

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 881
Judiciary I Committee Substitute Adopted 6/2/99
Third Edition Engrossed 6/16/99
House Committee Substitute Favorable 7/9/99

Short Title: Campaign Reform Act of 1999.

(Public)

Sponsors:

Referred to:

April 13, 1999

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH THE CAMPAIGN REFORM ACT OF 1999.
The General Assembly of North Carolina enacts:

Section 1. This act shall be called "The Campaign Reform Act of 1999."
– STAND BY YOUR AD.

Section 2.(a) Article 22A of Chapter 163 of the General Statutes is amended by adding a new Part to read:

**"PART 1A. DISCLOSURE REQUIREMENTS FOR MEDIA
ADVERTISEMENTS.**

"§ 163-278.39. Basic disclosure requirements for all political campaign advertisements.

(a) Basic Requirements. – It shall be unlawful for any sponsor to sponsor an advertisement in the print media or on radio or television that constitutes an expenditure or contribution required to be disclosed under this Article unless all the following conditions are met:

(1) It bears the legend or includes the statement: 'Paid for by
[Name of candidate, candidate campaign committee, political party

1 organization, political action committee, referendum committee,
2 individual, or other sponsor].' In television advertisements, this
3 disclosure shall be made by visual legend.

4 (2) The name used in the labeling required in subdivision (1) of this
5 subsection is the name that appears on the statement of organization as
6 required in G.S. 163-278.7(b)(1).

7 (3) The sponsor states in the advertisement its position for or against the
8 candidate, provided that this subdivision applies only if the
9 advertisement supports or opposes the nomination or election of one or
10 more clearly identified candidates.

11 (4) The sponsor states in the advertisement its position for or against a
12 ballot measure, provided that this subdivision applies only if the
13 advertisement is made for or against a ballot measure.

14 (5) In a print media advertisement supporting or opposing the nomination
15 or election of one or more clearly identified candidates, the sponsor
16 states whether it is authorized by a candidate. The visual legend in the
17 advertisement shall state either 'Authorized by [name of candidate],
18 candidate for [name of office]' or 'Not authorized by a candidate.' This
19 subdivision does not apply if the sponsor of the advertisement is the
20 candidate the advertisement supports or that candidate's campaign
21 committee.

22 (6) In a print media advertisement that identifies a candidate the sponsor is
23 opposing, the sponsor discloses in the advertisement the name of the
24 candidate who is intended to benefit from the advertisement. This
25 subdivision applies only when the sponsor coordinates or consults about
26 the advertisement or the expenditure for it with the candidate who is
27 intended to benefit.

28 If an advertisement described in this section is jointly sponsored, the disclosure
29 statement shall name all the sponsors.

30 (b) Size Requirements. – In a print media advertisement covered by subsection (a)
31 of this section, the height of all disclosure statements required by that subsection shall
32 constitute at least five percent (5%) of the height of the printed space of the
33 advertisement, provided that the type shall in no event be less than 12 points in size. If a
34 single advertisement consists of multiple pages, folds, or faces, the disclosure
35 requirement of this section applies only to one page, fold, or face. In a television
36 advertisement covered by subsection (a) of this section, the visual disclosure legend shall
37 constitute 32 scan lines in size. In a radio advertisement covered by subsection (a) of this
38 section, the disclosure statement shall last at least three seconds.

39 (c) Misrepresentation of Authorization. – Notwithstanding G.S. 163-278.27(a),
40 any candidate, candidate campaign committee, political party organization, political
41 action committee, referendum committee, individual, or other sponsor making an
42 advertisement in the print media or on radio or television bearing any legend required by

1 subsection (a) of this section that misrepresents the sponsorship or authorization of the
2 advertisement is guilty of a Class 1 misdemeanor.

3 **"§ 163-278.39A. Disclosure requirements for television and radio advertisements**
4 **supporting or opposing the nomination or election of one or more clearly**
5 **identified candidates.**

6 (a) Expanded Disclosure Requirements. – In addition to the basic disclosure
7 requirements in G.S. 163-278.39, any political campaign advertisement on radio or
8 television shall comply with the expanded disclosure requirements set forth in this
9 section.

10 (b) Disclosure Requirements for Television. –

11 (1) Candidate advertisements on television. – Television advertisements
12 purchased by a candidate or by a candidate campaign committee
13 supporting or opposing the nomination or election of one or more
14 clearly identified candidates shall include a disclosure statement spoken
15 by the candidate and containing at least the following words: 'I am (or
16 "This is..." [name of candidate], candidate for [name of office], and I
17 (or "my campaign...") sponsored this ad.'

