

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 966

Short Title: Expanded Voter-Owned Elections. (Public)

Sponsors: Senators Nesbitt; Atwater, Clodfelter, Davis, Dorsett, Foriest, Jones, Kinnaird, Malone, McKissick, Rand, Shaw, Snow, and Stein.

Referred to: State and Local Government.

March 26, 2009

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE VOTER-OWNED ELECTIONS ACT TO COVER  
ADDITIONAL COUNCIL OF STATE POSITIONS AND TO MAKE TECHNICAL  
CHANGES TO THE ACT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 22J of Chapter 163 of the General Statutes reads as rewritten:

"Article 22J.

"The Voter-Owned Elections Act.

**"§ 163-278.95. Purpose and establishment of Voter-Owned Elections Act.**

The purpose of this Article is to ensure the vitality and fairness of democratic elections in North Carolina to the end that any eligible citizen of this State can realistically choose to seek and run for public office. It is also the purpose of this Article to protect the constitutional rights of voters and candidates from the detrimental effects of increasingly large amounts of money being raised and spent in North Carolina to influence the outcome of elections. It is essential to the public interest that the potential for corruption or the appearance of corruption is minimized and that the equal and meaningful participation of all citizens in the democratic process is ensured. Accordingly, this Article establishes the North Carolina Voter-Owned Elections Fund as an alternative source of campaign financing for candidates who obtain a sufficient number of qualifying contributions from registered voters and who voluntarily accept strict fund-raising and spending limits. This Article is available to candidates for the Council of State offices of Auditor, Superintendent of Public Instruction, and Commissioner of Insurance in elections to be held in 2008 and ~~thereafter~~ thereafter, and to candidates for the Council of State offices of Secretary of State, Attorney General, Treasurer, Commissioner of Agriculture, and Commissioner of Labor in elections to be held in 2012 and thereafter.

**"§ 163-278.96. Definitions.**

The following definitions apply in this Article:

- (1) Board. – The State Board of Elections.
- (2) Campaign-related expenditure. – An expenditure that benefits the candidate's current campaign in accordance with guidelines established by the Board.
- (3) Candidate. – An individual who becomes a candidate as described in G.S. 163-278.6(4). The term includes a "candidate campaign committee" as defined in G.S. 163-278.38Z(3).
- (4) Certified candidate. – A candidate for office who chooses to receive campaign funds from the Fund and who is certified under G.S. 163-278.98(c). A write-in candidate authorized under G.S. 163-123 is not eligible to become a certified candidate.



