

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 478

Short Title: Restore Confidence in the Legislature Act. (Public)

Sponsors: Representatives Blust; Blackwood, Cleveland, Current, Daughtry, Dockham, Dollar, Folwell, Frye, Gulley, Hilton, Killian, Lewis, Moore, Samuelson, Setzer, Starnes, Thomas, Walend, and Wiley.

Referred to: Judiciary I, if favorable, Election Law and Campaign Finance Reform.

March 6, 2007

A BILL TO BE ENTITLED

AN ACT TO MAKE REFORMS TO THE STATE GOVERNMENT ETHICS ACT, LOBBYING LAWS, CAMPAIGN FINANCE LAWS, AND THE LEGISLATIVE BUDGETARY PROCESS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 163-278.6 is amended by adding a new subdivision to read:

**"§ 163-278.6. Definitions.**

When used in this Article:

...

(5a) The term 'Constitutional officers of the State' means officers whose offices are established in Article III of the Constitution.

..."

**SECTION 1.(b)** Article 22A of Chapter 163 of the General Statutes is amended by adding a new section to read:

**"§ 163-278.13C. Limitation on contributions by registered lobbyists.**

(a) No lobbyist registered under Chapter 120C of the General Statutes shall do any of the following:

(1) Make or offer to make a contribution to a legislator, executive branch official, or candidate campaign committee.

(2) Make a contribution to any candidate, officeholder, or political committee, directing or requesting that the contribution be made in turn to a legislator, executive branch official, or candidate campaign committee.

(3) Transfer any amount of money or anything of value to any entity, directing or requesting that the entity use what was transferred to

- 1                    contribute to a legislator, executive branch official, or candidate
- 2                    campaign committee.
- 3            (4)    Solicit a contribution from any individual, political committee, or other
- 4                    entity on behalf of a legislator, executive branch official, or candidate
- 5                    campaign committee. This subdivision does not apply to a registered
- 6                    lobbyist soliciting a contribution on behalf of a political party
- 7                    executive committee if the solicitation is solely for a separate
- 8                    segregated fund kept by the political party limited to use for activities
- 9                    that are not candidate-specific, including generic voter registration and
- 10                   get-out-the-vote efforts, pollings, mailings, and other general activities
- 11                   and advertising that do not refer to a specific individual candidate.
- 12            (5)    Deliver any contribution made by another to a legislator, executive
- 13                    branch official, or candidate campaign committee.
- 14            (b)    No legislator, executive branch official, or candidate campaign committee or
- 15                   the real or purported agent of that legislator, executive branch official, or candidate
- 16                   campaign committee shall do any of the following:
- 17                    (1)    Solicit a contribution from a lobbyist registered under Chapter 120C of
- 18                    the General Statutes.
- 19                    (2)    Solicit a third party, requesting or directing that the third party directly
- 20                    or indirectly solicit a contribution from a lobbyist registered under
- 21                    Chapter 120C of the General Statutes or relay to the lobbyist registered
- 22                    under Chapter 120C of the General Statutes the legislator's, executive
- 23                    branch official's, or candidate campaign committee's solicitation of a
- 24                    contribution.
- 25                    (3)    Accept a contribution from a lobbyist registered under Chapter 120C
- 26                    of the General Statutes.
- 27            (c)    It shall not be deemed a violation of this section for a legislator or executive
- 28                   branch official to serve on a board or committee of an organization that makes a
- 29                   solicitation of a lobbyist registered under Chapter 120C of the General Statutes as long
- 30                   as that legislator or executive branch official does not directly participate in the
- 31                   solicitation and that legislator or executive branch official does not directly benefit from
- 32                   the solicitation.
- 33            (d)    This section shall not prohibit a lobbyist registered under Chapter 120C of the
- 34                   General Statutes from advising any of the following with regard to contributions to a
- 35                   legislator, executive branch official, or candidate campaign committee:
- 36                    (1)    A political committee that employs or contracts with, or whose parent
- 37                    entity employs or contracts with, that lobbyist.
- 38                    (2)    Individual members of a political committee described in subdivision
- 39                    (1) of this subsection.
- 40                    (3)    The lobbyist's principal as defined in G.S. 120C-100.
- 41            (e)    This section shall not apply to a lobbyist filing a notice of candidacy for
- 42                   office as a member of the General Assembly or a Constitutional officer of the State
- 43                   making a contribution to that lobbyist.
- 44            (f)    As used in this section, the following terms mean:

(1) Candidate campaign committee. – As defined in G.S. 163-278.38Z, and that candidate has filed a notice of candidacy for office as a member of the General Assembly or a Constitutional officer of the State.

(2) Executive branch official. – As defined in G.S. 138A-3(30)a.

(3) Legislator. – As defined in G.S. 120C-100.

(g) A violation of this section is punishable by a civil fine in accordance with G.S. 163-278.34 only."

**SECTION 2.** G.S. 163-278.16B(a) reads as rewritten:

"(a) A candidate or candidate campaign committee may use contributions only for the following purposes:

(1) Expenditures resulting from the campaign for public office by the candidate or candidate's campaign committee.

(2) Expenditures resulting from holding public office.

(3) Contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986 (26 U.S.C. § 170(c)), provided that the candidate or the candidate's spouse, children, parents, brothers, or sisters are not employed by the organization.

(4) Contributions no more than four thousand dollars (\$4,000) per election cycle to a national, State, ~~or district~~ district, or county committee of a political party or a caucus of ~~the~~ a political party.

(5) Contributions to another candidate or candidate's campaign committee.

(6) To return all or a portion of a contribution to the contributor.

(7) Payment of any penalties against the candidate or candidate's campaign committee for violation of this Article imposed by a board of elections or a court of competent jurisdiction.

(8) Payment to the Escheat Fund established by Chapter 116B of the General Statutes."

**SECTION 3.(a)** G.S. 138A-10(a) is amended by adding a new subdivision to read:

"(5a) Send recommendations for punishment of legislators and legislative employees to the Committee."

**SECTION 3.(b)** G.S. 138A-12 reads as rewritten:

**"§ 138A-12. Inquiries by the Commission.**

(a) Jurisdiction. – The Commission may receive complaints alleging unethical conduct by covered persons and legislative employees and shall conduct inquiries of complaints alleging unethical conduct by covered persons and legislative employees, as set forth in this section.

