senate.

F. The commission may file a court action to enforce the civil compliance provisions of an act listed in Subsection A of this section. The court action shall be filed in the district court in the county where the defendant resides.

§ 10-16G-10. Complaints; Investigations; Subpoenas

A. A complaint of an alleged ethics violation committed by a public official, public employee, candidate, person subject to the Campaign Reporting Act [1-19-25 to 1-19-36 NMSA 1978], government contractor, lobbyist, lobbyist's employer or a restricted donor subject to the Gift Act [Chapter 10, Article 16B NMSA] may be filed with the commission by a person who has actual knowledge of the alleged ethics violation.

B. The complainant shall set forth in detail the specific charges against the respondent and the factual allegations that support the charges and shall sign the complaint under penalty of false statement. The complainant shall submit any evidence the complainant has that supports the complaint. Evidence may include documents, records and names of witnesses. The commission shall prescribe the forms on which complaints are to be filed. The complaint form shall be signed under oath by the complainant.

C. Except as provided in Subsection H of this section, the respondent shall be notified within seven days of the filing of the complaint and offered an opportunity to file a response on the merits of the complaint.

D. The director shall determine if the complaint is subject to referral to another state

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agency pursuant to an agreement or outside the jurisdiction of the commission, and if so, promptly refer the complaint to the appropriate agency. If the director determines that the complaint is within the commission's jurisdiction, the director shall have the general counsel initiate an investigation.

E. The general counsel shall conduct an investigation to determine whether the complaint is frivolous or unsubstantiated. If the general counsel determines that the complaint is frivolous or unsubstantiated, the complaint shall be dismissed, and the complainant and respondent shall be notified in writing of the decision and reasons for the dismissal. The commission shall not make public a complaint that has been dismissed pursuant to this subsection or the reasons for the dismissal.

F. If the general counsel and the respondent reach a settlement on the matters of the complaint, the settlement shall be submitted to the commission for its approval, and if the matter has been resolved to the satisfaction of the commission, the complaint and terms of the settlement shall be subject to public disclosure.

G. If an independent hearing officer determines that there is probable cause, the director shall promptly notify the respondent of the finding of probable cause and of the specific allegations in the complaint that are being investigated and that a public hearing will be set. If the finding of probable cause involves a discriminatory practice or actions by the respondent against the complainant, no settlement agreement shall be reached without prior consultation with the complainant. In any case, the notification, complaint, specific allegations being investigated and any response to the complaint shall be made public thirty days following notice to the respondent. The hearing officer chosen to consider probable cause shall not participate in the adjudication of the complaint.

H. Notwithstanding the provisions of Subsections C and G of this section, the director may delay notifying a respondent and complainant and releasing to the public the complaint and related information required by Subsection G of this section if it is deemed necessary to protect the integrity of a criminal investigation. A decision whether to delay

notifying a respondent shall be taken by a majority vote of the commission and shall be documented in writing with reasonable specificity.

I. As part of an investigation, the general counsel may administer oaths, interview witnesses and examine books, records, documents and other evidence reasonably related to the complaint. All testimony in an investigation shall be under oath, and the respondent may be represented by legal counsel. If the general counsel determines that a subpoena is necessary to obtain the testimony of a person or the production of books, records, documents or other evidence, the director shall request that the commission petition a district court to issue a subpoena.

J. The commission may petition the court for a subpoena for the attendance and examination of witnesses or for the production of books, records, documents or other evidence reasonably related to an investigation. If a person neglects or refuses to comply with a subpoena, the commission may apply to a district court for an order enforcing the subpoena and compelling compliance. All proceedings in the district court prior to the complaint being made public pursuant to Subsection G of this section, or upon entry of a settlement agreement, shall be sealed. A case is automatically unsealed upon notice by the commission to the court that the commission has made the complaint public. No later than July 1 of each even-numbered year, the chief justice of the supreme court shall appoint an active or pro tempore district judge to consider the issuance and enforcement of subpoenas provided for in this section. The appointment shall end on June 30 of the next even-numbered year after appointment.