18 (2) Political party advertisements on television. – Television advertisements
19 purchased by a political party organization supporting or opposing the
20 nomination or election of one or more clearly identified candidates shall
21 include a disclosure statement spoken by the chair, executive director,
22 or treasurer of the political party organization and containing at least the
23 following words: 'The [name of political party organization] sponsored
24 this ad opposing/supporting [name of candidate] for [name of office].'
25 The disclosed name of the political party organization shall include the
26 name of the political party as it appears on the ballot.

27 (3) Political action committee advertisements on television. – Television
28 advertisements purchased by a political action committee supporting or
29 opposing the nomination or election of one or more clearly identified
30 candidates shall include a disclosure statement spoken by the chief
31 executive officer or treasurer of the political action committee and
32 containing at least the following words: 'The [name of political action
33 committee] political action committee sponsored this ad
34 opposing/supporting [name of candidate] for [name of office].' The
35 name of the political action committee used in the advertisement shall
36 be the name that appears on the statement of organization as required in
37 G.S. 163-278.7(b)(1).

38 (4) Advertisements on television by an individual. – Television
39 advertisements purchased by an individual supporting or opposing the
40 nomination or election of one or more clearly identified candidates shall
41 include a disclosure statement spoken by the individual and containing
42 at least the following words: 'I am [individual's name], and I sponsored

- 1 this advertisement opposing/supporting [name of candidate] for [name
2 of office].'
- 3 (5) Advertisements on television by another sponsor. – Television
4 advertisements purchased by a sponsor other than a candidate, a
5 candidate campaign committee, a political party organization, a political
6 action committee, or an individual which supports or opposes the
7 nomination or election of one or more clearly identified candidates shall
8 include a disclosure statement spoken by the chief executive or principal
9 decision maker of the sponsor and containing at least the following
10 words: '[Name of sponsor] sponsored this ad.'
- 11 (6) All advertisements on television. – In any television advertisement
12 described in subdivisions (1) through (4) of this subsection, an
13 unobscured, full-screen picture containing the disclosing individual,
14 either in photographic form or through the actual appearance of the
15 disclosing individual on camera, shall be featured throughout the
16 duration of the disclosure statement.
- 17 (c) Disclosure Requirements for Radio. –
- 18 (1) Candidate advertisements on radio. – Radio advertisements purchased
19 by a candidate or by a candidate campaign committee supporting or
20 opposing the nomination or election of one or more clearly identified
21 candidates shall include a disclosure statement spoken by the candidate
22 and containing at least the following words: 'I am (or "This is...") [name
23 of candidate], candidate for [name of office], and this ad was paid for
24 (or "sponsored" or "furnished") by [name of candidate campaign
25 committee that paid for the advertisement].'
- 26 (2) Political party advertisements on radio. – Radio advertisements
27 purchased by a political party organization supporting or opposing the
28 nomination or election of one or more clearly identified candidates shall
29 include a disclosure statement spoken by the chair, executive director,
30 or treasurer of the political party organization and containing at least the
31 following words: 'This ad opposing/supporting [name of candidate] for
32 [name of office] was paid for (or "sponsored" or "furnished") by [name
33 of political party].' The disclosed name of the political party
34 organization shall include the name of the political party as it appears on
35 the ballot.
- 36 (3) Political action committee advertisements on radio. – Radio
37 advertisements purchased by a political action committee supporting or
38 opposing the nomination or election of one or more clearly identified
39 candidates shall include a disclosure statement spoken by the chief
40 executive officer or treasurer of the political action committee and
41 containing at least the following words: 'This ad opposing/supporting
42 [name of candidate] for [name of office] was paid for (or "sponsored" or
43 "furnished") by [name of political action committee] political action

1 committee.' The name of the political action committee used in the
2 advertisement shall be the name that appears on the statement of
3 organization as required by G.S. 163-278.7(b)(1).

4 (4) Advertisements on radio by an individual. – Radio advertisements
5 purchased by an individual supporting or opposing the nomination or
6 election of one or more clearly identified candidates shall include a
7 disclosure statement spoken by the individual and containing at least the
8 following words: 'I am [individual's name], and this ad
9 opposing/supporting [name of candidate] for [name of office] was paid
10 for (or "sponsored" or "furnished") by me.'

