

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE DRH80173-RR-44 (03/10)

Short Title: Limit Political Party Campaign Fund-Raising. (Public)

Sponsors: Representative Current.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT THE ROLE OF POLITICAL PARTIES IN CAMPAIGN
3 FUND-RAISING.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 163-278.13 reads as rewritten:

6 **"§ 163-278.13. Limitation on contributions.**

7 (a) No individual, political committee, or other entity shall contribute to any candidate
8 or other political committee any money or make any other contribution in any election in
9 excess of four thousand dollars (\$4,000) for that election.

10 (b) No candidate or political committee shall accept or solicit any contribution from any
11 individual, other political committee, or other entity of any money or any other contribution in
12 any election in excess of four thousand dollars (\$4,000) for that election.

13 (c) Notwithstanding the provisions of subsections (a) and (b) of this section, it shall be
14 lawful for a candidate or a candidate's spouse, parents, brothers and sisters to make a
15 contribution to the candidate or to the candidate's treasurer of any amount of money or to make
16 any other contribution in any election in excess of four thousand dollars (\$4,000) for that
17 election.

18 (d) For the purposes of this section, the term "an election" means any primary, second
19 primary, or general election in which the candidate or political committee may be involved,
20 without regard to whether the candidate is opposed or unopposed in the election, except that
21 where a candidate is not on the ballot in a second primary, that second primary is not "an
22 election" with respect to that candidate.

23 (d1) Notwithstanding subsections (a) and (b) of this section, a candidate or political
24 committee may accept a contribution knowing that the contribution is to be reimbursed to the
25 entity making the contribution and knowing the candidate or political committee has funds
26 sufficient to reimburse the entity making the contribution if all of the following conditions are
27 met:

- 28 (1) The entity submits sufficient information of the contribution to the candidate
29 or political committee for reimbursement within 45 days of the contribution.
- 30 (2) The candidate or political committee makes a reimbursement to the entity
31 making the contribution within seven days of submission of sufficient
32 information.
- 33 (3) The candidate or political committee indicates on its report under
34 G.S. 163-278.11 that the good, service, or other item resulting in the



1 reimbursement is an expenditure of the candidate or political committee, and
2 notes if the contribution was by credit card.

3 (4) The contribution does not exceed one thousand dollars (\$1,000.00).

4 (d2) Any contribution, or portion thereof, made under subsection (d1) of this section that
5 is not submitted for reimbursement in accordance with subsection (d1) of this section shall be
6 treated as a contribution for purposes of this section. Any contribution, or portion thereof, made
7 under subsection (d1) of this section that is not reimbursed in accordance with subsection (d1)
8 of this section shall be treated as a contribution for purposes of this section.

9 (e) Except as provided in subsections (e2), (e3), and (e4) of this section, and except for
10 contributions to political party executive committees by candidates or candidate campaign
11 committees and contributions by political party executive committees to candidates and
12 candidate campaign committees, this section shall not apply to any national, State, district or
13 county executive committee of any political party. For the purposes of this section only, the
14 term "political party" means only those political parties officially recognized under
15 G.S. 163-96. As used in this section, "candidate campaign committee" is as defined in
16 G.S. 163-278.38Z(3).

17 (e1) No referendum committee which received any contribution from a corporation,
18 labor union, insurance company, business entity, or professional association may make any
19 contribution to another referendum committee, to a candidate or to a political committee.

20 (e2) In order to make meaningful the provisions of Article 22D of this Chapter, the
21 following provisions shall apply with respect to candidates for justice of the Supreme Court and
22 judge of the Court of Appeals:

23 (1) No candidate shall accept, and no contributor shall make to that candidate, a
24 contribution in any election exceeding one thousand dollars (\$1,000) except
25 as provided for elsewhere in this subsection.

26 (2) A candidate may accept, and a family contributor may make to that
27 candidate, a contribution not exceeding two thousand dollars (\$2,000) in an
28 election if the contributor is that candidate's parent, child, brother, or sister.

29 (3) Repealed by Session Laws 2008-150, s. 7(a), effective August 2, 2008.

30 As used in this subsection, "candidate" is also a political committee authorized by the
31 candidate for that candidate's election. Nothing in this subsection shall prohibit a candidate or
32 the spouse of that candidate from making a contribution or loan secured entirely by that
33 individual's assets to that candidate's own campaign.

34 (e3) Notwithstanding the provisions of subsections (a) and (b) of this section, no
35 candidate for superior court judge or district court judge shall accept, and no contributor shall
36 make to that candidate, a contribution in any election exceeding one thousand dollars (\$1,000),
37 except as provided in subsection (c) of this section. As used in this subsection, "candidate" is
38 also a political committee authorized by the candidate for that candidate's election. Nothing in
39 this subsection shall prohibit a candidate or the spouse of that candidate from making a
40 contribution or loan secured entirely by that individual's assets to that candidate's own
41 campaign.

42 (e4) In order to make meaningful the provisions of the North Carolina Voter-Owned
43 Elections Act, as set forth in Article 22J of this Chapter, no candidate for an office subject to
44 that Article shall accept, and no contributor shall make to that candidate, a contribution during
45 the period beginning 21 days before the day of the general election and ending the day after the
46 general election if that contribution causes the candidate to exceed the "trigger for matching
47 funds" defined in G.S. 163-278.96(17). As used in this subsection, the term "candidate" also
48 includes "candidate campaign committee" as defined in G.S. 163-278.38Z(3). Nothing in this
49 subsection shall prohibit a candidate from making a contribution or loan secured entirely by
50 that candidate's assets to that candidate's own campaign or to a political committee, the

1 principal purpose of which is to support that candidate's campaign. This subsection applies with
2 respect to a candidate only if both of the following statements are true regarding that candidate:

3 (1) That candidate is opposed in the general election by a certified candidate as
4 defined in Article 22J of this Chapter.

5 (2) That certified candidate has not received the maximum matching funds
6 available under G.S. 163-278.99B(c).

7 The recipient of a contribution that apparently violates this subsection has three days to
8 return the contribution or file a detailed statement with the State Board of Elections explaining
9 why the contribution does not violate this subsection.

10 (e5) The contribution limits of subsections (a) and (b) of this section do not apply to
11 contributions made to an independent expenditure political committee. For purposes of this
12 section, an "independent expenditure political committee" is a political committee whose
13 treasurer makes and abides by a certification to the State Board of Elections that the political
14 committee does not and will not make contributions, directly or indirectly, to candidates or to
15 political committees that make contributions to candidates. The State Board of Elections shall
16 provide forms for implementation of this subsection. This subsection shall not apply to a
17 candidate or a political committee controlled by a candidate. The exception of this subsection is
18 in addition to any other exception provided by law.

19 (f) Any individual, candidate, political committee, referendum committee, or other
20 entity that violates the provisions of this section is guilty of a Class 2 misdemeanor."

21 **SECTION 2.** This act becomes effective January 1, 2010, and applies to all
22 contributions made or accepted on or after that date.