



HOUSE BILL 958: Election Law Changes.

2025-2026 General Assembly

Committee:	House Election Law. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 16, 2026
Introduced by:	Reps. Blackwell, Stevens	Prepared by:	Hillary Woodard, Erika Churchill, and Jessica Sammons
Analysis of:	PCS to Third Edition H958-CSCHe-30		Staff Attorneys

OVERVIEW: *The PCS to House Bill 958 would make various changes to the State's election laws.*

CURRENT LAW & BILL ANALYSIS:

Part I – Revisions to Ballot Counting Procedures

Counting of Early Voting Ballots:

If ballots cast during the early voting period are counted electronically, those ballots must be counted at the time polls close on Election Day. If ballots cast during the early voting period are paper ballots and counted manually, then those ballots are counted at the same time as absentee ballots.

Counting of Absentee Ballots:

G.S. 163-234(12) requires county boards of election (county boards) to convene at 5:00 P.M. on Election Day to count absentee ballots received through 7:30 P.M. on Election Day, with the meeting continuing until the counting is finished. County board members cannot separate or leave the counting place except for unavoidable necessity. The county boards must announce a tally of all absentee ballots cast by 5:00 P.M. on the third business day after the election (Friday), except for those absentee ballots subject to a challenge or those cast in accordance with Article 21A of Chapter 163.

Provisional Ballots:

Voters receive a provisional ballot when questions arise about the voter's qualification to vote, the voter's eligibility to vote in a given election, the voter's eligibility to vote a specific ballot style, or when a voter does not or cannot present photo ID when voting in person. Provisional ballots that require additional documentation in order for the ballot to be counted, will only be counted if the registered voter that voted a provisional ballot brings the required documentation such as a HAVA document or photo ID, if applicable, to the county board by 5:00 P.M. on the third business day after the election (Friday).

If the county board finds that an individual voting a provisional ballot was registered in the county, voted in the proper precinct, and was otherwise eligible to vote, then the provisional ballot must be counted by that county board before the date of canvass.

Curable Deficiencies:

The county boards must notify a voter if the voter's container-return envelope for an absentee ballot contains a curable deficiency. Curable deficiencies include that the voter failed to sign the voter certification, signed in the wrong spot, or failed to include photo ID or required affidavit. The

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identification of the two persons witnessing the casting of the absentee ballot is not a curable deficiency. Failing to include a photo ID can be cured via email. The voter must send in cure documentation no later than 12:00 P.M. on the third business day after the election (Friday). If the voter cures the deficiency in a timely manner, the ballot must be counted.

Effective when it becomes law, and applicable to elections held on or after that date, **Sections 1.1, 1.2, 1.3 1.4, 1.5, and 2.16** would do all of the following:

- Regarding reporting of ballot counts, make it a Class I felony for any person to reveal the result of any count of ballots prior to the close of polls on Election Day.
- Regarding ballots cast during early voting:
 - Require county boards to set a time to begin counting early ballots in a resolution adopted at least two weeks prior to Election Day. This time must be between 9:00 A.M. and 5:00 P.M. on Election Day. Vote counting would be done in the presence of county board members of all political parties then present and any member of the public would be allowed to observe the vote count so long as the member of the public does not interfere with the counting.
 - Allow county boards to take preparatory steps to count provisional ballots cast during early voting prior to Election Day, provided that the steps do not reveal the result of the count prior to the close of polls on Election Day.
- Regarding absentee ballots:
 - Require county boards to set a time to begin counting absentee ballots, except those challenged prior to 9:00 A.M. on Election Day and military and overseas ballots, in a resolution adopted at least two weeks prior to Election Day. This time must be between 9:00 A.M. and 5:00 P.M. on Election Day. The county board would be able to recess the meeting prior to completing the count but would not be allowed to adjourn the meeting until the count is complete.
 - Extend the deadline for any voter with a curable deficiency to return cure documentation to a county board to noon on the fifth business day after the election (Tuesday) and require the county board to notify the voter of the curable deficiency no later than close of business on the next business day following the county board's review of the ballot.
 - Extend the time for county boards to announce a tally of all absentee ballots cast, other than those subject to a challenge and military and overseas ballots, to no later than the close of business on the fifth business day after the election.
- Regarding provisional ballots:
 - Require a voter voting a provisional ballot due to some deficiency in providing required information or documentation to return to the county board with needed documentation by the fifth business day after the election.
 - For voters casting a provisional ballot after completing an affidavit for lack of photo ID, if the county board has found the affidavit to be false within five business days after the election, require the county board to determine whether to count the ballot by the date of canvass.
 - If voter failed to sign a required affidavit when voting a provisional official ballot, require county boards to notify the voter of the lack of signature by mail, and by telephone and

