## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2017

H.B. 1117
Dec 3, 2018
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10541-STf-88A

Short Title: Restructure Election Admin/Ethics/Lobbying/CF. (Public)

Sponsors: Representative Lewis.

Referred to:

A BILL TO BE ENTITLED

2 AN ACT TO TRANSFER THE FUNCTION OF ELECTION ADMINISTRATION TO THE 3 STATE BOARD OF ELECTIONS ADMINISTRATION; TO TRANSFER THE 4 FUNCTIONS OF ETHICS, LOBBYING, AND CAMPAIGN FINANCE TO THE STATE BOARD OF ETHICS, LOBBYING, AND CAMPAIGN FINANCE; TO REPEAL 5 6 STATUTES CREATING THE CHILD CARE COMMISSION, THE CLEAN WATER MANAGEMENT TRUST FUND BOARD OF TRUSTEES, THE NORTH CAROLINA 7 PARKS AND RECREATION AUTHORITY, THE PRIVATE PROTECTIVE SERVICES 8 9 BOARD, THE RURAL INFRASTRUCTURE AUTHORITY, AND THE STATE BUILDING COMMISSION FOR WHICH THE APPOINTED STRUCTURES WERE 10 11 RULED UNCONSTITUTIONAL PURSUANT TO MCCRORY V. BERGER AND 12 COOPER V. BERGER; AND TO REPEAL THE CONSTITUTIONAL AMENDMENTS 13 PUBLICATION COMMISSION.

The General Assembly of North Carolina enacts:

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#### PART I. ELECTION ADMINISTRATION

**SECTION 1.1(a)** The Revisor of Statutes shall recodify Articles 15 through 22 and Article 27 of Chapter 163A of the General Statutes, as amended by this act, into a new Chapter 147B of the General Statutes to be entitled "Election Administration," as enacted by Section 2 of this act. The Revisor may also recodify into the new Chapter 147B of the General Statutes other existing statutory laws relating to election administration that are located elsewhere in the General Statutes as the Revisor deems appropriate. The new Chapter 147B of the General Statutes shall have the following structure:

Article 1. State Board of Election Administration.

Article 3. Time of Primaries and Elections.

Part 1. Time of Primaries and Elections

Part 2. Time of Elections to Fill Vacancies

Article 5. Election Officers.

Part 1. State Board Powers and Duties

Part 2. County Boards of Elections

Part 3. Political Activities by Board of Elections Members and Employees

Part 4. Precinct Election Officials

Article 7. Qualifying to Vote.

Part 1. Qualifications of Voters

Part 2. Registration of Voters

36 Part 3. Challenges



1	Part 4. HAVA Administrative Complaint Procedure
2	Article 9. Political Parties.
3	Article 11. Nomination of Candidates.
4	Part 1. Primary Elections
5	Part 2. Nomination by Petition
6	Part 3. Challenge to Candidacy
7	Article 13. Conduct of Primaries and Elections.
8	Part 1. Precincts and Voting Places
9	Part 2. Precinct Boundaries
10	Part 3. Voting
11	Part 4. Counting Official Ballots, Canvassing Votes, Hearing Protests, and
12	Certifying Results
13	Part 5. Members of United States House of Representatives
	Part 6. Presidential Electors
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15	Part 7. Presidential Preference Primary Act
16	Part 8. Petitions for Elections and Referenda
17	Article 15. Absentee Voting.
18	Part 1. Absentee Ballot
19	Part 2. Uniform Military and Overseas Voters Act
20	Article 17. Regulation of Elections
21	Article 19. Corrupt Practices.
22	Article 21. Municipal Elections.
23	<b>SECTION 1.2.(a)</b> The General Statutes are amended by adding a new Chapter to
24	read:
25	" <u>Chapter 147B.</u>
26	"Election Administration."
27	<b>SECTION 1.2.(b)</b> Chapter 147B of the General Statutes, as enacted by this act, is
28	amended by adding a new Article to read:
29	"Article 1.
30	"State Board of Election Administration.
31	"§ 147B-1. State Board of Election Administration established.
32	There is established the State Board of Election Administration, referred to as the State Board
33	in this Chapter.
34	" <u>§ 147B-2. Membership.</u>
35	(a) The State Board of Elections shall consist of five registered voters appointed by the
36	Governor. Not more than three members of the Board shall be members of the same political
37	party. The Governor shall appoint the members from a list of nominees submitted by the State
38	party chairman of each of the two political parties having the highest number of registered
39	affiliates as reflected by the latest registration statistics published by the State Board of Elections.
40	Each party chairman shall submit a list of five nominees who are affiliated with that political
41	party.
42	(b) Members shall serve for four-year terms, beginning May 1 immediately following the
43	election of the Governor. No person may serve more than two consecutive four-year terms.
44	(c) Members shall be removed by the Governor from the State Board only for
45	misfeasance, malfeasance, or nonfeasance.
46	(d) Vacancies in appointments made by the Governor shall be filled by the Governor for
47	the remainder of any unfulfilled term.
48	(e) At the first meeting held after new appointments are made, the members of the State
49	Board shall take the following oath:
50	"I,, do solemnly swear (or affirm) that I will support the Constitution
51	of the United States; that I will be faithful and bear true allegiance to the State of
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North Carolina and to the constitutional powers and authorities which are or may be established for the government thereof; that I will endeavor to support, maintain, and defend the Constitution of said State; and that I will well and truly execute the duties of the office of member of the State Board of Election Administration according to the best of my knowledge and ability, according to law, so help me God."