(b) Institution of Proceedings. – On its own motion, in response to a signed and sworn complaint of any individual filed with the Commission, or upon the written request of any public servant or any person responsible for the hiring, appointing, or supervising of a public servant, the Commission shall conduct an inquiry into any of the following:

(1) The application or alleged violation of this Chapter.

1           (2) For legislators, the application of alleged violations of Part 1 of Article  
2           14 of Chapter 120 of the General Statutes.  
3           (3) An alleged violation of the criminal law by a covered person in the  
4           performance of that individual's official duties.  
5           (4) An alleged violation of G.S. 126-14.  
6 Allegations of violations of the Code of Judicial Conduct shall be referred to the  
7 Judicial Standards Commission without investigation.

8       (c) Complaint. –

- 9           (1) A sworn complaint filed under this Chapter shall state the name,  
10          address, and telephone number of the person filing the complaint, the  
11          name and job title or appointive position of the person against whom  
12          the complaint is filed, and a concise statement of the nature of the  
13          complaint and specific facts indicating that a violation of this Chapter  
14          or Chapter 120 of the General Statutes has occurred, the date the  
15          alleged violation occurred, and either (i) that the contents of the  
16          complaint are within the knowledge of the individual verifying the  
17          complaint, or (ii) the basis upon which the individual verifying the  
18          complaint believes the allegations to be true.  
19          (2) Except as provided in subsection (d) of this section, a complaint filed  
20          under this Chapter must be filed within two years of the date the  
21          complainant knew or should have known of the conduct upon which  
22          the complaint is based.  
23          (3) The Commission may decline to accept, refer, or conduct an inquiry  
24          into any complaint that does not meet all of the requirements set forth  
25          in subdivision (1) of this subsection, or the Commission may, in its  
26          sole discretion, request additional information to be provided by the  
27          complainant within a specified period of time of no less than seven  
28          business days.  
29          (4) In addition to subdivision (3) of this subsection, the Commission may  
30          decline to accept, refer, or conduct an inquiry into a complaint if it  
31          determines that any of the following apply:  
32               a. The complaint is frivolous or brought in bad faith.  
33               b. The individuals and conduct complained of have already been  
34               the subject of a prior complaint.  
35               c. The conduct complained of is primarily a matter more  
36               appropriately and adequately addressed and handled by other  
37               federal, State, or local agencies or authorities, including law  
38               enforcement authorities. If other agencies or authorities are  
39               conducting an investigation of the same actions or conduct  
40               involved in a complaint filed under this section, the  
41               Commission may stay its complaint inquiry pending final  
42               resolution of the other investigation.

1 (5) The Commission shall send a copy of the complaint to the covered  
2 person or legislative employee who is the subject of the complaint and  
3 the employing entity, within 30 days of the filing.

4 (d) Conduct of Inquiry of Complaints by the Commission. – The Commission  
5 shall conduct an inquiry into all complaints properly before the Commission in a timely  
6 manner. The Commission shall initiate an inquiry into a complaint within 60 days of the  
7 filing of the complaint. The Commission is authorized to initiate inquiries upon request  
8 of any member of the Commission if there is reason to believe that a covered person or  
9 legislative employee has or may have violated this Chapter. Commission-initiated  
10 complaint inquiries under this section shall be initiated within two years of the date the  
11 Commission knew of the conduct upon which the complaint is based, except when the  
12 conduct is material to the continuing conduct of the duties in office. In determining  
13 whether there is reason to believe that a violation has or may have occurred, a member  
14 of the Commission may take general notice of available information even if not  
15 formally provided to the Commission in the form of a complaint. The Commission may  
16 utilize the services of a hired investigator when conducting inquiries.

17 (e) Covered Person and Legislative Employees Cooperation With Inquiry. –  
18 Covered persons and legislative employees shall promptly and fully cooperate with the  
19 Commission in any Commission-related inquiry. Failure to cooperate fully with the  
20 Commission in any inquiry shall be grounds for sanctions as set forth in G.S. 138A-45.

21 (f) Dismissal of Complaint After Preliminary Inquiry. – If the Commission  
22 determines at the end of its preliminary inquiry that (i) the individual who is the subject  
23 of the complaint is not a covered person or legislative employee subject to the  
24 Commission's jurisdiction and authority under this Chapter, or (ii) the complaint does  
25 not allege facts sufficient to constitute a violation of this Chapter, the Commission shall  
26 dismiss the complaint.

27 (g) Commission Inquiries. – If at the end of its preliminary inquiry, the  
28 Commission determines to proceed with further inquiry into the conduct of a covered  
29 person or legislative employee, the Commission shall provide written notice to the  
30 individual who filed the complaint and the covered person or legislative employee as to  
31 the fact of the inquiry and the charges against the covered person or legislative  
32 employee. The covered person or legislative employee shall be given an opportunity to  
33 file a written response with the Commission.

34 (h) Action on Inquiries. – The Commission shall conduct inquiries into  
35 complaints to the extent necessary to either dismiss the complaint for lack of probable  
36 cause of a violation under this section, or:

37 (1) For public ~~servants~~, servants, legislators, and legislative employees  
38 decide to proceed with a hearing under subsection (i) of this section.

39 ~~(2) For legislators, except the Lieutenant Governor, refer the complaint to~~  
40 ~~the Committee.~~

41 ~~(3)~~(2) For judicial officers, refer the complaint to the Judicial Standards  
42 Commission for complaints against justices and judges, to the senior  
43 resident superior court judge of the district or county for complaints

