

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

HOUSE BILL 961
RATIFIED BILL

AN ACT TO CLARIFY THE CRIMINAL STATUTES ON SELF-DEALING; TO CREATE THE PUBLIC FUNDING OF COUNCIL OF STATE ELECTIONS COMMISSION; TO INCREASE THE PUNISHMENT FOR MAKING CAMPAIGN CONTRIBUTIONS IN THE NAME OF ANOTHER; TO INCREASE ACCESSIBILITY TO INFORMATION RELATED TO CANDIDATE CAMPAIGN COMMITTEES AND TO INFORMATION RELATED TO STATE CONTRACTS AND GRANTS; TO STRENGTHEN PUBLIC CONFIDENCE IN GOVERNMENT BY CHANGING THE REVOLVING DOOR PERIOD AND APPLICABILITY; TO CODIFY CERTAIN POSITIONS IN STATE GOVERNMENT AS A PUBLIC SERVANT UNDER THE STATE GOVERNMENT ETHICS ACT; TO STRENGTHEN TRANSPARENCY OF GOVERNMENT THROUGH ADDITIONAL DISCLOSURES BY PUBLIC SERVANTS, INCLUDING CAMPAIGN CONTRIBUTIONS PRIOR TO APPOINTMENT; TO INCREASE ACCOUNTABILITY OF PUBLIC SERVANTS, APPOINTEES OF THE GOVERNOR, AND STATE EMPLOYEES BY PERMITTING THE GOVERNOR TO ADOPT MINIMUM STANDARDS OF ETHICAL CONDUCT; TO CLARIFY THE INDIRECT GIFT BAN AND CLARIFY REPORTING BY LOBBYIST PRINCIPALS; TO STRENGTHEN TRANSPARENCY OF GOVERNMENT THROUGH INCREASING AND CLARIFYING ACCESSIBILITY TO LEGISLATIVE RECORDS AND OTHER PUBLIC RECORDS; TO MAKE TECHNICAL CHANGES TO THE ETHICS LAW; AND TO EXPEDITE REVIEW OF PRELIMINARY INVESTIGATIONS OF ALLEGATIONS OF WRONGDOING UNDER CHAPTERS 120 AND 138A OF THE GENERAL STATUTES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 126-14 reads as rewritten:

"§ 126-14. Promise or threat to obtain political contribution or support.

(a) It is unlawful for a State employee or a person appointed to State office, other than elective office or office on a board, commission, committee, or council whose function is advisory only, whether or not subject to the Personnel Act, to coerce:

- (1) a State employee subject to the Personnel Act,
- (2) a probationary State employee,
- (3) a temporary State employee, or
- (4) an applicant for a position subject to the Personnel Act

to support or contribute to a political candidate, political committee as defined in G.S. 163-278.6, or political party or to change the party designation of ~~his~~ the individual's voter registration by threatening that change in employment status or discipline or preferential personnel treatment will occur with regard to ~~a person~~ an individual listed in subdivisions (1) ~~through (4)~~ through (4) of this subsection.

(a1) It is unlawful for an individual as defined in G.S. 138A-3(30)a. to coerce a person as described in G.S. 138A-32(d)(1), (2), or (3) to support or contribute to a political candidate, a political committee as defined in G.S. 163-278.6, or a political party by threatening discipline or promising preferential treatment with regard to that person's business with the individual's State office or that person's activities regulated by the individual's State office.

(b) Any person violating this section shall be guilty of a Class 2 misdemeanor.

(c) A State employee subject to the Personnel Act, probationary State employee, or temporary State employee who without probable cause falsely accuses a State employee or a person appointed to State office of violating this section shall be subject to discipline or change in employment status in accordance with the provisions of G.S. 126-35, 126-37, and 126-38



and may, as otherwise provided by law, be subject to criminal penalties for perjury or civil liability for libel, slander, or malicious prosecution."

SECTION 1.(b) This section becomes effective December 1, 2010, and applies to offenses committed on or after that date.

SECTION 2.(a) G.S. 14-234(a) reads as rewritten:

"§ 14-234. **Public officers or employees benefiting from public contracts; exceptions.**

- (a) (1) No public officer or employee who is involved in making or administering a contract on behalf of a public agency may derive a direct benefit from the contract except as provided in this section, or as otherwise allowed by law.
- (2) A public officer or employee who will derive a direct benefit from a contract with the public agency he or she serves, but who is not involved in making or administering the contract, shall not attempt to influence any other person who is involved in making or administering the contract.
- (3) No public officer or employee may solicit or receive any gift, favor, reward, service, or promise of reward—reward, including a promise of future employment, in exchange for recommending, influencing, or attempting to influence the award of a contract by the public agency he or she serves."

SECTION 2.(b) This section becomes effective December 1, 2010, and applies to offenses committed on or after that date.

