

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 961

Short Title: Pay to Play Regulation. (Public)

Sponsors: Representatives Glazier, Stam, Ross, Goodwin (Primary Sponsors);
M. Alexander, Blust, Cotham, Dollar, Faison, Fisher, Folwell, Harrison, Insko,
Jackson, Lucas, Luebke, Martin, and Weiss.

Referred to: Ethics, if favorable, Judiciary II.

April 1, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO PREVENT CONFLICT OF INTEREST AND ITS APPEARANCE
3 INVOLVING POLITICAL CONTRIBUTIONS BY STATE CONTRACTORS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 3 of Chapter 143 of the General Statutes is amended by
6 adding a new section to read:

7 "**§ 163-278.13D. Prohibition on contributions by entity affiliated with a vendor.**

8 (a) Definitions. – The following definitions apply in this section:

9 (1) Contribution. – As defined in G.S. 163-278.6(6). A contribution is "made"
10 during the contract if the check or other instrument is dated during the
11 contract, or if the check or other instrument is delivered to the contributee
12 during the contract, or if the contributor pledges during the contract to
13 deliver the check or other instrument at a later time. A contribution is
14 "accepted" during the contract if the check or other instrument is dated
15 during the contract, or if the contributee receives the check or other
16 instrument during the contract and does not return it within 10 days, or
17 agrees during the contract to receive the check or other instrument at a later
18 time.

19 (2) During the contract. – The period from the formation of the contract until the
20 termination of the contract.

21 (3) Entity affiliated with the [a] vendor. – An officer or director of the vendor or
22 partner or general manager if the vendor is an unincorporated business entity
23 or any political committee of which the vendor is the parent entity as
24 provided in G.S. 163-278.19.

25 (4) Relevant political campaign. – A candidate for the office with authority to
26 award the contract or a political committee controlled by a candidate for the
27 office with authority to award the contract.

28 (b) Prohibition. – No entity affiliated with a vendor that has entered into a contract for
29 goods and services in excess of twenty-five thousand dollars (\$25,000) with any department,
30 institution, or agency of the State government subject to the provisions of Article 3 of Chapter
31 143 of the General Statutes shall make during the contract a contribution to a relevant political
32 campaign. No relevant political campaign shall knowingly accept a contribution during the
33 contract from an entity affiliated with a vendor that has entered into a contract for goods and
34 services with any department, institution, or agency of the State government subject to the
35 provisions of Article 3 of Chapter 143 of the General Statutes. This subsection does not apply if



1 the contributions by all entities affiliated with the vendor to all State political campaigns during
2 the contract do not exceed one thousand dollars (\$1,000). The State Board of Elections shall
3 adopt any procedures for reporting it deems necessary for the enforcement of this subsection.

4 (c) Penalty. – A violation of this section is a Class 2 misdemeanor."

5 **SECTION 2.** This act becomes effective January 1, 2010, and applies to
6 contributions made on or after that date.