- 1 against district attorneys, or to the chief district court judge for the  
2 district or county for complaints against clerks of court.
- 3 (4) ~~For legislative employees, refer the complaint to the employing entity.~~  
4 (i) Hearing. –  
5 (1) The Commission shall give full and fair consideration to all complaints  
6 received against a public ~~servant~~servant, legislator, or legislative  
7 employee. If the Commission determines that the complaint cannot be  
8 resolved without a hearing, or if the public ~~servant~~servant, legislator,  
9 or legislative employee requests a hearing, a hearing shall be held.
- 10 (2) The Commission shall send a notice of the hearing to the complainant,  
11 and the public ~~servant~~servant, legislator, or legislative employee. The  
12 notice shall contain the time and place for a hearing on the matter,  
13 which shall begin no less than 30 days and no more than 90 days after  
14 the date of the notice.
- 15 (3) The Commission shall make available to the public ~~servant~~servant,  
16 legislator, or legislative employee prior to a hearing all relevant  
17 information collected by the Commission in connection with its  
18 investigation of a complaint.
- 19 (4) At any hearing held by the Commission:  
20 a. Oral evidence shall be taken only on oath or affirmation.  
21 b. The hearing shall be held in closed session unless the public  
22 ~~servant~~servant, legislator, or legislative employee requests that  
23 the hearing be held in open session. In any event, the  
24 deliberations by the Commission on a complaint may be held in  
25 closed session.  
26 c. The public ~~servant~~servant, legislator, or legislative employee  
27 being investigated shall have the right to present evidence, call  
28 and examine witnesses, cross-examine witnesses, introduce  
29 exhibits, and be represented by counsel.
- 30 (j) Settlement of Inquiries. – The public ~~servant~~servant, legislator, or legislative  
31 employee who is the subject of the complaint and the staff of the Commission may meet  
32 by mutual consent before the hearing to discuss the possibility of settlement of the  
33 inquiry or the stipulation of any issues, facts, or matters of law. Any proposed  
34 settlement of the inquiry is subject to the approval of the Commission.
- 35 (k) Disposition of Inquiries. – After hearing, the Commission shall dispose of the  
36 matter in one or more of the following ways:  
37 (1) If the Commission finds substantial evidence of an alleged violation of  
38 a criminal statute, the Commission shall refer the matter to the  
39 Attorney General for investigation and referral to the district attorney  
40 for possible prosecution.  
41 (2) If the Commission finds that the alleged violation is not established by  
42 clear and convincing evidence, the Commission shall dismiss the  
43 complaint.

- 1 (3) If the Commission finds that the alleged violation of this Chapter is  
2 established by clear and convincing evidence, the Commission shall do  
3 one or more of the following:
- 4 a. Issue a private admonishment to the public servant and notify  
5 the employing entity, if applicable. Such notification shall be  
6 treated as part of the personnel record of the public servant.
  - 7 b. Refer the matter for appropriate action to the Governor and the  
8 employing entity that appointed or employed the public servant  
9 or of which the public servant is a member.
  - 10 c. Refer the matter for appropriate action to the Chief Justice for  
11 judicial employees.
  - 12 d. Refer the matter to the Principal Clerks of the House of  
13 Representatives and Senate of the General Assembly for  
14 constitutional officers of the State.
  - 15 e. Refer the matter for appropriate action to the principal clerk of  
16 the house of the General Assembly that elected the public  
17 servant for members of the Board of Governors.
  - 18 f. Issue recommendations for punishment of the legislator or  
19 legislative employee under subsection (o) of this section and  
20 refer the matter to the Committee.

21 (l) Notice of Dismissal. – Upon the dismissal of a complaint under this section,  
22 the Commission shall provide written notice of the dismissal to the individual who filed  
23 the complaint and the person against whom the complaint was filed. The Commission  
24 shall forward copies of complaints and notices of dismissal of complaints against  
25 legislators to the Committee, against legislative employees to the employing entity for  
26 legislative employees, and against judicial officers to the Judicial Standards  
27 Commission for complaints against justices and judges, and the senior resident superior  
28 court judge of the district or county for complaints against district attorneys, or the chief  
29 district court judge of the district or county for complaints against clerks of court.

30 (m) Reports and Records. – The Commission shall render the results of its inquiry  
31 in writing. When a matter is referred under subdivision (h)(2) ~~and (3)~~, or subsection (k)  
32 of this section, the Commission's report shall consist of the complaint, response, and  
33 detailed results of its inquiry in support of the Commission's finding of a violation under  
34 this Chapter.

35 (n) Confidentiality. – Complaints and responses filed with the Commission and  
36 reports and other investigative documents and records of the Commission connected to  
37 an inquiry under this section shall be confidential and not matters of public record,  
38 except when the covered person or legislative employee under inquiry requests in  
39 writing that the records and findings be made public prior to the time the employing  
40 entity imposes public sanctions. At such time as public sanctions are imposed on a  
41 covered person, the complaint, response, and Commission's report to the employing  
42 entity shall be made public.

43 (o) Recommendations of Sanctions. – After referring a matter under subsection  
44 (k) of this section, if requested by the entity to which the matter was referred, the

1 Commission may recommend sanctions or issue rulings as it deems necessary or  
2 appropriate to protect the public interest and ensure compliance with this Chapter. In  
3 recommending appropriate sanctions, the Commission may consider the following  
4 factors:

- 5 (1) The public servant's prior experience in an agency or on a board and  
6 prior opportunities to learn the ethical standards for a public servant as  
7 set forth in Article 4 of this Chapter, including those dealing with  
8 conflicts of interest.
- 9 (2) The number of ethics violations.
- 10 (3) The severity of the ethics violations.
- 11 (4) Whether the ethics violations involve the public ~~servant's~~servant's,  
12 legislator's, or legislative employee's financial interests or arise from  
13 an appearance of conflict of interest.
- 14 (5) Whether the ethics violations were inadvertent or intentional.
- 15 (6) Whether the public ~~servant~~servant, legislator, or legislative employee  
16 knew or should have known that the improper conduct was a violation  
17 of this Chapter.
- 18 (7) Whether the public ~~servant~~servant, legislator, or legislative employee  
19 has previously been advised or warned by the Commission.
- 20 (8) Whether the conduct or situation giving rise to the ethics violation was  
21 pointed out to the public ~~servant~~servant, legislator, or legislative  
22 employee in the Commission's Statement of Economic Interest  
23 evaluation letter issued under G.S. 138A-24(e).
- 24 (9) The public ~~servant's~~servant's, legislator's, or legislative employee's  
25 motivation or reason for the improper conduct or action, including  
26 whether the action was for personal financial gain versus protection of  
27 the public interest.

28 In making recommendations under this subsection, if the Commission determines,  
29 after proper review and investigation, that sanctions are appropriate, the Commission  
30 may recommend any action it deems necessary to properly address and rectify any  
31 violation of this Chapter by a public ~~servant~~servant or legislator, including removal of  
32 the public servant from the public servant's State position. Nothing in this subsection is  
33 intended, and shall not be construed, to give the Commission any independent civil,  
34 criminal, or administrative investigative or enforcement authority over covered persons,  
35 or other State employees or appointees.

