

January 29, 2009

S 20. VOTER-OWNED ELECTION FOR TREASURER. Filed 1/29/09. *TO ADD THE OFFICE OF STATE TREASURER TO THE COUNCIL OF STATE OFFICES SUBJECT TO THE VOTER-OWNED ELECTIONS ACT.*

Amends GS 163-278.95 (purpose and establishment of voter-owned elections act) and GS 163-278.96(12) (definitions regarding voter-owned elections act) as the title indicates. Under current law, the Voter-Owned Elections Act establishes the NC Voter-Owned Elections Fund, an alternative source of campaign financing for candidates for identified Council of State offices who meet specified criteria.

Intro. by Berger of Franklin.

GS 163

August 4, 2009

S 20. VOTER-OWNED ELECTION FOR TREASURER. Filed 1/29/09. Senate committee substitute makes the following changes to 1st edition. Amends Article 22J of GS Chapter 163, *The Voter-Owned Elections Act*, as follows. Amends GS 163-278.96 to add to the definition of *certified candidate* that a write-in candidate authorized under GS 163-123 is not eligible to become a certified candidate. Modifies the definition of (1) *maximum qualifying contributions* to mean (a) if a candidate has no primary (was, uncontested primary), an amount equal to \$100 times the minimum number of qualifying contributions required by GS 163-278.98(b) (was, 100 times the filing fee) for the office sought or (b) if the candidate has a contested primary, \$200 times the minimum number of required qualifying contributions (was, 200 times the filing fee) for the office sought, (2) *qualifying contribution* to mean a contribution of not less than \$10 and not more than \$200 in the form prescribed for noncash money contributions in GS 163-278.14(b) to candidates that meet specific conditions (also makes clarifying and conforming changes to those conditions) and (3) *qualifying period* to mean the period beginning September 1 in the year before the election and ending on the 10th day after the day of the primary.

Amends GS 163-278.98(b) to provide that, in order to be certified, participating candidates must obtain qualifying contributions from at least 900 (was, 750) registered voters and from an additional 100 registered voters for each \$100,000 that the grant amount for the office under GS 163-278.99(b)(4) exceeds \$300,000. Provides that multiple contributions from the same individual to the same candidate do not count as more than one qualifying contribution. Requires that qualifying contributions be equal to at least \$20 times the minimum number of qualifying contributions (was, 25 times the filing fee), but must not exceed the maximum qualifying contributions. Makes a clarifying change. Amends GS 163-278.98(e) to prohibit multiple contributions from the same contributor to the same candidate from exceeding \$200, except for permitted personal and family contributions. Allows up to \$200 of a contribution from the candidate's family member to be treated as a qualifying contribution if it meets certain requirements.

Amends GS 163-278.99(b) to provide that, no later than August 1 of the second year before an election (was, by August 1, 2011, and at least every four years thereafter), the State Board of Elections (Board) must determine the amount of funds (was, funds rounded to the nearest \$100) to be distributed to certified candidates as provided. Specifies that, in contested general elections, the amount to be distributed is the average amount of campaign-related expenditures made in *the general election* by all candidates who won the immediately preceding three general elections for that office, *rounded to the nearest \$1000*, but at least \$300,000. Provides that (1) the distribution amount must be reduced by an amount equal to the amount raised in qualifying contributions after the day of the primary and (2) expenditures are made in the general election if they are required to be reported on the third or fourth quarterly reports of that election year.

Amends GS 163-278.99B(b) to provide that total matching funds to a certified candidate before the date of the primary (was, in a contested primary) must be limited to an amount equal to the maximum qualifying contributions for a candidate with a contested primary. Specifies that 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 reportable expenditures made in opposition to that candidate. Enacts new GS 163-278.99B(f) to prohibit matching funds from being available (1) when an expenditure supports or opposes all candidates for the same office and (2) when an

electioneering communication that the Board ascertains is susceptible of no reasonable interpretation other than as an appeal to vote for or against all candidates for the same office.

Enacts new GS 163-278.99D.1 to provide for the administration, with the advice of the Advisory Council for the Public Campaign Fund (Council), and enforcement of this Article by the Board. Sets forth a procedure for challenging a decision concerning qualification, certification, or distribution of funds made by the Executive Director of the Board. Requires the Board to adopt procedures and issue opinions to ensure effective administration of the Article. Requires the Council to issue a report by March 1, 2013, and every two years thereafter, that evaluates and makes recommendations about the implementation of the Article and the feasibility of expanding its provisions to include other candidates for state office. Also requires the Council to evaluate activities that may undermine the purpose of this Article.