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email if provided by the voter, no later than the close of business on the next business day following review of the ballot, and provide the voter an opportunity to cure the lack of signature.

Part II – Various Election Administration Changes

Party Designations on Ballot:

Each official ballot must contain certain information, including the title of each office, the number of votes allowed for each ballot item, the names of the candidates, and party designations in partisan ballot items.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.1** would require that the party designations for partisan ballot items be printed in the same font type and size as the name of the candidate.

Suspension and Training of Precinct Officials:

Precinct officials include the chief judge, judges of election, and assistants appointed to serve in an election. To be eligible to serve as a precinct official, a person must be a registered voter and a resident of the county where the precinct is located. Precinct officials cannot be a candidate in the election, hold an elective office, hold office with a political party, or be a manager or treasurer for a candidate or political party. Precinct officials must also comply with training requirements in accordance with the rules established by the State Board of Elections (State Board).

Each county board has the authority to remove any precinct official, following notice and a hearing, for incompetency, failure to discharge the duties of office, failure to qualify within the time prescribed by law, fraud, or any other satisfactory cause. Removal of a precinct official may only occur when a majority of members of the county board are present and during an open meeting.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.2** would do the following:

- Clarify that a county board may suspend any precinct official from their position at any time, including throughout the day of a primary or election, for incompetency or failure to discharge the duties of the office.
- Authorize a county board to prohibit a precinct official from serving as a precinct official in any subsequent election in an open meeting at which a majority of its members are present.
- Set a minimum number of at least four emergency election-day assistants that each county board would be required to appoint.
- Specify training requirements for precinct officials.

Disorderly Conduct at a Voting Place:

It is a Class 1 misdemeanor to do any of the following:

- Make any rude or riotous noise or engage in any disorderly conduct in or near any public building or facility.
- Unlawfully write or scribble on, mark, deface, besmear, or injure the walls of any public building or facility, or any statue or monument situated in any public place.
- To commit any nuisance in or near any public building or facility.

No person shall hinder access, harass others, distribute campaign literature, place political advertising, solicit votes, or otherwise engage in election-related activity in the voting place or in the buffer zone, as

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it is prescribed by each county board. However, each county board is required to provide an area adjacent to this buffer zone at each voting place where people may distribute campaign literature, place political advertising, solicit votes, or otherwise engage in election-related activity.

Effective October 1, 2026, and applicable to offenses committed on or after that date, **Section 2.3** would:

- Clarify that the definition of "public building or facility" includes one that is temporarily in use as a voting site, making it a Class 2 misdemeanor to violate any of the above-listed provisions.
- Make it a Class 3 misdemeanor for a person to steal, deface, vandalize, or unlawfully remove political advertising that is lawfully placed in the buffer zone.

Ban Rank Choice Voting:

Rank choice voting is an election method that allows a voter the option to rank candidates for office in the order of the voter's preference.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.4** would provide that rank choice voting is prohibited in any primary or election in North Carolina.

Closing of Equipment Following Early Voting:

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.6** would require, at the close of the early voting period, each county board to ensure that all voting equipment used during the early voting period is rendered unable to receive additional votes associated with the early voting period and is used in a manner that does not reveal the result of the early voting vote county prior to the close of polls on Election Day.