11 (5) Advertisements on radio by another sponsor. – Radio advertisements
12 purchased by a sponsor other than a candidate, a candidate campaign
13 committee, a political party organization, a political action committee,
14 or an individual which supports or opposes the nomination or election
15 of one or more clearly identified candidates shall include a disclosure
16 statement spoken by the chief executive or principal decision maker of
17 the sponsor and containing at least the following words: '[Name of
18 sponsor] paid for (or "sponsored" or "furnished") this ad.'

19 (d) Placement of Disclosure Statement in Television and Radio Advertisements. –
20 In advertisements on television, a sponsor may place the disclosure statement required by
21 this section at any point during the advertisement, except if the duration of the
22 advertisement is more than five minutes, the disclosure statement shall be made both at
23 the beginning and end of the advertisement. The sponsor may provide the oral disclosure
24 statement required by this section at the same time as the visual disclosure required under
25 the Communications Act of 1934, 47 U.S.C. §§ 315 and 317, is shown. But any visual
26 disclosure legend shall be at least 32 scan lines in size. For advertisements on radio, the
27 placement of the oral disclosure statement shall comply with the requirements of the
28 Communications Act of 1934, 47 U.S.C. §§ 315 and 317.

29 (e) Choice of Supporting or Opposing a Candidate. – In its oral disclosure
30 statement, a sponsoring political party organization, political action committee,
31 individual, or other noncandidate sponsor shall choose either to identify an advertisement
32 as supporting or opposing the nomination or election of one or more clearly identified
33 candidates.

34 (e1) Joint Sponsors. – If an advertisement described in this section is jointly
35 sponsored, the disclosure statement shall name all the sponsors and the disclosing
36 individual shall be one of those sponsors. If a candidate is one of the sponsors, that
37 candidate shall be the disclosing individual, and if more than one candidate is the
38 sponsor, at least one of the candidates shall be the disclosing individual.

39 (f) Legal Remedy. – Pursuant to the conditions established in subdivisions (1), (2),
40 and (3) of this subsection, a candidate for an elective office who complied with the
41 television and radio disclosure requirements throughout that candidate's entire campaign
42 shall have a monetary remedy in a civil action against (i) an opposing candidate or
43 candidate committee whose television or radio advertisement violates these disclosure

1 requirements and (ii) against any political party organization, political action committee,
2 individual, or other sponsor whose advertisement for that elective office violates these
3 disclosure requirements:

4 (1) Any plaintiff candidate in a statewide race in an action under this
5 section shall complete and file a Notice of Complaint Regarding Failure
6 to Disclose on Television or Radio Campaign Advertising with the State
7 Board of Elections after the airing of the advertisement but no later than
8 the first Friday after the Tuesday on which the election occurred.
9 Candidates in nonstatewide races may file the notice during the same
10 time period with one county board of elections within the electoral area
11 in which they are candidates. The timely filing of this notice preserves
12 the candidate's right to bring an action in superior court any time within
13 90 days after the election. A candidate shall bring the civil action in the
14 county where the candidate filed the notice.

15 (2) Upon receiving a favorable verdict in accordance with existing law, the
16 plaintiff candidate shall receive a monetary award of actual damages.
17 The price of actual damages shall be calculated as the total dollar
18 amount of television and radio advertising time that was aired and that
19 the plaintiff candidate correctly identifies as being in violation of the
20 disclosure requirements of this section.

21 The plaintiff candidate shall also receive an award that trebles the
22 amount of actual damages if:

23 a. The plaintiff candidate can establish having notified or attempted
24 to notify the sponsor of the advertisement properly by return-
25 receipt mail about the failure of a particular advertisement or
26 advertisements to comply with the disclosure requirements of
27 this section, and

28 b. After the notice or attempted notice, the advertisement continued
29 to be aired.

30 The treble damages shall be calculated from the date on which the
31 return-receipt notice was accepted or rejected by a defendant sponsoring
32 candidate or candidate committee, political party organization, political
33 action committee, or individual. The plaintiff candidate or candidate
34 committee shall send a copy of any return-receipt mailing to the relevant
35 board of elections as provided in subdivision (1) of this subsection
36 within five days after the notice is returned to the possession of the
37 candidate or candidate committee.