(f) At the first meeting in May, the State Board shall organize by electing one of its members chair, one of its members vice-chair, and one of its members secretary, each to serve a one-year term as such.

(g) No person shall be eligible to serve as a member of the State Board who:

 (1) Holds any elective or appointive office under the government of the United States, the State of North Carolina, or any political subdivision thereof.

(2) Is a candidate for nomination or election to any office.

(3) Holds any office in a political party or organization.

(4) <u>Is a campaign manager or treasurer of any candidate in a primary or election.</u>

(h)

(5) <u>Is currently employed by the State.</u> No person while serving on the State Board shall:

 Make a reportable contribution to a candidate for a public office over which the State Board would have jurisdiction or authority.

(2) Register as a lobbyist under Article 8 of this Chapter.

 (3) Make written or oral statements intended for general distribution or dissemination to the public at large supporting or opposing the nomination or election of one or more clearly identified candidates for public office.

 (4) Make written or oral statements intended for general distribution or dissemination to the public at large supporting or opposing the passage of one or more clearly identified referendum or ballot issue proposals.

(5) Solicit contributions for a candidate, political committee, or referendum committee.

(i) Members of the State Board shall receive per diem, subsistence, and travel, as provided in G.S. 138-5 and G.S. 138-6.

## "§ 147B-3. Meetings; quorum; majority.

The State Board shall meet at least monthly and at other times as called by its chair or by three of its members. In the case of a vacancy in the chair, meetings may be called by the vice-chair. Three members of the State Board constitute a quorum for the transaction of business. Except where required by law to act unanimously, a majority vote for action of the State Board shall require three of the five members.

## "§ 147B-4. Powers of the State Board in the execution of State Board duties.

(a) In the performance of the duties enumerated in this Chapter, the State Board, upon a vote of three or more of its members, shall have power to administer oaths, issue subpoenas, summon witnesses, and compel the production of papers, books, records, and other evidence. Such subpoenas for designated witnesses or identified papers, books, records, and other evidence shall be signed and issued by the chair.

(b) In the absence of the chair or upon the chair's refusal to act, the vice-chair may sign and issue subpoenas, summon witnesses, and compel the production of papers, books, records, and other evidence approved in accordance with subsection (a) of this section. In the absence of the chair or upon the chair's refusal to act, any member of the State Board may administer oaths.

(c) The State Board, upon a vote of three or more of its members, may petition the Superior Court of Wake County for the approval to issue subpoenas and subpoenas duces tecum as necessary to conduct investigations of violations of this Chapter. The court shall authorize subpoenas under this subsection when the court determines they are necessary for the enforcement of this Chapter. Subpoenas issued under this subsection shall be enforceable by the

51 <u>court through contempt powers.</u>

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#### "§ 147B-6. Executive Director of the State Board.

