

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 907
PROPOSED COMMITTEE SUBSTITUTE H907-PCS70421-RR-27

Short Title: Public Campaign Fund Changes.

(Public)

Sponsors:

Referred to:

April 1, 2009

A BILL TO BE ENTITLED

AN ACT TO AMEND THE JUDICIAL PUBLIC CAMPAIGN LAW BY ALLOWING THE ACCEPTANCE OF QUALIFYING CONTRIBUTIONS IN THE SAME FORM AS OTHER CONTRIBUTIONS; BY PROVIDING THAT NO OPPORTUNITY TO WIN ANYTHING OF VALUE MAY BE OFFERED IN EXCHANGE FOR A QUALIFYING CONTRIBUTION; BY SPECIFYING HOW MULTIPLE CONTRIBUTIONS BY THE SAME INDIVIDUAL AND CONTRIBUTIONS BY FAMILY MEMBERS ARE TREATED FOR PURPOSES OF THE QUALIFYING CONTRIBUTION THRESHOLDS; BY ADDRESSING HOW MATCHING FUNDS ARE AVAILABLE BEFORE A PRIMARY; BY PROVIDING THAT NO MATCHING FUNDS WILL BE TRIGGERED BY COMMUNICATIONS THAT SUPPORT OR OPPOSE ALL CANDIDATES; AND BY MAKING MORE FLEXIBLE THE WORD LIMITATIONS IN THE VOTER'S GUIDE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 163-278.62(15) reads as rewritten:

"(15) Qualifying contribution. – A contribution of not less than ten dollars (\$10.00) and not more than five hundred dollars (\$500.00) in the form of a ~~check or money order~~ prescribed for noncash monetary contributions in G.S. 163-278.14(b) to the candidate or the candidate's committee that meets both of the following conditions:

- a. Made by ~~any~~ an individual who is a registered voter in this State ~~State~~ at the time of the submittal of the report specified in G.S. 163-278.64(c).
- b. Made during the qualifying period and obtained with the approval of the candidate or candidate's committee."

SECTION 2. G.S. 163-278.64(b) reads as rewritten:

"(b) Demonstration of Support of Candidacy. – Participating candidates who seek certification to receive campaign funds from the Fund shall first, during the qualifying period, obtain qualifying contributions from at least 350 registered voters in an aggregate sum that at least equals the amount of minimum qualifying contributions described in G.S. 163-278.62(10) but that does not exceed the amount of maximum qualifying contributions described in G.S. 163-278.62(9).

No payment, gift, ~~or anything of value~~ value, or the opportunity to win anything of value shall be given in exchange for a qualifying contribution."



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1 **SECTION 3.** G.S. 163-278.64(d) reads as rewritten:

2 "(d) Restrictions on Contributions and Expenditures for Participating and Certified
3 Candidates. – The following restrictions shall apply to contributions and expenditures with
4 respect to participating and certified candidates:

