GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2021

H.B. 892 May 4, 2021 HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40541-LUxf-41

Short Title:	Reenact Nonpartisan Judicial Elections/Fund.	(Public)
Sponsors:	Representative John.	
Referred to:		

1 A BILL TO BE ENTITLED

AN ACT TO REENACT NONPARTISAN JUDICIAL ELECTIONS, MAKE CONFORMING STATUTORY CHANGES RELATING TO REENACTMENT OF NONPARTISAN JUDICIAL ELECTIONS, AND REESTABLISH PUBLIC FINANCING FOR JUDICIAL CAMPAIGNS.

The General Assembly of North Carolina enacts:

PART I. REENACT NONPARTISAN JUDICIAL ELECTIONS

SECTION 1.1. Chapter 163 of the General Statutes is amended by adding a new Supchapter to read:

"SUBCHAPTER XI. ELECTION OF APPELLATE, SUPERIOR, AND DISTRICT COURT JUDGES.

"<u>Article 26.</u>

"Nomination and Election of Appellate, Superior, and District Court Judges.

"§ 163-350. Applicability.

The nomination and election of justices of the Supreme Court, judges of the Court of Appeals, and superior and district court judges of the General Court of Justice shall be as provided by this Article.

"§ 163-351. Nonpartisan primary election method.

- (a) General. Except as provided in G.S. 163-358, there shall be a primary to narrow the field of candidates to two candidates for each position to be filled if, when the filing period closes, there are more than two candidates for a single office or the number of candidates for a group of offices exceeds twice the number of positions to be filled. If only one or two candidates file for a single office, no primary shall be held for that office and the candidates shall be declared nominated. If the number of candidates for a group of offices does not exceed twice the number of positions to be filled, no primary shall be held for those offices and the candidates shall be declared nominated.
- (b) Determination of Nominees. In the primary, the two candidates for a single office receiving the highest number of votes, and those candidates for a group of offices receiving the highest number of votes, equal to twice the number of positions to be filled, shall be declared nominated. If two or more candidates receiving the highest number of votes each receive the same number of votes, the State Board shall determine their relative ranking by lot and shall declare the nominees accordingly. The canvass of the primary shall be held on the same date as the primary canvass fixed under G.S. 163-182.5. The canvass shall be conducted in accordance with Article 15A of this Chapter.



(c) Determination of Election Winners. — In the election, the names of those candidates declared nominated without a primary and those candidates nominated in the primary shall be placed on the ballot. The candidate for a single office receiving the highest number of votes shall be elected. Those candidates for a group of offices receiving the highest number of votes, equal in number to the number of positions to be filled, shall be elected. If two candidates receiving the highest number of votes each received the same number of votes, the State Board shall determine the winner by lot.

"§ 163-352. Notice of candidacy.

(a) Form of Notice. – Each person offering to be a candidate for election shall do so by filing a notice of candidacy with the State Board in the following form, inserting the words in parentheses when appropriate:

21 <u>Witness:</u> 22

The notice of candidacy shall be either signed in the presence of the chairman or secretary of the State Board or signed and acknowledged before an officer authorized to take acknowledgments who shall certify the notice under seal. An acknowledged and certified notice may be mailed to the State Board. In signing a notice of candidacy, the candidate shall use only the candidate's legal name and, in the candidate's discretion, any nickname by which the candidate is commonly known. A candidate may also, in lieu of that candidate's first name and legal middle initial or middle name, if any, sign that candidate's nickname, provided the candidate appends to the notice of candidacy an affidavit that the candidate has been commonly known by that nickname for at least five years prior to the date of making the affidavit. The candidate shall also include with the affidavit the way the candidate's name (as permitted by law) should be listed on the ballot if another candidate with the same last name files a notice of candidacy for that office.

A notice of candidacy signed by an agent or any person other than the candidate himself or herself shall be invalid.

(b) Time for Filing Notice of Candidacy. — Candidates seeking election to the following offices shall file their notice of candidacy with the State Board no earlier than 12:00 noon on the first Monday in December and no later than 12:00 noon on the third Friday in December preceding the election:

Justices of the Supreme Court.

Judges of the Court of Appeals.

Judges of the superior courts.

Judges of the district courts.

- (c) Withdrawal of Notice of Candidacy. Any person who has filed a notice of candidacy for an office shall have the right to withdraw it at any time prior to the close of business on the third business day prior to the date on which the right to file for that office expires under the terms of subsection (b) of this section.
- (d) <u>Certificate That Candidate Is Registered Voter. Candidates shall file, along with their notice, a certificate signed by the chairman of the board of elections or the supervisor of elections of the county in which they are registered to vote, stating that the person is registered</u>

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- to vote in that county. In issuing the certificate, the chairman or supervisor shall check the registration records of the county to verify the information. During the period commencing 36 hours immediately preceding the filing deadline, the State Board shall accept, on a conditional basis, the notice of candidacy of a candidate who has failed to secure the verification required by this subsection subject to receipt of verification no later than three days following the filing deadline. The State Board shall prescribe the form for the certificate and distribute it to each county board of elections no later than the last Monday in December of each odd-numbered year.
- (e) Candidacy for More Than One Office Prohibited. No person may file a notice of candidacy for more than one office or group of offices described in subsection (b) of this section, or for an office or group of offices described in subsection (b) of this section and an office described in G.S. 163-106.2, for any one election. If a person has filed a notice of candidacy with a board of elections under this section or under G.S. 163-106.2 for one office or group of offices, then a notice of candidacy may not later be filed for any other office or group of offices under this section when the election is on the same date unless the notice of candidacy for the first office is withdrawn under subsection (c) of this section.
- (f) Notice of Candidacy for Certain Offices to Indicate Vacancy. In any election in which there are two or more vacancies for the office of justice of the Supreme Court, judge of the Court of Appeals, or district court judge to be filled by nominations, each candidate shall, at the time of filing notice of candidacy, file with the State Board a written statement designating the vacancy to which the candidate seeks election. Votes cast for a candidate shall be effective only for election to the vacancy for which the candidate has given notice of candidacy as provided in this subsection.

A person seeking election for a specialized district judgeship established under G.S. 7A-147 shall, at the time of filing notice of candidacy, file with the State Board a written statement designating the specialized judgeship to which the person seeks nomination.

(g) Notice of Candidacy for Superior Court Judge; Residency. – No person may file a notice of candidacy for superior court judge unless that person is at the time of filing the notice of candidacy a resident of the judicial district as it will exist at the time the person would take office if elected. No person may be nominated as a superior court judge under G.S. 163-114 unless that person is at the time of nomination a resident of the judicial district as it will exist at the time the person would take office if elected. This subsection implements Article IV, Section 9(1) of the North Carolina Constitution which requires regular Superior Court Judges to reside in the district for which elected.

§ 163-353. Filing fees required of candidates; refunds.

- (a) Fee Schedule. At the time of filing a notice of candidacy under this Article, each candidate shall pay to the State Board a filing fee for the office the candidate seeks in the amount of one percent (1%) of the annual salary of the office sought.
- (b) Refund of Fees. If any person who has filed a notice of candidacy and paid the filing fee prescribed in subsection (a) of this section withdraws his or her notice of candidacy within the period prescribed in G.S. 163-352(c), the candidate shall be entitled to have the fee the candidate paid refunded. The chairman of the State Board shall cause a warrant to be drawn on the State Treasurer for the refund payment.
- (c) Refund of Fees Upon Death of Candidate. If any person who has filed a notice of candidacy and paid the filing fee prescribed in subsection (a) of this section dies prior to the date of the election, the personal representative of the estate shall be entitled to have the fee refunded if application is made to the board of elections to which the fee was paid no later than one year after the date of death and refund shall be made in the same manner as the withdrawal of notice of candidacy.