- (a) There is hereby created the position of Executive Director of the State Board, who shall perform all duties imposed by statute and such duties as may be assigned by the State Board.
- (b) The State Board shall appoint an Executive Director for a term of two years with compensation to be determined by the Office of State Human Resources. The State Board shall only appoint an individual as Executive Director if that individual has a minimum of five years of employment experience at either the State Board, a county board of elections, or the equivalent state election authority in another state or federal government.
- (c) The Executive Director shall serve beginning May 15 after the first meeting held after new appointments to the State Board are made, unless removed for cause, until a successor is appointed. In the event of a vacancy, the vacancy shall be filled for the remainder of the term by an individual who meets the qualifications provided in subsection (b) of this section.
- (d) The Executive Director shall be responsible for staffing, administration, and execution of the State Board's decisions and orders and shall perform such other responsibilities as may be assigned by the State Board.
  - (e) The Executive Director shall be the chief State elections official."

**SECTION 1.2.(c)** G.S. 163A-1 is repealed.

**SECTION 1.2.(d)** G.S. 163A-2 is repealed.

**SECTION 1.2.(e)** G.S. 163A-3 is repealed.

**SECTION 1.2.(f)** G.S. 163A-4 is repealed.

**SECTION 1.2.(g)** G.S. 163A-6 is repealed.

SECTION 1.3.(a) G.S. 163A-766 reads as rewritten:

# "§ 163A-766. County boards of elections; appointments; terms of office; qualifications; vacancies; oath of office; instructional meetings.

- (a) In every county of the State there shall be a county board of elections, to consist of four three persons of good moral character who are registered voters in the county in which they are to act. Two of the members of the county board of elections shall be of the political party with the highest number of registered affiliates, and two shall be of the political party with the second highest number of registered affiliates, as reflected by the latest registration statistics published by the State Board. In 2017, members of county boards of elections shall be appointed by the State Board on the second Tuesday in July. In 2019, members of county boards of elections shall be appointed by the State Board on the last Tuesday in June and every two years thereafter, and their terms of office shall continue for two years from the specified date of appointment and until their successors are appointed and qualified. Not more than two members of the county board of elections shall belong to the same political party.
- (b) No person shall be eligible to serve as a member of a county board of elections who holds any elective office under the government of the United States, or of the State of North Carolina or any political subdivision thereof.

No person who holds any office in a state, congressional district, county or precinct political party or organization, or who is a campaign manager or treasurer of any candidate or political party in a primary or election, shall be eligible to serve as a member of a county board of elections, provided however that the position of delegate to a political party convention shall not be considered an office for the purpose of this section.

(c) No person shall be eligible to serve as a member of a county board of elections who is a candidate for nomination or election.

No person shall be eligible to serve as a member of a county board of elections who is the wife, husband, son, son-in-law, daughter, daughter-in-law, mother, mother-in-law, father, father-in-law, sister, sister-in-law, brother, brother-in-law, aunt, uncle, niece, or nephew of any candidate for nomination or election. Upon any member of the board of elections becoming ineligible, that member's seat shall be declared vacant. This paragraph only applies if the county board of elections is conducting the election for which the relative is a candidate.

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The State chair of each political party shall have the right to recommend to the State (d) Board three registered voters in each county for appointment to the board of elections for that county. If such recommendations are received by the State Board 15 or more days before the last Tuesday in June <del>2017,</del>2019, and each two years thereafter, it shall be the duty of the State Board to appoint the county boards from the names thus recommended.

Whenever a vacancy occurs in the membership of a county board of elections for any cause the State chair of the political party of the vacating member shall have the right to recommend two registered voters of the affected county for such office, and it shall be the duty of the State Board to fill the vacancy from the names thus recommended.

At the meeting of the county board of elections required by G.S. 163A-767 to be held on Tuesday following the third Monday in July in the year of their appointment the members shall take the following oath of office:

> "I, do solemnly swear (or affirm) that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina and to the constitutional powers and authorities which are or may be established for the government thereof; that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States; and that I will well and truly execute the duties of the office of member of the \_\_\_\_ County Board of Elections to the best of my knowledge and ability, according to law; so help me God."