36 (p) Authority of Employing Entity. – Any action or failure to act by the  
37 Commission under this Chapter, except G.S. 138A-13, shall not limit any authority of  
38 any of the applicable employing entities to discipline the covered person or legislative  
39 employee.

40 (q) Continuing Jurisdiction. – The Commission shall have continuing jurisdiction  
41 to investigate possible criminal violations of this Chapter for a period of one year  
42 following the date a person, who was formerly a public servant or legislative employee,  
43 ceases to be a public servant or legislative employee for any investigation that



1 commenced prior to the date the public servant or legislative employee ceases to be a  
2 public servant or legislative employee.

3 (r) Subpoena Authority. – The Commission may petition the Superior Court of  
4 Wake County for the approval to issue subpoenas and subpoenas duces tecum as  
5 necessary to conduct investigations of alleged violations of this Chapter. The court shall  
6 authorize subpoenas under this subsection when the court determines the subpoenas are  
7 necessary for the enforcement of this Chapter. Subpoenas issued under this subsection  
8 shall be enforceable by the court through contempt powers. Venue shall be with the  
9 Superior Court of Wake County for any person covered by this Chapter, and personal  
10 jurisdiction may be asserted under G.S. 1-75.4.

11 (s) Reports. – The number of complaints referred under this section shall be  
12 reported under G.S. 138A-10(a)(12).

13 (t) Concurrent Jurisdiction. – Nothing in this section shall limit the jurisdiction  
14 of the Committee or the Judicial Standards Commission with regards to legislative or  
15 judicial misconduct, and jurisdiction under this section shall be concurrent with the  
16 jurisdiction of the Committee and the Judicial Standards Commission."

17 **SECTION 3.(c)** G.S. 138A-8 reads as rewritten:

18 **"§ 138A-8. Meetings and quorum.**

19 The Commission shall meet at least quarterly and at other times as called by its chair  
20 or by four of its members. In the case of a vacancy in the chair, meetings may be called  
21 by the vice-chair. Five members of the Commission constitute a quorum. All meetings  
22 of the Commission shall be subject to Article 33C of Chapter 143 of the General  
23 Statutes."

24 **SECTION 4.** G.S. 120C-304 reads as rewritten:

25 **"§ 120C-304. Restrictions.**

26 (a) No legislator or former legislator may register as a lobbyist under this  
27 Chapter:

28 (1) While in office.

29 (2) Before the later of the close of the session in which the legislator  
30 served or six months after leaving office.

31 (b) No public servant or former public servant as defined in G.S. 138A-3(30)a.  
32 may register as a lobbyist while in office or within six months after leaving office.

33 (c) No person serving as a public servant as defined in G.S. 138A-3(30)c. may  
34 register as a lobbyist under this Chapter within six months after separation from  
35 employment.

36 (d) No individual registered as a lobbyist under this Chapter shall serve as a  
37 treasurer as defined in G.S. 163-278.6(19) or an assistant campaign treasurer for a  
38 political committee for the election of a member of the General Assembly or a  
39 Constitutional officer of the State.

40 (e) A lobbyist shall not be eligible for appointment by a State official to, or  
41 service on, any body created under the laws of this State that has regulatory authority  
42 over the activities of a person that the lobbyist currently represents or has represented  
43 within 120 days after the expiration of the lobbyist's registration representing that

1 person. Nothing herein shall be construed to prohibit appointment by any unit of local  
2 government.

3 (f) Any appointment or registration made in violation of this section shall be  
4 void.

5 (g) No legislator or agent of the legislator may knowingly influence or  
6 knowingly attempt to influence the selection of a lobbyist as defined in  
7 G.S. 120C-100(a)(10)b. or c."

8 **SECTION 5.(a)** G.S. 15A-622(h) is recodified as G.S. 15A-632(c).

9 **SECTION 5.(b)** G.S. 15A-623(h) is recodified as G.S. 15A-632(d).

10 **SECTION 5.(c)** G.S. 15A-632, as recodified by this act, reads as rewritten:

11 **"§ 15A-632. Investigative grand jury.**

12 (a) Allegations Subject to Investigation. – An investigative grand jury may be  
13 convened in accordance with this section to investigate an allegation regarding the  
14 commission or conspiracy of any of the following:

15 (1) The misdemeanor or felony offense of obstruction of justice (Common  
16 law offense).

17 (2) A violation of G.S. 14-7 (Murder) or G.S. 14-18 (Manslaughter).

18 (3) A violation of G.S. 14-90 (Embezzlement), G.S. 14-100 (False  
19 pretenses), G.S. 14-118.4 (Extortion), or G.S. 14-119 (Forgery).

20 (4) A violation of G.S. 14-190.6 through G.S. 14-190.8 or G.S. 14-190.14  
21 through G.S. 14-190.19 (Relating to the distribution of certain  
22 materials to minors, the use of a minor for obscene purposes, sexual  
23 exploitation of a minor, and the promotion of or participation in  
24 prostitution of a minor).

25 (5) A violation of G.S. 14-209 (Perjury) or G.S. 14-210 (Subornation of  
26 perjury).

27 (6) A violation of Article 29, 30, or 30A of Chapter 14 of the General  
28 Statutes (Relating to perjury, bribery of officials and jurors,  
29 obstructing justice, and secret listening), G.S. 14-228 (Relating to  
30 buying and selling of offices), G.S. 14-230 (Failing to discharge  
31 duties), G.S. 14-234 (Conflict of interest), or G.S. 14-234.1 (Misuse of  
32 confidential information).

33 (7) A violation of G.S. 14-254 (Corporate malfeasance).

34 (8) A violation of Article 37 of Chapter 14 of the General Statutes  
35 (Relating to lotteries, gaming, bingo, and raffles).

36 (9) A violation of G.S. 90-95(h) or G.S. 90-95.1 (Relating to controlled  
37 substances and continuing criminal enterprises).

38 (10) A violation of G.S. 136-13 (Malfeasance at Department of  
39 Transportation), G.S. 136-13.1 (Use of position to influence elections  
40 or political action), G.S. 136-13.2 (Falsifying highway inspection  
41 reports), G.S. 136-14 (Profiting from official position at Department of  
42 Transportation; misuse of confidential information by Board  
43 members).

1           (11) A violation of Article 20, 22, or 22A of Chapter 163 of the General  
2           Statutes (Relating to absentee ballots, corrupt practices and other  
3           offenses against the elective franchise, and regulation of contributions  
4           and expenditures in political campaigns).