SECTION 3.(a) G.S. 14-217 reads as rewritten:

"§ 14-217. **Bribery of officials.**

(a) If any person holding ~~office~~office, or who has filed a notice of candidacy for or been nominated for such office, under the laws of this State who, except in payment of his legal salary, fees or perquisites, shall receive, or consent to receive, directly or indirectly, anything of value or personal advantage, or the promise thereof, for performing or omitting to perform any official act, which lay within the scope of his official authority and was connected with the discharge of his official and legal duties, or with the express or implied understanding that his official action, or omission to act, is to be in any degree influenced thereby, he shall be punished as a Class F felon.

(b) Indictments issued under these provisions shall specify:

- (1) The thing of value or personal advantage sought to be obtained; and
- (2) The specific act or omission sought to be obtained; and
- (3) That the act or omission sought to be obtained lay within the scope of the defendant's official authority and was connected with the discharge of his official and legal duties.

(c) Repealed by Session Laws 1993 (Reg. Sess., 1994), c. 539, s. 1207.

(d) For purposes of this section, a thing of value or personal advantage shall include a campaign contribution made or received under Article 22A of Chapter 163 of the General Statutes."

SECTION 3.(b) This section becomes effective December 1, 2010, and applies to offenses committed on or after that date.

SECTION 4.(a) G.S. 120C-304(b) reads as rewritten:

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

SECTION 4.(b) G.S. 120C-304(c) reads as rewritten:

"(c) No public servant or former public servant as defined in G.S. 138A-3(30)c. may register as a lobbyist under this Chapter within six months after separation from employment as a public servant. No other employee of any State agency may register as a lobbyist under this Chapter to lobby the State agency that previously employed the former employee within six months after voluntary separation or separation for cause from that State agency."

SECTION 4.(c) G.S. 120C-200 is amended by adding a new subsection to read:

"(f) In addition to the information required for registration under subsection (b) of this section, former employees of a State agency who register as a lobbyist within six months after voluntary separation or separation for cause from employment with a State agency shall also indicate which State agency with which the former employee was employed."

SECTION 4.(d) This section becomes effective October 1, 2010, and applies to individuals who leave office or separate from employment on or after that date.

SECTION 5.(a) Article 5 of Chapter 120C of the General Statutes is amended by adding a new section to read:

"§ 120C-502. Local government liaison equivalents.

(a) An individual who is an employee of a governmental unit whose principal duties, in practice or as set forth in that individual's job description, include lobbying for legislative action shall register under G.S. 120C-200.

(b) G.S. 120C-501 shall apply to an individual required to register under subsection (a) of this section.

(c) For purposes of publication of the registry under G.S. 120C-220, the Secretary of State shall treat individuals registered under this section as liaison personnel.

SECTION 5.(b) G.S. 120C-700(3) reads as rewritten:

"(3) A duly elected or appointed official or employee of the State, the United States, a county, municipality, school district, or other governmental agency, when acting solely in connection with matters pertaining to the office and public duties, except for a person designated as liaison personnel under ~~G.S. 120C-500.~~ G.S. 120C-500 or G.S. 120C-502. For purposes of this subdivision, an individual appointed as a county or city attorney under Part 7 of Article 5 of Chapter 153A of the General Statutes or Part 6 of Article 7 of Chapter 160A of the General Statutes, respectively, shall be considered an employee of the county or city.

SECTION 5.(c) This section becomes effective January 1, 2011.

SECTION 6.(a) G.S. 163-278.27 reads as rewritten:

"§ 163-278.27. Criminal penalties; duty to report and prosecute.

(a) Any individual, candidate, political committee, referendum committee, treasurer, person or media who intentionally violates the applicable provisions of G.S. 163-278.7, 163-278.8, 163-278.9, 163-278.10, 163-278.11, 163-278.12, 163-278.13, 163-278.13B, 163-278.14, 163-278.16, 163-278.16B, 163-278.17, 163-278.18, 163-278.19, 163-278.20, 163-278.39, 163-278.40A, 163-278.40B, 163-278.40C, 163-278.40D, 163-278.40E, or 163-278.40J is guilty of a Class 2 misdemeanor. The statute of limitations as stated in G.S. 15-1 shall run from the day the last report is due to be filed with the appropriate board of elections for the election cycle for which the violation occurred.

(a1) A violation of G.S. 163-278.32 by making a certification knowing the information to be untrue is a Class I felony.

(a2) A person or individual who intentionally violates G.S. 163-278.14(a) or G.S. 163-278.19(a) and the unlawful contributions total more than ten thousand dollars (\$10,000) per election is guilty of a Class I felony.

(b) 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;
- (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;
- (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
- (4) In the case of a person or any group of individuals: report to the district attorney or district attorneys ~~of~~ of the prosecutorial district or districts in

which any of the officers, directors, agents, employees or members of the person or group reside.