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- 1 (5) Contested primary and contested general election. – An election in which  
2 there are more candidates than the number to be elected.
- 3 (6) Contribution. – Defined in G.S. 163-278.6. A distribution from the Fund  
4 pursuant to this Article is not a "contribution" and is not subject to the  
5 limitations of G.S. 163-278.13 or the prohibitions of G.S. 163-278.15 or  
6 G.S. 163-278.19. Instead of being subject to G.S. 163-278.16B, distributions  
7 are subject to the guidelines issued by the Board pursuant to  
8 G.S. 163-278.98(e)(5).
- 9 (6a) Electioneering communication. – As defined in G.S. 163-278.80 and  
10 G.S. 163-278.90, except that it is made during the period beginning 30 days  
11 before absentee ballots become available for a primary and ending on  
12 primary election day and during the period 60 days before absentee ballots  
13 become available for a general election and ending on general election day.
- 14 (7) Expenditure. – Defined in G.S. 163-278.6.
- 15 (8) Fund. – The North Carolina Voter-Owned Elections Fund established in  
16 G.S. 163-278.97.
- 17 (9) Independent expenditure. – Defined in G.S. 163-278.6.
- 18 (10) Maximum qualifying contributions. – If the candidate has ~~an uncontested~~ no  
19 primary, an amount equal to ~~400~~ one hundred dollars (\$100.00) times the  
20 ~~filing fee~~ minimum number of qualifying contributions required by  
21 G.S. 163-278.98(b) for the office sought. If the candidate has a contested  
22 primary, ~~200~~ two hundred dollars (\$200.00) times the ~~filing fee~~ minimum  
23 number of qualifying contributions required by G.S. 163-278.98(b) for the  
24 office sought.
- 25 (11) Nonparticipating candidate. – A candidate for office who is not seeking to be  
26 certified under G.S. 163-278.98(c).
- 27 (12) Office. – The Council of State offices of Secretary of State, Attorney  
28 General, Treasurer, Auditor, Superintendent of Public Instruction,  
29 Commissioner of Agriculture, Commissioner of Labor, and Commissioner  
30 of Insurance.
- 31 (13) Participating candidate. – A candidate for office who has filed a declaration  
32 of intent to participate under G.S. 163-278.98(a).
- 33 (14) Political committee. – Defined in G.S. 163-278.6.
- 34 (15) Qualifying contribution. – A contribution of not less than ten dollars  
35 (\$10.00) and not more than two hundred dollars (\$200.00) in the form of ~~a~~  
36 ~~check or money order~~ prescribed for noncash monetary contributions in  
37 G.S. 163-278.14(b) to the candidate that meets both of the following  
38 conditions:
- 39 a. Made by ~~any~~ an individual who is a registered voter in this  
40 State ~~State~~ at the time of the submittal of the report specified in  
41 G.S. 163-278.98(c).
- 42 b. Made only during the qualifying ~~period~~ period, except as provided in  
43 G.S. 163-278.98(b1), and obtained with the approval of the candidate  
44 or candidate's committee.
- 45 (16) Qualifying period. – The period beginning September 1 in the year before  
46 the election and ending on the 10<sup>th</sup> day after the day of the primary.
- 47 (17) Trigger for matching funds. – The dollar amount at which matching funds  
48 are released under G.S. 163-278.99B for certified candidates. In the case of a  
49 contested primary, the trigger equals the maximum qualifying contributions  
50 for the candidate. In the case of a contested general election, the trigger  
51 equals the base level of funding available under G.S. 163-278.99(b)(4).

**"§ 163-278.97. Voter-Owned Elections Fund established; sources of funding.**

(a) Establishment of Fund. – The North Carolina Voter-Owned Elections Fund is established to finance the election campaigns of certified candidates for office and to pay administrative and enforcement costs of the Board related to this Article. The Fund is a special, dedicated, nonlapsing, nonreverting fund. Any interest generated by the Fund is credited to the Fund. The Board shall administer the Fund.

(b) Sources of Funding. – Money received from all the following sources must be deposited in the Fund:

- (1) Unspent 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.
- (2) Money ordered returned to the Fund in accordance with G.S. 163-278.99D.
- (3) Money paid to the Fund equal to excess contributions as provided in G.S. 163-278.98(e)(1).
- (4) Voluntary donations made directly to the Fund.
- (5) Appropriations from the General Fund.

(c) Evaluation and Determination of Fund Amount. – By January 1, 2011, and every four years thereafter, the Board, in conjunction with the Advisory Council established under G.S. 163-278.68(b), shall prepare and provide to the Joint Legislative Commission on Governmental Operations of the General Assembly 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 during the next election cycle and make recommendations about the feasibility of expanding its provisions to include other candidates for State office based on the experience of this Article and the experience of similar programs in North Carolina and other states. The Board shall also evaluate and make recommendations regarding how to address activities that could undermine the purpose of this Article, including spending that appears to target candidates but is not reached by regulation.

**"§ 163-278.98. Requirements for participation.**

(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 in the program established by 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, campaign-related expenditures, and obligations for the participating candidate and that the candidate will comply with the contribution and expenditure limits set forth in subsection (e) 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. – In order to be certified, participating candidates must obtain qualifying contributions from at least ~~750~~ 900 registered voters in this ~~State~~ State, and from an additional 100 registered voters in this State for each one hundred thousand dollars (\$100,000) that the grant amount for the office under G.S. 163-278.99(b)(4) exceeds three hundred thousand dollars (\$300,000). Multiple contributions from the same individual to the same candidate shall not count as more than one qualifying contribution.