Amends GS 163-278.99E to require that the Voter Guide explain the functions of and include information on candidates for all 10 offices of the Council of State [was, included information on offices as defined in GS 163-278.96(12) and election laws]. Deletes that endorsements are limited to 50 words and candidate statements are limited to 150 words and, instead, provides that the entire entry for a candidate be limited to 250 words. Requires the Board to publish (was, may publish) the Voter Guide, *whenever possible*, in conjunction with the Judicial Voter Guide.

Also makes conforming and technical changes throughout the Article.

Enacts new Article 2E, *Assessments*, to require that the following imposed surcharges be credited to the Voter-Owned Election Fund (Fund): (1) a 1% surcharge on insurance regulatory charges provided in GS 58-6-25 and (2) a \$5 surcharge on license fees as provided in GS 58-33-125(a). Requires an assessment of up to 0.8% to be applied to payments made to entities the State Treasurer retains in accordance with the Treasurer's Authority under Article 6 of GS Chapter 147. Requires assessments to be made so that they are broadly applied among various entities and that the total amount assessed each fiscal year exceeds \$750,000, but is less than \$1.25 million, with the assessments credited to the Fund. Applies to charges and fees that are due and contracts that are entered into or renewed on or after the date the act becomes law.

Provides for severability of invalid provisions.

Makes conforming changes to the title.

August 5, 2009

S 20. VOTER-OWNED ELECTION FOR TREASURER. Filed 1/29/09. Senate amendment makes the following changes to 2nd edition. Amends new GS 105-113.21 to eliminate the 1% surcharge on insurance regulatory charges provided in GS 58-6-25.

June 30, 2010

S 20. PUBLIC FINANCING CHANGES (NEW) . Filed 1/29/09. House committee substitute makes the following changes to 4th edition.

Adds new section amending GS 160A-499.1, as enacted by Section 2 of SL 2007-222, to require that the guidelines developed by the State Board of Elections (Board) regulating publicly-financed municipal elections instruct participating candidates to file all disclosure reports with the Board, which will certify and authorize the issuance of public funds to eligible candidates. Directs the participating municipality to present its report to the Board (was, several different entities). Defines *public campaign financing program* as a uniform program of a governmental entity that offers support for the campaigns of candidates for elective office within that governmental unit's jurisdiction, according to five described conditions. Makes funds paid by a city for a public campaign financing program exempt from the contribution limitations under GS 163-278.13 and the prohibitions on corporate contributions, provided that the city's funds must be reported as if they were contributions in all campaign reports required by law. Allows the Board to select up to two municipalities for the public financing pilot program whose governing boards have indicated prior to June 30, 2010, by vote, an interest in participation and have submitted compliant proposals. Provides additional criteria for the Board to use when selecting municipalities, and prohibits the Board from selecting cities using the partisan method of election. Makes the section applicable to the town of Chapel Hill and to any municipality with a total population over 50,000 selected by the Board for the pilot program. Directs the Board to monitor the pilot program and to

report its findings and recommendations to specified entities before the close of the fiscal year. Provides that the section expires on July 1, 2016.

Repeals Sections 1, 3, and 4 of SL 2007-222 (pertaining to public campaign financing program in Chapel Hill).

Amends GS 163-278.95 to make the Voter-Owned Elections Fund (Fund) available to candidates for the Council of State office of Treasurer in elections to be held in 2012 and thereafter. Makes additional clarifying and linguistic changes. Amends the definition of *maximum qualifying contributions* in GS 163-278.96 to be \$100 times the minimum number of *registered voters required to make* a qualifying contribution when the candidate has no primary, and \$200 times the minimum number of *registered voters required to make* a qualifying contribution when the candidate has a contested primary. Changes the definition of *qualifying period* to be the period beginning September 1 in the year before the election and ending on the day of the primary (was, on the 10th day after the primary). Makes additional clarifying and technical changes.

Removes from GS 163-278.99 the requirement that the distribution amount disbursed from the Fund must be reduced by an amount equal to the amount raised in qualifying contributions after the day of the primary.

Changes proposed GS 163-278.99D.1 to be titled GS 163-278.99D and makes additional clarifying changes. Requires an appellant to prove, by *clear and convincing* evidence, that the Executive Director's decision was improper.

Removes proposed Article 2E that imposed surcharges to be credited to the Fund. Removes the severability provision.

Adds new section, transferring \$2.50 of each \$3 allocation under GS 105-159.2 (Public Campaign Fund) to the Voter-Owned Elections Fund on a monthly basis during the period from January 1, 2011 through December 31, 2012.

Adds new section directing the Board to determine available funds, as required under GS 163-278.99(b) as enacted by the section, on either October 1, 2010, or within 30 days of receiving preclearance under the Voting Rights Act of 1965, whichever occurs first.

Makes additional clarifying and technical changes. Makes conforming changes to the title.

Makes the act effective when it becomes law.