At the first meeting in July annually, the county boards shall organize by electing one of its members chair and one of its members vice-chair, each to serve a one-year term as such. In the odd-numbered year, the chair shall be a member of the political party with the highest number of registered affiliates, as reflected by the latest registration statistics published by the State Board, and the vice-chair a member of the political party with the second highest number of registered affiliates. In the even-numbered year, the chair shall be a member of the political party with the second highest number of registered affiliates, as reflected by the latest registration statistics published by the State Board, and the vice-chair a member of the political party with the highest number of registered affiliates.

Each member of the county board of elections shall attend each instructional meeting held pursuant to G.S. 163A-822, unless excused for good cause by the chair of the board, and shall be paid the sum of twenty-five dollars (\$25.00) per day for attending each of those meetings."

**SECTION 1.3.(b)** G.S. 163A-767 reads as rewritten:

### "§ 163A-767. Meetings of county boards of elections; quorum; majority; minutes.

In each county of the State the members of the county board of elections shall meet at the courthouse or board office at noon on the Tuesday following the third Monday in July in the year of their appointment by the State Board and, after taking the oath of office provided in G.S. 163A-766, they shall organize by electing one member chair and another member secretary of the county board of elections. On the Tuesday following the third Monday in August of the year in which they are appointed the county board of elections shall meet and appoint precinct chief judges and judges of elections. The board may hold other meetings at such times as the chair of the board, or any three-two members thereof, may direct, for the performance of duties prescribed by law. Three Two members shall constitute a quorum for the transaction of board business. Except where required by law to act unanimously, a majority vote for action of the board shall require three two of the four three members. The chair shall notify,

or cause to be notified, all members regarding every meeting to be held by the board.

The county board of elections shall keep minutes recording all proceedings and findings at each of its meetings. The minutes shall be recorded in a book which shall be kept in the board office and it shall be the responsibility of the secretary, elected by the board, to keep the required minute book current and accurate. The secretary of the board may designate the director of elections to record and maintain the minutes under his or her supervision."

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## **SECTION 1.3.(c)** G.S. 163A-1181 reads as rewritten:

#### "§ 163A-1181. New elections.

- (a) When State Board May Order New Election. The State Board may order a new election, upon agreement of at least <u>five-three</u> of its members, in the case of any one or more of the following:
  - (1) Ineligible voters sufficient in number to change the outcome of the election were allowed to vote in the election, and it is not possible from examination of the official ballots to determine how those ineligible voters voted and to correct the totals.
  - (2) Eligible voters sufficient in number to change the outcome of the election were improperly prevented from voting.
  - (3) Other irregularities affected a sufficient number of votes to change the outcome of the election.
  - (4) Irregularities or improprieties occurred to such an extent that they taint the results of the entire election and cast doubt on its fairness.
- (b) State Board to Set Procedures. The State Board shall determine when a new election shall be held and shall set the schedule for publication of the notice, preparation of absentee official ballots, and the other actions necessary to conduct the election.
- (c) Eligibility to vote in the new election shall be determined by the voter's eligibility at the time of the new election, except that in a primary, no person who voted in the initial primary of one party shall vote in the new election in the primary of another party. The State Board shall adopt rules to effect the provisions of this subsection.
- (d) Jurisdiction in Which New Election Held. The new election shall be held in the entire jurisdiction in which the original election was held.
- (e) Which Candidates to Be on Official Ballot. All the candidates who were listed on the official ballot in the original election shall be listed in the same order on the official ballot for the new election, except in either of the following:
  - (1) If a candidate dies or otherwise becomes ineligible between the time of the original election and the new election, that candidate may be replaced in the same manner as if the vacancy occurred before the original election.
  - (2) If the election is for a multiseat office, and the irregularities could not have affected the election of one or more of the candidates, the new election, upon agreement of at least <u>five\_three\_members</u> of the State Board, may be held among only those candidates whose election could have been affected by the irregularities.
- (f) Tie Votes. If ineligible voters voted in an election and it is possible to determine from the official ballots the way in which those votes were cast and to correct the results, and consequently the election ends in a tie, the provisions of G.S. 163A-1176 concerning tie votes shall apply."
- **SECTION 1.4.** Any previous assignment of duties of a quasi-legislative or quasi-judicial nature by the Governor or General Assembly to the Bipartisan State Board of Elections and Ethics Enforcement related to election administration or functions transferred by this act shall have continued validity with the transfer under this act. Except as otherwise specifically provided in this act, each enumerated commission, board, or other function of State government transferred to the State Board of Election Administration, as designated in this act, is a continuation of the former entity for purposes of succession to all the rights, powers, duties, and obligations of the former. Where the former entities are referred to by law, contract, or other document in their former name, the State Board of Election Administration, as designated in this act, is charged with exercising the functions of the former named entity.
- **SECTION 1.5.** Any business or other matter undertaken or commanded by any State program or office or contract transferred to the Bipartisan State Board of Elections and Ethics