The qualifying contributions shall be equal to at least ~~25~~ twenty dollars (\$20.00) times the ~~amount of the filing fee for the office.~~ minimum number of qualifying contributions but shall not exceed the maximum qualifying contributions defined in G.S. 163-278.96(10). No payment, gift, or anything of value, or the opportunity to win anything of value shall be given in exchange for a qualifying contribution.

1 (c) Certification of Candidates. – Upon receipt of a submittal of the record of qualifying  
2 contributions by a participating candidate, the Board shall determine whether or not the  
3 candidate has:

- 4 (1) Filed a completed declaration of intent to participate in this Article.
- 5 (2) Submitted a report itemizing the appropriate number of qualifying  
6 contributions received from registered voters, which the Board shall verify  
7 through a random sample or other means it adopts. The report shall include  
8 the county of residence of each registered voter listed.
- 9 (3) Filed a notice of candidacy with the State Board of Elections as a candidate  
10 for the office.
- 11 (4) Otherwise met the requirements for participation in this Article.

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

15 (d) Final Report for Qualifying Contributions. – No later than five business days after  
16 the end of the qualifying period, all participating candidates shall submit a report to the Board  
17 of all previously unreported qualifying contributions, in accordance with procedures developed  
18 by the Board. Within seven business days after submittal of the final report, the Board shall  
19 determine, through a random audit or other means it adopts, whether the contributions abide by  
20 the definition of qualifying contributions, whether they must be returned to the donor, and  
21 whether they exceed the maximum amount of qualifying contributions.

22 (e) Restrictions on Contributions and Expenditures for Participating and Certified  
23 Candidates. – The following restrictions shall apply to contributions and expenditures with  
24 respect to participating and certified candidates:

- 25 (1) Beginning August 1 of the year before the election and before filing a  
26 declaration of intent, a candidate shall limit campaign-related expenditures  
27 to twenty thousand dollars (\$20,000) and shall not accept more than twenty  
28 thousand dollars (\$20,000) from sources and in amounts permitted by  
29 Article 22A of this Chapter. A candidate who exceeds either of these limits  
30 shall be ineligible to file a declaration of intent or receive funds from the  
31 Fund. However, the acceptance of contributions in excess of that twenty  
32 thousand dollar (\$20,000) limit does not render the candidate ineligible if the  
33 candidate pays to the Board an amount equal to the contributions accepted  
34 by the candidate in excess of that limit. The Board shall deposit all such  
35 payments into the Fund.
- 36 (2) From the filing of a declaration of intent through the end of the qualifying  
37 period, a candidate may accept only qualifying contributions, contributions  
38 under ten dollars (\$10.00) from North Carolina voters, in-kind party  
39 contributions as permitted in subdivision (4) of this subsection, and personal  
40 and family contributions permitted under subdivision (4a) of this subsection.  
41 The total contributions the candidate may accept during this period shall not  
42 exceed the maximum qualifying contributions for that candidate. Except for  
43 personal and family contributions permitted under subdivision (4a) of this  
44 subsection, multiple contributions from the same contributor to the same  
45 candidate shall not exceed two hundred dollars (\$200.00). In addition to  
46 these contributions, the candidate may only expend during this period the  
47 remaining money raised pursuant to subdivision (1) of this subsection and  
48 possible matching funds received pursuant to G.S. 163-278.99B. If the  
49 candidate has any remaining money that was raised as contributions before  
50 August 1 of the year before the election, the candidate may not expend that