"§ 163-354. Petition in lieu of payment of filing fee.

- (a) General. Any qualified voter who seeks election under this Article may, in lieu of payment of any filing fee required for the office sought, file a written petition requesting to be a candidate for a specified office with the State Board.
- Requirements of Petition; Deadline for Filing. If the candidate is seeking the office of justice of the Supreme Court, judge of the Court of Appeals, or superior or district court judge, that individual shall file a written petition with the State Board no later than 12:00 noon on Monday preceding the filing deadline before the primary. If the office is justice of the Supreme Court or judge of the Court of Appeals, the petition shall be signed by 8,000 registered voters in the State. If the office is superior or district court judge, the petition shall be signed by five percent (5%) of the registered voters of the election area in which those registered voters will vote for that office. The board of elections shall verify the names on the petition, and if the petition and notice of candidacy are found to be sufficient, the candidate's name shall be printed on the appropriate ballot. Petitions shall be presented to the county board of elections for verification at least 15 days before the petition is due to be filed with the State Board. The State Board may adopt rules to implement this section and to provide standard petition forms.

"§ 163-355. Certification of notices of candidacy.

- (a) Names of Candidates Sent to Secretary of State. Within three days after the time for filing notices of candidacy with the State Board under the provisions of G.S. 163-352(b) has expired, the chairman or secretary of that Board shall certify to the Secretary of State the name and address of each person who has filed with the State Board, indicating in each instance the office sought.
- (b) Notification of Local Boards. No later than 10 days after the time for filing notices of candidacy under the provisions of G.S. 163-352(b) has expired, the chairman of the State Board shall certify to the chairman of the county board of elections in each county in the appropriate district the names of candidates for nomination to the offices of justice of the Supreme Court, judge of the Court of Appeals, and superior and district court judge who have filed the required notice and paid the required filing fee or presented the required petition to the State Board, so that their names may be printed on the official judicial ballot for justice of the Supreme Court, judge of the Court of Appeals, and superior and district court judge.
- (c) Receipt of Notification by County Board. Within two days after receipt of each of the letters of certification from the chairman of the State Board required by subsection (b) of this section, each county board of elections chairman shall acknowledge receipt by letter addressed to the chairman of the State Board.

"§ 163-356. Rules when vacancies for superior court judge are to be voted on.

If a vacancy occurs in a judicial district for any offices of superior court judge, and on account of the occurrence of the vacancy there is to be an election for one or more terms in that district to fill the vacancy or vacancies, at that same election in accordance with G.S. 163-9 and Article IV, Section 19 of the North Carolina Constitution, the nomination and election shall be determined by the following special rules in addition to any other provisions of law:

- (1) If the vacancy occurs prior to the opening of the filing period under G.S. 163-352(b), nominations shall be made by primary election as provided by this Article, without designation as to the vacancy.
- (2) If the vacancy occurs beginning on opening of the filing period under G.S. 163-352(b), and ending on the sixtieth day before the general election, candidate filing shall be as provided by G.S. 163-358 without designation as to the vacancy.
- (3) The general election ballot shall contain, without designation as to vacancy, spaces for the election to fill the vacancy where nominations were made or candidates filed under subdivision (1) or (2) of this section. Except as provided in G.S. 163-358, the persons receiving the highest numbers of votes equal to the term or terms to be filled shall be elected to the term or terms.

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"§ 163-357. Failure of candidates to file; death or other disqualification of a candidate; no withdrawal from candidacy.

- (a) <u>Insufficient Number of Candidates. If when the filing period expires, candidates have not filed for an office to be filled under this Article, the State Board shall extend the filing period for five days for any such offices.</u>
- (b) Death or Disqualification of Candidate Before Primary. If a candidate for nomination in a primary dies or becomes disqualified before the primary but after the ballots have been printed, the State Board shall determine whether or not there is time to reprint the ballots. If the Board determines that there is not enough time to reprint the ballots, the deceased or disqualified candidate's name shall remain on the ballots. If that candidate receives enough votes for nomination, such votes shall be disregarded and the candidate receiving the next highest number of votes below the number necessary for nomination shall be declared nominated. If the death or disqualification of the candidate leaves only two candidates for each office to be filled, the nonpartisan primary shall not be held and all candidates shall be declared nominees.
- Earlier Non-Primary Vacancies; Reopening Filing. If there is no primary because only one or two candidates have filed for a single office, or the number of candidates filed for a group of offices does not exceed twice the number of positions to be filled, or if a primary has occurred and eliminated candidates, and thereafter a remaining candidate dies or otherwise becomes disqualified before the election and before the ballots are printed, the State Board shall, upon notification of the death or other disqualification, immediately reopen the filing period for an additional five days during which time additional candidates shall be permitted to file for election. If the ballots have been printed at the time the State Board receives notice of the candidate's death or other disqualification, the State Board shall determine whether there will be sufficient time to reprint them before the election if the filing period is reopened for three days. If the State Board determines that there will be sufficient time to reprint the ballots, it shall reopen the filing period for three days to allow other candidates to file for election, and that election shall be conducted as provided in G.S. 163-358(b).
- (d) Later Vacancies; Ballots Not Reprinted. If the ballots have been printed at the time the State Board receives notice of a candidate's death or other disqualification, and if the Board determines that there is not enough time to reprint the ballots before the election if the filing period is reopened for three days, then regardless of the number of candidates remaining for the office or group of offices, the ballots shall not be reprinted and the name of the vacated candidate shall remain on the ballots. If a vacated candidate should poll the highest number of votes in the election for a single office or enough votes to be elected to one of a group of offices, the State Board shall declare the office vacant and it shall be filled in the manner provided by law.
- (e) No Withdrawal Permitted of Living, Qualified Candidate After Close of Filing. After the close of the candidate filing period, a candidate who has filed a notice of candidacy for the office, who has not withdrawn notice before the close of filing as permitted by G.S. 163-352(b), who remains alive, and has not become disqualified for the office may not withdraw his or her candidacy. That candidate's name shall remain on the ballot, any votes cast for the candidacy shall be counted in primary or election, and if the candidate wins, the candidate may fail to qualify by refusing to take the oath of office.
- (f) Death, Disqualification, or Failure to Qualify After Election. If a person elected to the office of justice of the Supreme Court, judge of the Court of Appeals, or superior or district court judge dies or becomes disqualified on or after election day and before the person has qualified by taking the oath of office, or fails to qualify by refusing to take the oath of office, the office shall be deemed vacant and shall be filled as provided by law.

"\§ 163-358. Elections to fill vacancy in office created after primary filing period opens.

(a) General. – If a vacancy is created in the office of justice of the Supreme Court, judge of the Court of Appeals, or judge of superior court after the filing period for the primary opens but more than 60 days before the general election, and under the Constitution of North Carolina

an election is to be held for that position, such that the office shall be filled in the general election as provided in G.S. 163-9, the election to fill the office for the remainder of the term shall be conducted without a primary using the method provided in subsection (b) of this section. If a vacancy is created in the office of justice of the Supreme Court, judge of the Court of Appeals, or judge of superior court before the filing period for the primary opens, and under the Constitution of North Carolina an election is to be held for that position, such that the office shall be filled in the general election as provided in G.S. 163-9, the election to fill the office for the remainder of the term shall be conducted in accordance with G.S. 163-351.