5           (b) Appointment of Permanent Three-Judge Panel to Determine Whether to  
6           Convene Investigative Grand Jury. – Beginning July 1, 2005, and every two years  
7           thereafter, the Chief Justice shall appoint a permanent panel of three superior court  
8           judges to determine whether to order an investigative grand jury convened under this  
9           section. The panel of judges shall be appointed to serve for a term of two years. The  
10           Chief Justice shall fill any vacancy that occurs on the panel before the two-year term  
11           ends.

12           (c) Procedure For Determining Whether to Convene Investigative Grand Jury. –  
13           A written petition for convening of an investigative grand jury under this section may be  
14           filed by the district attorney, the district attorney's designated assistant, or a special  
15           prosecutor requested pursuant to G.S. 114-11.6, with the approval of a committee of at  
16           ~~least three members of the North Carolina Conference of District Attorneys, and with~~  
17           ~~the concurrence of the Attorney General, G.S. 114-11.6~~ with the Clerk of the North  
18           Carolina Supreme Court. ~~The Chief Justice shall appoint a panel of three judges to~~  
19           ~~determine whether to order the grand jury convened. The petition shall be forwarded to~~  
20           ~~the Chief Justice who shall refer the petition to the panel of three judges established~~  
21           ~~under subsection (b) of this section to determine whether to order the grand jury~~  
22           ~~convened. A grand jury~~An investigative grand jury under this section may be convened  
23           if the three-judge panel determines ~~that~~all of the following:

24           (1) The petition alleges the commission of or a conspiracy to commit a  
25           ~~violation of G.S. 90-95(h) or G.S. 90-95.1, any of the offenses listed in~~  
26           ~~subsection (a) of this section, any part of which violation or conspiracy~~  
27           ~~occurred in the county where the proposed investigative grand jury~~  
28           ~~sits, sits or will sit, and that persons named in the petition have~~  
29           ~~knowledge related to the identity of the perpetrators of those crimes~~  
30           ~~but will not divulge that knowledge voluntarily or that such persons~~  
31           ~~request that they be allowed to testify before the grand jury; and grand~~  
32           ~~jury.~~

33           (2) The affidavit sets forth facts that establish probable cause to believe  
34           that the crimes specified in the petition have been committed and  
35           reasonable grounds to suspect that the persons named in the petition  
36           have knowledge related to the identity of the perpetrators of those  
37           crimes.

38           The affidavit shall be based upon personal knowledge or, if the source of the  
39           information and basis for the belief are stated, upon information and belief. The panel's  
40           order convening the grand jury as an investigative grand jury shall direct the grand jury  
41           to investigate the crimes and persons named in the petition, and shall be filed with the  
42           Clerk of the North Carolina Supreme Court. A grand jury so convened retains all  
43           powers, duties, and responsibilities of a grand jury under this Article. The contents of  
44           the petition and the affidavit shall not be disclosed. ~~Upon receiving a petition under this~~

1 ~~subsection, the Chief Justice shall appoint a panel to determine whether the grand jury~~  
2 ~~should be convened as an investigative grand jury.~~

3 A grand jury authorized by this ~~subsection~~ section may be convened from an  
4 existing grand jury or grand juries authorized by ~~subsection (b) of this~~  
5 ~~section~~ G.S. 15A-622(b) or may be convened as an additional grand jury to an existing  
6 grand jury or grand juries. Notwithstanding ~~subsection (b) of this section,~~ G.S.  
7 15A-622(b), grand jurors impaneled pursuant to this ~~subsection~~ section shall serve for a  
8 period of 12 months, and, if an additional grand jury is convened, 18 persons shall be  
9 selected to constitute that grand jury. At any time for cause shown, the presiding  
10 superior court judge may excuse a juror temporarily or permanently, and in the latter  
11 event the court may impanel another person in place of the juror excused.

12 (d) Investigative Grand Jury Proceedings and Operations. – ~~If a grand jury an~~  
13 ~~investigative grand jury is convened pursuant to G.S. 15A-622(h), this section,~~  
14 ~~notwithstanding subsection (d) of this section,~~ G.S. 15A-623(d), a prosecutor shall be  
15 present to examine witnesses, and a court reporter shall be present and record the  
16 examination of witnesses. The record shall be transcribed. If the prosecutor determines  
17 that it is necessary to compel testimony from the witness, ~~he the prosecutor~~ may grant  
18 use immunity to the witness. The grant of use immunity shall be given to the witness in  
19 writing by the prosecutor and shall be signed by the prosecutor. The written grant of use  
20 immunity shall also be read into the record by the prosecutor and shall include an  
21 explanation of use immunity as provided in G.S. 15A-1051. A witness shall have the  
22 right to leave the grand jury room to consult with ~~his the witness's~~ counsel at reasonable  
23 intervals and for a reasonable period of time upon the request of the witness.  
24 Notwithstanding ~~subsection (e) of this section,~~ G.S. 15A-623(e), the record of the  
25 examination of witnesses shall be made available to the examining prosecutor, and ~~he~~  
26 the prosecutor may disclose contents of the record to other investigative or  
27 law-enforcement officers, the witness or ~~his the witness's~~ attorney to the extent that the  
28 disclosure is appropriate to the proper performance of ~~his the prosecutor's~~ official  
29 duties. The record of the examination of a witness may be used in a trial to the extent  
30 that it is relevant and otherwise admissible. Further disclosure of grand jury proceedings  
31 convened pursuant to this act may be made upon written order of a superior court judge  
32 if the judge determines disclosure is essential:

- 33 (1) To prosecute a witness who appeared before the grand jury for  
34 contempt or perjury; or  
35 (2) To protect a defendant's constitutional rights or statutory rights to  
36 discovery pursuant to G.S. 15A-903.

