

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

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SENATE BILL 881
Judiciary I Committee Substitute Adopted 6/2/99

Short Title: Campaign Reform Act of 1999.

(Public)

Sponsors:

Referred to:

April 13, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE CAMPAIGN REFORM ACT OF 1999.

3 The General Assembly of North Carolina enacts:

4 Section 1. This act shall be called "The Campaign Reform Act of 1999."
5 – STAND BY YOUR AD.

6 Section 2.(a) Article 22A of Chapter 163 of the General Statutes is amended by
7 adding a new Part to read:

8 **"PART 1A. DISCLOSURE REQUIREMENTS FOR MEDIA**
9 **ADVERTISEMENTS.**

10 **"§ 163-278.39. Basic disclosure requirements for all political campaign**
11 **advertisements.**

12 (a) Basic Requirements. – It shall be unlawful for any sponsor to sponsor an
13 advertisement in the print media or on radio or television that constitutes an expenditure
14 or contribution required to be disclosed under this Article unless all the following
15 conditions are met:

16 (1) It bears the legend or includes the statement: 'Paid for by
17 [Name of candidate, candidate campaign committee, political party
18 organization, political action committee, referendum committee,

individual, or other sponsor].' In television advertisements, this disclosure shall be made by visual legend.

(2) The name used in the labeling required in subdivision (1) of this subsection is the name that appears on the statement of organization as required in G.S. 163-278.7(b)(1).

(3) The sponsor states in the advertisement its position for or against the candidate, provided that this subdivision applies only if the advertisement supports or opposes the nomination or election of one or more clearly identified candidates.

(4) The sponsor states in the advertisement its position for or against a ballot measure, provided that this subdivision applies only if the advertisement is made for or against a ballot measure.

(5) In a print media advertisement supporting or opposing the nomination or election of one or more clearly identified candidates, the sponsor states whether it is authorized by a candidate. The visual legend in the advertisement shall state either 'Authorized by [name of candidate], candidate for [name of office]' or 'Not authorized by a candidate.' This subdivision does not apply if the sponsor of the advertisement is the candidate the advertisement supports or that candidate's campaign committee.

(6) In a print media advertisement that identifies a candidate the sponsor is opposing, the sponsor discloses in the advertisement the name of the candidate who is intended to benefit from the advertisement.

If an advertisement described in this section is jointly sponsored, the disclosure statement shall name all the sponsors.

(b) Size Requirements. – In a print media advertisement covered by subsection (a) of this section, the height of all disclosure statements required by that subsection shall constitute at least five percent (5%) of the height of the printed space of the advertisement, provided that the type shall in no event be less than 12 points in size. If a single advertisement consists of multiple pages, folds, or faces, the disclosure requirement of this section applies only to one page, fold, or face. In a television advertisement covered by subsection (a) of this section, the visual disclosure legend shall constitute 32 scan lines in size. In a radio advertisement covered by subsection (a) of this section, the disclosure statement shall last at least three seconds.

(c) Misrepresentation of Authorization. – Notwithstanding G.S. 163-278.27(a), any candidate, candidate campaign committee, political party organization, political action committee, referendum committee, individual, or other sponsor making an advertisement in the print media or on radio or television bearing any legend required by subsection (a) of this section that misrepresents the sponsorship or authorization of the advertisement is guilty of a Class 1 misdemeanor.

"§ 163-278.39A. Disclosure requirements for television and radio advertisements supporting or opposing the nomination or election of one or more clearly identified candidates.

1 (a) Expanded Disclosure Requirements. – In addition to the basic disclosure
2 requirements in G.S. 163-278.39, any political campaign advertisement on radio or
3 television shall comply with the expanded disclosure requirements set forth in this
4 section.

5 (b) Disclosure Requirements for Television. –

6 (1) Candidate advertisements on television. – Television advertisements
7 purchased by a candidate or by a candidate campaign committee
8 supporting or opposing the nomination or election of one or more
9 clearly identified candidates shall include a disclosure statement spoken
10 by the candidate and containing at least the following words: 'I am (or
11 "This is..." [name of candidate], candidate for [name of office], and I
12 (or "my campaign...") sponsored this ad.'

13 (2) Political party advertisements on television. – Television advertisements
14 purchased by a political party organization supporting or opposing the
15 nomination or election of one or more clearly identified candidates shall
16 include a disclosure statement spoken by the chair, executive director,
17 or treasurer of the political party organization and containing at least the
18 following words: 'The [name of political party organization] sponsored
19 this ad opposing/supporting [name of candidate] for [name of office].'
20 The disclosed name of the political party organization shall include the
21 name of the political party as it appears on the ballot.

