

Federal Judge Strikes Down Ban on Corporate Contributions in Albuquerque: A Sign of Things to Come?

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In a victory for local businesses, U.S. District Court Judge M. Christina Armijo recently invalidated several provisions of Albuquerque, New Mexico's city charter that limited a corporation's ability to contribute to candidates for local office. While geographically narrow in scope, Judge Armijo's ruling has nevertheless gotten significant national attention, particularly because it runs counter to a number of recent decisions upholding similar bans elsewhere.

Giant Cab Company, a New Mexico corporation, brought the challenge after learning that a candidate for Albuquerque City Council had returned one of the company's contributions. Two separate provisions were at issue in the lawsuit. First, the Albuquerque city charter prohibited candidates from accepting contributions from corporations, LLCs, and similar business entities. Second, city law also banned contributions from any person "in a contractual relationship with the City to provide goods or services to the City." Both provisions were approved by 72% of the voters in 2007.

In her September 4 ruling, Judge Armijo acknowledged that certain interests might ultimately justify a categorical ban on corporate contributions. But absent evidence that voters were motivated to adopt the ban by either a perception of "pay-to-play" politics or that individuals were using corporate contributions to circumvent individual contribution limits—neither of which the city had shown here—the court could not approve an absolute ban on corporate speech. In particular, Judge Armijo expressed concern at the possibility that the ban was intended to single out and punish a particular class of persons solely because of their corporate identity. This was

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particularly troubling, according to the court, because the law could have been written to simply place monetary limits on corporate contributions rather than ban them altogether.

As noted above, the language in the Albuquerque city charter that banned corporations from making political contributions also banned political contributions by city contractors. Judge Armijo's decision, however, did not specifically address this provision.

The opinion is available [here](#).