38 The court shall award reasonable attorneys' fees to a plaintiff
39 candidate who prevails in an action under this section. The plaintiff
40 candidate may bring the civil action personally or authorize his or her
41 candidate campaign committee to bring the civil action.

42 (3) A candidate who violates the disclosure requirements of State law in
43 this section and that candidate's campaign committee shall be jointly

1 and severally liable for the payment of damages and attorneys' fees. If
2 the candidate is held personally liable for any payment of damages or
3 attorneys' fees, the candidate shall not use or be reimbursed by funds
4 from the candidate's campaign committee in paying any amount.

5 (g) Relation to the Communications Act of 1934. – Television advertisements by a
6 sponsor supporting or opposing the nomination or election of one or more clearly
7 identified candidates shall comply with the oral disclosure requirements under State law
8 in this section. Those advertisements shall also comply with disclosure requirements
9 under the Communications Act of 1934, 47 U.S.C. §§ 315 and 317 by use of visual
10 legends. The content of those visual legends is specified by the Communications Act of
11 1934, 47 U.S.C. §§ 315 and 317, and G.S. 163-278.39(a)(1). The size of those visual
12 legends is determined by G.S. 163-278.39(b), which satisfies requirements under the
13 Communications Act of 1934, 47 U.S.C. §§ 315 and 317. In the case of radio
14 advertisements, the oral disclosure requirements under State law in this section
15 incorporate the content requirements under the Communications Act of 1934, 47 U.S.C.
16 §§ 315 and 317.

17 (h) No Additional Liability of Television or Radio Outlets. – Television or radio
18 outlets shall not be liable under this section for carriage of political advertisements that
19 fail to include the disclosure requirements provided for in this section.

20 (i) No Criminal Liability. – Nothing in this section regarding the disclosure
21 requirements in subsections (b) and (c) of this section shall be relied upon or otherwise
22 interpreted to create criminal liability for any person.

23 **§ 163-278.39B. Definitions.**

24 As used in this Part:

- 25 (1) 'Advertisement' means any message appearing in the print media, on
26 television, or on radio that constitutes a contribution or expenditure
27 under this Article.
- 28 (2) 'Candidate' means any individual who, with respect to a public office
29 listed in G.S. 163-278.6(18), has filed a notice of candidacy or a petition
30 requesting to be a candidate, or has been certified as a nominee of a
31 political party for a vacancy, or has otherwise qualified as a candidate in
32 a manner authorized by law, or has filed a statement of organization
33 under G.S. 163-278.7 and is required to file periodic financial disclosure
34 statements under G.S. 163-278.9.
- 35 (3) 'Candidate campaign committee' means any political committee
36 organized by or under the direction of a candidate.
- 37 (4) 'Full-screen' means the only picture appearing on the television screen
38 during the oral disclosure statement contains the disclosing person, that
39 the picture occupies all visible space on the television screen, and that
40 the image of the disclosing person occupies at least fifty percent (50%)
41 of the vertical height of the television screen.
- 42 (5) 'Print media' means billboards, cards, newspapers, newspaper inserts,
43 magazines, mass mailings, pamphlets, fliers, periodicals, and outdoor

1 advertising facilities. A 'mass mailing' is a mailing with more than 500
2 pieces.

3 (6) 'Political action committee' has the same meaning as 'political
4 committee' in G.S. 163-278.6(14), except that 'political action
5 committee' does not include any political party or political party
6 organization.

7 (7) 'Political party organization' means any political party executive
8 committee or any political committee that operates under the direction
9 of a political party executive committee or political party chair.

10 (8) 'Radio' means any radio broadcast station that is subject to the
11 provisions of 47 U.S.C. §§ 315 and 317.

12 (9) 'Scan line' means a standard term of measurement used in the electronic
13 media industry calculating a certain area in a television advertisement.

14 (10) 'Sponsor' means a candidate, candidate committee, political party
15 organization, political action committee, referendum committee,
16 individual, or other entity that purchases an advertisement.

17 (11) 'Television' means any television broadcast station, cable television
18 system, wireless-cable multipoint distribution system, satellite
19 company, or telephone company transmitting video programming that is
20 subject to the provisions of 47 U.S.C. §§ 315 and 317.

21 (12) 'Unobscured' means the only printed material that may appear on the
22 television screen is a visual disclosure statement required by law, and
23 nothing is blocking the view of the disclosing person's face.

