



STRENGTHENING OVERSIGHT AND ENFORCEMENT

Lt. Governor Diane Denish knows that even the best intentioned laws are meaningless in the absence of strong oversight and enforcement.

Creation of a State Ethics Commission

Lt. Governor Denish proposes establishing an aggressive and empowered State Ethics Commission (SEC) dedicated to oversight and enforcement of ethics rules and standards. The Commission will have the power to investigate ethics complaints and impose penalties when necessary. Seeking to remove political considerations from the selection of Ethics Commission members or the deliberations of the Ethics Commission itself, Denish's plan will rely upon the Supreme Court to nominate multiple candidates for each opening on the Commission, based on strict criteria. The Governor and leaders from both parties in the House and the Senate would then select Commission members from the list of nominees provided for each open position.

Role and Responsibilities of the State Ethics Commission

1. *Receive and Investigate Ethics Complaints:* The SEC will be responsible for receiving and investigating ethics complaints against state officials, state employees, state appointees, government contractors and lobbyists.
2. *Launch Investigations:* The SEC will be empowered to launch investigations, even in the absence of a formal complaint.
3. *Issue Subpoenas:* The SEC would be empowered to request the district court to issue subpoenas
4. *Seek and Impose Penalties:* The SEC will be empowered to impose administrative fines and refer cases to the Attorney General's office for possible criminal prosecution when necessary. The SEC will make all findings accessible in an online database.
5. *Establish a Uniform Code of Ethics:* During its first year, the SEC will draft a proposed uniformed code of ethics for all state officials, state employees and state appointees.
6. *Establish a Mandatory State Ethics Training Program:* The SEC will create an ethics training program for all state employees and appointees. The SEC will work with the Attorney General in developing this program.

7. *Establish a Mandatory IPRA and Procurement Code Training Program:* The SEC will develop a training and certification process for all state employees on compliance with IPRA and the procurement code. All state employees will be required to be certified.

Selection Process for Ethics Commission Members

Past efforts at creating a State Ethics Commission have bogged down in a fight over whether the Governor or the Legislature controls the appointments. A new mechanism is clearly needed to take political considerations out of the process. Lt. Governor Denish's proposal separates the appointment decisions from those with a vested interest in the process and places the process of nominating candidates for the Ethics Commission in the hands of unbiased parties.

Supreme Court Nominates Candidates for the Ethics Commission: Appointments to the State Ethics Commission shall be made jointly by the Executive and Legislative branches from a pool of candidates nominated by the New Mexico Supreme Court. The Supreme Court shall name at least three nominees per vacancy for the SEC.

Governor and Legislative Leaders Select from Court Nominated Candidates: The State Ethics Commission shall be made up of seven members, serving in staggered terms of four years. The Governor shall appoint three from the candidate pool, the House Speaker and Minority Leader shall each appoint one from the candidate pool, and the Senate President Pro-Tem and Minority Leader shall each appoint one from the candidate pool.

Ethics Commission Nominees Must Meet Strict Standards: Because the State Ethics Commission will have great authority for monitoring the ethical behavior of public officials it is necessary to ensure that members avoid any appearance of impropriety. Therefore the Supreme Court will limit its selection of candidates to match the following criteria:

1. No elected official or individual currently employed by a government or associated with public employment could serve.
2. No commissioner may contribute to or solicit contributions for any candidate while serving on the commission.
3. No officers of political parties may serve.
4. No lobbyist, immediate family member of a lobbyist or employee of a firm which lobbies may serve.

INCREASING TRANSPARENCY IN STATE GOVERNMENT

Lt. Governor Diane Denish believes that the best way to guarantee ethical conduct by government officials is to conduct government business in an open and transparent manner. While progress has been made in this area in recent years, Lt. Gov. Denish believes that much more can be done.