22 (3) Political action committee advertisements on television. – Television
23 advertisements purchased by a political action committee supporting or
24 opposing the nomination or election of one or more clearly identified
25 candidates shall include a disclosure statement spoken by the chief
26 executive officer or treasurer of the political action committee and
27 containing at least the following words: 'The [name of political action
28 committee] political action committee sponsored this ad
29 opposing/supporting [name of candidate] for [name of office].' The
30 name of the political action committee used in the advertisement shall
31 be the name that appears on the statement of organization as required in
32 G.S. 163-278.7(b)(1).

33 (4) Advertisements on television by an individual. – Television
34 advertisements purchased by an individual supporting or opposing the
35 nomination or election of one or more clearly identified candidates shall
36 include a disclosure statement spoken by the individual and containing
37 at least the following words: 'I am [individual's name], and I sponsored
38 this advertisement opposing/supporting [name of candidate] for [name
39 of office].'

40 (5) Advertisements on television by another sponsor. – Television
41 advertisements purchased by a sponsor other than a candidate, a
42 candidate campaign committee, a political party organization, a political
43 action committee, or an individual which supports or opposes the

1 nomination or election of one or more clearly identified candidates shall
2 include a disclosure statement spoken by the chief executive or principal
3 decision maker of the sponsor and containing at least the following
4 words: '[Name of sponsor] sponsored this ad.'

5 (6) All advertisements on television. – In any television advertisement
6 described in subdivisions (1) through (4) of this subsection, an
7 unobscured, full-screen picture containing the disclosing individual,
8 either in photographic form or through the actual appearance of the
9 disclosing individual on camera, shall be featured throughout the
10 duration of the disclosure statement.

11 (c) Disclosure Requirements for Radio. –

12 (1) Candidate advertisements on radio. – Radio advertisements purchased
13 by a candidate or by a candidate campaign committee supporting or
14 opposing the nomination or election of one or more clearly identified
15 candidates shall include a disclosure statement spoken by the candidate
16 and containing at least the following words: 'I am (or "This is...") [name
17 of candidate], candidate for [name of office], and this ad was paid for
18 (or "sponsored" or "furnished") by [name of candidate campaign
19 committee that paid for the advertisement].'

20 (2) Political party advertisements on radio. – Radio advertisements
21 purchased by a political party organization supporting or opposing the
22 nomination or election of one or more clearly identified candidates shall
23 include a disclosure statement spoken by the chair, executive director,
24 or treasurer of the political party organization and containing at least the
25 following words: 'This ad opposing/supporting [name of candidate] for
26 [name of office] was paid for (or "sponsored" or "furnished") by [name
27 of political party].' The disclosed name of the political party
28 organization shall include the name of the political party as it appears on
29 the ballot.

30 (3) Political action committee advertisements on radio. – Radio
31 advertisements purchased by a political action committee supporting or
32 opposing the nomination or election of one or more clearly identified
33 candidates shall include a disclosure statement spoken by the chief
34 executive officer or treasurer of the political action committee and
35 containing at least the following words: 'This ad opposing/supporting
36 [name of candidate] for [name of office] was paid for (or "sponsored" or
37 "furnished") by [name of political action committee] political action
38 committee.' The name of the political action committee used in the
39 advertisement shall be the name that appears on the statement of
40 organization as required by G.S. 163-278.7(b)(1).

41 (4) Advertisements on radio by an individual. – Radio advertisements
42 purchased by an individual supporting or opposing the nomination or
43 election of one or more clearly identified candidates shall include a

1 disclosure statement spoken by the individual and containing at least the
2 following words: 'I am [individual's name], and this ad
3 opposing/supporting [name of candidate] for [name of office] was paid
4 for (or "sponsored" or "furnished") by me.'

5 (5) Advertisements on radio by another sponsor. – Radio advertisements
6 purchased by a sponsor other than a candidate, a candidate campaign
7 committee, a political party organization, a political action committee,
8 or an individual which supports or opposes the nomination or election
9 of one or more clearly identified candidates shall include a disclosure
10 statement spoken by the chief executive or principal decision maker of
11 the sponsor and containing at least the following words: '[Name of
12 sponsor] paid for (or "sponsored" or "furnished") this ad.'