K. A public official or state public employee who is a respondent who is subject to a complaint alleging a violation made in the performance of the respondent's duties shall be entitled to representation by the risk management division of the general services department.

§ 10-16G-11. Status of Investigation; Reports to Commission

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A. If a hearing has not been scheduled concerning the disposition of a complaint within ninety days after the complaint is received, the director shall report to the commission on the status of the investigation. The commission may dismiss the complaint or instruct the director to continue the investigation of the complaint. Unless the commission dismisses the complaint, the director shall report to the commission every ninety days thereafter on the status of the investigation.

B. Upon dismissal of a complaint or a decision to continue an investigation of a complaint, the commission shall notify the complainant and respondent in writing of its action. If the commission has not notified a respondent pursuant to the provisions of Subsection G of Section 10 of the State Ethics Commission Act, the commission shall vote on whether to notify the respondent. A decision whether to continue to delay notifying the respondent shall be taken by a majority vote of a quorum of the commission and shall be documented in writing with reasonable specificity.

§ 10-16G-12. Investigation Report; Commission Hearings; Decisions and Reasons Given; Disclosure of an Ethics Violation

A. Upon receipt of the general counsel's recommendation, the commission or hearing officer shall:

(1) dismiss a complaint and notify the complainant and the respondent of the dismissal; or

(2) set a public hearing, as soon as practicable.

B. At any time before or during a hearing provided for in Subsection A of this section, the hearing officer may, at a public meeting, approve a disposition of a complaint agreed to by the general counsel and the respondent, as approved by the commission.

C. The hearing provided for in Subsection A of this section shall be pursuant to the rules of evidence that govern proceedings in the state's courts and procedures established by the commission. An audio recording shall be made of the hearing. The respondent may be represented by counsel. The parties may

present evidence and testimony, request the director to compel the presence of witnesses and examine and cross-examine witnesses.

D. The hearing officer shall issue a written decision that shall include the reasons for the decision. If the hearing officer finds by a preponderance of the evidence that the respondent's conduct constituted a violation, the decision may include recommendations for disciplinary action against the respondent, and the hearing officer may impose any fines provided for by law. A finding of fraudulent or willful misconduct shall require clear and convincing evidence.

E. The complainant or respondent may appeal a decision of the hearing officer within thirty days of the decision to the full commission, which shall hear the matter within sixty days of notice of the appeal and issue its decision within 180 days.

F. The commission shall publicly disclose a decision, including a dismissal following a finding of probable cause or the terms of a settlement, issued pursuant to this section. The commission shall provide the decision to the complainant, the respondent and the:

(1) house of representatives if the respondent is a public official who is subject to impeachment;

(2) appropriate legislative body if the respondent is a member of the legislature;

(3) respondent's appointing authority if the respondent is an appointed public official;

(4) appropriate public agency if the respondent is a public employee;

(5) public agency with which the respondent has a government contract if the respondent is a government contractor; and

(6) secretary of state and the respondent's employer, if any, if the respondent is a lobbyist.

G. The commission shall produce a quarterly report subject to public inspection containing the following information:

(1) the number of complaints filed with and referred to the commission;

(2) the disposition of the complaints; and

(3) the type of violation alleged in the complaints.

§ 10-16G-13. Confidentiality of Records; Penalty

A. A decision that a respondent's conduct constituted a violation, and the terms of a settlement approved by the commission, are public records. Pleadings, motions, briefs and other documents or information related to the decision are public records, except for information that is confidential or protected pursuant to attorney-client privilege, provider-patient privilege or state or federal law.

B. If a complaint is determined to be frivolous, unsubstantiated or outside the jurisdiction of the commission, the complaint shall not be made public by the commission; provided that the commission shall not prohibit the complainant or respondent from releasing the commission's decision or other information concerning the complaint.

