

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 139
Committee Substitute Favorable 4/21/11

Short Title: Limit Contributions by State Vendors.

(Public)

Sponsors:

Referred to:

February 21, 2011

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 a public servant as defined in G.S. 138A-3(30)a. and G.S. 120C-104 if
13 the public servant has authority over the contract with the vendor.

14 (b) This section shall not apply to a vendor who has filed a notice of candidacy for
15 office under G.S. 163-106, G.S. 163-107.1, or Article 11 of Chapter 163 of the General Statutes
16 or has been nominated under G.S. 163-114 or G.S. 163-98 and is making a contribution to that
17 vendor's candidate campaign committee.

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

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

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

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

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

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

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