Appointment of Observers in Nonpartisan Elections:

Under G.S. 163-45, the chair of each political party in each county has the right to designate two observers to attend each voting place at each primary and election. The chair of each political party in the county also has the right to designate 10 additional at-large observers who are residents of that county who can attend any voting place in that county, by providing a list to the county director of elections. This right does not extend to a political party during a primary unless that party is participating in that primary. In any election in which an unaffiliated candidate is on the ballot, the candidate or the candidate's campaign manager has the right to appoint two observers for each voting place.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.7** would authorize a nonpartisan candidate in a municipal election, special district election, or board of education election, or that candidate's campaign manager, to designate up to one registered voter to serve as an observer at each voting place where the candidate would appear on the ballot.

Registration of Voters:

Registration at the DMV & Public Agencies

An individual may complete an application to register to vote or update their voter registration when applying for original issuance, renewal, or correction of a drivers license or special identification card at the Division of Motor Vehicles (DMV). Certain public agencies also provide individuals with voter registration applications and employees at those public agencies may provide assistance in completing the voter registration application.

Effective January 1, 2027, and applicable to voter registration applications processed on or after that date, **Section 2.12** would prohibit any employee of the DMV or a public agency offering voter registration

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services from proceeding with a voter registration application if the applicant indicates that he or she is not a citizen of the United States or declines to answer the question as to citizenship.

If a county board receives a voter registration application indicating that the applicant is not a citizen of the United States or no answer is indicated as to citizenship, the county board would be prohibited from processing the voter registration application and adding that person to the list of registered voters in this State.

Address Verification

When a county board receives a voter registration application, the county board must make a determination that the applicant is not qualified or is qualified to vote at the address given, subject to a mail verification process. If the county board makes a tentative determination that the applicant is qualified to vote at the address given, the county board must send a notice to the applicant by nonforwardable mail stating that the county board will register the applicant to vote if the notice is not returned as undeliverable. If this notice is returned as undeliverable, then a second notice must be sent by nonforwardable mail.

Effective January 1, 2027, and applicable to notices sent on or after that date, **Section 2.5** would require county boards to send the first notice within two business days of processing the application. If the first notice is returned as undeliverable, county boards would be required to send the second notice within one business day of receiving notice that the first notice was undeliverable.

List Maintenance

The State Board and county boards are required to maintain the list of eligible voters in the State by removing ineligible voters and updating addresses and other necessary data of those who remain on the official list of eligible voters. To maintain this list, the State Board and county boards must comply with certain procedures for removing ineligible voters due to death, felony convictions, non-citizenship, and change of address. To comply with list maintenance requirements, the State Board and county boards may enter into data sharing agreements with other states to cross-check information on voter registration and voting records.

The Department of Health and Human Services (DHHS) provides the Executive Director of the State Board with the names of deceased persons who were residents of the State at a minimum of once per week. The Executive Director must provide that information to each county board and each county board must then remove any deceased person from its voter registration records.

To identify registered voters who have moved out of the county of registration, each county board is required to send voters who have not voted or confirmed their address a confirmation mailing following each congressional election. County boards are to remove from the list of registered voters those individuals who fail to respond to the confirmation mailing and who did not vote or appear to vote in the two previous federal election cycles.

Effective January 1, 2027, **Section 2.8** would do all of the following:

- Provide that any voter registration data received from other states pursuant to a data sharing agreement would not be a public record.
- Establish a process for the Executive Director of the State Board to identify registered voters appearing on information received from a federal agency as being deceased and provide those names to the county boards to remove the list of registered voters.
- Require any confirmation mailing sent following a congressional election to contain a pre-printed space indicating that the registrant does not reside at the address where the mailing was sent and that the mailing should be returned to the appropriate sender.

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- Provide that the Division of Motor Vehicles (DMV) is authorized to disclose an applicant's social security number to the State Board for the purpose of voter registration and list maintenance on a routine schedule of no later than the 15th day of each month.

Prohibit Payment Per Signature for Petitions:

Petitions can be filed for a number of reasons, which under certain circumstances may be to call for an election or referendum, to form a new political party, to appear on the ballot without payment of a filing fee, to have the name of an unaffiliated candidate placed on the ballot, or to qualify as a write-in candidate. Depending upon the nature of the petition and the office being sought, a certain number of signatures must be obtained. In obtaining the required number of signatures for these petitions, it is a Class 2 misdemeanor for a person to sign the name of another person.

