

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 907
Committee Substitute Favorable 5/7/09
PROPOSED COMMITTEE SUBSTITUTE H907-PCS30385-RR-39

Short Title: Public Campaign Fund Changes.

(Public)

Sponsors:

Referred to:

April 1, 2009

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

14 The General Assembly of North Carolina enacts:

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

16 "(15) Qualifying contribution. – A contribution of not less than ten dollars
17 (\$10.00) and not more than five hundred dollars (\$500.00) in the form of ~~a~~
18 ~~check or money order prescribed for noncash monetary contributions in~~
19 G.S. 163-278.14(b) to the candidate or the candidate's committee that meets
20 both of the following conditions:

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

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

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



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

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

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

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

1 in violation of this Article are subject to civil penalties as specified in
2 G.S. 163-278.70. The funds involved shall be forfeited to the Civil Penalty
3 and Forfeiture Fund.

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

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

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

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

17 "(f) No Matching Funds for Certain Communications Involving All Candidates. – No
18 matching funds are available under this section as a result of an expenditure that supports all
19 candidates for the same office or opposes all candidates for the same office. No matching funds
20 are available under this section as a result of an electioneering communication that the Board
21 ascertains is susceptible of no reasonable interpretation other than as an appeal to vote for all
22 candidates for the same office or to vote against all candidates for the same office."

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

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

28 (1) Place of residence.

29 (2) Education.

30 (3) Occupation.

31 (4) Employer.

32 (5) Date admitted to the bar.

33 (6) Legal/judicial experience.

34 (7) ~~Candidate statement, limited to 150 words.~~ statement. Concerning that
35 statement, the Board shall send to the candidates instructions as follows:
36 "Your statement may include information such as your qualifications, your
37 endorsements, your ratings, why you are seeking judicial office, why you
38 would make a good judge, what distinguishes you from your opponent(s),
39 your acceptance of spending and fund-raising limits to qualify to receive
40 funds from the Public Campaign Fund, and any other information relevant to
41 your candidacy. The State Board of Elections will reject any portion of any
42 statement which it determines contains obscene, profane, or defamatory
43 language. The candidate shall have three days to resubmit the candidate
44 statement if the Board rejects a portion of the statement.

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

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