24 **"§ 163-278.39C. Scope of disclosure requirements.**

25 The disclosure requirements of this Part apply to any sponsor of an advertisement in
26 the print media or on radio or television the cost or value of which constitutes an
27 expenditure or contribution required to be disclosed under this Article, except that the
28 disclosure requirements of this Part:

29 (1) Do not apply to an individual who makes uncoordinated independent
30 expenditures aggregating less than one thousand dollars (\$1,000) in a
31 political campaign; and

32 (2) Do not apply to an individual who incurs expenses with respect to a
33 referendum.

34 The disclosure requirements of this Part do not apply to any advertisement the
35 expenditure for which is required to be disclosed by G.S. 163-278.12A alone and by no
36 other law."

37 Section 2.(b) G.S. 163-278.16, as amended by Section 4(b) of Session Law 1999-
38 31, reads as rewritten:

39 **"§ 163-278.16. Regulations regarding ~~contributions, expenditures and media~~**
40 **advertising-timing of contributions and expenditures.**

41 (a) Except as provided in G.S. 163-278.12, no contribution may be received or
42 expenditure made by or on behalf of a candidate, political committee, or referendum
43 committee:

- 1 (1) Until the candidate, political committee, or referendum committee
2 appoints a treasurer and certifies the name and address of the treasurer
3 to the Board; and
4 (2) Unless the contribution is received or the expenditure made by or
5 through the treasurer of the candidate, political committee, or
6 referendum committee.

7 (b) to (e) Repealed by Session Laws 1975, c. 565, s. 2.

8 (f) ~~No media advertisement of any kind may be made by a treasurer, candidate,
9 political committee, referendum committee or individual unless~~

- 10 (1) ~~It bears the legend or includes the statement: "Paid for by (or Sponsored
11 by)..... (Name of candidate, political committee, referendum
12 committee, individual)";~~
13 (2) ~~The name used in the labeling required in subdivision (1) of this
14 subsection is the name that appears on the statement of organization as
15 required in G.S. 163-278.7(b)(1), provided that this subdivision applies
16 only if the sponsor is a political committee or referendum committee;~~
17 (3) ~~The sponsor states in the media advertisement its position:~~
18 a. ~~For or against the candidate; or~~
19 b. ~~For or against an opposing candidate~~
20 ~~provided that this subdivision applies only if the media advertisement is~~
21 ~~made for or against a candidate; and~~
22 (4) ~~The sponsor states in the media advertisement its position for or against~~
23 ~~the ballot measure; provided this subdivision applies only if the media~~
24 ~~advertisement is made for or against a ballot measure.~~

25 ~~The requirements of subdivisions (3) and (4) of this subsection do not apply to any~~
26 ~~print advertisement less than two inches by two inches in size, or to any radio or~~
27 ~~television advertisement of less than 20 seconds in length.~~

28 ~~The media shall not publish or broadcast any political advertisement unless it bears~~
29 ~~the legend or includes the statement required herein. For purposes of this subsection,~~
30 ~~"media" means broadcasting stations, carrier current stations, newspapers, magazines,~~
31 ~~periodicals, outdoor advertising facilities, billboards, and newspaper inserts.~~

32 (g) ~~All printed matter from a political party or political committee which opposes~~
33 ~~the nomination or election of a clearly identified candidate shall indicate in type smaller~~
34 ~~than 12 point the name of the political party or political committee and the name of the~~
35 ~~candidate that is intended to benefit from the printed matter."~~

36 Section 2.(c) G.S. 163-278.27(a) reads as rewritten:

37 "(a) Any individual, candidate, political committee, referendum committee,
38 treasurer, person or media who violates the applicable provisions of G.S. 163-278.7, 163-
39 278.8, 163-278.9, 163-278.10, 163-278.11, 163-278.12, 163-278.14, 163-278.16, 163-
40 278.17, 163-278.18, 163-278.39, 163-278.40A, 163-278.40B, 163-278.40C, 163-
41 278.40D or 163-278.40E is guilty of a Class 2 misdemeanor."

42 Section 2.(d) This section becomes effective January 1, 2000, and applies to all
43 contributions and expenditures made or accepted on or after that date.

1 – EVIDENCE THAT COMMUNICATIONS ARE "TO SUPPORT OR OPPOSE ONE
2 OR MORE CLEARLY IDENTIFIABLE CANDIDATES."