- (b) Method for Vacancy Election. If a vacancy for the office of justice of the Supreme Court, judge of the Court of Appeals, or judge of superior court occurs more than 60 days before the general election and after the opening of the filing period for the primary, then the State Board shall designate a special filing period of one week for candidates for the office. If more than two candidates file and qualify for the office in accordance with G.S. 163-352, then the Board shall conduct the election for the office as follows:
 - (1) When the vacancy described in this section occurs more than 63 days before the date of the second primary for members of the General Assembly, a special primary shall be held on the same day as the second primary. The two candidates with the most votes in the special primary shall have their names placed on the ballot for the general election held on the same day as the general election for members of the General Assembly.
 - When the vacancy described in this section occurs less than 64 days before the date of the second primary, a general election for all the candidates shall be held on the same day as the general election for members of the General Assembly and the results shall be determined on a plurality basis as provided by G.S. 163-292.
- (c) Applicable Provisions. Except as provided in this section, the provisions of this Article apply to elections conducted under this section.

"§ 163-359. Voting in primary.

Any person who will become qualified by age or residence to register and vote in the general election for which the primary is held, even though not so qualified by the date of the primary, shall be entitled to register for the primary and general election prior to the primary and then to vote in the primary after being registered. The person may register not earlier than 60 days nor later than the last day for making application to register under G.S. 163-82.6(d) prior to the primary.

"§ 163-360. Date of primary.

The primary shall be held on the same date as established for primary elections under G.S. 163-1(b).

"§ 163-361. Ballots.

(a) General. – In elections there shall be official ballots. The ballots shall be printed to conform to the requirement of G.S. 163-165.6(c) and to show the name of each person who has filed notice of candidacy and the office for which each aspirant is a candidate.

Only those who have filed the required notice of candidacy with the proper board of elections, and who have paid the required filing fee or qualified by petition, shall have their names printed on the official primary ballots. Only those candidates properly nominated shall have their names appear on the official general election ballots.

(b) Ballots to Be Furnished by County Board of Elections. – It shall be the duty of the county board of elections to print official ballots for the following offices to be voted for in the primary:

Justice of the Supreme Court.

Judge of the Court of Appeals.

Superior court judge.

51 <u>Superior court judge</u>

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District court judge.

In printing ballots, the county board of elections shall be governed by instructions of the State Board with regard to width, color, kind of paper, form, and size of type.

Three days before the election, the chairman of the county board of elections shall distribute official ballots to the chief judge of each precinct in the chairman's county, and the chief judge shall give a receipt for the ballots received. On the day of the primary, it shall be the chief judge's duty to have all the ballots so delivered available for use at the precinct voting place.

"§ 163-362. Counting of ballots.

Counting of ballots in primaries and elections held under this Article shall be under the same rules as for counting of ballots in nonpartisan municipal elections under Article 24 of this Chapter.

"§ 163-363. Other rules.

Except as provided by this Article, the conduct of elections shall be governed by Article 12 of this Chapter."

SECTION 1.2. This Part becomes effective with respect to primaries and elections held on or after January 1, 2022.

PART II. CONFORMING STATUTORY CHANGES

SECTION 2.1. G.S. 18C-112(e)(1) reads as rewritten:

- "(e) If any member takes any of the following actions, the member vacates office as a member of the Commission and the vacancy shall be filled as provided by G.S. 18C-111(c):
 - (1) Files a notice of candidacy under G.S. 163-106 through 163-106.6 or G.S. 163-352 or a petition under G.S. 163-107.1.G.S. 163-107.1 or G.S. 163-354."

SECTION 2.2. G.S. 163-1(b) reads as rewritten:

"(b) On Tuesday next after the first Monday in March preceding each general election to be held in November for the officers referred to in subsection (a) of this section, there shall be held in all election precincts within the territory for which the officers are to be elected a primary election for the purpose of nominating candidates for each political party in the State for those offices and nonpartisan candidates as to the offices elected under the provisions of Article 26 of this Chapter."

SECTION 2.3. G.S. 163-22.3 reads as rewritten:

"§ 163-22.3. State Board of Elections littering notification.

At the time an individual files with the State Board of Elections a notice of candidacy pursuant to G.S. 163-106, 163-112, 163-291, or 163-294.2, or 163-352, is certified to the State Board of Elections by a political party executive committee to fill a nomination vacancy pursuant to G.S. 163-114, is certified to the State Board of Elections by a new political party as that party's nominee pursuant to G.S. 163-98, qualifies with the State Board of Elections as an unaffiliated or write-in candidate pursuant to Article 11 of this Chapter, or formally initiates a candidacy with the State Board of Elections pursuant to any statute or local act, the State Board of Elections shall notify the candidate of the provisions concerning campaign signs in G.S. 136-32 and G.S. 14-156, and the rules adopted by the Department of Transportation pursuant to G.S. 136-18."

SECTION 2.4. G.S. 163-82.10B reads as rewritten:

"§ 163-82.10B. Confidentiality of date of birth.

Boards of elections shall keep confidential the date of birth of every voter-registration applicant and registered voter, except in the following situations:

When a voter has filed notice of candidacy for elective office under G.S. 163-106, 163-122, 163-123, or 163-294.2, or 163-352, has been nominated as a candidate under G.S. 163-98 or G.S. 163-114, or has otherwise formally become a candidate for elective office. The exception of this

subdivision does not extend to an individual who meets the definition of "candidate" only by beginning a tentative candidacy by receiving funds or making payments or giving consent to someone else to receive funds or transfer something of value for the purpose of exploring a candidacy.

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SECTION 2.5. G.S. 163-106.2(a) reads as rewritten:

"(a) Candidates seeking party primary nominations for the following offices shall file their notice of candidacy with the State Board no earlier than 12:00 noon on the first Monday in December and no later than 12:00 noon on the third Friday in December preceding the primary:

Governor

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Lieutenant Governor

All State executive officers

Justices of the Supreme Court

Judges of the Court of Appeals

15 Judges of the superior court

Judges of the district court

United States Senators

Members of the House of Representatives of the United States

District attorneysattorneys."

SECTION 2.6. G.S. 163-106.3 reads as rewritten:

"§ 163-106.3. Notice of candidacy for certain offices to indicate vacancy.

In any primary in which there are two or more vacancies for associate justices for the Supreme Court, two or more vacancies for the Court of Appeals, two or more vacancies for superior or district court judge, or two vacancies for United States Senator from North Carolina, each candidate shall, at the time of filing notice of candidacy, file with the State Board of Elections a written statement designating the vacancy to which the candidate seeks nomination. The designation shall not be the name or names of any incumbent or other individual but shall be designated as determined by the State Board of Elections. A person seeking election for a specialized district judgeship established under G.S. 7A-147 shall, at the time of filing notice of candidacy, file with the State Board of Elections a written statement designating the specialized judgeship to which the person seeks nomination. Votes cast for a candidate shall be effective only for nomination to the vacancy for which the candidate has given notice of candidacy as provided in this section."

SECTION 2.7. G.S. 163-106.5 reads as rewritten:

"§ 163-106.5. Certificate of registration to vote in county and party affiliation; cancellation of candidacy; residency requirements for judges.candidacy.

(a) Candidates required to file their notice of candidacy with the State Board of Elections under G.S. 163-106.2 shall file along with their notice a certificate signed by the chairman of the board of elections or the director of elections of the county in which they are registered to vote, stating that the person is registered to vote in that county, if the candidacy is for superior court judge and the county contains more than one superior court district, stating the superior court district of which the person is a resident, stating the party with which the person is affiliated, and that the person has not changed his the person's affiliation from another party or from unaffiliated within three months prior to the filing deadline under G.S. 163-106.2. In issuing such certificate, the chairman or director shall check the registration records of the county to verify such information. During the period commencing 36 hours immediately preceding the filing deadline the State Board of Elections shall accept, on a conditional basis, the notice of candidacy of a candidate who has failed to secure the verification ordered herein subject to receipt of verification no later than three days following the filing deadline. The State Board of Elections shall prescribe the form for such certificate, and distribute it to each county board of elections no later than the last Monday in December of each odd-numbered year.