C. Except as otherwise provided in the acts listed in Section 9 of the State Ethics Commission Act, all complaints, reports, files, records and communications collected or generated by the commission, hearing officer, general counsel or director that pertain to alleged violations shall not be disclosed by the commission or any commissioner, agent or employee of the commission, unless:

(1) disclosure is necessary to pursue an investigation by the commission;

(2) disclosure is required pursuant to the provisions of the State Ethics Commission Act; or

(3) they are offered into evidence by the commission, respondent or another party at a judicial, legislative or administrative proceeding, including a hearing before a hearing officer.

D. Information and reports containing information made confidential by law shall not be disclosed by the commission or its director, staff or contractors.

E. A commissioner, director, staff or contractor who knowingly discloses any confidential complaint, report, file, record or communication in violation of the State Ethics Commission Act is guilty of a petty misdemeanor.

§ 10-16G-14. Criminal Violations; Referral

If the commission finds at any time that a respondent's conduct amounts to a criminal

violation, the director shall consult with the attorney general or an appropriate district attorney, and the commission may refer the matter to the attorney general or an appropriate district attorney. The commission may provide the attorney general or district attorney with all evidence collected during the commission's investigation. Nothing in this section prevents the commission from taking any action authorized by the State Ethics Commission Act or deciding to suspend an investigation pending resolution of any criminal charges.

§ 10-16G-15. Time Limitations on Jurisdiction

A. The commission shall not accept or consider a complaint unless the complaint is filed with the commission within the later of two years from the date:

(1) on which the alleged conduct occurred; or

(2) the alleged conduct could reasonably have been discovered.

B. The commission shall not adjudicate a complaint filed against a candidate, except pursuant to the Campaign Reporting Act or Voter Action Act, less than sixty days before a primary or general election. During that time period, the commission may dismiss complaints that are frivolous or unsubstantiated or refer complaints that are outside the jurisdiction of the commission.

C. A complainant shall be notified in writing of the provisions of this section and shall also be notified in writing that the complainant may refer allegations of criminal conduct to the attorney general or the appropriate district attorney.

D. When commission action on a complaint is suspended pursuant to the provisions of this section, the respondent shall promptly be notified that a complaint has been filed and of the specific allegations in the complaint and the specific violations charged in the complaint.

§ 10-16G-16. Prohibited Actions

A. A person shall not take or threaten to take any retaliatory, disciplinary or other adverse action against another person who in good faith:

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(1) files a verified complaint with the commission that alleges a violation; or

(2) provides testimony, records, documents or other information to the commission during an investigation or at a hearing.

B. A complainant and a respondent shall not communicate ex parte with any hearing officer, commissioner or other person involved in a determination of the complaint.

C. Nothing in the State Ethics Commission Act precludes civil or criminal actions for libel or slander or other civil or criminal actions against a person who files a false claim.

NMSA 1978, § 14-14A-22 (2022) (Revised Uniform Law on Notarial Acts)

A. The state ethics commission may deny, refuse to renew, revoke, suspend or impose a condition on a commission as notary public for any act or omission that demonstrates that the individual lacks the honesty, integrity, competence or reliability to act as a notary public, including:

(1) failure to comply with the Revised Uniform Law on Notarial Acts;

(2) a fraudulent, dishonest or deceitful misstatement or omission in the application for a commission as a notary public submitted to the state ethics commission;

(3) a conviction of the applicant or notary public of any felony or a crime involving fraud, dishonesty or deceit during the term of the notary public's commission or during the five years immediately preceding such term;

(4) a finding against, or admission of liability by, the applicant or notary public in any legal proceeding or disciplinary action based on the applicant's or notary public's fraud, dishonesty or deceit;

(5) failure by the notary public to discharge any duty required of a notary public, whether by the provisions of the Revised Uniform Law on Notarial Acts, rules of the secretary of state or any federal or state law;

(6) use of false or misleading advertising or representation by the notary public representing that the notary has a duty, right or privilege that the notary does not have;

(7) violation by the notary public of a rule of the secretary of state regarding a notary public;

(8) denial, refusal to renew, revocation, suspension or conditioning of a notary public commission in another state;

(9) failure of the notary public to maintain an assurance as provided in Subsection D of Section 20 [14-14A-20 NMSA 1978] of the Revised Uniform Law on Notarial Acts; or

(10) if the individual ceases to be a resident of this state or ceases to be employed in this state.