- 1 money after filing the declaration of intent, except for purposes permitted  
2 under subdivision (2), (3), (6), (7), or (8) of G.S. 163-278.16B(a).
- 3 (3) After the qualifying period and through the date of the general election, the  
4 candidate shall cease campaign-related fund-raising ~~activities—activities,~~  
5 except as provided in subsection (b1) of this section, and shall expend only  
6 the funds the candidate receives from the Fund pursuant to  
7 G.S. 163-278.99(b) plus any funds remaining from the qualifying period and  
8 possible matching funds.
- 9 (4) In addition to the amounts above, a candidate may accept in-kind  
10 contributions from political party executive committees, up to an aggregate  
11 value of thirty thousand dollars (\$30,000) for the election cycle.
- 12 (4a) During the qualifying period, the candidate may contribute up to one  
13 thousand dollars (\$1,000) of that candidate's own money to the campaign.  
14 Debt incurred by the candidate for a campaign expenditure shall count  
15 toward that limit. The candidate may accept in contributions one thousand  
16 dollars (\$1,000) from each member of that candidate's family consisting of  
17 spouse, parent, child, brother, and sister. Up to two hundred dollars  
18 (\$200.00) of a contribution from the candidate's family member may be  
19 treated as a qualifying contribution if it meets the requirements of  
20 G.S. 163-278.96(15)a. and b.
- 21 (5) A candidate and the candidate's committee shall limit the use of all revenues  
22 permitted by this subsection to expenditures for campaign-related purposes  
23 only. The Board shall publish guidelines outlining permissible  
24 campaign-related expenditures.
- 25 (6) Except as provided in subdivision (1) of this subsection, any contribution  
26 received by a participating or certified candidate that falls outside that  
27 permitted by this subsection shall be returned to the donor as soon as  
28 practicable. Contributions intentionally made, solicited, or accepted in  
29 violation of this Article are subject to civil penalties as specified in  
30 G.S. 163-278.99D. The funds involved shall be forfeited to the Civil Penalty  
31 and Forfeiture Fund.
- 32 (7) A candidate shall return to the Fund any amount distributed for an election  
33 that is unspent and uncommitted at the date of the election or at the time the  
34 individual ceases to be a certified candidate, whichever occurs first. For  
35 accounting purposes, all qualifying, personal, and family contributions shall  
36 be considered spent before revenue from the Fund is spent or committed.
- 37 (f) Revocation. – A candidate may revoke, in writing to the Board, a decision to  
38 participate in the Fund at any time. After a revocation, that candidate may accept and expend  
39 outside the limits of this Article without violating this Article. Within 10 days after revocation,  
40 a candidate shall return to the Board all money received from the Fund.

41 **"§ 163-278.99. Distribution from the Fund.**

42 (a) Timing of Fund Distribution. – The Board shall distribute to a certified candidate  
43 revenue from the Fund in an amount determined under subdivision (b)(4) of this section as  
44 follows:

- 45 (1) One-third of the amount within five business days after the certified  
46 candidate's name is approved to appear on the ballot in a contested general  
47 election, but no earlier than five business days after the primary.
- 48 (2) The remainder of the amount on August 1 before the general election.

49 (b) Amount of Fund Distribution. – ~~By August 1, 2011, and no less frequently than~~  
50 ~~every four years thereafter,~~ No later than August 1 of the second year before an election, the

1 Board shall determine the amount of funds, ~~rounded to the nearest one hundred dollars~~  
2 ~~(\$100.00)~~, to be distributed to certified candidates as follows:

- 3 (1) ~~Uncontested primaries. No primary.~~ – No funds shall be distributed.  
4 (2) Contested primaries. – No funds shall be distributed except as provided in  
5 G.S. 163-278.99B.  
6 (3) Uncontested general elections. – No funds shall be distributed.  
7 (4) Contested general elections. – The amount of funds to be distributed to a  
8 candidate is the average amount of campaign-related expenditures made in  
9 the general election by all candidates who won the immediately preceding  
10 three general elections for that office, rounded to the nearest one thousand  
11 dollars (\$1,000), but not less than three hundred thousand dollars  
12 (\$300,000). The distribution amount shall be reduced by an amount equal to  
13 the amount equal to the amount raised in qualifying contributions after the  
14 day of the primary. For purposes of this subsection, "campaign-related  
15 expenditures" does not include loan repayments and contributions to a  
16 candidate, political committee, or political party. For purposes of this  
17 subsection, expenditures are made in the general election if they are required  
18 to be reported on the third and fourth quarterly reports.