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(b) When any candidate files a notice of candidacy with a board of elections under G.S. 163-106.2 or under G.S. 163-291(2), the board of elections shall, immediately upon receipt of the notice of candidacy, inspect the registration records of the county, and cancel the notice of candidacy of any person who does not meet the constitutional or statutory qualifications for the office, including residency.

The board shall give notice of cancellation to any candidate whose notice of candidacy has been cancelled under this section by mail or by having the notice served on him the candidate by the sheriff, and to any other candidate filing for the same office. A candidate who has been adversely affected by a cancellation or another candidate for the same office affected by a substantiation under this section may request a hearing on the cancellation. If the candidate requests a hearing, the hearing shall be conducted in accordance with Article 11B of this Chapter.

(c) No person may file a notice of candidacy for superior court judge, unless that person is, at the time of filing the notice of candidacy, a resident of the judicial district as it will exist at the time the person would take office if elected. No person may be nominated as a superior court judge under G.S. 163-114, unless that person is, at the time of nomination, a resident of the judicial district as it will exist at the time the person would take office if elected. This subsection implements Section 9(1) of Article IV of the North Carolina Constitution, which requires regular superior court judges to reside in the district for which elected."

SECTION 2.8. G.S. 163-107(a) reads as rewritten:

"(a) Fee Schedule. – At the time of filing a notice of candidacy, each candidate shall pay to the board of elections with which the candidate files under the provisions of G.S. 163-106, 163-106.1, 163-106.2, 163-106.3, 163-106.4, 163-106.5, and 163-106.6, a filing fee for the office sought in the amount specified in the following tabulation:

24	Office Sought	Amount of Filing Fee
25	Governor	One percent (1%) of the annual salary of the office
26		sought
27	Lieutenant Governor	One percent (1%) of the annual salary of the office
28		sought
29	All State executive offices	One percent (1%) of the annual salary of the office
30		sought
31	All Justices, Judges, and District At-	One percent (1%) of the annual salary of the
32	torneys of the General Court of	office sought
33	Justice	
34	United States Senator	One percent (1%) of the annual salary of the office
35		sought
36	Members of the United States House	One percent (1%) of the annual salary of
37	of Representatives	the office sought
38		0 (4.1) 0 1 1 0 1 00
39	State Senator	One percent (1%) of the annual salary of the office
40	1. 1. C.1. C	sought
41	Member of the State House	One percent (1%) of the annual salary of
42	of Representatives	the office sought
43	All county offices not compensated by	One percent (1%) of the annual salary of
44	fees	office sought
45	All county offices compensated partly	One percent (1%) of the first annual
46	by salary and partly by fees	salary to be received (exclusive of fees)
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The salary of any office that is the basis for calculating the filing fee is the starting salary for the office, rather than the salary received by the incumbent, if different. If no starting salary can be determined for the office, then the salary used for calculation is the salary of the incumbent, as of January 1 of the election year."

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SECTION 2.9. G.S. 163-107.1 reads as rewritten:

"§ 163-107.1. Petition in lieu of payment of filing fee.

- (a) Any qualified voter who seeks nomination in the party primary of the political party with which he the qualified voter affiliates may, in lieu of payment of any filing fee required for the office he seeks, sought, file a written petition requesting him to be a candidate for a specified office with the appropriate board of elections, State, county or municipal.
- (b) If the candidate is seeking the office of United States Senator, Governor, Lieutenant Governor, or any State executive officer, Justice of the Supreme Court, or Judge of the Court of Appeals, officer, the petition must be signed by 10,000 registered voters who are members of the political party in whose primary the candidate desires to run, except that in the case of a political party as defined by G.S. 163-96(a)(2) which will be making nominations by primary election, the petition must be signed by five percent (5%) of the registered voters of the State who are affiliated with the same political party in whose primary the candidate desires to run, or in the alternative, the petition shall be signed by no less than 8,000 registered voters regardless of the voter's political party affiliation, whichever requirement is greater. The petition must be filed with the State Board of Elections not later than 12:00 noon on Monday preceding the filing deadline before the primary in which he seeks to run. The names on the petition shall be verified by the board of elections of the county where the signer is registered, and the petition must be presented to the county board of elections at least 15 days before the petition is due to be filed with the State Board of Elections. When a proper petition has been filed, the candidate's name shall be printed on the primary ballot.
- County, Municipal and District Primaries. If the candidate is seeking one of the offices set forth in G.S. 163-106.2 but which is not listed in subsection (b) of this section, or a municipal or any other office requiring a partisan primary which is not set forth in G.S. 163-106.2 or G.S. 163-106.3, the candidate shall file a written petition with the appropriate board of elections no later than 12:00 noon on Monday preceding the filing deadline before the primary. The petition shall be signed by five percent (5%) of the registered voters of the election area in which the office will be voted for, who are affiliated with the same political party in whose primary the candidate desires to run, or in the alternative, the petition shall be signed by no less than 200 registered voters regardless of said voter's political party affiliation, whichever requirement is greater. The board of elections shall verify the names on the petition, and if the petition is found to be sufficient, the candidate's name shall be printed on the appropriate primary ballot. Petitions for candidates for member of the U.S. House of Representatives, District Attorney, judge of the superior court, judge of the district court, and members of the State House of Representatives from multi-county districts or members of the State Senate from multi-county districts must be presented to the county board of elections for verification at least 15 days before the petition is due to be filed with the State Board of Elections, and such petition must be filed with the State Board no later than 12:00 noon on Monday preceding the filing deadline. The State Board of Elections may adopt rules to implement this section and to provide standard petition forms.

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SECTION 2.10. G.S. 163-108(b) reads as rewritten:

"(b) No later than 10 days after the time for filing notices of candidacy under the provisions of G.S. 163-106.2 has expired, the chairman of the State Board of Elections shall certify to the chairman of the county board of elections in each county in the appropriate district the names of candidates for nomination to the following offices of district attorney who have filed the required notice and pledge and paid the required filing fee to the State Board of Elections, so that their names may be printed on the official county ballots: Superior court judge, district court judge, and district attorney.ballots."

SECTION 2.11. G.S. 163-111(c)(1) reads as rewritten:

"(c) Procedure for Requesting Second Primary. –

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Position

State Senator in a multi-

county senatorial district

Member of State House of

Representatives in a

(1) A candidate who is apparently entitled to demand a second primary, according to the unofficial results, for one of the offices listed below, and desiring to do so, shall file a request for a second primary in writing with the Executive Director of the State Board of Elections no later than 12:00 noon on the ninth day (including Saturdays and Sundays) following the date on which the primary was conducted, and such request shall be subject to the certification of the official results by the State Board of Elections. If the vote certification by the State Board of Elections determines that a candidate who was not originally thought to be eligible to call for a second primary is in fact eligible to call for a second primary, the Executive Director of the State Board of Elections shall immediately notify such candidate and permit the candidate to exercise any options available to the candidate within a 48-hour period following the notification:

Governor,

Lieutenant Governor.

All State executive officers,

Justices, Judges, or District Attorneys of the General Court of Justice,

United States Senators,

Members of the United States House of Representatives,

State Senators in multi-county senatorial districts, and

Members of the State House of Representatives in multi-county representative districts."

SECTION 2.12. G.S. 163-114 reads as rewritten:

"§ 163-114. Filling vacancies among party nominees occurring after nomination and before election.