Effective December 1, 2026, and applicable to offenses committed on or after that date, **Section 2.9** would make it a Class 2 misdemeanor for a person to be compensated based on the number of signatures collected for a petition.

Voter and Ballot Challenges:

Any registered voter of the county may challenge the right of any person to register, remain registered, or vote in the county. Challenges can be made during early voting, on the day of the primary or election, or to an absentee ballot up to 5:00 PM on the fifth business day after the election, and may be made based on residency, age, felony conviction, death, citizenship, or that a person is not who he or she represents himself or herself to be. A decision made by the county board may be appealed to the Superior Court in the county where the challenge originated. Only those against whom a challenge is sustained or persons who have made a challenge which is overruled have standing to file an appeal.

Effective January 1, 2027, and applicable to challenges filed on or after that date, **Section 2.10** would do the following:

- Require the State Board to conduct a uniform statewide audit to determine if ballots cast during early voting or absentee ballots are ineligible to be counted as evidenced by official government database records. The State Board would be required to distribute the results of the audit to the county boards no later than 5:00 P.M. on the sixth business day after the election (Wednesday).
- Require each county board to review the results of the audit conducted by the State Board, analyze records of the voters identified in the audit, and serve a challenge on the voter if the ballot as identified as ineligible to be counted. The county board staff would present evidence at the hearing and would bear the burden of proof.
- Authorize a county board to initiate a challenge for ballots cast during early voting and absentee ballots. Hearings would be required to be audio and video recorded. If the challenge is sustained, the challenge ballot shall only be counted for any ballot items for which the challenged voter is eligible to vote. If the challenge is overruled, the ballot shall be counted by the county board. If a county board initiated the challenge, the county board would have standing to appeal the decision of a county board following a hearing on the challenge.
- Require that if a ballot challenged based on death of the voter was upheld, no portion of the challenged ballot could be counted if the voter died between the time the challenged ballot was cast and 11:59 P.M. on the day before the election.

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Apply Temporary Moratorium on the Expiration of Certain Class C Drivers Licenses to Photo Identification Presented for Voting:

Section 18 of S.L. 2025-47 provides that from July 1, 2025 to December 31, 2027, a regular Class C drivers license is valid for up to two years after the date it expired for the purposes of establishing the licensee's driving privilege.

Effective when it becomes law and expiring on December 31, 2027, **Section 2.11** would provide that, during the time period that a Class C drivers license expiration date is extended in accordance with Section 18 of S.L. 2025-47, that Class C drivers license is deemed valid and unexpired for photo identification presented for voting.

Post-Election Audits by the State Auditor:

The State Board is required to produce a post-election audit report for the general election that includes at least the following:

- A summary of the types of post-election audits required and the results of each of the post-election audits.
- A description of each of the post-election audits, along with any issues identified that could have affected the election outcome and how the issues were resolved.
- A description of any systemic issues identified in the post-election audits and recommendations regarding how to address the issues to ensure election security and integrity.
- The ways in which the public was allowed to participate in post-election audits.
- Any other matters deemed appropriate by the State Board.

Section 2.13 would require the State Auditor, within his or her discretion, to select counties in which to conduct post-election audits of election system and controls after each general election regarding the conduct of the election. The State Board, county boards, and the DMV would be required to provide access to any materials, equipment, personnel, or software needed by the State Auditor to conduct the post-election audit.

Change Date for Certain Municipal Elections:

Currently, when a municipal election in an odd-numbered year is conducted using the nonpartisan primary method of election, the nonpartisan primary is held in October and the election is held in November; and when the election and runoff method of election, the election is held in October and the runoff election, if required, is held in November.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 2.14** would move the October primary or election to September of the odd-numbered year, with any required election or runoff to be held in November of that odd-numbered year.

Eligibility to File as a Candidate in a Party Primary:

No person can file as a candidate in a party primary unless that person has been affiliated with that party for at least 90 days as of the date of that person filing a notice of candidacy.

