

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2013**

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**SENATE BILL 156\***

Short Title: Clarify LEC Procedures/TC. (Public)

Sponsors: Senators Hartsell, Soucek, Newton (Primary Sponsors); Blue; Goolsby, and Rabin.

Referred to: Rules and Operations of the Senate.

March 4, 2013

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE LEGISLATIVE ETHICS COMMITTEE'S INVESTIGATIVE PROCEDURES AND TO MAKE OTHER TECHNICAL CHANGES AS RECOMMENDED BY THE LEGISLATIVE ETHICS COMMITTEE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 120-103.1 reads as rewritten:

**"§ 120-103.1. Investigations by the Committee.**

(a) Institution of Proceedings. – On its own motion, upon receipt by the Committee of a signed and sworn allegation of unethical conduct by a legislator, or upon receipt of a referral of a complaint from the State Ethics Commission under Chapter 138A of the General Statutes, the Committee shall conduct an investigation into any of the following:

- (1) The application or alleged violation of Chapter 138A of the General Statutes and of this Article.
- (2) Repealed by Session Laws 2007-348, s. 2, effective August 9, 2007.
- (3) The alleged violation of the criminal law by a legislator while acting in the legislator's official capacity as a participant in the lawmaking process.

(a1) Complaints on Its Own Motion. – An investigation initiated by the Committee on its own motion instituted under subsection (a) of this section shall be treated as a complaint for purposes of this section and need not be sworn or verified. Any requirements under this section that require the Committee to notify the complainant shall not apply to complaints taken up by the Committee on its own motion. If the Committee is acting on a complaint referred to the Committee by the Commission where the Commission was acting on its own motion, the Committee shall be deemed to have satisfied the notice requirements by providing notice to the Commission. Any notice provided to the Commission under this section is confidential and shall not be disclosed by the Commission.

(a2) Notice of Allegation. – Upon receipt by the Committee of a complaint or the referral of a complaint, or upon the initiation by the Committee of an inquiry under subsection (a1) of this section, the Committee shall immediately provide written notice to the legislator who is the subject of the allegation or inquiry.

(b) Initial Consideration of a Complaint. – All of the following shall apply to the Committee's initial consideration of a complaint:

- (1) The Committee may, in its sole discretion, request additional information to be provided by the complainant within a specified period of time of no less than seven business days.



- 1 (2) The Committee may decline to accept or further investigate a complaint if it  
2 determines that any of the following apply:  
3 a. The complaint is frivolous or brought in bad faith.  
4 b. The individuals and conduct complained of have already been the  
5 subject of a prior complaint.  
6 c. The conduct complained of is primarily a matter more appropriately  
7 and adequately addressed and handled by other federal, State, or  
8 local agencies or authorities, including law enforcement authorities.  
9 If other agencies or authorities are conducting an investigation of the  
10 same actions or conduct involved in a complaint filed under this  
11 section, the Committee may stay its complaint investigation pending  
12 final resolution of the other investigation.

13 (3) Repealed by Session Laws 2009-549, s. 1, effective August 28, 2009.

- 14 (4) Notwithstanding any other provisions of this section, complaints filed with  
15 the Committee concerning the conduct of the Lieutenant Governor shall be  
16 referred to the State Ethics Commission under Chapter 138A of the General  
17 Statutes without investigation by the Committee.

18 (c) Investigation of Complaints. – The Committee shall investigate all complaints  
19 properly before the Committee in a timely manner. If the Committee receives a complaint or a  
20 referral of a complaint while the General Assembly is in Regular Session, the Committee shall  
21 proceed under this subsection within 10 business days of receiving a complaint or a  
22 referral of a complaint. ~~If the Committee receives a complaint or a referral of a complaint at any~~  
23 ~~other time, the Committee shall proceed under this subsection within 20 business days of~~  
24 ~~receiving the complaint or the referral. of a complaint to the Committee, Within the applicable~~  
25 ~~time period,~~ the Committee shall do at least one of the following:

- 26 (1) Dismiss the complaint.  
27 (2) Initiate a preliminary investigation of the complaint.  
28 (3) Refer the complaint for further investigation and a hearing in accordance  
29 with subsection (i) of this section.  
30 (4) Make recommendations to the house in which the legislator who is the  
31 subject of the complaint is a member without further investigation, if either  
32 of the following apply:  
33 a. ~~the~~ The referral is from the State Ethics Commission.  
34 b. The Committee determines it does not have jurisdiction over the  
35 alleged conduct, but if true, the alleged conduct may be unethical.