(c) Upon receipt of such a report from the Board, the appropriate district attorney shall prosecute the individual or persons alleged to have violated a section or sections of this Article.

(d) As a condition of probation, a sentencing judge may order that the costs incurred by the State Board of Elections in investigating and aiding the prosecution of a case be paid to the State Board of Elections by the defendant on such terms and conditions as set by the judge."

SECTION 6.(b) G.S. 163-278.14(a) reads as rewritten:

"(a) No individual, political committee, or other entity shall make any contribution anonymously or in the name of another. No candidate, political committee, referendum committee, political party, or treasurer shall knowingly accept any contribution made by any individual or person in the name of another individual or person or made anonymously. If a candidate, political committee, referendum committee, political party, or treasurer receives anonymous contributions or contributions determined to have been made in the name of another, he shall pay the money over to the Board, by check, and all such moneys received by the Board shall be deposited in the Civil Penalty and Forfeiture Fund of the State of North Carolina. This subsection shall not apply to any contribution by an individual with the lawful authority to act on behalf of another individual, whether through power of attorney, trustee, or other lawful authority."

SECTION 6.(c) This section becomes effective December 1, 2010, and applies to offenses committed on or after that date.

SECTION 7. G.S. 150B-38(a) is amended by adding a new subdivision to read:

"(6) The State Board of Elections in the administration of any investigation or audit under the provisions of Article 22A of Chapter 163 of the General Statutes."

SECTION 8. In order to foster and facilitate transparency of information relating to political campaigns, the State Board of Elections shall create an easily searchable database to provide any member of the public with access to the database to search by geographic location, occupation, employer, contributor, or contributee, within an election cycle and over a period of time as specified by the searcher of any report filed by a political committee or referendum committee under Article 22A of Chapter 163 of the General Statutes with the State Board of Elections.

SECTION 9. Article 2 of Chapter 143C of the General Statutes is amended by adding new sections to read:

"§ 143C-2-5. Grants and contracts database.

(a) The Director of the Budget shall require the Office of State Budget and Management, with the support of the Office of Information Technology Services, to build and maintain a database and Web site for providing a single, searchable Web site on State spending for grants and contracts to be known as NC OpenBook.

(b) Each head of a principal department listed in G.S. 143B-6 shall conduct a review monthly of all State contracts and grants administered by that principal department.

(c) All State institutions, departments, bureaus, agencies, or commissions subject to the authority of the Director of the Budget that maintain a Web site shall be required to include an access link to the NC OpenBook Web site on the home page of the agency Web site. Each agency shall also prominently display a search engine on the agency Web site home page to allow for ease of searching for information, including contracts and grants, on the agency's Web site.

"§ 143C-2-6. Contents of database and Web site.

(a) The Office of State Controller, the Department of Administration, and the Office of Information Technology Services shall provide the Office of State Budget and Management with the statewide information on State contracts necessary for the development and maintenance of the database and Web site required by this Article, with the information updated at least monthly.

(b) The Office of State Budget and Management shall work with the Office of the State Auditor and the Grant Information Center to incorporate data on grants into the database and Web site required by this Article. All State institutions, departments, bureaus, agencies, or commissions subject to the authority of the Governor shall make necessary changes to existing reporting processes for contracts and grants to ensure the goals of this Article are met.

(c) All State contracts and grants awarded in amounts in excess of ten thousand dollars (\$10,000) shall be included in the database and Web site required by this Article. The following information shall be provided for each contract or grant:

- (1) The name of the entity receiving the award.
- (2) The amount of the award or estimated award.
- (3) Information on the award, including type of transaction, funding agency, and duration of the contract or grant.
- (4) The location of the entity receiving the award.
- (5) Background information on the entity receiving the award.
- (6) Time lines for anticipated completion of the work required.
- (7) Expected outcomes of the contract or grant and specific deliverables required.
- (8) Contact information for the responsible State government officer or administrator of the contract or grant."

SECTION 10. G.S. 138A-3(30) reads as rewritten:

"(30) Public servants. – All of the following:

- a. Constitutional officers of the State and individuals elected or appointed as constitutional officers of the State prior to taking office.
- b. Employees of the Office of the Governor.
- c. Heads of all principal State departments, as set forth in G.S. 143B-6, who are appointed by the Governor.
- d. The chief deputy and chief administrative assistant of each individual designated under sub-subdivision a. or c. of this subdivision.
- e. Confidential assistants and secretaries as defined in G.S. 126-5(c)(2), to individuals designated under sub-subdivision a., c., or d. of this subdivision.
- f. Employees in exempt positions designated in accordance with G.S. 126-5(d)(1), (2), or (2a) and confidential secretaries to these individuals.
- g. Any other employees or appointees in the principal State departments as may be designated by the Governor to the extent that the designation does not conflict with the State Personnel Act.
- h. Judicial employees.
- i. All voting members of boards, including ex officio members, permanent designees of any voting member, and members serving by executive, legislative, or judicial branch appointment.
- j. For The University of North Carolina, the voting members of the Board of Governors of The University of North Carolina, the president, the vice-presidents, and the chancellors, the vice-chancellors, and voting members of the boards of trustees of the constituent institutions.
- k. For the Community College System, the voting members of the State Board of Community Colleges, the President and the chief financial officer of the Community College System, the president, chief financial officer, and chief administrative officer of each community college, and voting members of the boards of trustees of each community college.
- l. Members of the ~~Commission~~-Commission, the executive director, and the assistant executive director of the Commission.
- m. Individuals under contract with the State working in or against a position included under this subdivision.
- n. The director of the Office of State Personnel.
- o. The State Controller.
- p. The chief information officer, deputy chief information officers, chief financial officers, and general counsel of the Office of Information Technology Services.
- q. The director of the State Museum of Art.
- r. The executive director of the Agency for Public Telecommunications.

- s. The Commissioner of Motor Vehicles.
- t. The Commissioner of Banks and the chief deputy commissioners of the Banking Commission.
- u. The executive director of the North Carolina Housing Finance Agency.
- v. The executive director, chief financial officer, and chief operating officer of the North Carolina Turnpike Authority."

SECTION 11. G.S. 143B-478 is amended by adding a new subsection to read:

"(f) The Commission shall be treated as a board for purposes of Chapter 138A of the General Statutes."

SECTION 12. G.S. 138A-22 is amended by adding a new subsection to read:

"(d1) In addition to subsections (a) and (d) of this section, a covered person holding elected office or a former covered person who held elected office subject to this Article shall file a statement of economic interest in all of the following instances, as specified:

- (1) Filed on or before April 15 of the year following the year a covered person or former covered person does not file a notice of candidacy or petition for election, or does not receive a certificate of election, to the position making that individual a covered person, with all information provided in the statement of economic interest current as of the last day of December of the preceding year.
- (2) Filed on or before April 15 of the year following the year the covered person or former covered person resigns from the position making that individual a covered person, with all information provided in the statement of economic interest current as of the last day in the position."

SECTION 13.(a) G.S. 138A-24(a) reads as rewritten:

"§ 138A-24. Contents of statement.

(a) Any statement of economic interest filed under this Article shall be on a form prescribed by the ~~Commission and sworn to by the filing person.~~ Commission. Answers must be provided to all questions. The form shall include the following information about the filing person and the filing person's immediate family:

- (1) Except as otherwise provided in this subdivision, the name, current mailing address, occupation, employer, and business of the filing person. Any individual holding or seeking elected office for which residence is a qualification for office shall include a home address. A judicial officer may use a current mailing address instead of the home address on the form required in this subsection. ~~The judicial officer filing person may also use the initials instead of the name of any unemancipated child of the judicial officer filing person who also resides in the household of the judicial officer filing person.~~ If the judicial officer filing person provides the initials of an unemancipated child, the judicial officer filing person shall concurrently provide the name of the unemancipated child to the Commission. The name of an unemancipated child provided by the judicial officer filing person to the Commission shall not be a public record under Chapter 132 of the General Statutes and is privileged and confidential.
- (2) A list of each asset and liability included in this subdivision of whatever nature (including legal, equitable, or beneficial interest) with a value of at least ten thousand dollars (\$10,000) owned by the filing person and the filing person's immediate family, except assets or liabilities held in a blind trust. This list shall include the following:
 - a. All real estate located in the State owned wholly or in part by the filing person or the filing person's immediate family, including descriptions adequate to determine the location by city and county of each parcel.
 - b. Real estate that is currently leased or rented to or from the State.
 - c. Personal property sold to or bought from the State within the preceding two years.
 - d. Personal property currently leased or rented to or from the State.
 - e. The name of each publicly owned company. For purposes of this sub-subdivision, the term "publicly owned company" shall not

include a widely held investment fund, including a mutual fund, regulated investment company, or pension or deferred compensation plan, if all of the following apply:

1. The filing person or a member of the filing person's immediate family neither exercises nor has the ability to exercise control over the financial interests held by the fund.
 2. The fund is publicly traded, or the fund's assets are widely diversified.
- f. The name of each nonpublicly owned company or business entity, including interests in sole proprietorships, partnerships, limited partnerships, joint ventures, limited liability companies, limited liability partnerships, and closely held corporations.
 - g. For each company or business entity listed under sub-subdivision f. of this subdivision, if known, a list of any other companies or business entities in which the company or business entity owns securities or equity interests exceeding a value of ten thousand dollars (\$10,000).
 - ~~h. A list of all nonpublicly owned businesses of which the filing person and the filing person's immediate family is an officer, employee, director, partner, owner, or member or manager of a limited liability company.~~
 - i. For any company or business entity listed under sub-subdivisions f., g., and h. of this subdivision, if known, any company or business entity that has any material business dealings, contracts, or other involvement with the State, or is regulated by the State, including a brief description of the business activity.
 - j. For a vested trust created, established, or controlled by the filing person of which the filing person or the members of the filing person's immediate family are the beneficiaries, excluding a blind trust, the name and address of the trustee, a description of the trust, and the filing person's relationship to the trust.
 - k. A list of all liabilities, excluding indebtedness on the filing person's primary personal residence, by type of creditor and debtor.
 - l. Repealed by Session Laws 2007-348, s. 34. See Editor's note for effective date.
 - m. A list of all stock options in a company or business not otherwise disclosed on this statement.
- (3) The name of each source (not specific amounts) of income of more than five thousand dollars (\$5,000) received during the previous year by business or industry type, if that source is not listed under subdivision (2) of this subsection. Income shall include salary, wages, professional fees, honoraria, interest, dividends, rental income, and business income from any source other than capital gains, federal government retirement, military retirement, or social security income.
- (4) If the filing person is a practicing attorney, an indication of whether the filing person, or the law firm with which the filing person is affiliated, earned legal fees during the past year in excess of ten thousand dollars (\$10,000) from any of the following categories of legal representation:
- a. Administrative law.
 - b. Admiralty law.
 - c. Corporate law.
 - d. Criminal law.
 - e. Decedents' estates law.
 - f. Environmental law.
 - g. Insurance law.
 - h. Labor law.
 - i. Local government law.
 - j. Negligence or other tort litigation law.
 - k. Real property law.

- l. Securities law.
 - m. Taxation law.
 - n. Utilities regulation law.
- (5) Except for a filing person in compliance under subdivision (4) of this subsection, if the filing person is a licensed professional or provides consulting services, either individually or as a member of a professional association, a list of categories of business and the nature of services rendered, for which payment for services were charged or paid during the past year in excess of ten thousand dollars (\$10,000).
 - (6) An indication of whether the filing person, the filing person's employer, a member of the filing person's immediate family, or the immediate family member's employer is licensed or regulated by, or has a business relationship with, the board or employing entity with which the filing person is or will be associated. This subdivision does not apply to a legislator, a judicial officer, or that legislator's or judicial officer's immediate family.
 - (7) A list of societies, organizations, or advocacy groups, pertaining to subject matter areas over which the public servant's agency or board may have jurisdiction, in which the public servant or a member of the public servant's immediate family is a director, officer, or governing board member. This subdivision does not apply to a legislator, a judicial officer, or that legislator's or judicial officer's immediate family.
 - (8) A list of all things with a total value of over two hundred dollars (\$200.00) per calendar quarter given and received without valuable consideration and under circumstances that a reasonable person would conclude that the thing was given for the purpose of lobbying, if such things were given by a person not required to report under Chapter 120C of the General Statutes, excluding things given by a member of the filing person's extended family. The list shall include only those things received during the 12 months preceding the reporting period under subsection (d) of this section, and shall include the source of those things. The list required by this subdivision shall not apply to things of monetary value received by the filing person prior to the time the filing person filed or was nominated as a candidate for office, as described in G.S. 138A-22, or was appointed or employed as a covered person.
 - (9) A list of any felony convictions of the filing person, excluding any felony convictions for which a pardon of innocence or order of expungement has been granted.
 - (10) Any other information that the filing person believes may assist the Commission in advising the filing person with regards to compliance with this Chapter.
 - (11) A list of any nonprofit corporation or organization with which associated during the preceding calendar year, including a list of which of those nonprofit corporations or organizations with which associated do business with the State or receive State funds and a brief description of the nature of the business, if known or with which due diligence could reasonably be known.
 - (12) A statement of whether the filing person or the filing person's immediate family is or has been a lobbyist or lobbyist principal registered under Chapter 120C of the General Statutes within the preceding 12 months.
 - (13) A list of all contributions as defined in G.S. 163-278.6(6) with a cumulative total of more than one thousand dollars (\$1,000) made by the filing person only, during the preceding calendar year, to the candidate or candidate campaign committee of the covered person as defined in G.S. 138A-3(30)a. appointing the filing person to the covered board.
 - (14) A statement indicating "Yes" or "No" as to whether the filing person engaged in each of the following activities during the preceding calendar year, with respect to or on the behalf of the candidate or candidate campaign committee of the covered person as defined in G.S. 138A-3(30)a. appointing the filing person: (i) collected contributions from multiple contributors, took possession of such multiple contributions, and transferred or delivered those

collected multiple contributions, (ii) hosted a fund-raiser in the filing person's residence or place of business, or (iii) volunteered for campaign-related activity. This subdivision only applies to filing persons in the following categories:

- a. A public servant, or a prospective appointee to, as defined in G.S. 138A-3(30)c.
- b. A judicial officer that serves on, or a prospective appointee to, the Supreme Court, the Court of Appeals, the superior court, or the district court.
- c. A covered person serving on, or a prospective appointee to, one of the following boards:
 - 1. Alcoholic Beverage Control Commission.
 - 2. Coastal Resources Commission.
 - 3. State Board of Education.
 - 4. State Board of Elections.
 - 5. Employment Security Commission.
 - 6. Environmental Management Commission.
 - 7. Industrial Commission.
 - 8. State Personnel Commission.
 - 9. Rules Review Commission.
 - 10. Board of Transportation.
 - 11. Board of Governors of the University of North Carolina.
 - 12. Utilities Commission.
 - 13. Wildlife Resources Commission.