- 5 (1) Beginning January 1 of the year before the election and before the filing of a
6 declaration of intent, a candidate for office may accept in contributions up to
7 ten thousand dollars (\$10,000) from sources and in amounts permitted by
8 Article 22A of this Chapter and may expend up to ten thousand dollars
9 (\$10,000) for any campaign purpose. A candidate who exceeds either of
10 these limits shall be ineligible to file a declaration of intent or receive funds
11 from the Public Campaign Fund.
- 12 (2) From the filing of a declaration of intent through the end of the qualifying
13 period, a candidate may accept only qualifying contributions, contributions
14 under ten dollars (\$10.00) from North Carolina voters, and personal and
15 family contributions permitted under subdivision (4) of this subsection. The
16 total contributions the candidate may accept during this period shall not
17 exceed the maximum qualifying contributions for that candidate. In addition
18 to these contributions, the candidate may only expend during this period the
19 remaining money raised pursuant to subdivision (1) of this subsection and
20 possible matching funds received pursuant to G.S. 163-278.67. Except for
21 personal and family contributions permitted under subdivision (4) of this
22 subsection, multiple contributions from the same contributor to the same
23 candidate shall not exceed five hundred dollars (\$500.00).
- 24 (3) After the qualifying period and through the date of the general election, the
25 candidate shall expend only the funds the candidate receives from the Fund
26 pursuant to G.S. 163-278.65(b)(4) plus any funds remaining from the
27 qualifying period and possible matching funds.
- 28 (4) During the qualifying period, the candidate may contribute up to one
29 thousand dollars (\$1,000) of that candidate's own money to the campaign.
30 Debt incurred by the candidate for a campaign expenditure shall count
31 toward that limit. The candidate may accept in contributions one thousand
32 dollars (\$1,000) from each member of that candidate's family consisting of
33 spouse, parent, child, brother, and sister. Up to five hundred dollars
34 (\$500.00) of a contribution from the candidate's family member may be
35 treated as a qualifying contribution if it meets the requirements of
36 G.S. 163-278.62(15)a. and b.
- 37 (5) A candidate and the candidate's committee shall limit the use of all revenues
38 permitted by this subsection to expenditures for campaign-related purposes
39 only. The Board shall publish guidelines outlining permissible
40 campaign-related expenditures. In establishing those guidelines, the Board
41 shall differentiate expenditures that reasonably further a candidate's
42 campaign from expenditures for personal use that would be incurred in the
43 absence of the candidacy. In establishing the guidelines, the Board shall
44 review relevant provisions of G.S. 163-278.42(e), the Federal Election
45 Campaign Act, and rules adopted pursuant to it, and similar provisions in
46 other states.
- 47 (6) Any contribution received by a participating or certified candidate that falls
48 outside that permitted by this subsection shall be returned to the donor as
49 soon as practicable. Contributions intentionally made, solicited, or accepted
50 in violation of this Article are subject to civil penalties as specified in

1 G.S. 163-278.70. The funds involved shall be forfeited to the Civil Penalty
2 and Forfeiture Fund.

- 3 (7) A candidate shall return to the Fund any amount distributed for an election
4 that is unspent and uncommitted at the date of the election, or at the time the
5 individual ceases to be a certified candidate, whichever occurs first. For
6 accounting purposes, all qualifying, personal, and family contributions shall
7 be considered spent before revenue from the Fund is spent or committed."

8 **SECTION 4.** G.S. 163-278.67(b) reads as rewritten:

9 "(b) Limit on Matching Funds in Contested Primary. Before Date of Primary. – Total
10 matching funds to a certified candidate ~~in a contested~~ before the date of the primary shall be
11 limited to an amount equal to two times the maximum qualifying contributions for the office
12 sought. Matching funds are available to a certified candidate with an opponent in the primary or
13 to a certified candidate who is clearly referred to in expenditures reportable under
14 G.S. 163-278.99A made in opposition to that candidate."

15 **SECTION 5.** . G.S. 163-278.67 is amended by adding a new subsection to read:

16 "(f) No Matching Funds for Communications Supporting or Opposing All Candidates. –
17 No matching funds are available under this section as a result of a communication that supports
18 all candidates for the same office or opposes all candidates for the same office."

19 **SECTION 6.** G.S. 163-278.69(b) reads as rewritten:

20 "(b) Candidate Information. – The Judicial Voter Guide shall include information
21 concerning all candidates for the Supreme Court and the Court of Appeals, as provided by
22 those candidates according to a format provided to the candidates by the Board. The Board
23 shall request information for the Guide from each candidate according to the following format:

- 24 (1) Place of residence.
25 (2) Education.
26 (3) Occupation.
27 (4) Employer.
28 (5) Date admitted to the bar.
29 (6) Legal/judicial experience.
30 (7) Candidate ~~statement, limited to 150 words.~~ statement. Concerning that
31 statement, the Board shall send to the candidates instructions as follows:
32 "Your statement may include information such as your qualifications, your
33 endorsements, your ratings, why you are seeking judicial office, why you
34 would make a good judge, what distinguishes you from your opponent(s),
35 your acceptance of spending and fund-raising limits to qualify to receive
36 funds from the Public Campaign Fund, and any other information relevant to
37 your candidacy. The State Board of Elections will reject any portion of any
38 statement which it determines contains obscene, profane, or defamatory
39 language. The candidate shall have three days to resubmit the candidate
40 statement if the Board rejects a portion of the statement.

41 The entire entry for a candidate shall be limited to 250 words."

42 **SECTION 7.** This act is effective when it becomes law.