Establishing a Web-Based Sunshine Portal

Lt. Gov. Denish will introduce legislation to create web-based Sunshine Portal. In addition to consolidating currently available information sources into a single clearinghouse website, the portal will also make available significant new information that is currently unavailable or difficult to

obtain. The Sunshine Portal will be a searchable, user-friendly, public website that discloses how our State government receives and spends funds in a simple and straightforward manner. Information available on the Sunshine Portal will include:

1. **State's Check Ledger:** For the first time, the public will be able to see how every tax dollar is spent by accessing an online system that tracks every state expenditure. The information will be organized by department and agency.
2. **Capital Outlay Tracker:** For the first time, the public will be able to track all capital outlay projects from appropriation to expenditure. The Capital Outlay Tracker will also include information about sponsors, amounts, and current status.
3. **Open Meeting Act Tracker:** The legislation will amend the Open Meetings Act to require that all scheduled meetings are not only publicized, but that they need to be posted on the Sunshine Portal. The public could search information about open meetings by either calendar date or by governmental body.
4. **Contractor Database:** The Sunshine Portal will link to the state Contractor Database which was created in the 2009 session as a result of the Lt. Governor's legislation.
5. **"Statebook" networking site:** All state employees with decision-making capacity from Governor down will have a page. The page will include basic information about who holds the position, what their responsibilities are, and how to reach them.
6. **Exempt Employee Salary Database:** For the first time ever, salary information for all state exempt employees will be available on the Sunshine Portal.
7. **Statutes and Regulations:** Links to find all statutes and regulations will be available.
8. **State Agency Information:** All state agencies will post all information that can be made public, including raw data.
9. **Wiki site for Legislation and Issues:** A wiki site for constituents to voice their opinions on legislation, and take a crack at amending or drafting discussion drafts.
10. **311 Hotline:** The legislation will create a 311 Hotline to allow people without a computer access to the Sunshine Portal information.

INCREASING TRANSPARENCY IN POLITICAL CAMPAIGNS AND LOBBYING

Lieutenant Governor Diane Denish believes that increased transparency in government must be matched by increased transparency in political campaigns and lobbying. The public has a right to timely information about who is financing the political campaigns of New Mexico's elected officials and how much lobbyists are spending in their efforts to influence those elected officials.

Strengthen Lobbyist Reporting Requirements

Lt. Governor Denish will introduce legislation to strengthen lobbyist reporting requirements. Currently, lobbyists must report how much they spend to influence elected officials and whom they represent only twice per year. This legislation will require registered lobbyists to make reports of all activity every three months. Within two years this legislation will require all lobbyists to report every

30 days.

Strengthen Campaign Finance Reporting Requirements

Lt. Governor Denish will introduce legislation mandating that all candidates for state office file campaign contribution reports every three months, something she already does voluntarily. Within two years this legislation will require reports to be filed every 30 days.

New Mexicans deserve a state government as open and honest as they are. Diane has long been a leader in the effort to increase transparency in government. Most of all, she is leading by example. For instance, she has voluntarily reported her campaign contributions quarterly (beyond what is required by current law). And she has championed laws requiring stringent new reporting requirements. Denish also recently led the fight to pass a law requiring the state to post all contracts on the state's web site so that every taxpayer can know exactly where the state's tax dollars are going - to what companies, for what purposes, and in what amount.

Accomplishments

Lt. Governor Diane Denish has built a strong record as an advocate for a more open and transparent state government. She has done so by voluntarily releasing her own campaign finance reports quarterly even in off-election years and, more importantly, advocating for ethics reform. Denish pushed for legislation to require state agencies to create a searchable database of state contracts. In April 2009, Richardson signed the State Contractor & Contract Database bill. In addition, she championed a bill to eliminate exemptions for campaign finance reporting and mandating quarterly finance reports for candidates and committees. Denish also supported a bill that would shorten the allowable response time for public records requests from fourteen to ten days.

Voluntarily Submitted Quarterly Campaign Finance Reports

Since 2007, Denish Has Voluntarily Submitted Quarterly Campaign Finance Reports.

According to the Albuquerque Journal, "Although political candidates in New Mexico are required to file numerous campaign finance reports during their election years, they file only one report a year during their nonelection years. Since 2007, Denish has voluntarily submitted quarterly reports, and she used her release Thursday to plug a bill pending in the Legislature that would mandate more frequent reporting. That measure is sponsored by Rep. Gail Chasey, D-Albuquerque. 'Right now there is just too wide a gulf between the time a candidate takes office and their next campaign report,' Denish said in a written statement. 'The people have a right to know who has contributed to the campaigns of their leaders in a more timely fashion.'" [Albuquerque Journal, 1/30/09]