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 Enforcement pertaining to or connected with the functions, powers, obligations, and duties set forth herein, which is pending on January 1, 2017, or after, may be conducted and completed by the State Board of Election Administration in the same manner and under the same terms and conditions and with the same effect as if conducted and completed by the original program, office, or commissioners or directors thereof.

**SECTION 1.6.** The reorganization and consolidation provided for under this act shall not affect any ongoing investigation or audit related to election administration. Any ongoing hearing or other proceeding before the State Ethics Commission, the State Board of Elections, or the Bipartisan State Board of Elections and Ethics Enforcement on or after January 1, 2017, shall be transferred to the State Board of Election Administration. Prosecutions for offenses or violations committed before January 1, 2017, are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

**SECTION 1.7.** Rules adopted by the State Board of Elections or the Bipartisan State Board of Elections and Ethics Enforcement shall remain in effect as provided in G.S. 150B-21.7. Policies, procedures, and guidance shall remain in effect until amended or repealed by the State Board of Election Administration.

**SECTION 1.8.** The authority, powers, duties and functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds, including the functions of budgeting and purchasing, of the Bipartisan State Board of Elections and Ethics Enforcement related to election administration are transferred to the State Board of Election Administration, as designated in this act. The Director of the Budget shall resolve any disputes arising out of this transfer.

**SECTION 1.9.** The appropriations and resources of the Bipartisan State Board of Elections and Ethics Enforcement related to election administration are transferred to the State Board of Election Administration, and the transfer shall have all the elements of a Type I transfer under G.S. 143A-6.

**SECTION 1.10.** The State Board of Election Administration shall report to the Joint Legislative Commission on Governmental Operations, Joint Legislative Elections Oversight Committee, and the Legislative Ethics Committee on or before March 1, 2019, and again on or before April 1, 2020, as to recommendations for statutory changes necessary to further implement this act.

#### PART II. ETHICS, LOBBYING, AND CAMPAIGN FINANCE

**SECTION 2.1.** The Revisor of Statutes shall recodify Articles 5 through 9, and Articles 23 through 26 of Chapter 163A of the General Statutes, as amended by this act, into a new Chapter 138B of the General Statutes to be entitled "Ethics, Lobbying, and Campaign Finance," as enacted by Section 2 of this act. The Revisor may also recodify into the new Chapter 138B of the General Statutes other existing statutory laws relating to election administration that are located elsewhere in the General Statutes as the Revisor deems appropriate. The new Chapter 138B of the General Statutes shall have the following structure:

SUBCHAPTER I. GENERAL PROVISIONS

Article 1. State Board of Ethics, Lobbying, and Campaign Finance.

SUBCHAPTER II. ETHICS AND LOBBYING

Article 2. General Provisions.

Article 4. Public Disclosure of Economic Interests.

Article 6. Ethical Standards for Covered Persons.

Article 8. Lobbying.