(15) The name of each business with which associated that the filing person or a member of the filing person's immediate family is an employee, director, officer, partner, proprietor, or member or manager."

SECTION 13.(b) G.S. 138A-24(c) reads as rewritten:

"(c) Each statement of economic interest shall contain ~~sworn~~ a certification by the filing person that the filing person has read the statement and that, to the best of the filing person's knowledge and belief, the statement is true, correct, and complete. The filing person's ~~sworn~~ certification also shall provide that the filing person has not transferred, and will not transfer, any asset, interest, or other property ~~for the purpose of concealing~~ with the intent to conceal it from disclosure while retaining an equitable interest therein."

SECTION 13.(c) G.S. 138A-24(a)(2)i. is recodified as G.S. 138A-24(a)(16).

SECTION 13.(d) G.S. 138A-24(a)(16), as enacted by Section 13(c) of this act, reads as rewritten:

"(16) For any company or business entity listed under subdivision (15) of this subsection and sub-subdivisions f., g., and h.f. and g. of subdivision (2) of this subsection, if known, a statement whether that ~~any~~ company or business entity ~~that~~ has any material business ~~dealings, contracts, dealings~~ or other involvement business contracts with the State, or is regulated by the State, including a brief description of the business activity."

SECTION 13.(e) This section becomes effective January 1, 2011, and applies to statements of economic interest filed on or after that date.

SECTION 14. G.S. 138A-41 reads as rewritten:

"§ 138A-41. **Other ethics standards.**

(a) Nothing in this Chapter shall prevent the Supreme Court, the Committee, the Legislative Services Commission, constitutional officers of the State, heads of principal departments, the Board of Governors of The University of North Carolina, the State Board of Community Colleges, or other boards from adopting additional or supplemental ethics standards applicable to that public agency's operations.

(b) The Governor, as a constitutional officer of the State, shall have the authority to adopt additional and supplemental ethics standards applicable to any appointee of the Governor to any State board, commission, council, committee, task force, authority, or similar public body, however denominated, created by statute or executive order, whether advisory or nonadvisory in authority. If the Governor adopts such ethics standards, the standards shall be published in the North Carolina Register and made available to each appointee subject to the ethics standards.

(c) The Governor, as a constitutional officer of the State, shall have the authority to adopt minimum ethics standards applicable to any employee of a State agency. If the Governor adopts such standards, the ethics standards shall be published in the North Carolina Register and made available to each employee subject to the ethics standards."

SECTION 15.(a) G.S. 120C-303(a) reads as rewritten:

"(a) Except as provided in subsection (b) of this section, no lobbyist or lobbyist principal may do any of the following:

- (1) Knowingly give a gift to a designated individual.
- (2) Knowingly give a gift with the intent that a designated individual be ~~the~~an ultimate recipient."

SECTION 15.(b) G.S. 138A-32(c) reads as rewritten:

"(c) No public servant, legislator, or legislative employee shall knowingly accept a gift from a lobbyist or lobbyist principal registered under Chapter 120C of the General Statutes. No legislator or legislative employee shall knowingly accept a gift from liaison personnel designated under Chapter 120C of the General Statutes. No public servant, legislator, or legislative employee shall accept a gift knowing all of the following:

- (1) The gift was obtained indirectly from a lobbyist, lobbyist principal, or liaison personnel registered under Chapter 120C of the General Statutes.
- (2) The lobbyist, lobbyist principal, or liaison personnel registered under Chapter 120C of the General Statutes intended for ~~the~~an ultimate recipient of the gift to be a public servant, legislator, or legislative employee as provided in G.S. 120C-303."

SECTION 15.(c) G.S. 138A-32(d1) reads as rewritten:

"(d1) No public servant shall accept a gift knowing all of the following:

- (1) The gift was obtained indirectly from a person described under ~~subdivisions~~subdivision (d)(1), (2), ~~and or~~ (3) of this section.
- (2) The person described under ~~subdivisions~~subdivision (d)(1), (2), ~~and or~~ (3) of this section intended for ~~the~~an ultimate recipient of the gift to be a public servant."

SECTION 15.(d) This section becomes effective December 1, 2010, and applies to offenses committed on or after that date.