Effective January 1, 2027, and applicable to candidates filing in a party primary on or after that date, **Section 2.15** would provide that a candidate filing in a party primary would have to be affiliated with that party for at least 365 days as of the date of that person filing a notice of candidacy unless the person obtains a waiver from the State executive committee of the political party of that candidate.

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Part III – Duty & Structure of the State Board and County Boards of Elections

Duties and Responsibilities of State Board and County Boards:

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 3.1** would prohibit anyone serving on the State Board or a county board from making any oral or written statements intended for general distribution supporting any political party over another, influencing voter turnout for a particular political party, and from encouraging or promoting voter turnout in any election.

Authority in Election Litigation:

The State Board has the authority to assist county boards in matters in which litigation is contemplated or has been initiated in accordance with all of the following:

- The county board requests assistance from the State Board by majority resolution.
- The State Board determines, by a majority vote, to assist in the matter. However, the State Board is not authorized to provide assistance in litigation to counties except when the uniform administration of Chapter 163 has been or would be threatened. In addition, the Attorney General has the authority to provide the State Board with legal assistance or, in the Attorney General's discretion, recommend that private counsel be employed. If the Attorney General determines that private counsel is needed, then the State Board may employ counsel with the approval of the General Assembly.

Effective when it becomes law and applicable to counsel employed on, retained on, or hired or retained after that date, **Section 3.2** would allow the State Board to employ staff counsel or retain private counsel to provide legal services. Private counsel could be retained for any of the following:

- Matters in which litigation is contemplated or initiated.
- Matters in which the State Board is assisting a county board with litigation.
- Matters arising in connection with the State Board's action under Chapter 163.
- Matters arising in connection with the Executive Director's actions under Chapter 163.

The State Board would be able to use any funds available to them to retain private counsel and would be required to supervise and manage any retained private counsel. Any communications or documents made or used in connection with the legal services by the retained counsel would not be considered public records.

Venue for Judicial Review of Decisions of the State Board:

Any person seeking judicial review of any decision of the State Board must file a petition in the Superior Court of Wake County.

Effective when it becomes law and applicable to actions filed on or after that date, **Section 3.3** would require these petitions to be filed either in the Superior Court of Wake County or the superior court of the county in which the person seeking review resides.

Increase Compensation of Members of County Boards of Elections:

Each county board of commissioners is required to appropriate reasonably adequate funds necessary for the legal functions of the county board of elections. County board members must be paid \$25 per meeting for the time they are actually engaged in the discharge of their duties, along with reimbursement of expenditures necessary and incidental to the discharge of their duties. However, members may not be paid

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for more than one meeting in any one 24-hour period. The county board of commissioners may choose to pay the chair and members of the county boards of elections additional compensation.

Effective July 1, 2027, **Section 3.4** would increase the compensation of county board members from \$25 per meeting to \$100 per meeting, along with any reimbursements of expenditures.

Designation of Exempt Positions at the State Board of Elections:

Effective when it becomes law, **Section 3.5** would authorize the Executive Director of the State Board to exempt up to 25 State Board employees from the provisions of the North Carolina Human Resources Act by providing a letter to the Director of the Office of State Human Resources that designates the employees. Any exemptions made by the Executive Director would not affect the number of positions the State Auditor is authorized to exempt from the provisions of the North Carolina Human Resources Act. In addition, the total number of full-time positions in the Department of the State Auditor would not include the employees of the State Board in calculating the number of exempt positions for the Department of the State Auditor.

Part IV – Revisions to Uniform Military and Overseas Voters Act

The Uniformed Military and Overseas Citizens Absentee Voting Act (UOCAVA) provides that covered voters may register to vote, request a ballot, and cast an absentee ballot either electronically or via mail. Covered voters include the following individuals:

- A uniformed-service voter or an overseas voter who is registered to vote in this State.
- A uniformed-service voter whose voting residence is in this State and otherwise satisfied the State's voter eligibility requirements.
- An overseas voter who, before leaving the United States, was last eligible to vote in this State and, except for a State residency requirement, otherwise satisfies all other requirements to vote in this State.
- An overseas voter who, before leaving the United States, would have been last eligible to vote in this State had the voter then been of voting age and, except for a State residency requirement, otherwise satisfies all other requirements to vote in this State.
- An overseas voter who was born outside the United States, and, except for a State residency requirement, otherwise satisfies all other requirements to vote in this State, if:
 - The last place where a parent or legal guardian of the voter was, or would have been, eligible to vote before leaving the United States is within this State; and
 - The voter has not previously registered to vote in any other state.

