

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

**HOUSE BILL 907
RATIFIED BILL**

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 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."

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

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

- (1) Beginning January 1 of the year before the election and before the filing of a declaration of intent, a candidate for office may accept in contributions up to ten thousand dollars (\$10,000) from sources and in amounts permitted by Article 22A of this Chapter and may expend up to ten thousand dollars (\$10,000) for any campaign purpose. A candidate who exceeds either of these limits shall be ineligible to file a declaration of intent or receive funds from the Public Campaign Fund.
- (2) From the filing of a declaration of intent through the end of the qualifying period, a candidate may accept only qualifying contributions, contributions under ten dollars (\$10.00) from North Carolina voters, and personal and



family contributions permitted under subdivision (4) of this subsection. The total contributions the candidate may accept during this period shall not exceed the maximum qualifying contributions for that candidate. In addition to these contributions, the candidate may only expend during this period the remaining money raised pursuant to subdivision (1) of this subsection and possible matching funds received pursuant to G.S. 163-278.67. Except for personal and family contributions permitted under subdivision (4) of this subsection, multiple contributions from the same contributor to the same candidate shall not exceed five hundred dollars (\$500.00).

- (3) After the qualifying period and through the date of the general election, the candidate shall expend only the funds the candidate receives from the Fund pursuant to G.S. 163-278.65(b)(4) plus any funds remaining from the qualifying period and possible matching funds.
- (4) During the qualifying period, the candidate may contribute up to one thousand dollars (\$1,000) of that candidate's own money to the campaign. Debt incurred by the candidate for a campaign expenditure shall count toward that limit. The candidate may accept in contributions one thousand dollars (\$1,000) from each member of that candidate's family consisting of spouse, parent, child, brother, and sister. Up to five hundred dollars (\$500.00) of a contribution from the candidate's family member may be treated as a qualifying contribution if it meets the requirements of G.S. 163-278.62(15)a. and b.
- (5) A candidate and the candidate's committee shall limit the use of all revenues permitted by this subsection to expenditures for campaign-related purposes only. The Board shall publish guidelines outlining permissible campaign-related expenditures. In establishing those guidelines, the Board shall differentiate expenditures that reasonably further a candidate's campaign from expenditures for personal use that would be incurred in the absence of the candidacy. In establishing the guidelines, the Board shall review relevant provisions of G.S. 163-278.42(e), the Federal Election Campaign Act, and rules adopted pursuant to it, and similar provisions in other states.
- (6) Any contribution received by a participating or certified candidate that falls outside that permitted by this subsection shall be returned to the donor as soon as practicable. Contributions intentionally made, solicited, or accepted in violation of this Article are subject to civil penalties as specified in G.S. 163-278.70. The funds involved shall be forfeited to the Civil Penalty and Forfeiture Fund.
- (7) A candidate shall return to the Fund any amount distributed for an election that is unspent and uncommitted at the date of the election, or at the time the individual ceases to be a certified candidate, whichever occurs first. For accounting purposes, all qualifying, personal, and family contributions shall be considered spent before revenue from the Fund is spent or committed."

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

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

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

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

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

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

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

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

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

In the General Assembly read three times and ratified this the 5th day of August, 2009.

Walter H. Dalton
President of the Senate

Joe Hackney
Speaker of the House of Representatives

Beverly E. Perdue
Governor

Approved _____, m. this _____ day of _____, 2009