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

27 **"§ 163-278.99A. Reporting requirements.**

28 (a) Reporting by Noncertified Candidates and Other Entities. – Any nonparticipating  
29 candidate with a certified opponent shall report total contributions received to the Board by  
30 facsimile machine or electronically within 24 hours after the total amount of contributions  
31 received exceeds eighty percent (80%) of the trigger for matching funds as defined in  
32 G.S. 163-278.96(17). Any entity making independent expenditures in support of or in  
33 opposition to a certified candidate, or in support of a candidate opposing a certified candidate,  
34 or paying for electioneering communications referring to one of those candidates, shall report  
35 the total funds received, spent, or obligated for those expenditures or payments to the Board by  
36 facsimile machine or electronically within 24 hours after the total amount of expenditures or  
37 obligations made, or funds raised or borrowed, for the purpose of making the independent  
38 expenditures or electioneering communications exceeds five thousand dollars (\$5,000). After  
39 the initial 24-hour filing, the nonparticipating candidate or other reporting entity shall comply  
40 with an expedited reporting schedule. The schedule and forms for reports required by this  
41 subsection shall ~~be~~ be supplied by the Board.

42 (b) Reporting by Participating and Certified Candidates. – Notwithstanding other  
43 provisions of law, participating and certified candidates shall report any money received and all  
44 campaign expenditures, obligations, and related activities to the Board according to procedures  
45 developed by the Board. Upon the filing of a final report for any losing primary election,  
46 special election, or general election, each candidate who has revenues from the Fund remaining  
47 unspent shall return those revenues to the Board. In developing these procedures, the Board  
48 shall utilize existing campaign reporting procedures wherever practicable.

49 (c) Timely Access to Reports. – The Board shall ensure prompt public access to the  
50 reports received in accordance with this Article. The Board may utilize electronic means of  
51 reporting and storing information.

1 **"§ 163-278.99B. Matching funds.**

2 (a) When Matching Funds Become Available. – When any report or group of reports  
3 shows that "funds in opposition to a certified candidate or in support of an opponent to that  
4 candidate" as described in this section exceed the trigger for matching funds as defined in  
5 G.S. 163-278.96(17), the Board shall issue immediately to that certified candidate an additional  
6 amount equal to the reported excess within the limits set forth in this section. "Funds in  
7 opposition to a certified candidate or in support of an opponent to that candidate" shall be equal  
8 to the sum of subdivisions (1) and (2) as follows:

9 (1) The greater of the following:

10 a. Campaign expenditures or obligations made, or funds raised or  
11 borrowed, whichever is greater, reported by any one nonparticipating  
12 opponent of a certified candidate. Where a certified candidate has  
13 more than one nonparticipating opponent, the measure shall be taken  
14 from the nonparticipating candidate showing the highest relevant  
15 dollar amount.

16 b. The funds distributed in accordance with G.S. 163-278.99(b) to a  
17 certified opponent of the certified candidate.

18 (2) The aggregate total of all expenditures and payments reported in accordance  
19 with G.S. 163-278.99A(a) of entities making independent expenditures or  
20 electioneering communications in opposition to the certified candidate or in  
21 support of any opponent of that certified candidate.

22 (b) Limit on Matching Funds in Contested Primary. Before Date of Primary. – Total  
23 matching funds to a certified candidate ~~in a contested~~ before the date of the primary shall be  
24 limited to an amount equal to the maximum qualifying contributions for a candidate with a  
25 contested primary. Matching funds are available to a certified candidate with an opponent in  
26 the primary or to a certified candidate who is clearly referred to in expenditures reportable  
27 under G.S. 163-278.99A made in opposition to that candidate.

28 (c) Limit on Matching Funds in Contested General Election. – Total matching funds to  
29 a certified candidate in a contested general election shall be limited to an amount equal to two  
30 times the amount described in G.S. 163-278.99(b)(4).