Changes to Covered Voters:

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 4.1** would remove from the definition of covered voter a United States citizen who has never resided in the United States and who has a parent or legal guardian that was last domiciled in North Carolina, making such an individual eligible to vote in federal elections only in North Carolina.

Section 4.3 would require a covered voter applying to register to vote to provide a copy of residency documentation containing the address of the last place in the State in which the covered voter resided before leaving the United States. Residency documentation would mean a utility bill, bank statement, government check, paycheck, or government document.

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Photo ID for Overseas Voters:

Section 2 and Section 3 of Article VI of the North Carolina Constitution require that any voter offering to vote in person must present photo identification before voting. The General Assembly must enact laws establishing the requirements of such photo identification, which may include exceptions for this requirement.

G.S. 163-166.16 establishes the requirements for photo identification when offering to vote in person, setting forth the types of acceptable photo identification and exceptions including religious objection, reasonable impediment, and natural disaster. G.S. 163-230.1 also requires a voter casting an absentee ballot to submit a copy of their photo identification, or an affidavit of an exception, with their returned application and ballot. However, prior to a 2025 court order issued by the North Carolina Supreme Court, overseas voters were not required to submit a photocopy of photo identification or affidavit of an exception with the returned ballot.

Effective January 1, 2027, and applicable to elections held on or after that date, **Section 4.4** would require overseas voters (a United States citizen residing outside the United States, but not a uniformed-service voter or his or her spouse or dependent) to submit a photocopy of a military identification card, U.S. passport card or photo page of a U.S. passport, a North Carolina drivers license, or a special identification card for nonoperators or other form of nontemporary identification issued by the DMV, all of which must be unexpired, with their returned ballot. The State Board would be required to provide the means for any identification to be electronically submitted in a secure manner.

If a overseas voter failed to provide a photocopy of the required identification, the county board would be required to notify the voter of the failure and the manner in which it could be cured no later than close of business on the next business day following review of the ballot. The ballot would be counted if cure documentation is received by the close of business on the day before canvass (Thursday).

Part V – Campaign Finance Revisions

Increase Threshold for Reporting Certain Contributions:

Candidates for office are required to file reports for certain contributions, loans, and expenditures. However, if a candidate does not receive more than \$1,000 in contributions and loans and does not spend more than \$1,000, that candidate may be exempted from filing the required reports. In order to be exempt, the candidate's treasurer must file a certification with the State Board that the candidate does not intend to receive more than \$1,000 in contributions or expenditures and does not intend to spend more than \$1,000 to further the candidate's campaign. If the candidate's intent to stay within the \$1,000-threshold changes or is exceeded, the treasurer is required to notify the State Board and file all required reports.

Effective for the January 1, 2027 election cycle, **Section 5.1(a)** would increase this threshold from \$1,000 to \$3,000.

In addition to the reporting requirements for candidates, certain individuals and entities may make independent expenditures and may be subject to reporting requirements. If an individual or entity making an independent expenditure who is not otherwise required to file a report makes an independent expenditure in excess of \$100, the individual or entity is required to file a statement of the independent expenditure with the appropriate board of elections.

Any person or entity that is permitted to make contributions, but not otherwise required to report them, is required to report each contribution in excess of \$100 with the appropriate board of elections.

The State Board must require the identification of each person or entity making a donation of more than \$100 to the entity filing the report if the donation was made to further the reported independent expenditure

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or contribution. If the donor is an individual, the statement must also contain the principal occupation of the donor. Reports must be reported within 30 days after they exceed \$100 or 10 days before an election that the contributions or independent expenditures affect, whichever occurs earlier.