13 (d) Placement of Disclosure Statement in Television and Radio Advertisements. –
14 In advertisements on television, a sponsor may place the disclosure statement required by
15 this section at any point during the advertisement, except if the duration of the
16 advertisement is more than five minutes, the disclosure statement shall be made both at
17 the beginning and end of the advertisement. The sponsor may provide the oral disclosure
18 statement required by this section at the same time as the visual disclosure required under
19 the Communications Act of 1934, 47 U.S.C. §§ 315 and 317, is shown. But any visual
20 disclosure legend shall be at least 32 scan lines in size. For advertisements on radio, the
21 placement of the oral disclosure statement shall comply with the requirements of the
22 Communications Act of 1934, 47 U.S.C. §§ 315 and 317.

23 (e) Choice of Supporting or Opposing a Candidate. – In its oral disclosure
24 statement, a sponsoring political party organization, political action committee,
25 individual, or other noncandidate sponsor shall choose either to identify an advertisement
26 as supporting or opposing the nomination or election of one or more clearly identified
27 candidates.

28 (e1) Joint Sponsors. – If an advertisement described in this section is jointly
29 sponsored, the disclosure statement shall name all the sponsors and the disclosing
30 individual shall be one of those sponsors. If a candidate is one of the sponsors, that
31 candidate shall be the disclosing individual, and if more than one candidate is the
32 sponsor, at least one of the candidates shall be the disclosing individual.

33 (f) Legal Remedy. – Pursuant to the conditions established in subdivisions (1), (2),
34 and (3) of this subsection, a candidate for an elective office who complied with the
35 television and radio disclosure requirements throughout that candidate's entire campaign
36 shall have a monetary remedy in a civil action against (i) an opposing candidate or
37 candidate committee whose television or radio advertisement violates these disclosure
38 requirements and (ii) against any political party organization, political action committee,
39 individual, or other sponsor whose advertisement for that elective office violates these
40 disclosure requirements:

41 (1) Any plaintiff candidate in a statewide race in an action under this
42 section shall complete and file a Notice of Complaint Regarding Failure
43 to Disclose on Television or Radio Campaign Advertising with the State

1 Board of Elections after the airing of the advertisement but no later than
2 the first Friday after the Tuesday on which the election occurred.
3 Candidates in nonstatewide races may file the notice during the same
4 time period with one county board of elections within the electoral area
5 in which they are candidates. The timely filing of this notice preserves
6 the candidate's right to bring an action in superior court any time within
7 90 days after the election. A candidate shall bring the civil action in the
8 county where the candidate filed the notice.

9 (2) Upon receiving a favorable verdict in accordance with existing law, the
10 plaintiff candidate shall receive a monetary award of actual damages.
11 The price of actual damages shall be calculated as the total dollar
12 amount of television and radio advertising time that was aired and that
13 the plaintiff candidate correctly identifies as being in violation of the
14 disclosure requirements of this section.

15 The plaintiff candidate shall also receive an award that trebles the
16 amount of actual damages if:

17 a. The plaintiff candidate can establish having notified or attempted
18 to notify the sponsor of the advertisement properly by return-
19 receipt mail about the failure of a particular advertisement or
20 advertisements to comply with the disclosure requirements of
21 this section, and

22 b. After the notice or attempted notice, the advertisement continued
23 to be aired.

24 The treble damages shall be calculated from the date on which the
25 return-receipt notice was accepted or rejected by a defendant sponsoring
26 candidate or candidate committee, political party organization, political
27 action committee, or individual. The plaintiff candidate or candidate
28 committee shall send a copy of any return-receipt mailing to the relevant
29 board of elections as provided in subdivision (1) of this subsection
30 within five days after the notice is returned to the possession of the
31 candidate or candidate committee.

32 The court shall award reasonable attorneys' fees to a plaintiff
33 candidate who prevails in an action under this section. The plaintiff
34 candidate may bring the civil action personally or authorize his or her
35 candidate campaign committee to bring the civil action.

36 (3) A candidate who violates the disclosure requirements of State law in
37 this section and that candidate's campaign committee shall be jointly
38 and severally liable for the payment of damages and attorneys' fees. If
39 the candidate is held personally liable for any payment of damages or
40 attorneys' fees, the candidate shall not use or be reimbursed by funds
41 from the candidate's campaign committee in paying any amount.