37 Upon the convening of the investigative grand jury pursuant to ~~approval by the~~  
38 ~~three judge panel,~~ this section, the district attorney shall subpoena the witnesses. The  
39 subpoena shall be served by the investigative grand jury officer, who shall be appointed  
40 by the court. The name of the person subpoenaed and the issuance and service of the  
41 subpoena shall not be disclosed, except that a witness so subpoenaed may divulge that  
42 information. The presiding superior court judge shall hear any matter concerning the  
43 investigative grand jury in camera to the extent necessary to prevent disclosure of its  
44 existence. The court reporter for the investigative grand jury shall be present and record

1 and transcribe the in camera proceeding. The transcription of any in camera proceeding  
2 and a copy of all subpoenas and other process shall be returned to the Chief Justice or to  
3 such member of the three-judge panel as the Chief Justice may designate, to be filed  
4 with the Clerk of the North Carolina Supreme Court. The subpoena shall otherwise be  
5 subject to the provisions of G.S. 15A-801 and Article 43 of Chapter 15A. When an  
6 investigative grand jury has completed its investigation of the crimes alleged in the  
7 petition, the investigative functions of the grand jury shall be dissolved and such  
8 investigation shall cease. The District Attorney shall file a notice of dissolution of the  
9 investigative functions of the grand jury with the Clerk of the North Carolina Supreme  
10 Court."

11 **SECTION 6.(a)** Subchapter VIII of Chapter 163 is amended to add a new  
12 Article to read:

13 "Article 22M.

14 "Legal Assistance Funds.

15 **"§ 163-278.300. Definitions.**

16 As used in this Article, the following terms mean:

- 17 (1) Board. – The State Board of Elections.  
18 (2) Contribution. – As defined in G.S. 163-278.6.  
19 (3) Elected officer. – Any individual holding elected office in this State.  
20 (4) Legal assistance fund. – Any collection of money for the purpose of  
21 funding a legal action, or a potential legal action, taken by or against  
22 an elected officer in that elected officer's official capacity.  
23 (5) Person. – An individual.  
24 (6) Treasurer. – An individual appointed by an elected officer or other  
25 person or group of persons collecting money for a legal assistance  
26 fund.

27 **"§ 163-278.301. Creation of legal assistance funds.**

28 (a) An elected official, or another person or group of persons on the elected  
29 official's behalf, may create a legal assistance fund.

30 (b) If a legal assistance fund is created, the legal assistance fund shall comply  
31 with all provisions of this Article.

32 (c) A violation of this Article shall be punishable as a Class 2 misdemeanor.

33 **"§ 163-278.302. Appointment of treasurer.**

34 (a) Each legal assistance fund shall appoint a treasurer and, under verification,  
35 report the name and address of the treasurer to the Board.

36 (b) Each appointed treasurer shall file with the Board at the time required by  
37 G.S. 163-278.9(a)(1), a statement of organization that includes the following:

- 38 (1) The name, address, and purpose of the legal assistance fund.  
39 (2) The names, addresses, and relationships of affiliated or connected  
40 elected officials, candidates, political committees, referendum  
41 committees, political parties, or similar organizations.  
42 (3) The name, address, and position with the legal assistance fund of the  
43 custodian of books and accounts.

- 1           (4) A listing of all banks, safety deposit boxes, or other depositories used,  
2 including the names and numbers of all accounts maintained and the  
3 numbers of all such safety deposit boxes used, provided that the Board  
4 shall keep any account number required by this Article confidential  
5 except as necessary to conduct an audit or investigation, except as  
6 required by a court of competent jurisdiction, or unless confidentiality  
7 is waived by the treasurer. Disclosure of an account number in  
8 violation of this subdivision shall not give rise to a civil cause of  
9 action. This limitation of liability does not apply to the disclosure of  
10 account numbers in violation of this subdivision as a result of gross  
11 negligence, wanton conduct, or intentional wrongdoing that would  
12 otherwise be actionable.
- 13           (5) The name or names and address or addresses of any assistant treasurers  
14 appointed by the treasurer. Such assistant treasurers shall be authorized  
15 to act in the name of the treasurer, who shall be fully responsible for  
16 any act or acts committed by an assistant treasurer, and the treasurer  
17 shall be fully liable for any violation of this Article committed by any  
18 assistant treasurer.
- 19           (6) Any other information which might be requested by the Board that  
20 deals with the legal assistance fund organization.

21           (c) Any change in information previously submitted in a statement of  
22 organization shall be reported to the Board within 10 calendar days following the  
23 change.

24           (d) A legal assistance fund may remove its treasurer. In case of the death,  
25 resignation, or removal of its treasurer before compliance with all obligations of a  
26 treasurer under this Article, such legal assistance fund shall appoint a successor within  
27 10 calendar days of the vacancy of such office and certify the name and address of the  
28 successor in the manner provided in the case of an original appointment.

29           (e) Every treasurer of a legal assistance fund shall receive training from the  
30 Board as to the duties of the office.

31 **"§ 163-278.303. Detailed accounts to be kept by political treasurers.**

32           (a) The treasurer of each legal assistance fund shall keep detailed accounts,  
33 current within not more than seven days after the date of receiving a contribution or  
34 making an expenditure, of all contributions received and all expenditures made by or on  
35 behalf of the legal assistance fund.

36           (b) Accounts kept by the treasurer of a legal assistance fund or the accounts of a  
37 treasurer or legal assistance fund at any bank or other depository may be inspected by a  
38 member, designee, agent, attorney, or employee of the Board who is making an  
39 investigation pursuant to G.S. 163-278.22.

40           (c) A treasurer shall not be required to report the name of any individual who is a  
41 resident of this State who makes a total contribution of fifty dollars (\$50.00) or less but  
42 shall instead report the fact that the treasurer has received a total contribution of fifty  
43 dollars (\$50.00) or less, the amount of the contribution, and the date of receipt. If a  
44 treasurer receives contributions of fifty dollars (\$50.00) or less, each at a single event,

1 the treasurer may account for and report the total amount received at that event, the date  
2 and place of the event, the nature of the event, and the approximate number of people at  
3 the event.

4 (d) With respect to the proceeds of sale of services, campaign literature and  
5 materials, wearing apparel, tickets or admission prices to campaign events such as  
6 rallies or dinners, and the proceeds of sale of any legal assistance fund related services  
7 or goods, if the price or value received for any single service or goods exceeds fifty  
8 dollars (\$50.00), the treasurer shall account for and report the name of the individual  
9 paying for such services or goods, the amount received, and the date of receipt. If the  
10 price or value received for any single service or item of goods does not exceed fifty  
11 dollars (\$50.00), the treasurer may report only those services or goods rendered or sold  
12 at a value that does not exceed fifty dollars (\$50.00), the nature of the services or goods,  
13 the amount received in the aggregate for the services or goods, and the date of the  
14 receipt.