(a) If any person nominated as a candidate of a political party for one of the offices listed below (either in a primary or convention or by virtue of having no opposition in a primary) dies, resigns, or for any reason becomes ineligible or disqualified before the date of the ensuing general election, the vacancy shall be filled by appointment according to the following instructions:

31 President Vacancy is to be filled by 32 Vice President appointment of national executive committee of 33 34 political party in which 35 vacancy occurs 36 37 Presidential elector or Vacancy is to be filled by appointment of State execu-38 alternate elector 39 tive committee of political Any elective State office 40 United States Senator party in which vacancy occurs 41 42 A district office, including: Appropriate district executive 43 Member of the United committee of political 44 party in which vacancy occurs States House of Repre-45 sentatives 46 Judge of district court 47 District Attorney

1 multi-county representative district 2 3 State Senator in a single-County executive committee 4 of political party in which county senatorial district 5 Member of State House of vacancy occurs, provided, in the case of the State Senator 6 Representatives in a 7 single-county represenor State Representative in a 8 tative district single-county district where 9 not all the county is located Any elective county office 10 in that district, then in 11 voting, only those members of 12 the county executive committee 13 who reside within the district 14 shall vote 15 Judge of superior court in a County executive committee of single-county judicial 16 political party in which vacancy district where the district is occurs; provided, in the case of a 17 18 the whole county or part of the superior court judge in a singlecounty district where not all 19 county 20 the county is located in that 21 district, then in voting, only 22 those members of the county executive committee who 23 24 reside within the district shall 25 vote 26 Judge of superior court in a Appropriate district executive 27 multicounty judicial committee of political party in 28 district which vacancy occurs.

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The party executive making a nomination in accordance with the provisions of this section shall certify the name of its nominee to the chairman of the board of elections, State or county, that has jurisdiction over the ballot item under G.S. 163-182.4. If at the time a nomination is made under this section the general election ballots have already been printed, the provisions of G.S. 163-165.3(c) shall apply. If a vacancy occurs in a nomination of a political party and that vacancy arises from a cause other than death and the vacancy in nomination occurs more than 120 days before the general election, the vacancy in nomination may be filled under this section only if the appropriate executive committee certifies the name of the nominee in accordance with this paragraph at least 75 days before the general election.

(b) In a county which is partly in a multicounty judicial district, in choosing that county's member or members of the judicial district executive committee for the multicounty district, only the county convention delegates or county executive committee members who reside within the area of the county which is within that multicounty district may vote.

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SECTION 2.13. G.S. 163-122 is amended by adding a new subsection to read: "§ 163-122. Unaffiliated candidates nominated by petition.

(a) Procedure for Having Name Printed on Ballot as Unaffiliated Candidate. – Any qualified voter who seeks to have the voter's name printed on the general election ballot as an unaffiliated candidate shall:

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(c1) This section does not apply to elections under Article 26 of this Chapter.

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SECTION 2.14. G.S. 163-123(h) reads as rewritten:

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Municipal and Nonpartisan Elections Excluded. – This section does not apply to "(h) municipal elections conducted under Subchapter IX of this Chapter. Chapter and does not apply to nonpartisan elections, except for elections under Subchapter XI of this Chapter."

SECTION 2.15. G.S. 163-165.5(a)(3) reads as rewritten:

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Except as provided in this section, each official ballot shall contain all the following "(a) elements:

not mislead the voter or unduly advertise the candidacy. In the case of

candidates for presidential elector, the official ballot shall not contain the

names of the candidates for elector but instead shall contain the nominees for

President and Vice President which the candidates for elector represent. The

State Board of Elections shall establish a review procedure that local boards

of elections shall follow to ensure that candidates' names appear on the official

SECTION 2.16. This Part becomes effective with respect to primaries and elections

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The names of the candidates as they appear on their notice of candidacy filed (3) pursuant to G.S. 163-106, 163-106.1, 163-106.2, 163-106.3, 163-106.4,

163-106.5, and 163-106.6, and 163-352, or on petition forms filed in accordance with G.S. 163-122. No title, appendage, or appellation indicating rank, status, or position shall be printed on the official ballot in connection with the candidate's name. Candidates, however, may use the title Mr., Mrs., Miss, or Ms. Nicknames shall be permitted on an official ballot if used in the notice of candidacy or qualifying petition, but the nickname shall appear according to standards adopted by the State Board of Elections. Those standards shall allow the presentation of legitimate nicknames in ways that do

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held on or after January 1, 2022.

PART III. REESTABLISH NORTH CAROLINA PUBLIC CAMPAIGN FUND

ballot in accordance with this subdivision.

SECTION 3.1. G.S. 163-278.69 is recodified as G.S. 163-278.129.

SECTION 3.2. Chapter 163 of the General Statutes is amended by adding the following new Article to read:

"Article 22I.

"The North Carolina Public Campaign Fund.

"§ 163-278.120. Purpose of the North Carolina Public Campaign Fund.

The purpose of this Article is to ensure the fairness of democratic elections in North Carolina and to protect the constitutional rights of voters and candidates from the detrimental effects of increasingly large amounts of money being raised and spent to influence the outcome of elections, those effects being especially problematic in elections of the judiciary, since impartiality is uniquely important to the integrity and credibility of the courts. Accordingly, this Article establishes the North Carolina Public Campaign Fund as an alternative source of campaign financing for candidates who demonstrate public support and voluntarily accept strict fund-raising and spending limits. This Article is available to candidates for justice of the Supreme Court and judge of the Court of Appeals in elections to be held in 2022 and thereafter.

"§ 163-278.121. Definitions.

The following definitions apply in this Article:

- Board. The State Board of Elections. (1)
- **(2)** Candidate. - An individual who becomes a candidate as described in G.S. 163-278.6(9). The term includes a political committee authorized by the candidate for that candidate's election.

General Assembly Of North Carolina Session 2021 1 (3) Certified candidate. – A candidate running for office who chooses to receive 2 campaign funds from the Fund and who is certified under 3 G.S. 163-278.123(c). 4 Contested primary and contested general election. – An election in which <u>(4)</u> 5 there are more candidates than the number to be elected. A distribution from 6 the Fund pursuant to this Article is not a "contribution" and is not subject to 7 the limitations of G.S. 163-278.13 or the prohibitions of G.S. 163-278.15 or 8 G.S. 163-278.19. 9 Contribution. - Defined in G.S. 163-278.6. A distribution from the Fund (5) pursuant to this Article is not a "contribution" and is not subject to the 10 limitations of G.S. 163-278.13 or the prohibitions of G.S. 163-278.15 or 11 12 G.S. 163-278.19. 13 Electioneering communication. – As defined in G.S. 163-278.6, except that it <u>(6)</u> 14 is made during the period beginning 30 days before absentee ballots become 15 available for a primary and ending on primary election day and during the period 60 days before absentee ballots become available for a general election 16 17 and ending on general election day. 18 <u>(7)</u> Expenditure. – Defined in G.S. 163-278.6. Fund. - The North Carolina Public Campaign Fund established in 19 (8) 20 G.S. 163-278.122. 21 (9) Independent expenditure. – Defined in G.S. 163-278.6. 22 <u>(10)</u> Maximum qualifying contributions. – An amount of qualifying contributions 23 equal to 60 times the filing fee for candidacy for the office. 24 <u>(11)</u> Minimum qualifying contributions. – An amount of qualifying contributions 25 equal to 30 times the filing fee for candidacy for the office. 26 Nonparticipating candidate. - A candidate running for office who is not <u>(12)</u> 27 seeking to be certified under G.S. 163-278.123(c). 28 Office. – A position on the North Carolina Court of Appeals or North Carolina <u>(13)</u> 29 Supreme Court. 30 Participating candidate. – A candidate for office who has filed a declaration (14)31 of intent to participate under G.S. 163-278.123. 32 Political committee. – Defined in G.S. 163-278.6. <u>(15)</u> Qualifying contribution. – A contribution of not less than ten dollars (\$10.00) 33 (16)34 and not more than five hundred dollars (\$500.00) in the form prescribed for 35 noncash monetary contributions in G.S. 163-278.14(b) to the candidate or the 36 candidate's committee that meets both of the following conditions: 37 Made by an individual who is a registered voter in this State at the time <u>a.</u> 38 of the submittal of the report specified in G.S. 163-278.123(c). 39 Made during the qualifying period and obtained with the approval of <u>b.</u> 40 the candidate or candidate's committee. Qualifying period. – The period beginning September 1 in the year before the 41 (17)42 election and ending on the day of the primary of the election year. 43

Referendum committee. – Defined in G.S. 163-278.6. (18)

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Trigger for matching funds. – The dollar amount at which matching funds are (19)released for certified candidates. In the case of a primary, the trigger equals the maximum qualifying contributions for participating candidates. In the case of a contested general election, the trigger equals the base level of funding available under G.S. 163-278.125(b)(4).