42 (g) Relation to the Communications Act of 1934. – Television advertisements by a
43 sponsor supporting or opposing the nomination or election of one or more clearly

1 identified candidates shall comply with the oral disclosure requirements under State law
2 in this section. Those advertisements shall also comply with disclosure requirements
3 under the Communications Act of 1934, 47 U.S.C. §§ 315 and 317 by use of visual
4 legends. The content of those visual legends is specified by the Communications Act of
5 1934, 47 U.S.C. §§ 315 and 317, and G.S. 163-278.39(a)(1). The size of those visual
6 legends is determined by G.S. 163-278.39(b), which satisfies requirements under the
7 Communications Act of 1934, 47 U.S.C. §§ 315 and 317. In the case of radio
8 advertisements, the oral disclosure requirements under State law in this section
9 incorporate the content requirements under the Communications Act of 1934, 47 U.S.C.
10 §§ 315 and 317.

11 (h) No Additional Liability of Television or Radio Outlets. – Television or radio
12 outlets shall not be liable under this section for carriage of political advertisements that
13 fail to include the disclosure requirements provided for in this section.

14 (i) No Criminal Liability. – Nothing in this section regarding the disclosure
15 requirements in subsections (b) and (c) of this section shall be relied upon or otherwise
16 interpreted to create criminal liability for any person.

17 **"§ 163-278.39B. Definitions.**

18 As used in this Part:

- 19 (1) 'Advertisement' means any message appearing in the print media, on
20 television, or on radio that constitutes a contribution or expenditure
21 under this Article.
- 22 (2) 'Candidate' means any individual who, with respect to a public office
23 listed in G.S. 163-278.6(18), has filed a notice of candidacy or a petition
24 requesting to be a candidate, or has been certified as a nominee of a
25 political party for a vacancy, or has otherwise qualified as a candidate in
26 a manner authorized by law, or has filed a statement of organization
27 under G.S. 163-278.7 and is required to file periodic financial disclosure
28 statements under G.S. 163-278.9.
- 29 (3) 'Candidate campaign committee' means any political committee
30 organized by or under the direction of a candidate.
- 31 (4) 'Full-screen' means the only picture appearing on the television screen
32 during the oral disclosure statement contains the disclosing person, that
33 the picture occupies all visible space on the television screen, and that
34 the image of the disclosing person occupies at least fifty percent (50%)
35 of the vertical height of the television screen.
- 36 (5) 'Print media' means billboards, cards, newspapers, newspaper inserts,
37 magazines, mass mailings, pamphlets, fliers, periodicals, and outdoor
38 advertising facilities. A 'mass mailing' is a mailing with more than 500
39 pieces.
- 40 (6) 'Political action committee' has the same meaning as 'political
41 committee' in G.S. 163-278.6(14), except that 'political action
42 committee' does not include any political party or political party
43 organization.

- 1 (7) 'Political party organization' means any political party executive
2 committee or any political committee that operates under the direction
3 of a political party executive committee or political party chair.
- 4 (8) 'Radio' means any radio broadcast station that is subject to the
5 provisions of 47 U.S.C. §§ 315 and 317.
- 6 (9) 'Scan line' means a standard term of measurement used in the electronic
7 media industry calculating a certain area in a television advertisement.
- 8 (10) 'Sponsor' means a candidate, candidate committee, political party
9 organization, political action committee, referendum committee,
10 individual, or other entity that purchases an advertisement.
- 11 (11) 'Television' means any television broadcast station, cable television
12 system, wireless-cable multipoint distribution system, satellite
13 company, or telephone company transmitting video programming that is
14 subject to the provisions of 47 U.S.C. §§ 315 and 317.
- 15 (12) 'Unobscured' means the only printed material that may appear on the
16 television screen is a visual disclosure statement required by law, and
17 nothing is blocking the view of the disclosing person's face.

18 **"§ 163-278.39C. Scope of disclosure requirements.**

19 The disclosure requirements of this Part apply to any sponsor of an advertisement in
20 the print media or on radio or television the cost or value of which constitutes an
21 expenditure or contribution required to be disclosed under this Article, except that the
22 disclosure requirements of this Part:

- 23 (1) Do not apply to an individual who makes uncoordinated independent
24 expenditures aggregating less than one thousand dollars (\$1,000) in a
25 political campaign; and
- 26 (2) Do not apply to an individual who incurs expenses with respect to a
27 referendum.

28 The disclosure requirements of this Part do not apply to any advertisement the
29 expenditure for which is required to be disclosed by G.S. 163-278.12A alone and by no
30 other law."

