

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 388
Committee Substitute Favorable 5/16/23

Short Title: Campaign Contribution/Expenditure Thresholds.

(Public)

Sponsors:

Referred to:

March 20, 2023

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE THRESHOLD FOR CASH CAMPAIGN CONTRIBUTIONS
AND EXPENDITURES FROM FIFTY DOLLARS TO ONE HUNDRED DOLLARS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 163-278.8(d) reads as rewritten:

"(d) All expenditures for nonmedia expenses (except postage) of more than ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00) shall be made by a verifiable form of payment. The State Board of Elections shall prescribe methods to ensure an audit trail for every expenditure so that the identity of each payee can be determined. All expenditures for nonmedia expenses of ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00) or less may be made by check or by cash payment. All nonmedia expenditures of more than ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00) shall be accounted for and reported individually and separately with a specific description to provide a reasonable understanding of the expenditure, but expenditures of ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00) or less may be accounted for and reported in an aggregated amount, but in that case the treasurer shall account for and report that the treasurer made expenditures of ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00) or less each, the amounts, dates, and the purposes for which made. In the case of a nonmedia expenditure required to be accounted for individually and separately with a specific description to provide a reasonable understanding of the expenditure by this subsection, if the expenditure was to an individual, the report shall list the name and address of the individual."

SECTION 2. G.S. 163-278.8A(b) reads as rewritten:

"(b) Exempt Purchase Price. – A purchase price for goods or services sold by a political party executive committee or affiliated party committee qualifies for the exemption provided in subsection (a) of this section as long as the sale of the goods or services adheres to a plan that the treasurer has submitted to and that has been approved in writing by the Executive Director of the State ~~Board of Elections.~~ Board. The Executive Director shall approve the treasurer's plan upon and only upon finding that all the following requirements are satisfied:

- (1) That the price to be charged for the goods or services is reasonably close to the market price for the goods or services.
- (2) That the total amount to be raised from sales under all plans by the committee does not exceed twenty thousand dollars (\$20,000) per election cycle.
- (3) That no purchaser makes total purchases under the plan that exceed ~~fifty dollars~~ ~~(\$50.00)~~ one hundred dollars (\$100.00).
- (4) That the treasurer include in the report under G.S. 163-278.11, covering the relevant time period, all of the following:
 - a. A description of the plan.



1 b. The amount raised from sales under the plan.

2 c. The number of purchases made.

3 (5) That the treasurer shall include in the appropriate report under
4 G.S. 163-278.11 any in-kind contribution made to the political party in
5 providing the goods or services sold under the plan and that no in-kind
6 contribution accepted as part of the plan violates any provision of this Article.

7 The Executive Director may require a format for submission of a plan, but that format shall
8 not place undue paperwork burdens upon the treasurer. As used in this subdivision, the term
9 "election cycle" has the same meaning as in G.S. 163-278.6(32)."

10 **SECTION 3.** G.S. 163-278.11(b) reads as rewritten:

11 "(b) Threshold for Reporting Identity of Contributor. – A treasurer shall not be required
12 to report the name, address, or principal occupation of any individual who contributes ~~fifty dollars~~
13 ~~(\$50.00)~~ one hundred dollars (\$100.00) or less to the treasurer's committee during an election as
14 defined in G.S. 163-278.13. The State Board of Elections shall provide on its reporting forms for
15 the reporting of contributions below that threshold. On those reporting forms, the State Board
16 may require date and amount of contributions below the threshold, but may treat differently for
17 reporting purposes contributions below the threshold that are made in different modes and in
18 different settings."

19 **SECTION 4.** G.S. 163-278.14 reads as rewritten:

20 "**§ 163-278.14. No contributions in names of others; no anonymous contributions;**
21 **contributions in excess of fifty-one hundred dollars; no contribution without**
22 **specific designation of contributor.**

23 ...

24 (b) No entity shall make, and no candidate, committee or treasurer shall accept, any
25 monetary contribution in excess of ~~fifty dollars (\$50.00)~~ one hundred dollars (\$100.00) unless
26 such contribution is in the form of a check, draft, money order, credit card charge, debit, or other
27 noncash method that can be subject to written verification. No contribution in the form of check,
28 draft, money order, credit card charge, debits, or other noncash method may be made or accepted
29 unless it contains a specific designation of the intended contributee chosen by the contributor.
30 The State Board may prescribe guidelines as to the reporting and verification of any method of
31 contribution payment allowed under this Article. For contributions by money order, the State
32 Board of Elections shall prescribe methods to ensure an audit trail for every contribution so that
33 the identity of the contributor can be determined. For a contribution made by credit card, the
34 credit card account number of a contributor is not a public record.

35"

36 **SECTION 5.** G.S. 163-278.310(1) reads as rewritten:

37 "(1) Legal expense donations. – The name and complete mailing address of each
38 donor, the amount of the legal expense donation, the principal occupation of
39 the donor, and the date the legal expense donation was received. The total sum
40 of all legal expense donations to date shall also be plainly exhibited. The
41 treasurer is not required to report the name of any donor making a total legal
42 expense donation of ~~fifty dollars (\$50.00)~~ one hundred dollars (\$100.00) or
43 less in a calendar quarter, but shall instead report the fact that the treasurer has
44 received a total legal expense donation of ~~fifty dollars (\$50.00)~~ one hundred
45 dollars (\$100.00) or less, the amount of the legal expense donation, and the
46 date of receipt."

47 **SECTION 6.** G.S. 163-278.316(a) reads as rewritten:

48 "(a) No entity shall make, and no treasurer shall accept, any monetary legal expense
49 donation in excess of ~~fifty dollars (\$50.00)~~ one hundred dollars (\$100.00) unless such legal
50 expense donation is in the form of a check, draft, money order, credit card charge, debit, or other
51 noncash method that can be subject to written verification. No legal expense donation in the form

1 of check, draft, money order, credit card charge, debit, or other noncash method may be made or
2 accepted unless it contains a specific designation of the intended donee chosen by the donor."
3 **SECTION 7.** This act is effective when it becomes law and applies to contributions
4 received on or after that date and expenditures made on or after that date.