Denish Has Been Voluntarily Releasing Quarterly Reports Of Her Contributions And Expenditures. According to the AP, Denish has been disclosing nearly all of her previous fundraising because she has been voluntarily releasing quarterly reports of her contributions and expenditures. [AP, 5/13/08]

Pushed For Legislation To Report Four Times A Year

Denish Announced She Would Champion Three Bills in Good Government Package. According to the Ruidoso News, "New Mexico Lt. Governor Diane D. Denish Tuesday announced she will

champion three bills in a Good Government Package. 'We are public servants and people have a right to know,' Denish said. 'Ethics reform starts with making information accessible to the public. I want to bring more transparency to campaign fundraising, state government contracts, and to bring our work for the people more out into the open.'... Denish also is leading the effort to reform regional housing under Senate Bill 20." [Ruidoso News, 2/05/09]

□ **House Bill 272 Would Eliminate Exemptions from Campaign Finance Reporting.** According to the Ruidoso News, "Quarterly Campaign Report Filing, House Bill 272 sponsored by State Rep. Gail Chasey (D-Albuquerque), would eliminate exemptions from campaign finance reporting. The bill also would mandate quarterly finance reports for candidates and committees." [Ruidoso News, 2/05/09]

Crafted And Pressed For Passage Of Legislation Requiring State Government To Create A Public Database Of Contracts

Denish Pushed for Legislation to Require State Agencies to Create Searchable Computer Database of State Contracts. According to the Albuquerque Journal, "[Gov. Bill] Richardson on Monday signed House Bill 546, which requires state agencies to create a searchable computer database of state contracts worth more than \$20,000 each. Lt. Gov. Diane Denish was involved in the push for the legislation, which was sponsored by Rep. Al Park, D-Albuquerque. 'New Mexicans deserve to know who is doing business with their government,' Denish said Monday." [Albuquerque Journal, 4/07/09]

□ **Denish Hailed Signing Of State Contractor & Contract Database Bill.** According to an official press release, "Lt. Governor Diane Denish today hailed the signing of the State Contractor & Contract Database bill. This bill brings transparency to state government by requiring all contractors who have contracts with the State worth more than \$20,000 to be listed in an online, searchable database made available to the public. 'New Mexicans deserve to know who is doing business with their government. This law will enable all citizens to track state government contracts, follow the flow of public money, and understand how it is being used,' said Lt. Governor Denish. 'Ethics reform in government starts with transparency, and I'm proud to have worked hard on this effort which guarantees more sunshine on the business of government.' HB 546, sponsored by Representative Al Park, will take effect on January 1, 2010." [US State News, 4/09/09]

□ **HB 546 Would Require All Contractors Doing Business With State To Be Listed In Online, Searchable Database Made Available To Public.** According to the Ruidoso News, "State Contract Transparency, HB 546 sponsored by State Rep. Al Park (D-Albuquerque), would require all contractors doing business with the state to be listed in an online, searchable database made available to the public. Information made accessible would include company name, contract, and contract value." [Ruidoso News, 2/05/09]

Introduced Legislation To Make It Easier For The Public And Media To Access This Information

Denish Announced She Would Champion Three Bills in Good Government Package. According to the Ruidoso News, "New Mexico Lt. Governor Diane D. Denish Tuesday announced she will champion three bills in a Good Government Package. 'We are public servants and people have a right to know,' Denish said. 'Ethics reform starts with making information accessible to the public. I want to bring more transparency to campaign fundraising, state government contracts, and to bring our work for the people more out into the open.'... Denish also is leading the effort to reform regional housing under Senate Bill 20." [Ruidoso News, 2/05/09]

□ **HB 507 Would Allow Requests To Be Submitted Via Fax Or E-Mail And Reduce Allowable Response Time From 14 To 10 Days.** According to the Ruidoso News, "Expansion of the Inspection of Public Records Act, HB 507 sponsored by State Rep. Kenny Martinez (D-Grants), majority floor leader, would allow requests to be submitted via fax or e-mail and reduce the allowable response time from 14 to 10 days. The bill also would require the establishment of a double-check redaction system oriented toward openness intended to reduce the number of redactions in documents." [Ruidoso News, 2/05/09]

□ **Denish: "We Know What New Mexicans Want Today Is Open Government, And Transparent Government, And Government That Works."** According to the Albuquerque Journal, "'We know what New Mexicans want today is open government, and transparent government, and government that works,' Denish said while outlining a three-bill package she plans to champion...'The challenge is going to be to put these bills together - and get the best of what's been proposed,' Denish said." [Albuquerque Journal, 2/04/09]