31 Section 2.(b) G.S. 163-278.16 reads as rewritten:

32 **"§ 163-278.16. Regulations regarding ~~contributions, expenditures and media~~**
33 **advertising- timing of contributions and expenditures.**

34 (a) Except as provided in G.S. 163-278.12, no contribution may be received or
35 expenditure made by or on behalf of a candidate, political committee, or referendum
36 committee:

- 37 (1) Until the candidate, political committee, or referendum committee
38 appoints a treasurer and certifies the name and address of the treasurer
39 to the Board; and
- 40 (2) Unless the contribution is received or the expenditure made by or
41 through the treasurer of the candidate, political committee, or
42 referendum committee.

43 (b) to (e) Repealed by Session Laws 1975, c. 565, s. 2.

1 (f) ~~No media advertisement of any kind may be made by a treasurer, candidate,~~
2 ~~political committee, referendum committee or individual unless~~

3 (1) ~~It bears the legend or includes the statement: "Paid for by (or Sponsored~~
4 ~~by)..... (Name of candidate, political committee, referendum~~
5 ~~committee, individual)";~~

6 (2) ~~The name used in the labeling required in subdivision (1) of this~~
7 ~~subsection is the name that appears on the statement of organization as~~
8 ~~required in G.S. 163-278.7(b)(1), provided that this subdivision applies~~
9 ~~only if the sponsor is a political committee or referendum committee;~~

10 (3) ~~The sponsor states in the media advertisement its position:~~

11 a. ~~For or against the candidate; or~~

12 b. ~~For or against an opposing candidate~~

13 ~~provided that this subdivision applies only if the media advertisement is~~
14 ~~made for or against a candidate; and~~

15 (4) ~~The sponsor states in the media advertisement its position for or against~~
16 ~~the ballot measure; provided this subdivision applies only if the media~~
17 ~~advertisement is made for or against a ballot measure.~~

18 The requirements of subdivisions (3) and (4) of this subsection do not apply to any
19 print advertisement less than two inches by two inches in size, or to any radio or
20 television advertisement of less than 20 seconds in length.

21 The media shall not publish or broadcast any political advertisement unless it bears
22 the legend or includes the statement required herein. For purposes of this subsection,
23 "media" means broadcasting stations, carrier current stations, newspapers, magazines,
24 periodicals, outdoor advertising facilities, billboards, and newspaper inserts.

25 (g) ~~All printed matter for a political purpose from a political party or political~~
26 ~~committee which identifies a candidate that party or committee is opposing shall indicate~~
27 ~~in type no smaller than 12 point the name of the political party or political committee and~~
28 ~~the name of the candidate that is intended to benefit from the printed matter."~~

29 Section 2.(c) G.S. 163-278.27(a) reads as rewritten:

30 "(a) Any individual, candidate, political committee, referendum committee,
31 treasurer, person or media who violates the applicable provisions of G.S. 163-278.7, 163-
32 278.8, 163-278.9, 163-278.10, 163-278.11, 163-278.12, 163-278.14, 163-278.16, 163-
33 278.17, 163-278.18, 163-278.39, 163-278.40A, 163-278.40B, 163-278.40C, 163-
34 278.40D or 163-278.40E is guilty of a Class 2 misdemeanor."

35 Section 2.(d) This section becomes effective January 1, 2000, and applies to all
36 contributions and expenditures made or accepted on or after that date.

37 – PRIMA FACIE EVIDENCE THAT COMMUNICATIONS ARE "TO SUPPORT OR
38 OPPOSE ONE OR MORE CLEARLY IDENTIFIABLE CANDIDATES."

39 Section 3.(a) Article 22A of Chapter 163 of the General Statutes is amended by
40 adding a new section to read:

41 "**§ 163-278.14A. Prima facie evidence that communications are 'to support or oppose**
42 **the nomination or election of one or more clearly identified candidates.'**"

1 (a) Any of the following three patterns of evidence shall constitute a prima facie
2 case that an individual or other entity acted 'to support or oppose the nomination or
3 election of one or more clearly identified candidates':

4 (1) Evidence of financial sponsorship of communications to the general
5 public that use phrases such as 'vote for', 'reelect', 'support', 'cast your
6 ballot for', '(name of candidate) for (name of office)', '(name of
7 candidate) in (year)', 'vote against', 'defeat', 'reject', 'vote pro-(policy
8 position)' or 'vote anti-(policy position)' accompanied by a list of
9 candidates clearly labeled 'pro-(policy position)' or 'anti-(policy
10 position)', or communications of campaign words or slogans, such as
11 posters, bumper stickers, advertisements, etc., which say '(name of
12 candidate)'s the One', '(name of candidate) '98,' '(name of candidate)!',
13 or the names of two candidates joined by a hyphen or slash.

