

May 9, 2006

H 1851. LEGISLATIVE CAMPAIGNS PILOT. Filed 5/9/06. *TO ESTABLISH A PILOT PROGRAM TO PROVIDE CANDIDATES FOR SELECTED LEGISLATIVE SEATS WITH THE OPTION OF FINANCING THEIR CAMPAIGNS FROM A PUBLICLY SUPPORTED FUND, PROVIDED THAT THEY GAIN AUTHORIZATION TO DO SO FROM REGISTERED VOTERS AND THAT THEY ABIDE BY STRICT FUND-RAISING AND SPENDING LIMITS; AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON ETHICS AND GOVERNMENTAL REFORM.* Enacts a new Article 22G of GS Chapter 163 to establish a pilot program for public financing of campaigns for seats in the General Assembly. The pilot will begin in 2008 and apply to two Senate seats and two House seats.

The House and Senate majority and minority leaders will each select a different district for the pilot from a list of districts in which the candidates have volunteered to participate and report their selections to the State Board of Elections (BOE) by August 1. If any of them fails to report a selection by August 1, the BOE must make that selection by August 10.

Candidates in these districts may opt in during the qualifying period. Before opting in they may raise and spend up to \$5,000. To opt in, a candidate must make a declaration of intent to run his or her campaign out of one account and to abide by the contribution and expenditure limits in the act. Candidates qualify for public funding by receiving a specified number (150 for House and 300 for Senate) of qualifying contributions (contributions of between \$10 and \$100 from individual voters in the district) totaling at least \$6,000 but not more than \$40,000 for Senate seats and at least \$3,000 but not more than \$25,000 for House seats.

After opting in, a candidate may accept only qualifying contributions, contributions under \$10 from voters in the district, contributions from the candidate up to \$1,000, and contributions of up to \$1,000 from close family members (subject to a \$2,000 cap for contributions from all family members).

Establishes the North Carolina Legislative Campaigns Pilot Fund to be funded by state appropriations, voluntary donations, and unspent Fund revenues. Public funding will not be available for uncontested primaries or general elections. Public funding may be used for rescue funding if a non-participating candidate is outspending a participating candidate in a contested primary. Public funding for general elections will be at least \$50,000 for House seats and \$75,000 for Senate seats or the median spending for contested House and Senate seats in the last two general elections, whichever is more.

Establishes reporting requirements for participating and certified candidates, noncertified candidates, and independent expenditure entities.

Individuals, political committees, and other entities who violate the new Article will be subject to a civil penalty under Article 22D of GS Chapter 163 (NC Public Campaign Financing Fund).

Enacts new GS 163-278.13(e3) to prohibit nonparticipating candidates from accepting contributions within 21 days before a general election if they have a participating opponent, the contribution would cause the candidate to exceed the trigger for rescue funding, and the participatory candidate has not received the maximum rescue funding.

Intro. by Hackney, Howard, Ross.

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