3 Section 3.(a) Article 22A of Chapter 163 of the General Statutes is amended by
4 adding a new section to read:

5 **"§ 163-278.14A. Evidence that communications are 'to support or oppose the
6 nomination or election of one or more clearly identified candidates.'**

7 (a) Any of the following shall be means, but not necessarily the exclusive or
8 conclusive means, of proving that an individual or other entity acted 'to support or oppose
9 the nomination or election of one or more clearly identified candidates':

10 (1) Evidence of financial sponsorship of communications to the general
11 public that use phrases such as 'vote for', 'reelect', 'support', 'cast your
12 ballot for', '(name of candidate) for (name of office)', '(name of
13 candidate) in (year)', 'vote against', 'defeat', 'reject', 'vote pro-(policy
14 position)' or 'vote anti-(policy position)' accompanied by a list of
15 candidates clearly labeled 'pro-(policy position)' or 'anti-(policy
16 position)', or communications of campaign words or slogans, such as
17 posters, bumper stickers, advertisements, etc., which say '(name of
18 candidate)'s the One', '(name of candidate) '98', '(name of candidate)!',
19 or the names of two candidates joined by a hyphen or slash.

20 (2) Evidence of financial sponsorship of communications whose essential
21 nature expresses electoral advocacy to the general public and goes
22 beyond a mere discussion of public issues in that they direct voters to
23 take some action to nominate, elect, or defeat a candidate in an election.
24 If the course of action is unclear, contextual factors such as the language
25 of the communication as a whole, the timing of the communication in
26 relation to events of the day, the distribution of the communication to a
27 significant number of registered voters for that candidate's election, and
28 the cost of the communication may be considered in determining
29 whether the action urged could only be interpreted by a reasonable
30 person as advocating the nomination, election, or defeat of that
31 candidate in that election.

32 (3) Evidence that an entity financially sponsors communications whose
33 essential nature expresses electoral advocacy to the general public
34 concerning a clearly identified candidate in an election and the entity or
35 agent for that entity has made a statement admissible in a court of law
36 that one of the entity's purposes is to support or oppose that clearly
37 identified candidate in that election.

38 (b) Notwithstanding the provisions of subsection (a) of this section, a
39 communication shall not be subject to regulation as a contribution or expenditure under
40 this Article if it:

41 (1) Appears in a news story, commentary, or editorial distributed through
42 the facilities of any broadcasting station, newspaper, or magazine,

1 unless those facilities are owned or controlled by any political party, or
2 political committee;

3 (2) Is distributed by a corporation solely to its stockholders and employees;
4 or

5 (3) Is distributed by any organization, association, or labor union solely to
6 its members or to subscribers or recipients of its regular publications, or
7 is made available to individuals in response to their request, including
8 through the Internet."

9 Section 3.(b) This section is effective when this act becomes law.

10 – PRESUMPTIONS.

11 Section 3.1.(a) G.S. 163-278.34A, as enacted by Session Law 1999-31, reads
12 as rewritten:

13 "**§ 163-278.34A. Presumptions.**

14 In any proceeding brought pursuant to this Article in which a presumption arises from
15 the proof of certain facts, the ~~defendant has the burden of offering some evidence to rebut the~~
16 ~~presumption. The presumption shall be rebuttable, but the State bears the ultimate burden~~
17 ~~of proving the essential elements of its case."~~

18 Section 3.1.(b) This section is effective when this act becomes law.

19 – CORRECTING LOOPHOLE CONCERNING 'GIVING IN THE NAME OF
20 ANOTHER.'

21 Section 4.(a) G.S. 163-278.14(a) reads as rewritten:

22 "(a) No individual, political committee, or other entity shall make any contribution
23 anonymously, except as provided in G.S. 163-278.8(d), or in the name of another. No
24 candidate, political committee, referendum committee, political party, or treasurer shall
25 knowingly accept any contribution made by any individual or person in the name of
26 another individual or person or made anonymously except as provided in G.S. 163-
27 278.8(d). If a candidate, political committee, referendum committee, political party, or
28 treasurer receives ~~any such contributions,~~ anonymous contributions or contributions
29 determined to have been made in the name of another, he shall pay the money over to the
30 Board, by check, and all such moneys received by the Board shall be deposited in the
31 general fund of the State of North Carolina."

32 Section 4.(b) This section becomes effective December 1, 1999, and applies to
33 offenses committed on and after that date.