Effective for the January 1, 2027 election cycle, **Section 5.1(b)** would increase this threshold from \$100 to \$1,000.

48-Hour Report Requirements:

Generally, the treasurer of each candidate and each political committee and the treasurer of each referendum committee is required to file a number of certain reports with the State Board. One of these reports is the 48-hour report. A political committee, political party, or an affiliated party committee that receives a contribution or transfer of funds is required to disclose, within 48 hours of receipt, a contribution or transfer of \$1,000 or more received before an election but after the period covered by the last report due before that election. The disclosure is by report to the State Board identifying the source and amount of the funds. The State Board is required to specify the form and manner of making the report.

Effective for the January 1, 2027 election cycle, **Section 5.2** would do the following:

- Increase the reporting threshold for the 48-hour reporting requirement from \$1,000 to \$2,000 and require the State Board to increase the dollar amount of the reporting requirement effective each election cycle based on the Consumer Price Index. The State Board would set the revised threshold in October of the even-numbered year, publish the revised threshold in the North Carolina Register, and notify the Revisor of Statutes to adjust the dollar amount statutorily.
- Provide that the 48-hour report requirement would not apply to any candidate campaign committee in a primary election in which the candidate is unopposed on that ballot.

Contributions by Foreign Nationals:

Candidates and political committees are prohibited from accepting contributions from any corporation and any business entity, labor union, professional association, or insurance company. Political parties and affiliated committees are also prohibited from accepting contributions from any corporation and any business entity, labor union, professional association, or insurance company, unless that contribution is used for a political party headquarters building fund, which requires a segregated account. Generally, it is unlawful for any corporation, business entity, labor union, professional association or insurance company to do any of the following:

- Make any contribution to a candidate or political committee.
- Pay or use or offer, consent or agree to pay or use any of its money or property for any contribution to a candidate or political committee.
- To compensate, reimburse, or indemnify any person or individual for money or property so used for any contribution or expenditure so made.

It is also unlawful for any officer, director, stockholder, attorney, agent or member of any corporation, business entity, labor union, professional association or insurance company to aid, abet, advise or consent to any such contribution. A violation of these provisions is a Class 2 misdemeanor.

Effective January 1, 2027, **Section 5.3** would do the following:

- Define foreign national as any of the following:
 - An individual who is not a citizen or lawful permanent resident of the United States.
 - A government of a foreign country or any political subdivision thereof.

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- A foreign political party.
- Any person organized under the law of, or that has its principal place of business in a foreign country.
- Any person organized and operating in the United States that is wholly or majority owned by a foreign national or combination of foreign nationals unless both of the following apply:
 - Any contribution or expenditure made derives entirely from funds generated by the United States.
 - All decisions concerning the contribution or expenditure are made by individuals who are United States citizens or lawful permanent residents, except for setting overall budget amounts.
- Prohibit foreign nationals from engaging in any of the following:
 - Making a contribution to a candidate, a political committee, a political party, or an affiliated committee, including to a political party headquarters building fund.
 - Directing, dictating, controlling or participating in the decision-making of any activities to influence a referendum, including making contributions or independent expenditures.
 - Soliciting a contribution or expenditure to influence a referendum.
- Prohibit a candidate, political committee, political party, affiliated committee, or treasurer from soliciting or accepting a contribution from a foreign national.
- Require the treasurer to file an organizational funding certification which must include a signed statement, filed with the State Board no later than the tenth day following the organization of a referendum committee, affirming that no preliminary activity was funded by one or more foreign nationals. Preliminary activity would include conducting polls, public opinion surveys, or a focus group; drafting referendum language; making telephone calls; and traveling. All reports required to be filed disclosing contributions would also be required to include an affirmation by the treasurer that the contributor associated with each contribution is not a foreign national. Such reports are signed under penalty of perjury, with any person making a certification knowing the information to be untrue guilty of a Class I felony.
- Require the treasurer to include with any required report disclosing contributions an affirmation by the treasurer that the donor associated with each contribution is not a foreign national and the donor has not knowingly or willfully received, solicited, or accepted contributions from one or more foreign national aggregating in excess of \$10,000 within the four-year period immediately preceding the date of the contribution.
- Upon receipt of a contribution, require the treasurer to obtain an affirmation from the donor that the donor is not a foreign national and that the donor has not knowingly or willfully accepted funds aggregating in excess of \$10,000 from one or more foreign national within the four-year period immediately preceding the date the contribution is made. The treasurer would also be required to include records of those donor affirmations in the detailed account records required.
- Effective December 1, 2026, intentional disclosure of confidential information or materials related to any investigation for violations of the above provisions would be a Class 2 misdemeanor.