31 (d) Determinations by Board. – In the case of electioneering communications, the  
32 Board shall determine which candidate, if any, is entitled to receive matching funds as a result  
33 of the communication. The Board shall issue matching funds based on the communication only  
34 if it ascertains that the communication is susceptible of no reasonable interpretation other than  
35 as an appeal to vote for or against a specific candidate. In making its determination, the Board  
36 shall not consider evidence external to the communication itself of the intent of the sponsor or  
37 the effect of the communication. The Board shall notify each candidate it determines is entitled  
38 to receive matching funds based on those communications, the sponsor of those  
39 communications, and any candidate who is an opponent of the candidate it determines is  
40 entitled to the matching funds. The Board shall give the sponsor of the communication and any  
41 opposing candidate an adequate opportunity to rebut the determination of the Board. In  
42 considering the rebuttal, all candidates in the race and the sponsor shall be given adequate and  
43 equal opportunity to be heard. The Board shall adopt procedures for implementing this  
44 subsection, balancing in those procedures adequacy of opportunity to rebut and adequacy and  
45 equality of opportunity to be heard on the rebuttal with the need to expedite the decision on  
46 awarding matching funds. The Board shall distribute the matching funds, if any, at the  
47 conclusion of its process.

48 (e) Proportional Measuring of Multicandidate Communications. – In calculating the  
49 amount of matching funds a certified candidate is eligible to receive under this section, the  
50 Board shall include the proportion of expenditures, obligations, or payments for multicandidate  
51 communications that pertains to the candidate.

1       (f)     No Matching Funds for Communications Supporting or Opposing All Candidates. –  
2 No matching funds are available under this section as a result of a communication that supports  
3 all candidates for the same office or opposes all candidates for the same office.

4 **"§ 163-278.99C. Unaffiliated and new-party candidates.**

5       Unaffiliated candidates certified pursuant to G.S. 163-122 and new-party candidates  
6 certified pursuant to G.S. 163-98 shall be eligible for revenues from the Fund in the same  
7 amounts and at the same time as specified in G.S. 163-278.99. For unaffiliated candidates and  
8 new-party candidates not certified to appear on the ballot by noon on the deadline set in  
9 G.S. 163-106(c) for candidate filing in the election year, the deadline for seeking certification  
10 to receive revenue from the Fund is noon on the first business day of July of the election year.

11 **"§ 163-278.99D. Enforcement by the Board; civil penalty.**

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

23 **"§ 163-278.99D.1. Enforcement and administration.**

24       (a)     Enforcement by the Board. – The Board, with the advice of the Advisory Council  
25 for the Public Campaign Fund established by G.S. 163-278.68, shall administer the provisions  
26 of this Article.

27       (b)     Appeals. – The initial decision on an issue concerning qualification, certification, or  
28 distribution of funds under this Article shall be made by the Executive Director of the Board.  
29 The procedure for challenging that decision is as follows:

30           (1)     An individual or entity aggrieved by a decision by the Executive Director of  
31 the Board may appeal to the full Board within three business days of the  
32 decision. The appeal shall be in writing and shall set forth the reasons for the  
33 appeal.

34           (2)     Within five business days after an appeal is properly made, and after due  
35 notice is given to the parties, the Board shall hold a hearing. The appellant  
36 has the burden of providing evidence to demonstrate that the decision of the  
37 Executive Director was improper. The Board shall rule on the appeal within  
38 three business days after the completion of the hearing.

39       (c)     Board to Adopt Procedures and Issue Opinions. – The Board shall adopt procedures  
40 and issue opinions to ensure effective administration of this Article. Such procedures and  
41 opinions shall include, but not be limited to, procedures for obtaining qualifying contributions,  
42 certification of candidates, addressing circumstances involving special elections, vacancies,  
43 recounts, withdrawals, or replacements, collection of revenues for the Fund, distribution of  
44 Fund revenue to certified candidates, return of unspent Fund disbursements, and compliance  
45 with this Article. The Board shall adopt procedures for the distribution of matching money that  
46 further the purpose and avoid the subversion of G.S. 163-278.99B. For races involving special  
47 elections, recounts, vacancies, withdrawals, or replacement candidates, the Board shall  
48 establish procedures for qualification, certification, disbursement of Fund revenues, and return  
49 of unspent Fund revenues. Where applicable, the Board shall adapt the provisions of  
50 G.S. 163-278.64A. The Board shall fulfill each of these duties in consultation with the  
51 Advisory Council on the Public Campaign Fund.