14 (2) Evidence of financial sponsorship of communications to the general
15 public that:

16 a. Contain references to a clearly identified candidate in an election;

17 b. Are targeted to the electorate for that election;

18 c. Occur through any broadcasting station, newspaper, magazine,
19 outdoor advertising facility, direct mailing, telephone campaign,
20 communications medium, or any type of general public political
21 advertising;

22 d. Involve payment of more than three thousand dollars (\$3,000) to
23 communicate, provided that all communications making up the
24 total cost refer to the same candidate; and

25 e. Are made within 60 days before an election in which the
26 candidate is running.

27 (3) Evidence that an entity or agent for that entity made any public
28 statement that one of the entity's purposes is to support or oppose a
29 clearly identified candidate in an election and the entity financially
30 sponsors communications to the general public that:

31 a. Contain references to that candidate in which the candidate is
32 clearly identified;

33 b. Are targeted to the electorate for that election;

34 c. Occur through any broadcasting station, newspaper, magazine,
35 outdoor advertising facility, direct mailing, telephone campaign,
36 communications medium, or any type of general public political
37 advertising; and

38 d. Involve payment of more than three thousand dollars (\$3,000) to
39 communicate, provided that all communications making up the
40 total cost refer to the same candidate.

41 In rebutting the prima facie case, the defendant may offer evidence that the actions
42 were not intended to support or oppose the nomination or election of one or more clearly
43 identified candidates.

1 (b) Notwithstanding the provisions of subsection (a) of this section, a
2 communication shall not be subject to regulation if it:

3 (1) Appears in a news story, commentary, or editorial distributed through
4 the facilities of any broadcasting station, newspaper, or magazine,
5 unless those facilities are owned or controlled by any political party, or
6 political committee;

7 (2) Is distributed by a corporation solely to its stockholders and employees;
8 or

9 (3) Is distributed by any organization, association, or labor union solely to
10 its members or to subscribers who pay for its publication."

11 Section 3.(b) G.S. 163-278.34A reads as rewritten:

12 **"§ 163-278.34A. Presumptions.**

13 In any proceeding brought pursuant to this Article in which a presumption arises from
14 the proof of certain facts, the ~~defendant has the burden of offering some evidence to rebut~~
15 ~~the presumption. The presumption shall be rebuttable, but the State bears the ultimate~~
16 ~~burden of proving the essential elements of its case."~~

17 Section 3.(c) This section is effective when it becomes law.

18 – SETTING STATUTE OF LIMITATIONS AT FIVE YEARS FOR CAMPAIGN
19 FINANCE MISDEMEANORS.

20 Section 4.(a) Article 22A of Chapter 163 of the General Statutes is amended by
21 adding a new section to read:

22 **"§ 163-278.27A. Five-year statute of limitations.**

23 Prosecution for a misdemeanor brought under this Article shall be barred after five
24 years have expired from the date the violation occurred."

25 Section 4.(b) This section becomes effective December 1, 1999, and applies to
26 offenses occurring on and after that date.

27 – CHANGING THE STATE BOARD OF ELECTIONS'S STATUS UNDER THE
28 ADMINISTRATIVE PROCEDURE ACT.

29 Section 5.(a) G.S. 150B-1(c) reads as rewritten:

30 "(c) Full Exemptions. – This Chapter applies to every agency except:

31 (1) The North Carolina National Guard in exercising its court-martial
32 jurisdiction.

33 (2) The Department of Health and Human Services in exercising its
34 authority over the Camp Butner reservation granted in Article 6 of
35 Chapter 122C of the General Statutes.

36 (3) The Utilities Commission.

37 (4) The Industrial Commission.

38 (5) The Employment Security Commission.

39 (6) The State Board of Elections and the Executive Secretary-Director of
40 the State Board of Elections, provided that, when promulgating rules
41 they shall follow the procedures in subsections (a) through (g) and
42 subsection (i) of G.S. 150B-21.2."

