

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH70038-ST-19 (02/01)

Short Title: Limit Contributions by State Vendors. (Public)

Sponsors: Representatives Stam, Ross, Glazier, and McGee (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT CAMPAIGN CONTRIBUTIONS BY INDIVIDUALS WHO
3 DIRECTLY AND SUBSTANTIALLY BENEFIT FROM CONTRACTS WITH THE
4 STATE TO CANDIDATE CAMPAIGN COMMITTEES OF CERTAIN STATEWIDE
5 CANDIDATES.

6 The General Assembly of North Carolina enacts:

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

9 "**§ 163-278.13D. Limitation on contributions from State vendors.**

10 (a) No vendor of this State may make a contribution greater than five hundred dollars
11 (\$500.00) per election to a candidate or candidate campaign committee as defined in
12 G.S. 163-278.38Z for public servant as defined in G.S. 138A-3(30)a. and G.S. 120C-104.

13 (b) This section shall not apply to a vendor who has filed a notice of candidacy for
14 office under G.S. 163-106 or Article 11 of Chapter 163 of the General Statutes or has been
15 nominated under G.S. 163-114 or G.S. 163-98 and is making a contribution to that vendor's
16 candidate campaign committee.

17 (c) For purposes of this section, the term "vendor" shall mean any of the following:

18 (1) An individual with a contract greater than twenty-five thousand dollars
19 (\$25,000) with any office established by Article III of the North Carolina
20 Constitution.

21 (2) An individual employed by a corporation or person with a contract greater
22 than twenty-five thousand dollars (\$25,000) with any office established by
23 Article III of the North Carolina Constitution in any of the following
24 capacities:

25 a. Will derive a direct financial benefit from the contract. Direct
26 financial benefit exists only if the individual (i) has more than a ten
27 percent (10%) beneficial ownership in a party to the contract or (ii)
28 acquires property under the contract.

29 b. Oversees the performance of the contract and has authority to make
30 decisions regarding the contract or to interpret the contract.

31 c. Participates in the development of specifications or terms and in the
32 preparation or award of the contract.

33 d. Is a member of the board, commission, or other body that takes
34 action on the contract, whether or not the individual actually
35 participates in that action, unless the individual is prohibited from



1 voting by a policy of the corporation or person and does not vote on
2 the contract."
3 **SECTION 2.** This act becomes effective January 1, 2012, and applies to
4 contributions made on or after that date.