Part 1. Registration

Part 2. Prohibitions and Restrictions

50 Part 3. Reporting

Part 4. Liaison Personnel

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1	Part 5. Exemptions
2	Part 6. Miscellaneous
3	Article 10. Violation Consequences.
4	SUBCHAPTER III. CAMPAIGN FINANCE
5	Article 12. Regulation of Election Campaigns.
6	Part 1. Corrupt Practices and Other Offenses Against the Elective Franchise
7	Article 14. Regulating Contributions and Expenditures in Political Campaigns.
8	Part 1. In General
9	Part 2. Disclosure Requirements for Media Advertisements
10	Part 3. Municipal Campaign Reporting
11	Article 16. The North Carolina Public Campaign Fund.
12	Article 18. The Voter-Owned Elections Act.
13	Article 20. Legal Expense Funds.
14	<b>SECTION 2.2.(a)</b> The General Statutes are amended by adding a new Chapter to
15	read:
16	"Chapter 138B.
17	"Ethics, Lobbying, and Campaign Finance."
18	<b>SECTION 2.2.(b)</b> Chapter 147B of the General Statutes, as enacted by this act, is
19	amended by adding a new Article to read:
20	"Article 1.
21	"State Board of Ethics, Lobbying, and Campaign Finance.
22	"§ 138B-1. State Board of Ethics, Lobbying, and Campaign Finance established.
<ul><li>23</li><li>24</li></ul>	There is established the State Board of Ethics, Lobbying, and Campaign Finance, referred to
25	as the State Board in this Chapter.  "§ 138B-2. Membership.
26	(a) The State Board shall consist of eight members. Four members shall be appointed by
27	the Governor, of whom no more than two shall be of the same political party. Four members shall
28	be appointed by the General Assembly, two upon the recommendation of the Speaker of the
29	House of Representatives, neither of whom shall be of the same political party, and two upon the
30	recommendation of the President Pro Tempore of the Senate, neither of whom shall be of the
31	same political party. Members shall serve for four-year terms, beginning January 1, 2019, except
32	for the initial terms that shall be as follows:
33	(1) Two members appointed by the Governor shall serve an initial term of one
34	year.
35	(2) Two members appointed by the General Assembly, one upon the
36	recommendation of the Speaker of the House of Representatives and one upon
37	the recommendation of the President Pro Tempore of the Senate, shall serve
38	initial terms of two years.
39	(3) Two members appointed by the Governor shall serve initial terms of three
40	<u>years.</u>
41	(4) Two members appointed by the General Assembly, one upon the
42	recommendation of the Speaker of the House of Representatives and one
43	member upon the recommendation of the President Pro Tempore of the
44	Senate, shall serve initial terms of four years.
45	(b) Members shall be removed from the State Board only for misfeasance, malfeasance,
46	or nonfeasance. Members appointed by the Governor may be removed by the Governor.
47	Members appointed by the General Assembly upon the recommendation of the Speaker of the
48	House of Representatives shall be removed by the Governor upon the recommendation of the
49	Speaker. Members appointed by the General Assembly upon the recommendation of the
50 51	President Pro Tempore of the Senate shall be removed by the Governor upon the recommendation of the President Pro Tempore
<b>1</b>	OLINE PRESIDENT PRO LEMBORE

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1 (c) 2 the rem 3 shall be

- the remainder of any unfulfilled term. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122 for the remainder of any unfulfilled term.
- (d) At the first meeting held after new appointments are made, the members of the State Board shall take the following oath:
  - "I,\_\_\_\_\_\_\_, do solemnly swear (or affirm) that I will support the Constitution of the United States; that I will be faithful and bear true allegiance to the State of North Carolina and to the constitutional powers and authorities which are or may be established for the government thereof; that I will endeavor to support, maintain, and defend the Constitution of said State; and that I will well and truly execute the duties of the office of member of the State Board of Election Administration according to the best of my knowledge and ability, according to law, so help me God."

Vacancies in appointments made by the Governor shall be filled by the Governor for

- (e) The Governor shall annually appoint a member of the Commission to serve as chair of the Commission. The Commission shall elect a vice-chair annually from its membership. The vice-chair shall act as the chair in the chair's absence or if there is a vacancy in that position.
  - (f) No person shall be eligible to serve as a member of the State Board who:
    - (1) Holds any elective or appointive office under the government of the United States, the State of North Carolina, or any political subdivision thereof.
    - (2) <u>Is a candidate for nomination or election to any office.</u>
    - (3) Holds any office in a political party or organization.
    - (4) Is a campaign manager or treasurer of any candidate in a primary or election.
    - (5) <u>Is employed by the State.</u>
  - (g) No person while serving on the State Board shall:
    - (1) Make a reportable contribution to a candidate for a public office over which the State Board would have jurisdiction or authority.
    - (2) Register as a lobbyist under Article 8 of this Chapter.
    - (3) Make written or oral statements intended for general distribution or dissemination to the public at large supporting or opposing the nomination or election of one or more clearly identified candidates for public office.
    - (4) Make written or oral statements intended for general distribution or dissemination to the public at large supporting or opposing the passage of one or more clearly identified referendum or ballot issue proposals.
    - (5) Solicit contributions for a candidate, political committee, or referendum committee.
- (h) Members of the State Board shall receive per diem, subsistence, and travel, as provided in G.S. 138-5 and G.S. 138-6.