34 – GRANTING THE STATE BOARD OF ELECTIONS MORE FLEXIBILITY UNDER
35 THE ADMINISTRATIVE PROCEDURE ACT.

36 Section 5.(a) G.S. 150B-21.1. is amended by adding a new subsection:

37 "(a4) Notwithstanding the provisions of subsection (a) of this section, the State
38 Board of Elections may adopt a temporary rule after prior notice or hearing or upon any
39 abbreviated notice or hearing the agency finds practical for one or more of the following:

40 (1) In accordance with the provisions of G.S. 163-22.2.

41 (2) To implement any provisions of state or federal law for which the State
42 Board of Elections has been authorized to adopt rules.

1 (3) The need for the rule to become effective immediately in order to
2 preserve the integrity of upcoming elections and the elections process.

3 When the State Board of Elections adopts a temporary rule pursuant to this
4 subsection, it must submit the reference to this subsection as its statement of need to the
5 Codifier of Rules."

6 Section 5.(b) G.S. 163-278.23 reads as rewritten:

7 **"§ 163-278.23. Duties of Executive Secretary-Director of Board.**

8 The Executive Secretary-Director of the Board shall inspect or cause to be inspected
9 each statement filed with the Board under this Article within 30 days after the date it is
10 filed. The Executive Secretary-Director shall advise, or cause to be advised, no more than
11 30 days and at least five days before each report is due, each candidate or treasurer whose
12 organizational report has been filed, of the specific date each report is due. He shall
13 immediately notify any individual, candidate, treasurer, political committee, referendum
14 committee, or media required to file a statement under this Article if:

15 (1) It appears that the individual, candidate, treasurer, political committee,
16 referendum committee or media has failed to file a statement as required
17 by law or that a statement filed does not conform to this Article; or

18 (2) A written complaint is filed under oath with the Board by any registered
19 voter of this State alleging that a statement filed with the Board does not
20 conform to this Article or to the truth or that an individual, candidate,
21 treasurer, political committee, referendum committee or media has
22 failed to file a statement required by this Article.

23 The Executive Secretary-Director of the Board of Elections shall issue written ~~rulings~~
24 opinions to candidates and may issue written ~~rulings~~ opinions to the communications
25 media, political committees, and referendum committees upon request, regarding filing
26 procedures and compliance with this Article. Any such ~~ruling~~ opinion so issued shall
27 specifically refer to this paragraph. If the candidate, communications media, political
28 committees, or referendum committees rely on and comply with the ~~ruling~~ opinion of the
29 Executive Secretary-Director of the Board of Elections, then prosecution or civil action
30 on account of the procedure followed pursuant thereto and prosecution for failure to
31 comply with the statute inconsistent with the written ruling of the Executive Secretary-
32 Director of the Board of Elections issued to the candidate or committee involved shall be
33 barred. Nothing in this paragraph shall be construed to prohibit or delay the regular and
34 timely filing of reports. The Executive Secretary-Director shall file all opinions issued
35 pursuant to this section with the Codifier of Rules to be published unedited in the North
36 Carolina Register and the North Carolina Administrative Code."

37 Section 5.(c) This section is effective when this act becomes law and applies to
38 rules adopted by the State Board of Elections on or after that date.

39 – PROHIBIT FUND-RAISING FROM LOBBYISTS AND RELATED POLITICAL
40 COMMITTEES.

41 Section 6.(a) G.S. 163-278.13B(c) reads as rewritten:

42 "(c) Prohibited Contributions. – While the General Assembly is in regular session:

- 1 (1) No limited contributor shall make or offer to make a contribution to a
2 limited contributee.
- 3 (2) No limited contributor shall make a contribution to any candidate,
4 officeholder, or political committee, directing or requesting that the
5 contribution be made in turn to a limited contributee.
- 6 (3) No limited contributor shall transfer any amount of money or anything
7 of value to any entity, directing or requesting that the entity use what
8 was transferred to contribute to a limited contributee.
- 9 (4) No limited contributee shall accept a contribution from a limited
10 contributor.
- 11 (5) No limited contributor shall solicit a contribution from any individual or
12 political committee on behalf of a limited contributee. This subdivision
13 does not apply to a limited contributor soliciting a contribution on
14 behalf of a political party executive committee if the solicitation is
15 solely for a separate segregated fund kept by the political party limited
16 to use for activities that are not candidate-specific, including generic
17 voter registration and get-out-the-vote efforts, pollings, mailings, and
18 other general activities and advertising that do not refer to a specific
19 individual candidate."