36 (c1) Preliminary Investigation. – The Committee may initiate a preliminary investigation  
37 if it determines that the complaint alleges facts sufficient to constitute a violation of matters  
38 over which the Committee has jurisdiction as set forth in subsection (a) of this section. In  
39 determining whether there is reason to believe that a violation has or may have occurred, a  
40 member of the Committee may take general notice of available information even if not  
41 formally provided to the Committee in the form of a complaint. The Committee may utilize the  
42 services of a hired investigator when conducting investigations. The Committee shall provide  
43 written notification of the initiation of ~~an~~ a preliminary investigation under this section  
44 subsection to the legislator who is the subject of the complaint within 10 days of the date of the  
45 Committee's decision to initiate an investigation. The Commission-Committee shall conclude  
46 the preliminary inquiry within 20 business days of initiating the preliminary investigation  
47 but may extend the amount of time if the Committee determines it does not have sufficient  
48 information to proceed under subsection (g) or (h) of this section.

49 (d) Repealed by Session Laws 2009-549, s. 1, effective August 28, 2009.

50 (e) Investigation by the Committee of Matters Other Than Complaints. – The  
51 Committee may investigate matters other than complaints properly ~~before~~ within the jurisdiction

1 of the Committee under subsection (a) of this section. For any investigation initiated under this  
2 subsection, the Committee may take any action it deems necessary or appropriate to further  
3 compliance with this Article, including the initiation of a complaint, the issuance of an advisory  
4 opinion under G.S. 120-104, or referral to appropriate law enforcement or other authorities  
5 pursuant to subdivision (j)(2) of this section.

6 (f) Legislator Cooperation with Investigation. – Legislators shall promptly and fully  
7 cooperate with the Committee in any Committee-related investigation. Failure to cooperate  
8 fully with the Committee in any investigation shall be grounds for sanctions under this section.

9 (g) Dismissal of Complaint After Preliminary Investigation. – If the Committee  
10 determines at the end of its preliminary investigation that the complaint does not allege facts  
11 sufficient to constitute a violation of matters over which the Committee has jurisdiction as set  
12 forth in subsection (a) of this section, the Committee shall dismiss the complaint and provide  
13 written notice of the dismissal to the individual who filed the complaint and to the legislator  
14 against whom the complaint was filed.

15 (h) Probable Cause ~~Determination~~. ~~Determination and Notice of Hearing.~~ – If at the end  
16 of its preliminary investigation, the Committee determines that probable cause exists to proceed  
17 with further investigation into the conduct of a legislator, the Committee shall determine the  
18 charges that will be the basis for further investigation of the complaint and provide written  
19 notice to ~~the individual who filed the complaint and~~ the legislator that the Committee will  
20 conduct further investigation and the charges against the legislator. The legislator shall be given  
21 an opportunity to file a written response to the charges with the Committee.

22 ~~(h1) Consideration of Response and Notice of Hearing.~~—The Committee shall give full  
23 and fair consideration to the complaint and to the legislator's response to the complaint.  
24 ~~¶~~Except as provided in subsection (h2) of this section, if the Committee determines that the  
25 complaint cannot be resolved without further investigation and a hearing, or if the legislator  
26 requests a public hearing, the Committee shall hold a hearing on the charges against the  
27 legislator. The Committee shall send a notice of the hearing to the complainant and to the  
28 legislator. The notice shall contain the charges against the legislator and the time and place for  
29 the hearing. The Committee shall begin the hearing no sooner than 15 days and no later than 90  
30 days after the date of the notice of hearing.

31 (h2) Private Admonishment. – The Committee may issue a private admonishment  
32 without holding a hearing, subject to the requirements of subsection (k) of this section.