#### "§ 138B-3. Meetings; quorum; majority.

The State Board shall meet at least monthly and at other times as called by its chair or by three of its members. In the case of a vacancy in the chair, meetings may be called by the vice-chair. Five members of the State Board constitute a quorum for the transaction of business.

"§ 138B-4. Reserved.

#### "§ 138B-5. Staff and offices.

- (a) The Commission may employ professional and clerical staff, including an executive director.
- (b) The Commission shall be located within the Department of Administration for administrative purposes only, but shall exercise all of its powers, including the power to employ, direct, and supervise all personnel, independently of the Secretary of Administration, and is subject to the direction and supervision of the Secretary of Administration only with respect to the management functions of coordinating and reporting. The Department shall provide administrative support to the Commission free of charge."

**SECTION 2.3.(a)** G.S. 163A-156(c) reads as rewritten:

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- "(c) Institution of Proceedings. On its own motion, in response to a signed and sworn sworn, under oath or affirmation, complaint of any individual filed with the State Board, or upon the written request of any public servant or those responsible for the hiring, appointing, or supervising of a public servant, the State Board shall conduct an inquiry into any of the following:
  - (1) The application or alleged violation of this Subchapter.
  - (2) For legislators, the application or alleged violations of Part 1 of Article 14 of Chapter 120 of the General Statutes.
  - (3) An alleged violation of the criminal law by a covered person in the performance of that individual's official duties.
  - (4) An alleged violation of G.S. 126-14.

Upon receipt of a referral under G.S. 147-64.6B or a report under G.S. 147-64.6(c)(19), the State Board may conduct an inquiry under this section on its own motion. Allegations of violations of the Code of Judicial Conduct shall be referred to the Judicial Standards Commission without investigation."

#### **SECTION 2.3.(b)** G.S. 163A-1440(7) reads as rewritten:

"(7) To make investigations to the extent the State Board deems necessary with respect to statements filed under the provisions of this Article and with respect to alleged failures to file any statement required under the provisions of this Article or Article 26 of [of this Chapter] the General Statutes and, upon complaint complaint, signed and sworn under oath or affirmation, by any registered voter, with respect to alleged violations of any part of this Article or Article 26 [this Chapter of] of the General Statutes. The State Board shall conclude all investigations no later than one year from the date of the start of the investigation, unless the State Board has reported an apparent violation to the proper district attorney and additional investigation of the apparent violation is deemed necessary by the State Board. All investigations shall be confidential."

#### **SECTION 2.3.(c)** G.S. 163A-1451(f) reads as rewritten:

"(f) Notifying and Consulting With District Attorney. OAH review. — Before After assessing a civil penalty under subsection (b) of this section or imposing a civil remedy under subsection (c) of this section, the decision of the State Board shall notify and consult with the district attorney who would be responsible under G.S. 163A-1445 for bringing a criminal prosecution concerning the violation. be referred to the Office of Administrative Hearings for a hearing under Article 3 of Chapter 150B of the General Statutes."

#### **SECTION 2.3.(d)** G.S. 163A-1445(d) reads as rewritten:

- "(d) Whenever the Board has knowledge of or has reason to believe there has been a violation of any section of this Article, it shall report that fact, together with accompanying details, to the following prosecuting authorities:
  - (1) In the case of a candidate for nomination or election to the State Senate or State House of Representatives: report to the district attorney of the prosecutorial district in which the candidate for nomination or election resides; resides.
  - (2) In the case of a candidate for nomination or election to the office of Governor, Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, State Superintendent of Public Instruction, State Attorney General, State Commissioner of Agriculture, State Commissioner of Labor, State Commissioner of Insurance, and all other State elective offices, Justice of the Supreme Court, Judge of the Court of Appeals, judge of a superior court, judge of a district court, and district attorney of the superior court: report to the district attorney of the prosecutorial district in which Wake County is located; the candidate for nomination or election resides.