"§ 163-278.122. North Carolina Public Campaign Fund established; sources of funding.

Establishment of Fund. – The North Carolina Public Campaign Fund is established to finance the election campaigns of certified candidates for office and to pay administrative and

Page 14 DRH40541-LUxf-41 enforcement costs of the Board related to this Article. The Fund is a special, dedicated, nonlapsing, nonreverting fund. All expenses of administering this Article, including production and distribution of the Voter Guide required by G.S. 163-278.129 and personnel and other costs incurred by the Board, including public education about the Fund, shall be paid from the Fund and not from the General Fund. Any interest generated by the Fund is credited to the Fund. The Board shall administer the Fund.

- (b) <u>Sources of Funding. Money received from all the following sources shall be deposited in the Fund:</u>
 - (1) Designations made to the Public Campaign Fund by individual taxpayers pursuant to G.S. 105-159.2.
 - (2) Public Campaign Fund revenues distributed for an election that remain unspent or uncommitted at the time the recipient is no longer a certified candidate in the election.
 - (3) Money ordered returned to the Public Campaign Fund in accordance with G.S. 163-278.128.
 - (4) Voluntary donations made directly to the Public Campaign Fund.

 Corporations, other business entities, labor unions, and professional associations may make donations to the Fund.
 - (5) Money collected from the fifty-dollar (\$50.00) surcharge on attorney membership fees in G.S. 84-34.
- (c) <u>Determination of Fund Amount. By October 1, 2022, and every two years thereafter, the State Board shall prepare and provide to the Joint Legislative Elections Oversight Committee a report documenting, evaluating, and making recommendations relating to the administration, implementation, and enforcement of this Article. In its report, the Board shall set out the funds received to date and the expected needs of the Fund for the next election.</u>

"§ 163-278.123. Requirements for participation; certification of candidates.

- (a) Declaration of Intent to Participate. Any individual choosing to receive campaign funds from the Fund shall first file with the Board a declaration of intent to participate under this Article as a candidate for a stated office. The declaration of intent shall be filed before or during the qualifying period and before collecting any qualifying contributions. In the declaration, the candidate shall swear or affirm that only one political committee, identified with its treasurer, shall handle all contributions, expenditures, and obligations for the participating candidate and that the candidate will comply with the contribution and expenditure limits set forth in subsection (d) of this section and all other requirements set forth in this Article or adopted by the Board. Failure to comply is a violation of this Article.
- (b) Demonstration of Support of Candidacy. Participating candidates who seek certification to receive campaign funds from the Fund shall first, during the qualifying period, obtain qualifying contributions from at least 350 registered voters in an aggregate sum that at least equals the amount of minimum qualifying contributions described in G.S. 163-278.121(11) but that does not exceed the amount of maximum qualifying contributions described in G.S. 163-278.121(10).

No payment, gift, anything of value, or the opportunity to win anything of value shall be given in exchange for a qualifying contribution.

- (c) <u>Certification of Candidates. Upon receipt of a submittal of the record of demonstrated support by a participating candidate, the Board shall determine whether or not the candidate has complied with all the following requirements:</u>
 - (1) Signed and filed a declaration of intent to participate in this Article.
 - (2) Submitted a report itemizing the appropriate number of qualifying contributions received from registered voters, which the Board shall verify through a random sample or other means it adopts. The report shall include the county of residence of each registered voter listed.

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- (3) Filed a valid notice of candidacy pursuant to Article 26 of this Chapter.
- (4) Otherwise met the requirements for participation in this Article.

The Board shall certify candidates complying with the requirements of this section as soon as possible and no later than five business days after receipt of a satisfactory record of demonstrated support.

- (d) Restrictions on Contributions and Expenditures for Participating and Certified Candidates. The following restrictions shall apply to contributions and expenditures with respect to participating and certified candidates:
 - (1) Beginning January 1 of the year before the election and before the filing of a declaration of intent, a candidate for office may accept in contributions up to ten thousand dollars (\$10,000) from sources and in amounts permitted by Article 22A of this Chapter and may expend up to ten thousand dollars (\$10,000) for any campaign purpose. A candidate who exceeds either of these limits shall be ineligible to file a declaration of intent or receive funds from the Public Campaign Fund.
 - From the filing of a declaration of intent through the end of the qualifying period, a candidate may accept only qualifying contributions, contributions under ten dollars (\$10.00) from North Carolina voters, and personal and family contributions permitted under subdivision (4) of this subsection. The total contributions the candidate may accept during this period shall not exceed the maximum qualifying contributions for that candidate. In addition to these contributions, the candidate may only expend during this period the remaining money raised pursuant to subdivision (1) of this subsection and possible matching funds received pursuant to G.S. 163-278.127. Except for personal and family contributions permitted under subdivision (4) of this subsection, multiple contributions from the same contributor to the same candidate shall not exceed five hundred dollars (\$500.00).
 - (3) After the qualifying period and through the date of the general election, the candidate shall expend only the funds the candidate receives from the Fund pursuant to G.S. 163-278.125(b)(4) plus any funds remaining from the qualifying period and possible matching funds.
 - (4) During the qualifying period, the candidate may contribute up to one thousand dollars (\$1,000) of that candidate's own money to the campaign. Debt incurred by the candidate for a campaign expenditure shall count toward that limit. The candidate may accept in contributions one thousand dollars (\$1,000) from each member of that candidate's family consisting of spouse, parent, child, brother, and sister. Up to five hundred dollars (\$500.00) of a contribution from the candidate's family member may be treated as a qualifying contribution if it meets the requirements of G.S. 163-278.121(16)a. and b.
 - A candidate and the candidate's committee shall limit the use of all revenues permitted by this subsection to expenditures for campaign-related purposes only. The Board shall publish guidelines outlining permissible campaign-related expenditures. In establishing those guidelines, the Board shall differentiate expenditures that reasonably further a candidate's campaign from expenditures for personal use that would be incurred in the absence of the candidacy. In establishing the guidelines, the Board shall review relevant provisions of the Federal Election Campaign Act, and rules adopted pursuant to it, and similar provisions in other states.
 - (6) Any contribution received by a participating or certified candidate that falls outside that permitted by this subsection shall be returned to the donor as soon as practicable. Contributions intentionally made, solicited, or accepted in

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violation of this Article are subject to civil penalties as specified in 1 2 G.S. 163-278.128. The funds involved shall be forfeited to the Civil Penalty 3 and Forfeiture Fund. 4

- A candidate shall return to the Fund any amount distributed for an election <u>(7)</u> that is unspent and uncommitted at the date of the election, or at the time the individual ceases to be a certified candidate, whichever occurs first. For accounting purposes, all qualifying, personal, and family contributions shall be considered spent before revenue from the Fund is spent or committed.
- Revocation. A candidate may revoke, in writing to the Board, a decision to participate in the Public Campaign Fund at any time before the deadline set by the Board for the candidate's submission of information for the Voter Guide described in G.S. 163-278.129. After a timely revocation, that candidate may accept and expend outside the limits of this Article without violating this Article. Within 10 days after revocation, a candidate shall return to the State Board all money received from the Fund.