1       (d) Report to the Public. – The Advisory Council for the Public Campaign Fund shall  
2 issue a report by March 1, 2013, and every two years thereafter that evaluates and makes  
3 recommendations about the implementation of this Article and the feasibility of expanding its  
4 provisions to include other candidates for State office based on the experience of the Fund and  
5 the experience of similar programs in other states. The Advisory Council shall also evaluate  
6 and make recommendations regarding how to address activities that could undermine the  
7 purpose of this Article, including spending that appears to target candidates receiving money  
8 from the Fund but that does not meet the definition of "independent expenditures."

9 **"§ 163-278.99E. Voter education.**

10       (a) Voter Guide. – The Board shall publish a Voter Guide that explains the functions of  
11 office as defined in G.S. 163-278.96(12) and the laws concerning the election all 10 offices of  
12 the Council of State, the purpose and function of the Fund, and the laws concerning voter  
13 registration. The Board shall distribute the Guide to as many voting-age individuals in the State  
14 as practical, through a mailing to all residences or other means it deems effective. The State  
15 Board of Elections shall maintain a list of the addresses from which mailed Voter Guides are  
16 returned as undeliverable. That list shall be available for public inspection. The distribution  
17 shall occur no more than 28 days nor fewer than seven days before the one-stop voting period  
18 provided in G.S. 163-227.2 for the primary and no more than 28 days nor fewer than seven  
19 days before the one-stop voting period provided in G.S. 163-227.2 for the general election.

20       (b) Candidate Information. – The Voter Guide shall include information concerning all  
21 candidates for office as defined in G.S. 163-278.96(12), all 10 of the offices of the Council of  
22 State, as provided by those candidates according to a format provided to the candidates by the  
23 Board. The Board shall request information for the Guide from each candidate according to the  
24 following format:

25           (1) Place of residence.

26           (2) Education.

27           (3) Occupation.

28           (4) Employer.

29           (5) Previous elective offices held.

30           (6) ~~Endorsements, limited to 50 words.~~ Endorsements. Concerning  
31 endorsements, the Board shall send to the candidates instructions as follows:  
32 "In order to have an endorsement published, you must provide written  
33 confirmation to the Board from the endorsing person or organization that  
34 you received that person's or organization's endorsement."

35           (7) ~~Candidate statement, limited to 150 words.~~ Statement. Concerning that  
36 statement, the Board shall send to the candidates instructions as follows:  
37 "Your statement may include information such as your qualifications, your  
38 endorsements, why you would make a good elected official, what  
39 distinguishes you from your opponent(s), and any other information relevant  
40 to your candidacy. The State Board of Elections will reject any portion of  
41 any statement which it determines contains obscene, profane, or defamatory  
42 language. The candidate shall have three days to resubmit the candidate  
43 statement if the Board rejects a portion of the statement."

44 The entire entry for a candidate shall be limited to 250 words.

45       (c) Disclaimer. – The Voter Guide shall contain the following statement: "Statements  
46 by candidates do not express or reflect the opinions of the State Board of Elections."

47       (d) Relationship to the Judicial Voter Guide. – ~~The Board may~~ Whenever possible, the  
48 Board shall publish the Voter Guide in conjunction with the Judicial Voter Guide described in  
49 G.S. 163-278.69."

50       **SECTION 2.** The provisions of this act are severable. If any provision of this act is  
51 held invalid by a court of competent jurisdiction, the invalidity does not affect other provisions

1 of the act that can be given effect without the invalid provision.

2           **SECTION 3.** Except as otherwise provided in this act, this act is effective when it

3 becomes law.