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(3) In the case of an individual other than a candidate, including, without limitation, violations by members of political committees, referendum committees or treasurers: report to the district attorney of the prosecutorial district in which the individual resides; and resides.

5 6 7 (4) In the case of a person or any group of individuals: report to the district attorney or district attorneys of the prosecutorial district or districts in which any of the officers, directors, agents, employees or members of the person or group reside."

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#### **SECTION 2.3.(e)** G.S. 120-103.1(a) reads as rewritten:

Institution of Proceedings. – On its own motion, upon receipt by the Committee of a "(a) signed and sworn, under oath or affirmation, allegation of unethical conduct by a legislator, or upon receipt of a referral of a complaint from the Bipartisan State Board of Elections and Ethics Enforcement under Articles 5, 6, 7, and 9 of Chapter 163A of the General Statutes, the Committee shall conduct an investigation into any of the following:

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(1) The application or alleged violation of Articles 5, 6, 7, and 9 of Chapter 163A of the General Statutes and of this Article.

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Repealed by Session Laws 2007-348, s. 2, effective August 9, 2007. (2)

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(3) The alleged violation of the criminal law by a legislator while acting in the legislator's official capacity as a participant in the lawmaking process."

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#### PART III. SUNSET CERTAIN BOARDS AND COMMISSIONS

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**SECTION 3.1.(a)** Child Care Commission. – G.S. 143B-168.4 is repealed. **SECTION 3.1.(b)** Clean Water Management Trust Fund Board of Trustees. –

G.S. 143B-135.240 is repealed. **SECTION** 3.1.(c)North Carolina Parks and Recreation Authority. -

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G.S. 143B-135.202 is repealed.

repealed.

**SECTION 3.1.(d)** Private Protective Services Board. – G.S. 74C-4 is repealed. **SECTION 3.1.(e)** Rural Infrastructure Authority. – G.S. 143B-472.128(a)-(i) is

**SECTION 3.1.(f)** State Building Commission. – G.S. 143-135.25 is repealed.

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**SECTION 3.2.** This section becomes effective June 30, 2019. The Department of Natural and Cultural Resources shall serve as the successor-in-interest for all outstanding loans, bonds, notes, or other instruments payable to the Clean Water Management Trust Fund Board of Trustees. The Rural Economic Development Division shall serve as the successor-in-interest for all outstanding loans or other instruments payable to the Rural Infrastructure Authority.

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#### **PART** IV. REPEAL CONSTITUTIONAL **AMENDMENTS PUBLICATION COMMISSION**

**SECTION 4.1.** Article 4A of Chapter 147 of the General Statutes is repealed.

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#### PART V. EFFECTIVE DATE

**SECTION 5.1.(a)** Sections 3 through 21 of S.L. 2017-6 are repealed.

**SECTION 5.1.(b)** Part VIII of S.L. 2018-2 is repealed.

**SECTION 5.1.(c)** Consistent with this act, when re-recodifying as directed under this act, the Revisor is authorized to change all references to the Bipartisan State Board of Elections and Ethics Enforcement to instead be references to the State Board of Election Administration or the State Board of Ethics, Lobbying, and Campaign Finance. The Revisor may modify statutory citations throughout the General Statutes, as appropriate, and may modify any references to statutory divisions, such as "Chapter," "Subchapter," "Article," "Part," "section," and "subsection"; adjust the order of lists of multiple statutes to maintain statutory order; correct terms and conform names and titles changed by this act; eliminate duplicative references to the

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State Boards that result from the changes authorized by this section; and make conforming changes to catch lines and references to catch lines. The Revisor may also adjust subject and verb agreement and the placement of conjunctions. The Revisor shall consult with the Bipartisan State Board of Elections and Ethics Enforcement, the new State Board of Election Administration, and new State Board of Ethics, Lobbying, and Campaign Finance on this recodification.

**SECTION 5.2.** If any section or provision of this act is declared unconstitutional or invalid by the courts, it shall affect the validity of this act as a whole and all parts shall be so declared to be unconstitutional or invalid.

**SECTION 5.3.** Except as otherwise provided, this act is effective when it becomes law.

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