March 24, 2005

S 1042. VOTER-OWNED ELECTIONS. *TO PROVIDE CANDIDATES FOR CERTAIN COUNCIL OF STATE OFFICES WITH THE OPTION OF FINANCING THEIR CAMPAIGNS FROM A PUBLICLY SUPPORTED FUND, PROVIDED THAT THEY GAIN AUTHORIZATION TO DO SO FROM REGISTERED VOTERS AND THAT THEY ABIDE BY STRICT FUND-RAISING AND SPENDING LIMITS; AND TO IMPOSE A REGULATORY SURCHARGE TO FINANCE THE FUND*. Enacts new Article 22G of GS Chapter 163, entitled the Voter-Owned Elections Act, which establishes the NC Voter-Owned Elections Fund as an alternative source of campaign financing for candidates for Secretary of State, Auditor, Treasurer, Superintendent of Public Instruction, Attorney General, Comm'r of Labor, Comm'r of Agriculture, and Comm'r of Insurance in elections held in 2008 and thereafter. Requires that unspent Fund revenues distributed for an election, voluntary donations, and regulatory surcharges in accordance with Article 2E of GS Chapter 105, as enacted in Section 4 of bill, be deposited in the Fund and that by April 1, 2007, and every two years thereafter, the State Board of Elections submit a report on the implementation of act and any recommendations to the Joint Legislative Comm'n on Governmental Operations. Requires that candidate do the following in order to become certified and participate in the Fund: (1) file a declaration of intent to participate before or during the qualifying period and before collecting any qualifying contributions; (2) obtain qualifying contributions (defined as a contributions of at least $10 and no more than $100) from at least 2,000 registered voters, but no more than a third from the same congressional district; and (3) file a notice of candidacy with the State Board of Elections. Places a number of limitations on the contributions and expenditures of certified candidates, including a limitation on campaign-related expenditures of $10,000, a limitation on the acceptance of in-kind contributions from political party executive committees of up to an aggregate of $30,000, and a limitation of $1,000 on amount candidate and each of candidate's family members can contribute to campaign. Establishes procedure for Fund distributions and financial reporting requirements of noncertified and certified candidates and for the release of "rescue fund" to a certified candidate. Provides that individuals or entities who violate act are subject to a civil penalty in the same manner as described in current Article 22D (Public Campaign Financing). Enacts new GS 163-278.13(e3) to prohibit any candidate for an election to which Article 22G applies from accepting a campaign contribution during the period beginning 21 days before general election and ending the day after the general election. Effective July 1, 2005, enacts new GS 105-113.121 imposing a 1% surcharge on various charges and fees, and credits proceeds of surcharge to the Fund. Effective July 1, 2005, appropriates $25,000 for 2005-06 and $50,000 for 2006-07 from the General Fund to the State Board of Elections for administration of act.

Intro. by Clodfelter.

Ref. to Judiciary I GS 105, 163, APPROP