43 Section 5.(b) G.S. 163-278.23 reads as rewritten:

1 **"§ 163-278.23. Duties of Executive Secretary-Director of Board.**

2 The Executive Secretary-Director of the Board shall inspect or cause to be inspected
3 each statement filed with the Board under this Article within 30 days after the date it is
4 filed. The Executive Secretary-Director shall advise, or cause to be advised, no more than
5 30 days and at least five days before each report is due, each candidate or treasurer whose
6 organizational report has been filed, of the specific date each report is due. He shall
7 immediately notify any individual, candidate, treasurer, political committee, referendum
8 committee, or media required to file a statement under this Article if:

- 9 (1) It appears that the individual, candidate, treasurer, political committee,
10 referendum committee or media has failed to file a statement as required
11 by law or that a statement filed does not conform to this Article; or
12 (2) A written complaint is filed under oath with the Board by any registered
13 voter of this State alleging that a statement filed with the Board does not
14 conform to this Article or to the truth or that an individual, candidate,
15 treasurer, political committee, referendum committee or media has
16 failed to file a statement required by this Article.

17 The Executive Secretary-Director of the Board of Elections shall issue written ~~rulings~~
18 opinions to candidates and may issue written ~~rulings~~opinions to the communications
19 media, political committees, and referendum committees upon request, regarding filing
20 procedures and compliance with this Article. Any such ~~ruling~~opinion so issued shall
21 specifically refer to this paragraph. If the candidate, communications media, political
22 committees, or referendum committees rely on and comply with the ~~ruling~~opinion of the
23 Executive Secretary-Director of the Board of Elections, then prosecution or civil action
24 on account of the procedure followed pursuant thereto and prosecution for failure to
25 comply with the statute inconsistent with the written ruling of the Executive Secretary-
26 Director of the Board of Elections issued to the candidate or committee involved shall be
27 barred. Nothing in this paragraph shall be construed to prohibit or delay the regular and
28 timely filing of reports. The Executive Secretary-Director shall file all opinions issued
29 pursuant to this section with the Codifier of Rules to be published unedited in the North
30 Carolina Register and the North Carolina Administrative Code."

31 Section 5.(c) G.S. 163-278.34(a1) reads as rewritten:

32 "(a1) The State Board shall calculate and assess the amount of the civil penalty due
33 under subsection (a) of this section and shall notify the person who is assessed the civil
34 penalty of the amount. The notice of assessment shall be served by any means authorized
35 under G.S. 1A-1, Rule 4, and shall direct the violator either to pay the assessment or to
36 contest the assessment within 30 days by filing a ~~petition for a contested case under~~
37 Article 3 of Chapter 150B of the General Statutes. ~~protest or request for waiver of the~~
38 penalty with the State Board of Elections. If a violator does not pay a civil penalty
39 assessed by the Board within 30 days after it is due, the Board shall request the Attorney
40 General to institute a civil action to recover the amount of the assessment. The civil
41 action may be brought in the superior court of any county where the report was due to be
42 filed or any county where the violator resides or maintains an office. A civil action must
43 be filed within three years of the date the assessment was due. An assessment that is not

1 contested is due when the violator is served with a notice of assessment. An assessment
2 that is contested is due at the conclusion of the administrative and judicial review of the
3 assessment. Consistent with G.S. 115C-437, the State Controller shall pay the clear
4 proceeds of civil penalties collected under this section to the County School Fund in the
5 county in which the person charged with the violation resides. The State Controller shall
6 reduce the monies collected by the enforcement costs and the collection costs to
7 determine the clear proceeds payable to the County School Fund. Monies set aside for the
8 costs of enforcement and the costs of collection shall be credited to accounts of the State
9 Board of Elections."

10 Section 5.(d) This section is effective when this act becomes law. The exemptions
11 set forth in subsection (a) of this section apply to any rules promulgated by the State
12 Board of Elections at any time and to any contested case commenced on or after the date
13 this act becomes law.

14 – PROHIBIT FUND-RAISING FROM LOBBYISTS AND RELATED POLITICAL
15 COMMITTEES.

16 Section 6.(a) G.S. 163-278.13B(c) reads as rewritten:

17 "(c) Prohibited Contributions. – While the General Assembly is in regular session:

- 18 (1) No limited contributor shall make or offer to make a contribution to a
19 limited contributee.
20 (2) No limited contributor shall make a contribution to any candidate,
21 officeholder, or political committee, directing or requesting that the
22 contribution be made in turn to a limited contributee.
23 (3) No limited contributor shall transfer any amount of money or anything
24 of value to any entity, directing or requesting that the entity use what
25 was transferred to contribute to a limited contributee.
26 (4) No limited contributee shall accept a contribution from a limited
27 contributor.
28 (5) No limited contributor shall solicit a contribution from any individual or
29 political committee on behalf of a limited contributee."