33 (i) Hearing. – All the following shall apply to any hearing on a complaint held by the  
34 Committee:

35 (1)-(3) Repealed by Session Laws 2009-549, s. 1, effective August 28, 2009.

36 (4) Oral evidence shall be taken only on oath or affirmation.

37 (5) The hearing shall be open to the public, except for matters that could  
38 otherwise be considered in closed session under G.S. 143-318.11, matters  
39 involving minors, or matters involving a personnel record. In any event, the  
40 deliberations by the ~~Commission~~ Committee on a complaint may be held in  
41 closed session.

42 (6) The legislator being investigated shall have the right to present evidence, call  
43 and examine witnesses, cross-examine witnesses, introduce exhibits, and be  
44 represented by counsel.

45 (j) Disposition of ~~Investigations~~. ~~Investigations After Hearing.~~ – Except as permitted  
46 under subsections (b) and (g) of this section, after the hearing, the Committee shall dispose of  
47 the matter before the Committee under this section, in any of the following ways:

48 (1) If the Committee finds that the alleged violation is not established by clear  
49 and convincing evidence, the Committee shall dismiss the complaint.

50 (2) If the Committee finds that the alleged violation is established by clear and  
51 convincing evidence, the Committee shall do one or more of the following:

- 1 a. Issue a public or private admonishment to the legislator.  
2 b. Refer the matter to the Attorney General for investigation and  
3 referral to the district attorney for possible prosecution or the  
4 appropriate house for appropriate action, or both, if the Committee  
5 finds substantial evidence of a violation of a criminal statute.  
6 c. Refer the matter to the appropriate house for appropriate action,  
7 which may include censure and expulsion.

- 8 (3) If the Committee issues an admonishment as provided in subdivision (2)a. of  
9 this subsection, the legislator affected may, upon written request to the  
10 Committee, have the matter referred as provided under subdivision (2)c. of  
11 this subsection.

12 (k) Effect of Dismissal or Private Admonishment. – If the Committee dismisses a  
13 complaint or issues a private admonishment prior to commencing a hearing under subsection (i)  
14 of this section, the Committee shall retain its records or findings in confidence, unless the  
15 legislator under inquiry requests in writing that the records and findings be made public. If the  
16 Committee later finds that a legislator's subsequent unethical activities were similar to and the  
17 subject of an earlier private admonishment, then the Committee may make public the earlier  
18 admonishment and the records and findings related to it.

19 (l) Confidentiality. – ~~Except as provided under subsection (k) of this section, the~~ The  
20 complaint, response, records, and findings of the Committee connected to an inquiry under this  
21 section shall be confidential and not matters of public record, except as otherwise provided in  
22 this section or when the legislator under inquiry requests in writing that the complaint,  
23 response, and findings be made public. Once a hearing under subsection (i) of this section  
24 commences the complaint, response, Committee's report to the house, and all other documents  
25 offered at the hearing in conjunction with the complaint, that are not otherwise privileged or  
26 confidential under law, shall be public records. If no hearing is held, at such time as the  
27 Committee recommends sanctions to the house of which the legislator is a member, the  
28 complaint, response, and Committee's report to the house shall be made public.

29 (m) Concurrent Jurisdiction. – Any action or lack of action by the Committee under this  
30 section shall not limit the right of each house of the General Assembly to discipline or to expel  
31 its members.

32 (n) Reports. – The Committee shall publish annual statistics on complaints filed with or  
33 considered by the Committee, including the number of complaints filed, the number of  
34 complaints dismissed, the number of complaints resulting in admonishment, the number of  
35 complaints referred to the appropriate house for appropriate action, the number of complaints  
36 referred for criminal prosecution, and the number and age of complaints pending action by the  
37 Committee."

38 **SECTION 2.** G.S. 120-104(e) reads as rewritten:

39 "(e) The Committee may interpret this Article and Chapter 138A of the General Statutes  
40 as it applies to legislators, except the Lieutenant Governor, and these interpretations are binding  
41 on all legislators upon publication."

42 **SECTION 3.** Section 2 of this act becomes effective January 1, 2007, and applies  
43 to Advisory Opinions issued by the Legislative Ethics Committee on or after that date. The  
44 remainder of the act is effective when it becomes law.