# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2009

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### **HOUSE BILL 840**

Short Title:	Limit Political Party Campaign Fund-Raising.	(Public)
Sponsors:	Representatives Current, Avila (Primary Sponsors); Gulley, Harrison, Neumann, and Sager.	Justice,
Referred to:	Judiciary I, if favorable, Election Law and Campaign Finance Reform.	

#### March 30, 2009

#### A BILL TO BE ENTITLED

2 AN ACT TO LIMIT THE ROLE OF POLITICAL PARTIES IN CAMPAIGN 3 FUND-RAISING.

4 The General Assembly of North Carolina enacts:

SECTION 1. G.S. 163-278.13 reads as rewritten:

## "§ 163-278.13. Limitation on contributions.

(a) No individual, political committee, or other entity shall contribute to any candidate
or other political committee any money or make any other contribution in any election in
excess of four thousand dollars (\$4,000) for that election.

(b) No candidate or political committee shall accept or solicit any contribution from any
 individual, other political committee, or other entity of any money or any other contribution in
 any election in excess of four thousand dollars (\$4,000) for that election.

13 (c) Notwithstanding the provisions of subsections (a) and (b) of this section, it shall be 14 lawful for a candidate or a candidate's spouse, parents, brothers and sisters to make a 15 contribution to the candidate or to the candidate's treasurer of any amount of money or to make 16 any other contribution in any election in excess of four thousand dollars (\$4,000) for that 17 election.

18 (d) For the purposes of this section, the term "an election" means any primary, second 19 primary, or general election in which the candidate or political committee may be involved, 20 without regard to whether the candidate is opposed or unopposed in the election, except that 21 where a candidate is not on the ballot in a second primary, that second primary is not "an 22 election" with respect to that candidate.

(d1) Notwithstanding subsections (a) and (b) of this section, a candidate or political committee may accept a contribution knowing that the contribution is to be reimbursed to the entity making the contribution and knowing the candidate or political committee has funds sufficient to reimburse the entity making the contribution if all of the following conditions are met:

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(1) The entity submits sufficient information of the contribution to the candidate or political committee for reimbursement within 45 days of the contribution.

- (2) The candidate or political committee makes a reimbursement to the entity making the contribution within seven days of submission of sufficient information.
- 33 (3) The candidate or political committee indicates on its report under
  34 G.S. 163-278.11 that the good, service, or other item resulting in the
  35 reimbursement is an expenditure of the candidate or political committee, and
  36 notes if the contribution was by credit card.



	General Assembly of North Carolina	Session 2009
1	(4) The contribution does not exceed one thousand dollars (\$1,000	.00).
2	(d2) Any contribution, or portion thereof, made under subsection (d1) of the	is section that
3	is not submitted for reimbursement in accordance with subsection (d1) of this se	ection shall be
4	treated as a contribution for purposes of this section. Any contribution, or portion	thereof, made
5	under subsection (d1) of this section that is not reimbursed in accordance with s	ubsection (d1)
6	of this section shall be treated as a contribution for purposes of this section.	
7	(e) Except as provided in subsections (e2), (e3), and (e4) of this section,	
8	contributions to political party executive committees by candidates or candid	
9	committees and contributions by political party executive committees to ca	
10	candidate campaign committees, this section shall not apply to any national, St	
11	county executive committee of any political party. For the purposes of this sec	
12	term "political party" means only those political parties officially reco	
13	G.S. 163-96. As used in this section, "candidate campaign committee" is	as defined in
14 15	<u>G.S. 163-278.38Z(3).</u> (e1) No referendum committee which received any contribution from a	a correction
15 16	(e1) No referendum committee which received any contribution from a labor union, insurance company, business entity, or professional association n	-
10	contribution to another referendum committee, to a candidate or to a political com	• •
18	(e2) In order to make meaningful the provisions of Article 22D of this	
19	following provisions shall apply with respect to candidates for justice of the Supre-	1 '
20	judge of the Court of Appeals:	
21	(1) No candidate shall accept, and no contributor shall make to the	at candidate, a
22	contribution in any election exceeding one thousand dollars (\$	
23	as provided for elsewhere in this subsection.	· -
24	(2) A candidate may accept, and a family contributor may	make to that
25	candidate, a contribution not exceeding two thousand dollars	(\$2,000) in an
26	election if the contributor is that candidate's parent, child, broth	
27	(3) Repealed by Session Laws 2008-150, s. 7(a), effective August	
28	As used in this subsection, "candidate" is also a political committee auth	
29	candidate for that candidate's election. Nothing in this subsection shall prohibit	
30	the spouse of that candidate from making a contribution or loan secured en	tirely by that
31 32	individual's assets to that candidate's own campaign.	a sastion no
32 33	(e3) Notwithstanding the provisions of subsections (a) and (b) of this candidate for superior court judge or district court judge shall accept, and no co	
33 34	make to that candidate, a contribution in any election exceeding one thousand do	
35	except as provided in subsection (c) of this section. As used in this subsection,	
36	also a political committee authorized by the candidate for that candidate's election	
37	this subsection shall prohibit a candidate or the spouse of that candidate fr	U
38	contribution or loan secured entirely by that individual's assets to that can	
39	campaign.	
40	(e4) In order to make meaningful the provisions of the North Carolina	Voter-Owned
41	Elections Act, as set forth in Article 22J of this Chapter, no candidate for an of	
42	that Article shall accept, and no contributor shall make to that candidate, a contr	ibution during
43	the period beginning 21 days before the day of the general election and ending th	•
44	general election if that contribution causes the candidate to exceed the "trigger	-
45	funds" defined in G.S. 163-278.96(17). As used in this subsection, the term "c.	
46	includes "candidate campaign committee" as defined in G.S. 163-278.38Z(3). N	-
47	subsection shall prohibit a candidate from making a contribution or loan secur	ed entirely by

that candidate's assets to that candidate's own campaign or to a political committee, the 48 principal purpose of which is to support that candidate's campaign. This subsection applies with respect to a candidate only if both of the following statements are true regarding that candidate: 49

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	General Assembly of North Carolina Session 2009
	(1) That candidate is opposed in the general election by a certified candidate as
	defined in Article 22J of this Chapter.
	(2) That certified candidate has not received the maximum matching funds
	available under G.S. 163-278.99B(c).
	The recipient of a contribution that apparently violates this subsection has three days to
	return the contribution or file a detailed statement with the State Board of Elections explaining
	why the contribution does not violate this subsection.
	(e5) The contribution limits of subsections (a) and (b) of this section do not apply to
	contributions made to an independent expenditure political committee. For purposes of this
	section, an "independent expenditure political committee" is a political committee whose
	treasurer makes and abides by a certification to the State Board of Elections that the political
	committee does not and will not make contributions, directly or indirectly, to candidates or to
	political committees that make contributions to candidates. The State Board of Elections shall
	provide forms for implementation of this subsection. This subsection shall not apply to a
	candidate or a political committee controlled by a candidate. The exception of this subsection is
	in addition to any other exception provided by law.
	(f) Any individual, candidate, political committee, referendum committee, or other
	entity that violates the provisions of this section is guilty of a Class 2 misdemeanor."
	SECTION 2. This act becomes effective January 1, 2010, and applies to all
	contributions made or accepted on or after that date.
)	contributions made or accepted on or after that date.