Developed Strategy To Restore Fiscal Responsibility And Good Practices To State's Regional Housing Authority System

Denish Pushed for Changes in State's Troubled Regional Housing Authority System in 2007 and 2009. According to the Associated Press, Denish pushed for changes in regional housing authority system in 2007 and 2009. "Gov. Bill Richardson has signed legislation revamping the state's troubled regional housing authority system. The reorganization wraps up the reform efforts begun two years ago in the wake of allegations of corruption in an Albuquerque-based region. 'It's another move towards transparency and oversight of taxpayers' money,' said Lt. Gov. Diane Denish, who pushed for the changes in 2007 and this year. The new law consolidates the previous seven regional affordable-housing authorities into three in the north, east and west. The revamped system will not cover cities or counties where local housing authorities already are operating; Bernalillo, Dona Ana and Santa Fe counties are excluded. The authorities will be subject to financial oversight by the Mortgage Finance Authority, and only MFA could issue bonds for them. Their boards of commissioners will have to include experts in housing-related fields and will have to abide by conflict-of-interest restrictions. 'I think it finishes up the reform going forward,' Denish said. 'I still would like to see more inquiry into what happened in Region III.'... The housing authority bill is SB20." [AP, 4/01/09]

□ **Bill Was Follow-Up To Reform Enacted In 2007 At Urging Of Denish In Wake Of Allegations Of Corruption In An Albuquerque-Based Authority Run By Ex-Lawmaker Vincent "Smiley" Gallegos.** According to the Associated Press, "A bill overhauling the state's affordable-housing authorities is on its way to the governor. The House on Wednesday unanimously approved legislation reorganizing the state's regional housing authority system and creating tougher oversight of the projects the three new regions oversee. The authorities are responsible for disbursing federal rent subsidies and managing affordable home ownership programs. The bill is a follow-up to reform enacted in 2007 at the urging of Lt. Gov. Diane Denish in the wake of allegations of corruption in an Albuquerque-based authority run by ex-lawmaker Vincent 'Smiley' Gallegos. A 2006 State Investment Council report found that some authority members misused bond proceeds to pay salaries and benefits, make loans and buy vehicles. And they sold homes to people who were not qualified because they had a relationship to the authority or were not low-income, the report said. A state grand jury has been investigating. 'I have been working for several years to overhaul the regional housing authority system with a focus on ensuring effective oversight to prevent abuse and corruption,' Denish said in a statement following the vote. Her successful push for reform in 2007 severely restricted the authorities' autonomy, removing their ability to issue bonds and providing closer scrutiny by the Mortgage Finance Authority and the state Department of Finance and Administration. The bill also had passed the Senate unanimously. 'With passage of this bill, we will be able to better protect taxpayer dollars while stimulating rural economies all over New Mexico,' Denish said. 'Proper oversight will also allow us to expand housing rehabilitation and development services for more families.'" [AP, 3/18/09]

Denish Announced Legislation Aimed At Ending Corruption And Poor Management Within State's Regional Housing System While Bolstering Opportunities For Affordable Housing In New Mexico's Rural Areas. According to the Associated Press, "Lt. Gov. Diane Denish has announced legislation aimed at ending corruption and poor management within the state's regional housing system while bolstering opportunities for affordable housing in New Mexico's rural areas. The proposed legislation calls for more cooperation between regional and local housing authorities to ensure efforts aren't being duplicated and that resources are going to areas with the most need. The legislation also would expand oversight of regional housing authorities by requiring budgets to be submitted and audits to be performed. Any transaction by the authorities over \$100,000 would have to be approved by the New Mexico Mortgage Finance Authority. Denish said the regional housing authorities were originally created to address the needs of New Mexico's elderly, disabled and working residents whose wages weren't high enough to meet the market price for basic housing. 'What was once a really great idea is now a broken system. It's really in need of reform and I intend to fix it,' Denish said Friday during a news conference. Denish's announcement comes a day after news that a state grand jury is investigating the operations of an Albuquerque-based regional housing authority that defaulted on payments for \$5 million in bonds it sold to New Mexico." [AP, 1/10/09]