SECTION 16. G.S. 120C-101(c) reads as rewritten:

"(c) In adopting rules under this Chapter, the Commission is exempt from the requirements of Article 2A of Chapter 150B of the General Statutes, except that the Commission shall comply with G.S. 150B-21.2(d). At least 30 business days prior to adopting a rule, the Commission shall:

- (1) Publish the proposed rules in the North Carolina Register.
- (2) Submit the rule and a notice of public hearing to the Codifier of Rules, and the Codifier of Rules shall publish the proposed rule and the notice of public hearing on the Internet to be posted within five business days.
- (3) Notify those on the mailing list maintained in accordance with G.S. 150B-21.2(d) and any other interested parties of its intent to adopt a rule and of the public hearing.
- (4) Accept written comments on the proposed rule for at least 15 business days prior to adoption of the rule.
- (5) Hold at least one public hearing on the proposed rule no less than five days after the rule and notice have been published.

A rule adopted under this subsection becomes effective the first day of the month following the month the final rule is submitted to the Codifier of Rules for entry into the North Carolina Administrative Code. Code, and applies prospectively. A rule adopted by the Commission that does not comply with the procedural requirements of this subsection shall be null, void, and without effect. For purposes of this subsection, a rule is any Commission regulation, standard, or statement of general applicability that interprets an enactment by the General Assembly or Congress, or a regulation adopted by a federal agency, or that describes the procedure or practice requirements of the Commission."

SECTION 17.(a) G.S. 120C-100(a)(9) reads as rewritten:

"(9) Lobby or Lobbying. – Any of the following:

- a. Influencing or attempting to influence legislative or executive action, or both, through direct communication or activities with a designated individual or that designated individual's immediate family.
- b. Developing goodwill through communications or activities, including the building of relationships, with a designated individual or that designated individual's immediate family with the intention of influencing current or future legislative or executive action, or both.

The ~~term~~ terms "lobby" or "lobbying" ~~does~~ do not include communications or activities as part of a business, civic, religious, fraternal, personal, or commercial relationship which is not connected to legislative or executive action, or both."

SECTION 17.(b) G.S. 120C-100(a)(10) reads as rewritten:

"(10) Lobbyist. – An individual who engages in lobbying for payment and meets any of the following criteria:

- a. Repealed by Session Laws 2007-348, s. 8(a), effective October 10, 2007.
- b. Represents another person or governmental unit, but is not directly employed by that person or governmental unit, ~~and receives payment for services. unit. For the purposes of this sub-subdivision, the term "payment for services" shall not include reimbursement of actual travel and subsistence.~~
- c. Contracts for ~~economic consideration~~ payment for the purpose of lobbying.
- d. Is employed by a person and a significant part of that employee's duties include lobbying. In no case shall an employee be considered a lobbyist if in no 30-day period less than five percent (5%) of that employee's actual duties include engaging in lobbying as defined in subdivision (9)a. of this section or if in no 30-day period less than five percent (5%) of that employee's actual duties include engaging in lobbying as defined in subdivision (9)b. of this section.

The term "lobbyist" shall not include individuals who are specifically exempted from this Chapter by G.S. 120C-700 or registered as liaison personnel under Article 5 of this Chapter."

SECTION 17.(c) G.S. 120C-100(a)(11) reads as rewritten:

"(11) Lobbyist principal and principal. – The person or governmental unit on whose behalf the lobbyist ~~lobbies~~ lobbies and who makes payment for the lobbying. In the case where a lobbyist is ~~compensated~~ paid by a law firm, consulting firm, or other entity retained by a person or governmental unit for lobbying, the principal is the person or governmental unit whose interests the lobbyist represents in lobbying. In the case of a lobbyist employed or retained by an association or other organization, the lobbyist principal is the association or other organization, not the individual members of the association or other organization.

The term "lobbyist principal" shall not include those designating registered liaison personnel under Article 5 of this Chapter."

SECTION 17.(d) G.S. 120C-100(a)(11k) reads as rewritten:

"(11k) ~~Payment for services.~~ Payment. – Any money, thing of value, or economic benefit ~~paid conveyed to a~~ the lobbyist for ~~the purpose of lobbying~~ lobbying, other than reimbursement of actual travel, administrative expenses, or subsistence."

SECTION 17.(e) G.S. 120C-100(a)(13) reads as rewritten:

"(13) Solicitation of others. – A solicitation of members of the public to communicate directly with or contact one or more designated individuals ~~for the purpose of influencing or attempting to influence or attempt to influence~~ legislative or executive action to further the solicitor's position on that legislative or executive action, when that request is made by any of the following methods:

- a. A broadcast, cable, or satellite transmission.
- b. An e-mail communication or a Web site posting.

- c. A communication delivered by print media as defined in G.S. 163-278.38Z.
- d. A letter or other written communication delivered by mail or by comparable delivery service.
- e. Telephone.
- f. A communication at a conference, meeting, or similar event.

