

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 1735**

Short Title: Omnibus Campaign Changes.

(Public)

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Sponsors: Representative Goodwin.

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Referred to: Election Law and Campaign Finance Reform, if favorable, Judiciary I.

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April 19, 2007

A BILL TO BE ENTITLED  
AN ACT TO MAKE VARIOUS CHANGES RELATED TO CAMPAIGN FINANCE  
LAWS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 163-278.23 reads as rewritten:

**"§ 163-278.23. Duties of Executive Director of Board.**

The Executive Director of the Board shall inspect or cause to be inspected each statement filed with the Board under this Article within 30 days after the date it is filed. The Executive Director shall advise, or cause to be advised, no more than 30 days and at least five days before each report is due, each candidate or treasurer whose organizational report has been filed, of the specific date each report is due. He shall immediately notify any individual, candidate, treasurer, political committee, referendum committee, media, or other entity that may be required to file a statement under this Article if:

- (1) It appears that the individual, candidate, treasurer, political committee, referendum committee, media, or other entity has failed to file a statement as required by law or that a statement filed does not conform to this Article; or
- (2) A written complaint is filed under oath with the Board by any registered voter of this State alleging that a statement filed with the Board does not conform to this Article or to the truth or that an individual, candidate, treasurer, political committee, referendum committee, media, or other entity has failed to file a statement required by this Article.

The entity that is the subject of the complaint will be given an opportunity to respond to the complaint before any action is taken requiring compliance.

~~The Executive Director of the Board of Elections shall issue written opinions to candidates, the communications media, political committees, referendum committees, or other entities upon request, regarding filing procedures and compliance with this~~

1 ~~Article. Any such opinion so issued shall specifically refer to this paragraph. If the~~  
2 ~~candidate, communications media, political committees, referendum committees, or~~  
3 ~~other entities rely on and comply with the opinion of the Executive Director of the~~  
4 ~~Board of Elections, then prosecution or civil action on account of the procedure~~  
5 ~~followed pursuant thereto and prosecution for failure to comply with the statute~~  
6 ~~inconsistent with the written ruling of the Executive Director of the Board of Elections~~  
7 ~~issued to the candidate or committee involved shall be barred. Nothing in this paragraph~~  
8 ~~shall be construed to prohibit or delay the regular and timely filing of reports. The~~  
9 ~~Executive Director shall file all opinions issued pursuant to this section with the~~  
10 ~~Codifier of Rules to be published unedited in the North Carolina Register and the North~~  
11 ~~Carolina Administrative Code.~~

12 This section applies to Articles 22B, 22D, 22E, and 22F of the General Statutes to  
13 the same extent that it applies to this Article."

14 **SECTION 1.(b)** Article 22A of Chapter 163 of the General Statutes is  
15 amended by adding a new section to read:

16 **"§ 163.278.23A. Advisory opinions.**

17 (a) At the request of any person affected by this Article, the Executive Director  
18 shall render advisory opinions on specific questions involving the meaning and  
19 application of this Article. The request shall be in writing, electronic or otherwise, and  
20 relate prospectively to real or reasonably anticipated fact settings or circumstances. On  
21 its own motion, the Executive Director may render advisory opinions on specific  
22 questions involving the meaning and application of this Article. The Executive Director  
23 shall issue advisory opinions having prospective application only. Reliance upon a  
24 requested written advisory opinion on a specific matter shall immunize the person or  
25 persons requesting the written advisory opinion, on that matter, from investigation by  
26 the State Board.

27 (b) The Executive Director shall publish advisory opinions at least once a year.  
28 These advisory opinions shall be edited for publication purposes as necessary to protect  
29 the identities of the individuals requesting opinions.

30 (c) Except as provided under subsection (b) of this section, requests for advisory  
31 opinions, and advisory opinions issued under this section, are confidential and not  
32 public records.

33 (d) For purposes of this section, the term "Article" shall mean Articles 22A, 22B,  
34 22D, 22E, and 22F of this Chapter.

35 **SECTION 2.** G.S. 163-278.22(7) reads as rewritten:

36 "(7) To make investigations to the extent the Board deems necessary with  
37 respect to statements filed under the provisions of this Article and with  
38 respect to alleged failures to file any statement required under the  
39 provisions of this Article, and, upon complaint under oath by any  
40 registered voter, with respect to alleged violations of any part of this  
41 Article, Information obtained by the Board during its investigation  
42 shall be treated as confidential by the Board until a hearing is held, if  
43 any."

44 **SECTION 3.** G.S. 163-278.11(a) reads as rewritten:

1 **"§ 163-278.11. Contents of treasurer's statement of receipts and expenditures.**

2 (a) Statements filed pursuant to provisions of this Article shall set forth the  
3 following:

- 4 (1) Contributions. – Except as provided in subsection (a1) of this section,  
5 a list of all contributions received by or on behalf of a candidate,  
6 political committee, or referendum committee. The statement shall list  
7 the name and complete mailing address of each contributor, the  
8 amount contributed, the principal occupation of the contributor, and  
9 the date such contribution was received. The total sum of all  
10 contributions to date shall be plainly exhibited. Forms for required  
11 reports shall be prescribed by the Board. As used in this section,  
12 "principal occupation of the contributor" means the contributor's:  
13 a. Job title or profession; and  
14 b. Employer's name or employer's specific field of business  
15 activity.

16 The State Board of Elections shall prepare a schedule of specific fields  
17 of business activity, adapting or modifying as it deems suitable the  
18 business activity classifications of the Internal Revenue Code or other  
19 relevant classification schedules. In reporting a contributor's specific  
20 field of business activity, the treasurer shall use the classification  
21 schedule prepared by the State Board.

- 22 (2) Expenditures. – A list of all expenditures required under  
23 G.S. 163-278.8 made by or on behalf of a candidate, political  
24 committee, or referendum committee. The statement shall list the name  
25 and complete mailing address of each payee, the amount paid, the  
26 purpose, and the date such payment was made. The total sum of all  
27 expenditures to date shall be plainly exhibited. Forms for required  
28 reports shall be prescribed by the Board. In accounting for all  
29 expenditures in accordance with G.S. 163-278.8(e) and  
30 G.S. 163-278.8(f), the payee shall be the individual or person to whom  
31 the candidate, political committee, or referendum committee is  
32 obligated to make the expenditure. If the expenditure is to a financial  
33 institution for revolving credit or a reimbursement for a payment to a  
34 financial institution for revolving credit, the statement shall also  
35 include a specific itemization of the goods and services purchased with  
36 the revolving credit. If the obligation is for more than one good or  
37 service, the statement shall include a specific itemization of the  
38 obligation so as to provide a reasonable understanding of the  
39 obligation.

- 40 (3) Loans. – Every candidate and treasurer shall attach to the campaign  
41 transmittal submitted with each report an addendum listing all  
42 proceeds derived from loans for funds used or to be used in this  
43 campaign. The addendum shall be in the form as prescribed by the  
44 State Board of Elections and shall list the amount of the loan, the

1 source, the period, the rate of interest, and the security pledged, if any,  
2 and all makers and endorsers.

3 (4) Unpaid obligations. – A list of financial obligations of the candidate or  
4 political committee incurred but not paid. The statement shall list the  
5 name and complete mailing address of the person to whom the  
6 obligation is owed, the amount owed, the purpose, and the date the  
7 obligation was incurred."

8 **SECTION 4.** This act is effective when it becomes law.