30 Section 6.(b) This section becomes effective October 1, 1999, and applies to all
31 contributions made, accepted, or solicited on or after that date.

32 – REQUIRING MONTHLY REPORTS TO BOARDS OF ELECTIONS OF DEATHS
33 AND FELONY CONVICTIONS.

34 Section 7.(a) G.S. 163-82.14(b) reads as rewritten:

35 "(b) Death. – The Department of Health and Human Services, on or before the
36 fifteenth day of ~~March, June, September, and December~~, every month, shall furnish free
37 of charge to each county board of elections a certified list of the names of deceased
38 persons who were residents of that county. The Department of Health and Human
39 Services shall base each list upon information supplied by death certifications it received
40 during the preceding ~~quarter-month~~. Upon the receipt of the certified list, the county
41 board of elections shall remove from its voter registration records any person the list
42 shows to be dead. The county board need not send any notice to the address of the person
43 so removed.

1 Section 7.(b) G.S. 163-82.14(c)(1) reads as rewritten:

2 "(1) Report of Conviction Within the State. – The clerk of superior court, on
3 or before the fifteenth day of ~~March, June, September, and December~~ of
4 every ~~year, month,~~ shall report to the county board of elections of that
5 county the name, county of residence, and residence address if
6 available, of each individual against whom a final judgment of
7 conviction of a felony has been entered in that county in the preceding
8 calendar ~~quarter, month.~~ Any county board of elections receiving such a
9 report about an individual who is a resident of another county in this
10 State shall forward a copy of that report to the board of elections of that
11 county as soon as possible."

12 Section 7.(c) This section becomes effective January 1, 2000.

13 – EXPANDING THE "RACE" CATEGORY ON THE VOTER REGISTRATION
14 FORM.

15 Section 8.(a) G.S. 163-82.4 reads as rewritten:

16 "(a) Information Requested of Applicant. – The form required by G.S. 163-82.3(a)
17 shall request the applicant's:

- 18 (1) Name,
- 19 (2) Date of birth,
- 20 (3) Residence address,
- 21 (4) County of residence,
- 22 (5) Date of application,
- 23 (6) Gender,
- 24 (7) Race,
- 25 (7a) Ethnicity,
- 26 (8) Political party affiliation, if any, in accordance with subsection (c) of
27 this section,
- 28 (9) Telephone number (to assist the county board of elections in contacting
29 the voter if needed in processing the application),

30 and any other information the State Board finds is necessary to enable officials of the
31 county where the person resides to satisfactorily process the application. The form shall
32 require the applicant to state whether currently registered to vote anywhere, and at what
33 address, so that any prior registration can be cancelled. The portions of the form
34 concerning race and ethnicity shall include as a choice any category shown by the most
35 recent decennial federal census to compose at least one percent (1%) of the total
36 population of North Carolina. The county board shall make a diligent effort to complete
37 for the registration records any information requested on the form that the applicant does
38 not complete, but no application shall be denied because an applicant does not state race,
39 ethnicity, gender, or telephone number. The application shall conspicuously state that
40 provision of the applicant's telephone number is optional. If the county board maintains
41 voter records on computer, the free list provided under this subsection shall include
42 telephone numbers if the county board enters the telephone number into its computer
43 records of voters."

1 Section 8.(b) This section becomes effective January 1, 2002.

2 Section 9. There is appropriated from the General Fund to the State Board of
3 Elections the sum of eighty-five thousand dollars (\$85,000) for the 1999-2000 fiscal year
4 and the sum of eighty-five thousand dollars (\$85,000) for the 2000-2001 fiscal year for
5 the purpose of implementing the provisions of this act.

6 Section 10. Prosecutions for, or sentences based on, offenses occurring before
7 the relevant effective date in this act are not abated or affected by this act, and the statutes
8 that would be applicable to those prosecutions or sentences but for the provisions of this
9 act remain applicable to those prosecutions or sentences.

10 Section 11. The provisions of this act are severable. If any section, subsection,
11 subdivision, or sub-subdivision of this act or of any statute that it amends is held invalid
12 by a court of competent jurisdiction, the invalidity does not affect any other portion or
13 portions of this act that can be given effect without the invalid provision.

14 Section 12. This act is effective when it becomes law.