15 (e) All expenditures for media expenses shall be made by a verifiable form of  
16 payment. The Board shall prescribe methods to ensure an audit trail for every  
17 expenditure so that the identity of each payee can be determined. All media  
18 expenditures in any amount shall be accounted for and reported individually and  
19 separately.

20 (f) All expenditures for nonmedia expenses (except postage) of more than fifty  
21 dollars (\$50.00) shall be made by a verifiable form of payment. The Board shall  
22 prescribe methods to ensure an audit trail for every expenditure so that the identity of  
23 each payee can be determined. All expenditures for nonmedia expenses of fifty dollars  
24 (\$50.00) or less may be made by check or by cash payment. All nonmedia expenditures  
25 of more than fifty dollars (\$50.00) shall be accounted for and reported individually and  
26 separately, but expenditures of fifty dollars (\$50.00) or less may be accounted for and  
27 reported in an aggregated amount, but in that case the treasurer shall account for and  
28 report that the treasurer made expenditures of fifty dollars (\$50.00) or less each, the  
29 amounts, dates, and the purposes for which made. In the case of a nonmedia expenditure  
30 required to be accounted for individually and separately by this subsection, if the  
31 expenditure was to an individual, the report shall list the name and address of the  
32 individual.

33 (g) All proceeds from loans shall be recorded separately with a detailed analysis  
34 reflecting the amount of the loan, the source, the period, the rate of interest, and the  
35 security pledged, if any, and all makers and endorsers.

36 **"§ 163-278.304. Statements filed with Board.**

37 (a) The treasurer of each legal assistance fund shall file with the Board under  
38 certification of the treasurer as true and correct to the best of the knowledge of that  
39 officer the following reports:

- 40 (1) Organizational report. – The appointment of the treasurer as required  
41 by G.S. 163-278.302(a), the statement of organization required by  
42 G.S. 163-278.302(b), and a report of all contributions and expenditures  
43 not previously reported.

1           (2) Quarterly reports. – The treasurer shall file a report by mailing or  
2           otherwise delivering it to the Board no later than seven working days  
3           after the end of each calendar quarter covering the prior calendar  
4           quarter.

5           (b) Any report or attachment filed under this section must be certified.

6           (c) Treasurers shall electronically file each report required by this section that  
7           shows a cumulative total for the election cycle in excess of five thousand dollars  
8           (\$5,000) in contributions, in expenditures, or in loans, according to rules adopted by the  
9           Board. The Board shall provide the software necessary to file an electronic report to a  
10          treasurer required to file an electronic report at no cost to the treasurer.

11          **"§§ 163-278.305 through 163-278.309: Reserved for future codification purposes.**

12          **"§ 163-278.310. Limitation on contributions.**

13          No legal assistance fund or its treasurer shall accept any contribution made by any  
14          corporation, labor union, insurance company, professional association, or other business  
15          entity, regardless of whether such corporation does business in the State of North  
16          Carolina. This section does not apply with regard to entities permitted to make  
17          contributions by G.S. 163-278.19(f). Contributions shall be limited to four thousand  
18          dollars (\$4,000) per contributor per year."

19          **"§§ 163-278.311 through 163-278.315: Reserved for future codification purposes.**

20          **"§ 163-278.316. Permitted uses of legal assistance funds.**

21          A legal assistance fund may be used for reasonable expenses actually incurred by the  
22          elected official in relation to a legal action or potential legal action brought by or against  
23          the elected official. Upon completion of the legal action or potential legal action, the  
24          remaining monies in the legal assistance fund shall be distributed to either the Indigent  
25          Persons' Attorney Fee Fund or to the North Carolina State Bar for the provision of civil  
26          legal services for indigents.

27          **"§§ 163-278.317 through 163-278.320: Reserved for future codification purposes.**

28                 **SECTION 6.(b)** G.S. 163-278.36 is repealed.

29                 **SECTION 7.(a)** G.S. 143-23(c), (d), and (e) read as rewritten:

30                 "(c) Transfers or changes as between objects or line items in the budget of the  
31                 Senate may be made by the President Pro Tempore of the Senate. The President Pro  
32                 Tempore shall report any such changes to all members of the General Assembly within  
33                 14 days.

34                 (d) Transfers or changes as between objects or line items in the budget of the  
35                 House of Representatives may be made by the Speaker of the House of Representatives.  
36                 The Speaker shall report any such changes to all members of the General Assembly  
37                 within 14 days.

38                 (e) Transfers or changes as between objects or line items in the budget of the  
39                 General Assembly other than of the Senate and House of Representatives may be made  
40                 jointly by the President Pro Tempore of the Senate and the Speaker of the House of  
41                 Representatives. The President Pro Tempore and the Speaker shall report any such  
42                 changes to all members of the General Assembly within 14 days."

43                 **SECTION 7.(b)** Effective July 1, 2007, G.S. 143C-3-1 reads as rewritten:

44                 **"§ 143C-3-1. Budget estimate for the legislative branch.**



1 The Legislative Services Officer shall give the Director an estimate of the financial  
2 needs of the legislative branch for the upcoming fiscal period in accordance with the  
3 schedule prescribed by the Director. A copy of those estimates shall be provided within  
4 14 days to all members of the General Assembly. The estimates for the legislative  
5 branch shall be approved and certified by the President Pro Tempore of the Senate and  
6 the Speaker of the House of Representatives. The estimates shall be itemized in  
7 accordance with the accounting classifications adopted by the Controller. The Director  
8 shall include the estimates in the budget the Director submits to the General Assembly.  
9 The Director may recommend changes to these estimates in the budget submitted to the  
10 General Assembly."

11 **SECTION 7.(c)** Effective July 1, 2007, G.S. 143C-6-4(d), (e), and (f) read  
12 as rewritten:

13 "(d) Overexpenditures in Senate Budget. – The President Pro Tempore of the  
14 Senate may approve expenditures for more than was authorized in the enacted budget  
15 for objects or line items in the budget of the Senate. The President Pro Tempore shall  
16 report any such approval to all members of the General Assembly within 14 days.

17 (e) Overexpenditures in House of Representatives Budget. – The Speaker of the  
18 House of Representatives may approve expenditures for more than was authorized in  
19 the enacted budget objects or line items in the budget of the House of Representatives.  
20 The Speaker shall report any such changes to all members of the General Assembly  
21 within 14 days.