□ **Legislature, At Urging Of Denish And Others, Passed Bill In 2007 That Restricted State's Regional Housing System.** According to the Associated Press, "The Legislature, at the urging of Denish and others, passed a bill in 2007 that severely restricted the authorities' autonomy, removing their ability to issue bonds and providing closer scrutiny by the Mortgage Finance Authority and the state Department of Finance and Administration. While that legislation offered a good starting point, Denish said the goal of this year's bill is to 'reform the entire system.'" [AP, 1/10/09]

Drafted And Promoted Every Vote Counts Act

Denish Pushed For Law Requiring Recounts In Elections For Certain Offices, When Margin Was Close. According to the AP, Lt. Governor Diane Denish pushed for a law, which was successfully passed in March 2008, to require vote recounts for certain offices when the margin of the top two candidates is less than one-half of 1 percent. Denish commented on the law, "I just think it's unfair to require a recount to be dependent on a candidate' who may have to go out and raise more money to pay for the recount..." According to the AP, "the provision [would] apply to federal offices president, U.S. Senate and U.S. House of Representatives as well as statewide offices such as governor and attorney general as well as legislative contests and certain other races: Public Regulation Commission, district and magistrate judge positions. Taxpayers not the candidates will pay for the automatic recounts." The new law would take effect May 14, 2008. [AP, 3/1/08]

□ **Denish Disagreed With Critics And Said Recounts Could Help Bolster Public Confidence In Elections.** According to the AP, although critics said "...the new law [was] likely to cause unnecessary recounts and run up a hefty tab for taxpayers...Denish disagreed, saying recounts can help bolster public confidence in elections. 'I think everything we can do to build that confidence that all the votes are counted and are counted correctly is important,' she said." Denish said she supported establishing a state fund to pay costs recounts. [AP, 3/1/08]

Denish Urged New Mexico Legislature To Pass Law Triggering Automatic Ballot Recount In Very Close Federal And Statewide Elections. According to the Santa Fe New Mexican, in 2006, Lt. Governor Diane Denish urged the New Mexico legislature "...to pass a law that would trigger an automatic recount in federal and statewide elections when the final margin is less than one-half of 1 percent." Denish's proposal was called the "Every Vote Counts Act" and "would establish a fund to pay for any necessary recount, leaving candidates' finances out of the mix." Under New Mexico's laws at the time, voters did not have the right to call for confirmation of a final election count, and although losing candidates had that right, not many acted on it because they could not "afford to pay the expensive process of recounting all the ballots to confirm results." [Editorial, Santa Fe New Mexican, 11/28/06]

□ **Editorial: Denish Wanted To Put Voters' Interests First In New Mexico.** In 2006, Lt. Governor Diane Denish urged the New Mexico legislature "...to pass a law that would trigger an automatic recount in federal and statewide elections when the final margin is less than one-half of one percent." The Santa Fe New Mexican wrote about Denish's proposal, "Lt. Gov. Diane Denish wants to put voters' interests first by changing New Mexico election law. She is asking the Legislature to pass a law that would trigger an automatic recount in federal and statewide elections when the final margin is less than one-half of 1 percent. Her proposal -- called the 'Every Vote Counts Act' -- would establish a fund to pay for any necessary recount, leaving candidates' finances out of the mix. And that's as it should be, because elections should belong to voters, not political parties or particular candidates. The legislation would set up a \$500,000 fund to help pay for any necessary recounts...Should Denish's proposal become law, voters in New Mexico will have the security of knowing that recounts occur when results are close

enough to require a second look, and not just because a candidate can pay for it. Then, and only then, will every vote truly count." [Editorial, Santa Fe New Mexican, 11/28/06]

Denish Announced Plans To Push "Every Vote Counts Act." According to the Albuquerque Journal, in November 2006, Lt. Governor Diane Denish announced her plans "to push legislation to provide for automatic recounts in federal and statewide races in New Mexico when a final vote margin is less than one-half of 1 percent." According to the Journal, the legislation was called the "Every Vote Counts Act" and would "create a fund to pay for the recounts" of initially, \$500,000. Also, according to the Journal, the legislation would create a candidate registration pay to the money going to the fund. Denish said in a statement, "I want to ensure that the vote of each and every New Mexican is counted properly and fairly to provide voter equity and foster confidence in the democratic process." [Albuquerque Journal, 11/23/06]