

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE BILL 1510

Short Title: Electioneering Communications. (Public)

Sponsors: Representatives Harrison, Fisher, and Martin (Primary Sponsors).

Referred to: Election Law and Campaign Finance Reform.

April 21, 2005

A BILL TO BE ENTITLED
AN ACT TO EXPAND THE PROHIBITION ON USE OF CORPORATE AND
UNION MONEY IN ELECTIONEERING COMMUNICATIONS AND RELATED
REPORTING REQUIREMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 163-278.80 reads as rewritten:

"§ 163-278.80. Definitions.

As used in this Article, the following terms have the following definitions:

(1) The term "disclosure date" means either of the following:

- a. The first date during any calendar year when an electioneering communication is aired after an entity has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of ten thousand dollars (\$10,000).
- b. Any other date during that calendar year by which an entity has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of ten thousand dollars (\$10,000) since the most recent disclosure date for that calendar year.

(2) The term "electioneering communication" means any broadcast, cable, or satellite communication that has all the following characteristics:

- a. Refers to a clearly identified candidate for a statewide ~~office or~~ office, for the General Assembly-Assembly, or for any other State or local office for which the territory for the electorate has a total population of more than 10,000 as of the most recent federal decennial census:
- b. Is made within one of the following time periods:
 1. 60 days before a general or special election for the office sought by the candidate, or

- 1 2. 30 days before a primary election or a convention of a
2 political party that has authority to nominate a candidate
3 for the office sought by the candidate.
4 c. Is targeted to the relevant electorate.
5 (3) The term "electioneering communication" does not include any of the
6 following:
7 a. A communication appearing in a news story, commentary, or
8 editorial distributed through the facilities of any broadcasting
9 station, unless those facilities are owned or controlled by any
10 political party, political committee, or candidate.
11 b. A communication that constitutes an expenditure or
12 independent expenditure under Article 22A of this Chapter.
13 c. A communication that constitutes a candidate debate or forum
14 conducted pursuant to rules adopted by the Board or that solely
15 promotes that debate or forum and is made by or on behalf of
16 the person sponsoring the debate or forum.
17 d. A communication made while the General Assembly is in
18 session which, incidental to advocacy for or against a specific
19 piece of legislation pending before the General Assembly, urges
20 the audience to communicate with a member or members of the
21 General Assembly concerning that piece of legislation.
22 (4) The term "prohibited source" means any corporation, insurance
23 company, labor union, or professional association. The term
24 "prohibited source" does not include an entity that meets all the criteria
25 set forth in G.S. 163-278.19(f).
26 (5) The term "targeted to the relevant electorate" means a communication
27 which refers to a clearly identified candidate for ~~statewide an office or~~
28 ~~the General Assembly subject to this Article~~ and which can be
29 received by 50,000 or more individuals in the State in the case of a
30 candidacy for statewide office and 7,500 or more individuals in the
31 district in the case of a candidacy for ~~General Assembly any other~~
32 office subject to this Article.
33 (6) The term "501(c)(4) organization" means either of the following:
34 a. An organization described in section 501(c)(4) of the Internal
35 Revenue Code of 1986 and exempt from taxation under section
36 501(a) of that Code.
37 b. An organization that has submitted an application to the Internal
38 Revenue Service for determination of its status as an
39 organization described in sub-subdivision a. of this subdivision.
40 (7) Except as otherwise provided in this Article, the definitions in Article
41 22A of this Chapter apply in this Article."

42 **SECTION 2.** G.S. 163-278.90 reads as rewritten:.

