

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 349

Short Title: Administrative Support of PAC.

(Public)

Sponsors: Representatives Dawkins; Beall and N. Crawford.

Referred to: Judiciary.

February 23, 1989

A BILL TO BE ENTITLED

AN ACT TO LIMIT THE AMOUNT OF "ADMINISTRATIVE SUPPORT" A PARENT ENTITY MAY GIVE TO AN INSTITUTIONAL PAC TO TEN PERCENT OF CONTRIBUTIONS TO THAT PAC.

The General Assembly of North Carolina enacts:

Section 1. G.S. 163-278.19(e) reads as rewritten:

"(e) Notwithstanding the prohibitions specified in this Article and Article 22 of this Chapter, a political committee organized under provisions of this Article shall be entitled to receive and the corporation, business entity, labor union, professional association, or insurance company designated on the committee's organizational report as the parent entity of the employees or members who organized the committee is authorized to give reasonable administrative support that shall include, but not be limited to, record keeping, computer services, billings, mailings to members of the committee, and such other support as is reasonably necessary for the administration of the committee.

Administrative support shall not be more than ten percent (10%) of the contributions made to the political committee.

The approximate cost of any record keeping, computer services, billings, mailings, office supplies, and office space provided on a continuing basis shall be submitted to the committee, in writing, and the committee shall include that cost on the annual report required by G.S. ~~163-278.9(a)(e)~~163-278.9(a)(6). Also included in the report shall be the approximate allocable portion of the compensation of any officer or employee of the corporation, business entity, labor union, professional association, or insurance company who has devoted more than thirty-five percent (35%) of his time during normal business hours of the corporation, business entity, labor union, professional

1 association, or insurance company during the period covered by the required report. The
2 approximate cost submitted by the parent corporation, business entity, labor union,
3 professional association, or insurance company shall be entered on the committee's
4 annual report as the final entry on its list of 'contributions' and a copy of the written
5 approximate cost received by it shall be attached.

6 The administrative support given by a corporation, business entity, labor union,
7 professional association, or insurance company shall be designated on the books of the
8 corporation, business entity, labor union, professional association, or insurance
9 company as such and may not be treated by it as a business deduction for State income
10 tax purposes."

11 Sec. 2. This act shall become effective with respect to elections conducted on
12 or after January 1, 1990.