22 (f) Transfers Between Line Items or Programs in General Assembly Budget  
23 Other Than Senate and House of Representatives. – Expenditures exceeding amounts  
24 authorized for programs, objects, or line items in the budget of the General Assembly  
25 other than those of the Senate and House of Representatives shall be approved jointly by  
26 the President Pro Tempore of the Senate and the Speaker of the House of  
27 Representatives. The President Pro Tempore and the Speaker shall report any such  
28 changes to all members of the General Assembly within 14 days."

29 **SECTION 7.(d)** Article 1 of Chapter 143 of the General Statutes is amended  
30 by adding a new section to read:

31 "**§ 143-23.4. Legislative budget administration.**

32 (a) The Speaker shall report to all members of the General Assembly on a  
33 monthly basis, within 30 days of the end of the month, all actions taken in administering  
34 the budget of the House of Representatives.

35 (b) The President Pro Tempore shall report to all members of the General  
36 Assembly on a monthly basis, within 30 days of the end of the month, all actions taken  
37 in administering the budget of the Senate.

38 (c) The Legislative Services Officer shall report to all members of the General  
39 Assembly on a monthly basis, within 30 days of the end of the month, all actions taken  
40 in administering the budget of the General Assembly other than of the Senate and House  
41 of Representatives."

42 **SECTION 8.** Chapter 143 of the General Statutes is amended by adding a  
43 new section to read:

44 "**§ 143-32.1. Discretionary funds.**

1        All appropriations made by the General Assembly in a current appropriations act  
2 shall clearly specify in a separate line item the exact description of the appropriation in  
3 clear and precise language. When the General Assembly permits the expenditure of  
4 funds in a discretionary manner, that discretion shall reside only with the Director or the  
5 Director's designee, and it shall be unlawful and unethical for a member of the General  
6 Assembly after the current appropriations act is signed by the Governor to attempt to  
7 influence the exercise of that discretion or otherwise attempt to influence the way such  
8 funds so appropriated are expended."

9            **SECTION 9.(a)** Chapter 143C of the General Statutes is amended by adding  
10 a new section to read:

11 **"§ 143C-5-6. Consideration of budget.**

12        Neither the Current Operations Appropriations Bill or a bill making general  
13 revisions in that act for the second fiscal year of a biennium may not be placed on the  
14 favorable calendar for:

- 15            (1) Second reading earlier than the third legislative day after the bill in the  
16 form that will be considered on second reading is distributed to the  
17 office of all members of the house where the bill is being considered.
- 18            (2) Adoption of the conference report earlier than the third legislative day  
19 after the conference report in the form that will be presented to the  
20 Governor for signature is distributed to the office of all 170 members  
21 of the General Assembly."

22            **SECTION 9.(b)** Chapter 143C of the General Statutes is amended by adding  
23 a new section to read:

24 **"§ 143C-5-7. Content of appropriations bills.**

25            (a) No provision changing existing law shall be contained in any of the following  
26 bills: (i) the Current Operations Appropriations Bill; (ii) the Capital Improvement  
27 Appropriations Bill; (iii) any bill generally revising appropriations for the second fiscal  
28 year of a biennium.

29            (b) No amendment to any bill listed in subsection (a) of this rule shall be in order  
30 if the language is prohibited by that subsection.

31            (c) Notwithstanding subsections (a) and (b) of this section, any of the bills listed  
32 in subsection (a) of this section or an amendment to such bill may change existing law if  
33 the change:

- 34            (1) Alters expenditures or salaries;
- 35            (2) Changes the scope or character of a program which must be reduced,  
36 increased, or changed because of an increase or decrease of funds  
37 appropriated for the program or because of changes in federal law or  
38 regulation; or
- 39            (3) Modifies any function of State government which necessitates a  
40 transfer of funds from one department to another;

41 provided, that for a provision to be in order under this subsection, it must be  
42 recommended to the General Assembly in a written report adopted by the  
43 Appropriations/Base Budget Committee before or at the same time the bill is reported,  
44 or, if such provision is contained in a floor amendment, the sponsor of the amendment

1 must present to the Principal Clerk at or before the time the amendment is offered an  
2 explanation of the amendment for distribution to each member of the Senate."

3 **SECTION 10.** G.S. 14-225 reads as rewritten:

4 "**§ 14-225. False reports to law enforcement agencies or officers.**

5 (a) For purposes of this section, the term "official inquiry" means the pursuit of  
6 an investigative matter by a sworn agent of the State Bureau of Investigation pursuant to  
7 a statutorily authorized request from the Governor or the Attorney General, assistance  
8 rendered in accordance with G.S. 114-14, or an investigation being conducted as a  
9 matter of original jurisdiction conferred upon the State Bureau of Investigation by North  
10 Carolina law.

11 (b) Any person who shall willfully make or cause to be made to a law  
12 enforcement agency or officer any false, misleading or unfounded report, for the  
13 purpose of interfering with the operation of a law enforcement agency, or to hinder or  
14 obstruct any law enforcement officer in the performance of his duty, shall be guilty of a  
15 Class 2 misdemeanor.

16 (c) In response to an official inquiry by a sworn agent of the State Bureau of  
17 Investigation who is investigating a Class A, B, C, D, E, F, or G felony, any person who  
18 shall willfully do any of the following is guilty of a Class H felony:

19 (1) Falsify or conceal by any trick, scheme, or device a material fact.

20 (2) Make any materially false, fictitious, or fraudulent statement or  
21 representation.

22 (3) Use any false writing or document knowing the writing or document to  
23 contain any materially false, fictitious, or fraudulent statement or  
24 entry."

25 **SECTION 11.** G.S. 163-278.13(e) is repealed.

26 **SECTION 12.** Section 3 of S.L. 2006-201 is repealed.

27 **SECTION 13.** Sections 1.(a), 1.(b), 2, 3.(a), 3.(b), 3.(c), 4, 5.(a), 5.(b), 5.(c),  
28 6.(a), 11, and 12 of this act become effective January 1, 2008. Sections 6.(b), 7.(a),  
29 7.(b), 7.(c), and 7.(d) of this act are effective when it becomes law. Sections 8 and 9 of  
30 this act become effective July 1, 2007. Effective July 1, 2007, G.S. 143-23.4 as enacted  
31 by Section 7.(d) of this act is recodified as G.S. 143C-6-12. Section 10 of this act  
32 becomes effective December 1, 2007, and applies to offenses committed on or after that  
33 date. The remainder of this act is effective when it becomes law.