

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 907
Committee Substitute Favorable 5/7/09
Committee Substitute #2 Favorable 5/12/09

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 ~~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
30 at 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).

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

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



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

- 4 (1) Beginning January 1 of the year before the election and before the filing of a
5 declaration of intent, a candidate for office may accept in contributions up to
6 ten thousand dollars (\$10,000) from sources and in amounts permitted by
7 Article 22A of this Chapter and may expend up to ten thousand dollars
8 (\$10,000) for any campaign purpose. A candidate who exceeds either of
9 these limits shall be ineligible to file a declaration of intent or receive funds
10 from the Public Campaign Fund.
- 11 (2) From the filing of a declaration of intent through the end of the qualifying
12 period, a candidate may accept only qualifying contributions, contributions
13 under ten dollars (\$10.00) from North Carolina voters, and personal and
14 family contributions permitted under subdivision (4) of this subsection. The
15 total contributions the candidate may accept during this period shall not
16 exceed the maximum qualifying contributions for that candidate. In addition
17 to these contributions, the candidate may only expend during this period the
18 remaining money raised pursuant to subdivision (1) of this subsection and
19 possible matching funds received pursuant to G.S. 163-278.67. Except for
20 personal and family contributions permitted under subdivision (4) of this
21 subsection, multiple contributions from the same contributor to the same
22 candidate shall not exceed five hundred dollars (\$500.00).
- 23 (3) After the qualifying period and through the date of the general election, the
24 candidate shall expend only the funds the candidate receives from the Fund
25 pursuant to G.S. 163-278.65(b)(4) plus any funds remaining from the
26 qualifying period and possible matching funds.
- 27 (4) During the qualifying period, the candidate may contribute up to one
28 thousand dollars (\$1,000) of that candidate's own money to the campaign.
29 Debt incurred by the candidate for a campaign expenditure shall count
30 toward that limit. The candidate may accept in contributions one thousand
31 dollars (\$1,000) from each member of that candidate's family consisting of
32 spouse, parent, child, brother, and sister. Up to five hundred dollars
33 (\$500.00) of a contribution from the candidate's family member may be
34 treated as a qualifying contribution if it meets the requirements of
35 G.S. 163-278.62(15)a. and b.
- 36 (5) A candidate and the candidate's committee shall limit the use of all revenues
37 permitted by this subsection to expenditures for campaign-related purposes
38 only. The Board shall publish guidelines outlining permissible
39 campaign-related expenditures. In establishing those guidelines, the Board
40 shall differentiate expenditures that reasonably further a candidate's
41 campaign from expenditures for personal use that would be incurred in the
42 absence of the candidacy. In establishing the guidelines, the Board shall
43 review relevant provisions of G.S. 163-278.42(e), the Federal Election
44 Campaign Act, and rules adopted pursuant to it, and similar provisions in
45 other states.
- 46 (6) Any contribution received by a participating or certified candidate that falls
47 outside that permitted by this subsection shall be returned to the donor as
48 soon as practicable. Contributions intentionally made, solicited, or accepted
49 in violation of this Article are subject to civil penalties as specified in
50 G.S. 163-278.70. The funds involved shall be forfeited to the Civil Penalty
51 and Forfeiture Fund.

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

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

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

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

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

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

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

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

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

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