

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B. 636
Apr 13, 2015
HOUSE PRINCIPAL CLERK

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HOUSE DRH10257-LU-76 (03/10)

Short Title: Challenge Citizens United.

(Public)

Sponsors: Representatives Insko and Harrison (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING FOR STOCKHOLDER VOTE ON CERTAIN CORPORATE
3 INDEPENDENT EXPENDITURES AND ELECTIONEERING COMMUNICATIONS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Part 1 of Article 22A of Chapter 163 of the General Statutes is
6 amended by adding a new section to read:

7 "§ 163-278.12D. Require stockholder vote on independent expenditures and
8 electioneering communications.

9 (a) A corporation may not use any money or other property of the corporation in
10 connection with an independent expenditure or electioneering communication unless the
11 stockholders of the corporation, by the affirmative vote of a majority of all votes entitled to be
12 cast, have done the following:

13 (1) Authorized in advance the total amount of money or property that may be
14 used for all independent expenditures or electioneering communications
15 during a specific fiscal year of the corporation.

16 (2) Directed that the money or property be used for an independent expenditure
17 or electioneering communication relating to the following:

18 a. A specified candidate.

19 b. A candidate of a specified political party.

20 c. A specified political party.

21 d. A specified political committee.

22 e. A specified entity exempt from taxation under section 501(c)(4) or
23 (6) of the Internal Revenue Code.

24 f. A specified question.

25 (b) Stockholder consideration of independent expenditures or electioneering
26 communications shall occur at an annual or special meeting of the stockholders.

27 (c) In addition to the reporting requirements of G.S. 163-278.12 and G.S. 163-278.12C,
28 within 48 hours after making an independent expenditure or electioneering communication, a
29 corporation shall do the following:

30 (1) Give notice of the independent expenditure or electioneering communication
31 by electronic transmission to each stockholder who has requested notice.

32 (2) If the corporation maintains a Web site, post notice of the independent
33 expenditure or electioneering communication on the Web site.

34 The notice required by this subsection shall state the amount, recipient, date, and purpose of the
35 independent expenditure or electioneering communication.



1 (d) The annual report of the corporation shall contain a list of all independent
2 expenditures or electioneering communications made by the corporation during the reporting
3 period, including the amount, recipient, date, and purpose of each independent expenditure or
4 electioneering communication."

5 **SECTION 2.** This act becomes effective October 1, 2015.