20 Section 6.(b) This section becomes effective October 1, 1999, and applies to all
21 contributions made, accepted, or solicited on or after that date.

22 – REQUIRING MONTHLY REPORTS TO BOARDS OF ELECTIONS OF DEATHS
23 AND FELONY CONVICTIONS.

24 Section 7.(a) G.S. 163-82.14(b) reads as rewritten:

25 "(b) Death. – The Department of Health and Human Services, on or before the
26 fifteenth day of ~~March, June, September, and December,~~ every month, shall furnish free of
27 charge to each county board of elections a certified list of the names of deceased persons
28 who were residents of that county. The Department of Health and Human Services shall
29 base each list upon information supplied by death certifications it received during the
30 preceding ~~quarter.~~ month. Upon the receipt of the certified list, the county board of
31 elections shall remove from its voter registration records any person the list shows to be
32 dead. The county board need not send any notice to the address of the person so
33 removed."

34 Section 7.(b) G.S. 163-82.14(c)(1) reads as rewritten:

35 "(1) Report of Conviction Within the State. – The clerk of superior court, on
36 or before the fifteenth day of ~~March, June, September, and December~~ of
37 every ~~year,~~ month, shall report to the county board of elections of that
38 county the name, county of residence, and residence address if
39 available, of each individual against whom a final judgment of
40 conviction of a felony has been entered in that county in the preceding
41 calendar ~~quarter.~~ month. Any county board of elections receiving such a
42 report about an individual who is a resident of another county in this

1 State shall forward a copy of that report to the board of elections of that
2 county as soon as possible."

3 Section 7.(c) This section becomes effective January 1, 2000.

4 – EXPANDING THE "RACE" CATEGORY ON THE VOTER REGISTRATION
5 FORM.

6 Section 8.(a) G.S. 163-82.4(a) reads as rewritten:

7 "(a) Information Requested of Applicant. – The form required by G.S. 163-82.3(a)
8 shall request the applicant's:

- 9 (1) Name,
- 10 (2) Date of birth,
- 11 (3) Residence address,
- 12 (4) County of residence,
- 13 (5) Date of application,
- 14 (6) Gender,
- 15 (7) Race,
- 16 (7a) Ethnicity,
- 17 (8) Political party affiliation, if any, in accordance with subsection (c) of
18 this section,
- 19 (9) Telephone number (to assist the county board of elections in contacting
20 the voter if needed in processing the application),

21 and any other information the State Board finds is necessary to enable officials of the
22 county where the person resides to satisfactorily process the application. The form shall
23 require the applicant to state whether currently registered to vote anywhere, and at what
24 address, so that any prior registration can be cancelled. The portions of the form
25 concerning race and ethnicity shall include as a choice any category shown by the most
26 recent decennial federal census to compose at least one percent (1%) of the total
27 population of North Carolina. The county board shall make a diligent effort to complete
28 for the registration records any information requested on the form that the applicant does
29 not complete, but no application shall be denied because an applicant does not state race,
30 ethnicity, gender, or telephone number. The application shall conspicuously state that
31 provision of the applicant's telephone number is optional. If the county board maintains
32 voter records on computer, the free list provided under this subsection shall include
33 telephone numbers if the county board enters the telephone number into its computer
34 records of voters."

35 Section 8.(b) This section becomes effective January 1, 2002.

36 Section 9. This act becomes effective only if the sum of twenty-five thousand
37 dollars (\$25,000) for the 1999-2000 fiscal year is appropriated from the General Fund to
38 the State Board of Elections for the purpose of meeting its additional responsibilities
39 under Sections 2, 3, 5, and 6 of this act. This act does not obligate the General Assembly
40 to appropriate funds.

41 Section 10. Prosecutions for, or sentences based on, offenses occurring before
42 the relevant effective date in this act are not abated or affected by this act, and the statutes

1 that would be applicable to those prosecutions or sentences but for the provisions of this
2 act remain applicable to those prosecutions or sentences.

3 Section 11. The provisions of this act are severable. If any section, subsection,
4 subdivision, sub-subdivision, phrase, or word of this act or of any statute that it amends is
5 held invalid by a court of competent jurisdiction, the invalidity does not affect any other
6 portion or portions of this act that can be given effect without the invalid provision.

7 Section 12. This act is effective when it becomes law.