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Exempt Political Party Committees from Campaign Sales Reporting Requirements:

The purchase price of goods or services sold by a political party executive committee or an affiliated party committee are not considered campaign contributions, in that these are not subject to the accounting or reporting requirements required for campaign contributions and are not subject to the limit on campaign contributions. However, a purchase price for goods or services must comply with a plan that the treasurer has submitted to and has been approved by the Executive Director of the State Board.

Effective January 1, 2027, **Section 5.4** would expand the exemption for political party executive committees and affiliated committees with respect to campaign sales to political party committees, which would be defined to include men, women, college, teen, senior, young, African American, and Hispanic clubs or organizations.

Increase Threshold for Noncash Contributions and Expenditures:

Statements required to be filed by treasurers regarding contributions, expenditures, and loans must include certain information including the name and mailing address of the contributor or payee; the principal occupation of a contributor; the amount of the contribution, expenditure, or loan; as well as the purpose of the contribution, expenditure, or loan. However, a treasurer is not required to report the name, address, or principal occupation of any individual who contributes \$50 or less from January 1 of the odd-numbered year through the day of the primary, the day after the primary through the day of the second primary, or the day after the primary through December 31 of the next even-numbered year.

No entity may make, and no candidate, committee, or treasurer may accept, any monetary contribution in excess of \$50 unless the contribution is in the form of a check, draft, money order, credit card charge, debit, or other noncash method that can be subject to written verification. No contribution in any of these forms may be made or accepted unless it contains a specific designation of the intended contributee chosen by the contributor.

All expenditures for nonmedia expenses, excluding postage, of more than \$50 must be made by a verifiable form of payment. The report for these expenditures must include the name and address of the payee, the date of the expenditure, the specific purpose the expenditure, and the total sum paid to the payee in the current election cycle. The report for expenditures for nonmedia expenses of less than \$50 does not have to include the name of the payee, though it must include the amount, date, and purpose for each expenditure.

Effective January 1, 2027, and applicable to monetary contributions and expenditures made, reported, or accepted on or after that date, **Section 5.5** would increase the threshold for reporting nonmedia expenditures and monetary contributions from \$50 to \$100.

Part VI – Require Use of Federal Decennial Census Data When Establishing District Boundaries

Generally, county boards of commissioners, city councils, and local boards of education divided into electoral districts are authorized to revise those electoral districts if there is found to be a substantial inequality of population among the districts due to a new federal census or as a result of an annexation or exclusion of property.

Effective when it becomes law and applicable to the establishment of district boundaries by a county, city, or local board of education on or after that date, **Part VI** would clarify that when establishing electoral district boundaries, county boards of commissioners, city councils, and local boards of education would be required to use data from the most recent federal decennial census data and not other population estimates.

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Part VII – Signature Verification Pilot Program for Absentee Ballots

Part VII would require the State Board to study and report on the feasibility, costs, and technical considerations of using signature verification technology including:

- The use of signature verification software in other states in election administration.
- The costs and logistics of implementing a signature verification component for absentee ballot verification.
- Any foreseen challenges related to voter signature retention.

The State Board would be required to report its findings and any recommendations to the Joint Legislative Elections Oversight Committee by May 1, 2027.

Part VIII – Training for County Boards of Elections

Part VIII would require the UNC School of Government to work jointly with the State Board to develop a uniform curriculum for training county directors of elections and employees of county boards on the State's elections laws. The State Board would be tasked with partnering with local community colleges to provide a location for any training.

EFFECTIVE DATE: Except as otherwise provided, this act is effective when it becomes law.