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PRESS RELEASE

State Ethics Commission settles lawsuit with Council for a Competitive New Mexico

Albuquerque, NM, February 12, 2021 – Today the State Ethics Commission settled its lawsuit against the Council for a Competitive New Mexico (“CCNM”) to enforce the disclosure provisions of the Campaign Reporting Act. CCNM spent more than \$134,000 for political advertisements and telephone calls seeking to influence the outcome of the 2020 Democratic Party primary election for five Senate districts, but refused to disclose who funded those expenditures. Today, in exchange for the State Ethics Commission’s agreement to voluntarily dismiss its lawsuit, **CCNM has disclosed that the exclusive source of the funds for its campaign-related expenditures was PNM Resources, Inc (“PNM”).**

Background: From May 6, 2020 to June 2, 2020, CCNM made aggregate expenditures of \$134,325.09 to Lincoln Strategy Group, LLC for direct mail and advocacy calls to support the campaigns of Richard Martinez, Clemente Sanchez, John Arthur Smith, and Gabriel Ramos, and to oppose the campaigns of Leo Jaramillo, Pamela Cordova, Neomi Martinez-Parra, and Siah Correa Hemphill for Democratic Party primary elections for Senate Districts 5, 30, 35, and 28,

respectively. Lincoln Strategy Group also made direct mail and advocacy calls to support the campaign of Joseph Cervantes for the Democratic Party primary elections for Senate District 31.

After CCNM repeatedly refused requests from the Secretary of State and the State Ethics Commission to disclose who funded those advertisements and calls, on December 11, 2020, the State Ethics Commission sued CCNM to enforce the provisions of the Campaign Reporting Act. Two months later, in exchange for the Commission's agreement to voluntarily dismiss the lawsuit, CCNM disclosed that PNM was the exclusive source of the funds used to pay Lincoln Strategy Group. On March 11, 2020, PNM contributed \$250,000 to CCNM, and on April 25, 2020, another \$220,000. CCNM did not receive contributions from any another source in 2020.

In 2019, the Legislature amended the Campaign Reporting Act to shine light on "dark money" in New Mexico's elections, requiring groups that pay for advertisements or advocacy in support of candidates to be minimally transparent about who funded those efforts. The Campaign Reporting Act allows New Mexicans to know who ultimately funds efforts to influence their votes. Groups like CCNM must tell them. The State Ethics Commission works to ensure that they do so.

[Click here to read the State Ethics Commission's complaint.](#)

[Click here to read the State Ethics Commission's letter to the Secretary of State regarding CCNM's contribution information for the 2019/2020 election cycle.](#)

For more information about the State Ethics Commission, visit www.sec.state.nm.us.