"§ 163-278.124. Special participation provisions for candidates in vacancy elections.

- Participation Provisions Modified. Candidates involved in elections described in (a) G.S. 163-358 may participate in the Fund subject to the provisions of G.S. 163-278.123 as modified by this section. The Board shall adapt other provisions of this Article, including G.S. 163-278.127, to those elections.
- Qualifying. The Board shall designate a special qualifying period of no less than four weeks for these candidates, beginning at the close of the notice-of-candidacy filing period. To receive certification, a participating candidate shall raise at least 225 qualifying contributions, totaling at least 20 times the amount of the filing fee for the office, for a four-week qualifying period. If the Board sets a longer qualifying period, then for each additional week that the qualifying period extends beyond four weeks, the minimum number of qualifying contributions required for certification shall increase by 25, and the minimum amount of the qualifying contributions shall increase by two times the filing fee. The minimum qualifying contributions shall not exceed the limit set by G.S. 163-278.123(b).
- Allocations. Certified candidates shall receive one percent (1%) of the funding to which they would be eligible under G.S. 163-278.125 times the number of calendar days between the end of the special qualifying period and the day of the general election. That amount shall not exceed one hundred percent (100%) of the funding to which they would be eligible under G.S. 163-278.125.

'§ 163-278.125. Distribution from the Fund.

- Timing of Fund Distribution. The Board shall distribute to a certified candidate revenue from the Fund in an amount determined under subdivision (b)(4) of this section within five business days after the certified candidate's name is approved to appear on the ballot in a contested general election, but no earlier than five business days after the primary.
- Amount of Fund Distribution. By August 1, 2022, and no less frequently than every (b) two years thereafter, the Board shall determine the amount of funds, rounded to the nearest one hundred dollars (\$100.00), to be distributed to certified candidates as follows:
 - Uncontested primaries. No funds shall be distributed. (1)
 - Contested primaries. No funds shall be distributed except as provided in (2) G.S. 163-278.127.
 - Uncontested general elections. No funds shall be distributed. <u>(3)</u>
 - (4) Contested general elections. - Funds shall be distributed to a certified candidate for a position on the Court of Appeals in an amount equal to 125 times the candidate's filing fee as set forth in G.S. 163-353. Funds shall be distributed to a certified candidate for a position on the Supreme Court in an amount equal to 175 times the candidate's filing fee as set forth in G.S. 163-353.

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(c) Method of Fund Distribution. – The Board, in consultation with the State Treasurer and the State Controller, shall develop a rapid, reliable method of conveying funds to certified candidates. In all cases, the Board shall distribute funds to certified candidates in a manner that is expeditious, ensures accountability, and safeguards the integrity of the Fund. If the money in the Fund is insufficient to fully fund all certified candidates, then the available money shall be distributed proportionally, according to each candidate's eligible funding, and the candidate may raise additional money in the same manner as a noncertified candidate for the same office up to the unfunded amount of the candidate's eligible funding.

"§ 163-278.126. Reporting requirements.

- (a) Reporting by Noncertified Candidates and Other Entities. Any noncertified candidate with a certified opponent shall report total contributions received to the Board by facsimile machine or electronically within 24 hours after the total amount of contributions received exceeds eighty percent (80%) of the trigger for matching funds as defined in G.S. 163-278.121(19). Any entity making independent expenditures in support of or opposition to a certified candidate or in support of a candidate opposing a certified candidate, or paying for electioneering communications, referring to one of those candidates, shall report the total expenditures or payments made to the Board by facsimile machine or electronically within 24 hours after the total amount of expenditures or payments made for the purpose of making the independent expenditures or electioneering communications exceeds five thousand dollars (\$5,000). After the initial 24-hour filing, the noncertified candidate or other reporting entity shall comply with an expedited reporting schedule. The schedule and forms for reports required by this subsection shall be supplied by the Board.
- (b) Reporting by Participating and Certified Candidates. Notwithstanding other provisions of law, participating and certified candidates shall report any money received, including all previously unreported qualifying contributions, all campaign expenditures, obligations, and related activities to the Board according to procedures developed by the Board. A certified candidate who ceases to be certified or ceases to be a candidate or who loses an election shall file a final report with the Board and return any unspent revenues received from the Fund. In developing these procedures, the Board shall utilize existing campaign reporting procedures whenever practical.
- (c) <u>Timely Access to Reports. The Board shall ensure prompt public access to the reports received in accordance with this Article. The Board may utilize electronic means of reporting and storing information.</u>

"<u>§ 163-278.127. Matching funds.</u>

- (a) When Matching Funds Become Available. When any report or group of reports shows that "funds in opposition to a certified candidate or in support of an opponent to that candidate" as described in this section, exceed the trigger for matching funds as defined in G.S. 163-278.121(19), the Board shall issue immediately to that certified candidate an additional amount equal to the reported excess within the limits set forth in this section. "Funds in opposition to a certified candidate or in support of an opponent to that candidate" shall be equal to the sum of subdivisions (1) and (2) as follows:
 - (1) The greater of the following:
 - a. Campaign expenditures or obligations made, or funds raised or borrowed, whichever is greater, reported by any one nonparticipating candidate who is an opponent of a certified candidate. Where a certified candidate has more than one nonparticipating candidate as an opponent, the measure shall be taken from the nonparticipating candidate showing the highest relevant dollar amount.
 - b. The funds distributed in accordance with G.S. 163-278.125(b) to a certified opponent of the certified candidate.

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- (2) The aggregate total of all expenditures and payments reported in accordance with G.S. 163-278.126(a) of entities making independent expenditures or electioneering communications in opposition to the certified candidate or in support of any opponent of that certified candidate.
- (b) Limit on Matching Funds Before Date of Primary. Total matching funds to a certified candidate before the date of the primary shall be limited to an amount equal to two times the maximum qualifying contributions for the office sought. Matching funds are available to a certified candidate with an opponent in the primary or to a certified candidate who is clearly referred to in expenditures reportable under G.S. 163-278.125 made in opposition to that candidate.
- (c) <u>Limit on Matching Funds in Contested General Election. Total matching funds to a certified candidate in a contested general election shall be limited to an amount equal to two times the amount described in G.S. 163-278.125(b)(4).</u>
- (d) Expedited Distribution of Matching Funds. When a candidate becomes entitled to any amount of matching funds under subsection (a) of this section, the Board shall authorize the issuance of that amount to the candidate as soon as practicable. The Department of Administration shall transfer that amount to the candidate as soon as practicable and in no event later than 12 hours after receiving notice from the Board that the candidate has become entitled to it. The Department of Administration shall develop a method of rapidly transferring funds to a candidate or otherwise fulfilling the requirements of this subsection in conjunction with the Board. The candidate shall return to the Board as soon as practicable any amount of the matching funds that the candidate has not spent at the date of the election or at the time the individual ceases to be a certified candidate, whichever occurs first.
- Determinations by Board. In the case of electioneering communications, the Board shall determine which candidate, if any, is entitled to receive matching funds as a result of the communication. The Board shall issue matching funds based on the communication only if it ascertains that the communication is susceptible of no reasonable interpretation other than as an appeal to vote for or against a specific candidate. In making its determination, the Board shall not consider evidence external to the communication itself of the intent of the sponsor or the effect of the communication. The Board shall notify each candidate it determines is entitled to receive matching funds based on those communications, the sponsor of those communications, and any candidate who is an opponent of the candidate it determines is entitled to the matching funds. The Board shall give the sponsor of the communication and any opposing candidate an adequate opportunity to rebut the determination of the Board. In considering the rebuttal, all candidates in the race and the sponsor shall be given adequate and equal opportunity to be heard. The Board shall adopt procedures for implementing this subsection, balancing in those procedures adequacy of opportunity to rebut and adequacy and equality of opportunity to be heard on the rebuttal with the need to expedite the decision on awarding matching funds. The Board shall distribute the matching funds, if any, at the conclusion of its process.
- (f) Proportional Measuring of Multicandidate Communications. In calculating the amount of matching funds a certified candidate is eligible to receive under this section, the Board shall include the proportion of expenditures, obligations, or payments for multicandidate communications that pertain to the candidate.
- (g) No Matching Funds for Certain Communications Involving All Candidates. No matching funds are available under this section as a result of an expenditure that supports all candidates for the same office or opposes all candidates for the same office. No matching funds are available under this section as a result of an electioneering communication that the Board ascertains is susceptible of no reasonable interpretation other than as an appeal to vote for all candidates for the same office or to vote against all candidates for the same office.