§ 14-14A-24. Prohibited acts.

I. An individual who performs a purported notarial act with knowledge that the individual's commission as a notary public has expired or that the individual is otherwise disqualified from the office of notary public or as a notarial officer is guilty of a misdemeanor and upon conviction shall be punished by a fine of five hundred dollars (\$500) and shall be removed from office by the state ethics commission.



FY26 Appropriation Request Checklist

Agency Name: State Ethics Commission

Business Unit: 41000

Reports to Include in PDF Submission

Form #	Title	
<input checked="" type="checkbox"/>	Cvr Ltr	Cover Letter <i>Agency Level</i>
<input checked="" type="checkbox"/>	S-1	Certification <i>Agency Level</i>
<input checked="" type="checkbox"/>	S-2	Organizational Chart <i>Agency/Program Level</i>
<input checked="" type="checkbox"/>	S-8	Financial Summary (BFM) <i>Agency/Program Level</i>
<input checked="" type="checkbox"/>	S-9	Account Code Revenue / Expenditure Report <i>Agency/Program Level</i>
<input type="checkbox"/>	S-10	Fund Balance Projection <i>Fund Level</i>
<input checked="" type="checkbox"/>	S-13	Detail of Rate Line Items (see instructions) <i>Agency Level</i>
<input checked="" type="checkbox"/>	P-1	Program Narrative <i>Program Level</i>
<input type="checkbox"/>	R-2	Transfer Report <i>Agency Level</i>
<input checked="" type="checkbox"/>	REV/EXP	Revenue-Expenditure Comparison Report <i>Agency/Program Level</i>
<input type="checkbox"/>	FFRW	Detail of Federal Funds Revenue Worksheet <i>Agency/Program Level</i>
<input type="checkbox"/>	EB-1	Expansion Justifications <i>Program Level</i>
<input type="checkbox"/>	EB-2	Expansion Fiscal Summary <i>Program Level</i>
<input type="checkbox"/>	EB-3	Expansion Line Item Detail <i>Program Level</i>
<input type="checkbox"/>	LFR	Legislating for Results Expansion Tool <i>Program Level</i>
<input checked="" type="checkbox"/>	E4	Pcode Detail <i>Program Level</i>
<input checked="" type="checkbox"/>	E5	Contract by Pcode <i>Program Level</i>
<input type="checkbox"/>	SAR	Special Appropriation Request Report <i>Agency Level</i>
<input checked="" type="checkbox"/>	APR	Annual Performance Report <i>Program Level</i>
<input checked="" type="checkbox"/>	Table 2	Table 2 Performance Measure Summary <i>Program Level</i>
<input checked="" type="checkbox"/>	SP	Strategic Plan <i>Agency Level</i>
<input type="checkbox"/>	ITP	Information Technology Plan <i>Agency Level</i>
<input type="checkbox"/>	C-1	Base Operating Budget <i>Agency Level</i>
<input type="checkbox"/>	C-2	IT Request Plan <i>Agency Level</i>
<input type="checkbox"/>	Perf Audit	Update to LFC Performance Audits (within last 2 years) <i>Agency Level</i>

Documents to Attach in BFM (PDF Optional)

Where to Attach

<input checked="" type="checkbox"/>	Board Cert	Board or Commission Budget Certification <i>Form 9900</i>
<input type="checkbox"/>	E-6B	Leased Passenger-Related Vehicles <i>Form 3300/4300</i>