43 **"§ 163-278.90. Definitions.**

44 As used in this Article, the following terms have the following definitions:

- 1 (1) The term "disclosure date" means either of the following:
- 2 a. The first date during any calendar year when an electioneering
- 3 communication is transmitted after an entity has made
- 4 disbursements for the direct costs of producing or transmitting
- 5 electioneering communications aggregating in excess of ten
- 6 thousand dollars (\$10,000).
- 7 b. Any other date during that calendar year by which an entity has
- 8 made disbursements for the direct costs of producing or
- 9 transmitting electioneering communications aggregating in
- 10 excess of ten thousand dollars (\$10,000) since the most recent
- 11 disclosure date for that calendar year.
- 12 (2) The term "electioneering communication" means any mass mailing or
- 13 telephone bank that has all the following characteristics:
- 14 a. Refers to a clearly identified candidate for a statewide ~~office or~~
- 15 office, for the General Assembly-Assembly, or for any other
- 16 State or local office for which the territory for the electorate has
- 17 a total population of more than 10,000 as of the most recent
- 18 federal decennial census:
- 19 b. Is made within one of the following time periods:
- 20 1. 60 days before a general or special election for the office
- 21 sought by the candidate, or
- 22 2. 30 days before a primary election or a convention of a
- 23 political party that has authority to nominate a candidate
- 24 for the office sought by the candidate.
- 25 c. Is targeted to the relevant electorate.
- 26 (3) The term "electioneering communication" does not include any of the
- 27 following:
- 28 a. A communication appearing in a news story, commentary, or
- 29 editorial distributed through any newspaper or periodical,
- 30 unless that publication is owned or controlled by any political
- 31 party, political committee, or candidate.
- 32 b. A communication that constitutes an expenditure or
- 33 independent expenditure under Article 22A of this Chapter.
- 34 c. A communication that constitutes a candidate debate or forum
- 35 conducted pursuant to rules adopted by the Board or that solely
- 36 promotes that debate or forum and is made by or on behalf of
- 37 the person sponsoring the debate or forum.
- 38 d. A communication that is distributed by a corporation solely to
- 39 its shareholders or employees, or by a labor union or
- 40 professional association solely to its members.
- 41 e. A communication made while the General Assembly is in
- 42 session which, incidental to advocacy for or against a specific
- 43 piece of legislation pending before the General Assembly, urges

- 1 the audience to communicate with a member or members of the
2 General Assembly concerning that piece of legislation.
- 3 (4) The term "mass mailing" means any mailing by United States mail or
4 facsimile that is targeted to the relevant electorate and is made by a
5 commercial vendor or made from any commercial list. Part 1A of
6 Article 22A of this Chapter has its own internal definition of "mass
7 mailing" under the definition of "print media," and that definition does
8 not apply in this Article.
- 9 (5) The term "prohibited source" means any corporation, insurance
10 company, labor union, or professional association. The term
11 "prohibited source" does not include an entity that meets all the criteria
12 set forth in G.S. 163-278.19(f).
- 13 (6) The term "targeted to the relevant electorate" means a communication
14 which refers to a clearly identified candidate for ~~statewide office or the~~
15 ~~General Assembly and any office subject to this Article~~ which:
16 a. If transmitted by mail or facsimile in connection with a clearly
17 identified candidate for statewide office, is transmitted to
18 50,000 or more addresses in the State, by the transmission of
19 identical or substantially similar matter within any 30-day
20 period, or, in connection with a clearly identified candidate for
21 ~~the General Assembly, any other office subject to this Article,~~ is
22 transmitted to 5,000 or more addresses in the district, by the
23 transmission of identical or substantially identical matter within
24 any 30-day period.
- 25 b. If transmitted by telephone, in connection with a clearly
26 identified candidate for statewide office, more than 50,000
27 telephone calls in the State of an identical or substantially
28 similar nature within any 30-day period, or in the case of a
29 clearly identified candidate for ~~the General Assembly, any other~~
30 ~~office subject to this Article,~~ more than 5,000 calls in the
31 district of an identical or substantially similar nature within any
32 30-day period.
- 33 (7) The term "telephone bank" means telephone calls that are targeted to
34 the relevant electorate, except when those telephone calls are made by
35 volunteer workers, whether or not the design of the telephone bank
36 system, development of calling instructions, or training of volunteers
37 was done by paid professionals.
- 38 (8) The term "501(c)(4) organization" means either of the following:
39 a. An organization described in section 501(c)(4) of the Internal
40 Revenue Code of 1986 and exempt from taxation under section
41 501(a) of that Code.
- 42 b. An organization that has submitted an application to the Internal
43 Revenue Service for determination of its status as an
44 organization described in sub-subdivision a. of this subdivision.

1 (9) Except as otherwise provided in this Article, the definitions in Article
2 22A of this Chapter apply in this Article."

3 **SECTION 3.** This act becomes effective January 1, 2006, and applies to all
4 primaries and elections held on or after that date.