"§ 163-278.128. Civil penalty.

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In addition to any other penalties that may be applicable, any individual, political committee, or other entity that violates any provision of this Article is subject to a civil penalty of up to ten thousand dollars (\$10,000) per violation or three times the amount of any financial transactions involved in the violation, whichever is greater. In addition to any fine, for good cause shown, a candidate found in violation of this Article may be required to return to the Fund all amounts distributed to the candidate from the Fund. If the Board makes a determination that a violation of this Article has occurred, the Board shall calculate and assess the amount of the civil penalty and shall notify the entity that is assessed the civil penalty of the amount that has been assessed. The Board shall then proceed in the manner prescribed in G.S. 163-278.34. In determining whether or not a candidate is in violation of this Article, the Board may consider as a mitigating factor any circumstances out of the candidate's control."

SECTION 3.3. G.S. 84-34 reads as rewritten:

"§ 84-34. Membership fees and list of members.

Every active member of the North Carolina State Bar shall, prior to the first day of July of each year, pay to the secretary-treasurer an annual membership fee in an amount determined by the Council but not to exceed three hundred dollars (\$300.00), plus a surcharge of fifty dollars (\$50.00) for the implementation of Article 22I of Chapter 163 of the General Statutes, and every member shall notify the secretary-treasurer of the member's correct mailing address. Any member who fails to pay the required dues by the last day of June of each year shall be subject to a late fee in an amount determined by the Council but not to exceed thirty dollars (\$30.00). All dues for prior years shall be as were set forth in the General Statutes then in effect. The membership fee shall be regarded as a service charge for the maintenance of the several services authorized by this Article, and shall be in addition to all fees required in connection with admissions to practice, and in addition to all license taxes required by law. The fee shall not be prorated: Provided, that no fee shall be required of an attorney licensed after this Article shall have gone into effect until the first day of January of the calendar year following that in which the attorney was licensed; but this proviso shall not apply to attorneys from other states admitted on certificate. The fees shall be disbursed by the secretary-treasurer on the order of the Council. The fifty-dollar (\$50.00) surcharge shall be sent on a monthly schedule to the State Board of Elections. The secretary-treasurer shall annually, at a time and in a law magazine or daily newspaper to be prescribed by the Council, publish an account of the financial transactions of the Council in a form to be prescribed by it. The secretary-treasurer shall compile and keep currently correct from the names and mailing addresses forwarded to the secretary-treasurer and from any other available sources of information a list of members of the North Carolina State Bar and furnish to the clerk of the superior court in each county, not later than the first day of October in each year, a list showing the name and address of each attorney for that county who has not complied with the provisions of this Article. The name of each of the active members who are in arrears in the payment of membership fees shall be furnished to the presiding judge at the next term of the superior court after the first day of October of each year, by the clerk of the superior court of each county wherein the member or members reside, and the court shall thereupon take action that is necessary and proper. The names and addresses of attorneys so certified shall be kept available to the public. The Secretary of Revenue is hereby directed to supply the secretary-treasurer, from records of license tax payments, with any information for which the secretary-treasurer may call in order to enable the secretary-treasurer to comply with this requirement.

The list submitted to several clerks of the superior court shall also be submitted to the Council at its October meeting of each year and it shall take the action thereon that is necessary and proper."

SECTION 3.4. G.S. 105-159.2 is reenacted as it existed immediately before its repeal and reads as rewritten:

"§ 105-159.2. Designation of tax to North Carolina Public Campaign Fund.

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viability of the North Carolina Public Campaign Fund established in Article 22D-22I of Chapter 163 of the General Statutes, the Department must allocate to that Fund three dollars (\$3.00) from the income taxes paid each year by each individual with an income tax liability of at least that amount, if the individual agrees. A taxpayer must be given the opportunity to indicate an agreement or objection to that allocation in the manner described in subsection (b) of this section. In the case of a married couple filing a joint return, each individual must have the option of agreeing or objecting to the allocation. The amounts allocated under this subsection to the Fund

(a)

9 must be credited to it on a monthly basis. 10" 11

SECTION 3.5. G.S. 163-278.5 reads as rewritten:

"§ 163-278.5. Scope of Article; severability.

The provisions of this Article apply to primaries and elections for North Carolina offices and to North Carolina referenda and do not apply to primaries and elections for federal offices or offices in other States or to non-North Carolina referenda. Any provision in this Article that regulates a non-North Carolina entity does so only to the extent that the entity's actions affect elections for North Carolina offices or North Carolina referenda.

Allocation to the North Carolina Public Campaign Fund. – To ensure the financial

The provisions of this Article are severable. If any provision is held invalid by a court of competent jurisdiction, the invalidity does not affect other provisions of the Article that can be given effect without the invalid provision.

This section applies to Articles and [Article] 22I and 22M of the General Statutes to the same extent that it applies to this Article."

SECTION 3.6. G.S. 163-278.13 is amended by adding a new subsection to read:

- "(k) In order to make meaningful the provisions of Article 22I of this Chapter, the following provisions shall apply with respect to candidates for justice of the Supreme Court and judge of the Court of Appeals:
 - No candidate shall accept, and no contributor shall make to that candidate, a (1) contribution in any election exceeding one thousand dollars (\$1,000) except as provided for elsewhere in this subsection.
 - A candidate may accept, and a family contributor may make to that candidate, (2) a contribution not exceeding two thousand dollars (\$2,000) in an election if the contributor is that candidate's parent, child, brother, or sister.

As used in this subsection, "candidate" is also a political committee authorized by the candidate for that candidate's election. Nothing in this subsection shall prohibit a candidate or the spouse of that candidate from making a contribution or loan secured entirely by that individual's assets to that candidate's own campaign."

SECTION 3.7. Section 38.1(a) of S.L. 2013-381 reads as rewritten:

"SECTION 38.1.(a) Article 22D of Chapter 163 of the General Statutes is repealed, except that G.S. 163-278.69 is repealed effective upon exhaustion of the funds for publication of the Judicial Voter Guide.repealed."

SECTION 3.8. Section 38.1(*l*) of S.L. 2013-381 is repealed.

SECTION 3.9. Section 38.1(m) of S.L. 2013-381 is repealed.

SECTION 3.10. Section 38.1(o) of S.L. 2013-381 is repealed.

SECTION 3.11. Section 3.2 of this Part is effective when it becomes law, provided that distributions from the Fund shall begin in the 2022 election year. Section 3.4 of this Part is effective for taxable years beginning on or after January 1, 2022. The remainder of this Part becomes effective January 1, 2022.

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PART IV. SEVERABILITY AND EFFECTIVE DATE

SECTION 4.1. The provisions of this act are severable. If any provision of this act is held invalid by a court of competent jurisdiction, the invalidity does not affect other provisions of the act that can be given effect without the invalid provision.

SECTION 4.2. This Part is effective when it becomes law. Except as otherwise provided, this act is effective when it becomes law.

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