The term "solicitation of others" does not include communications made by a person or by the person's agent to that person's stockholders, employees, board members, officers, members, subscribers, or other recipients who have affirmatively assented to receive the person's regular publications or notices."

SECTION 17.(f) G.S. 120C-300 reads as rewritten:

"§ 120C-300. Contingency fees prohibited.

(a) No individual shall act as a lobbyist ~~for and receive payment for services~~ lobbying that is dependent upon the result or outcome of any legislative or executive action.

(b) This section shall not apply to an individual doing business with the State who is engaged in sales with respect to that business with the State whose regular remuneration agreement includes commissions based on those sales. For purposes of this subsection, the term "regular remuneration" means any money, thing of value, or economic benefit conferred on or received by the individual in return for services rendered or to be rendered by that individual or another.

(c) Any payment ~~for services~~ to a lobbyist in violation of this section is subject to forfeiture and shall be paid into the Civil Penalty and Forfeiture Fund."

SECTION 17.(g) G.S. 120C-305 reads as rewritten:

"§ 120C-305. Prohibition on the use of cash or credit of the lobbyist.

No lobbyist or another acting on the lobbyist's behalf shall ~~permit lobby by permitting~~ a designated individual, or that designated individual's immediate family member, to use the cash or credit of the lobbyist ~~for the purpose of lobbying~~ unless the lobbyist is in attendance at the time of the reportable expenditure. G.S. 120C-303 applies to this section."

SECTION 17.(h) G.S. 120C-400(a) reads as rewritten:

"§ 120C-400. Reporting of reportable expenditures.

(a) For purposes of this Chapter, all reportable expenditures made for ~~the purpose of~~ lobbying shall be reported, including the following:

- (1) Reportable expenditures benefiting or made on behalf of a designated individual in the regular course of that designated individual's employment.
- (1a) Reportable expenditures benefiting or made on behalf of a designated individual's immediate family member in the regular course of that immediate family member's employment.
- (2) Contractual arrangements or direct business relationships between a lobbyist or lobbyist principal and a designated individual, or that designated individual's immediate family member, in effect during the reporting period or the previous 12 months.
- (3) Reportable expenditures reimbursed to a lobbyist in the ordinary course of business by the lobbyist principal or other employer."

SECTION 17.(i) G.S. 120C-402(b) reads as rewritten:

"(b) The report shall include all of the following for the reporting period:

- (1) All reportable expenditures made for ~~the purpose of~~ lobbying.
- (2) Solicitation of others when such solicitation involves an aggregate cost of more than three thousand dollars (\$3,000).
- (3) Reportable expenditures reimbursed by the lobbyist principal, or another person or governmental unit on the lobbyist principal's behalf.
- (4) All reportable expenditures for gifts given under G.S. 138A-32(e)(1)-(9), 138A-32(e)(11), 138A-32(e)(12), and all gifts given under G.S. 138A-32(e)(10) with a value of more than ten dollars (\$10.00)."

SECTION 17.(j) G.S. 120C-403 reads as rewritten:

"§ 120C-403. Lobbyist principal's reports.

(a) Each lobbyist principal shall file quarterly reports under oath with the Secretary of State with respect to each lobbyist principal.

(b) The report shall be filed whether or not reportable expenditures are made, shall be due ~~10-15~~ business days after the end of the reporting period, and shall include all of the following for the reporting period:

- (1) All reportable expenditures made for ~~the purpose of~~ lobbying.
- (2) Solicitation of others when such solicitation involves an aggregate cost of more than three thousand dollars (\$3,000).
- (3) Recodified as G.S. 120C-403(d).
- (4) With respect to each lobbyist registered under G.S. 120C-206, reportable expenditures reimbursed or paid to lobbyists for lobbying that are not reported on the lobbyist's report, with an itemized description of those reportable expenditures.
- (5) All reportable expenditures for gifts given under G.S. 138A-32(e)(1)-(9), 138A-32(e)(11), 138A-32(e)(12), and all gifts given under G.S. 138A-32(e)(10) with a value of more than two hundred dollars (\$200.00).
- (6) With respect to each lobbyist registered under G.S. 120C-206, the name of each person or governmental unit not otherwise registered as a lobbyist principal for whom the lobbyist principal directs the lobbyist to lobby, whether for pay or not. If the lobbyist principal is an association or other organization, the lobbyist principal shall not be required to report under this subdivision any individual member of the association or other organization for which the lobbyist is directed to lobby by that lobbyist principal.

(c) In addition to the reports required by this section, each lobbyist principal incurring reportable expenditures in any month while the General Assembly is in session with respect to lobbying legislators and legislative employees shall file a monthly reportable expenditure report. The monthly reportable expenditure report shall contain information required by this section with respect to all lobbying of legislators and legislative employees, and is due within 10 business days after the end of the month. The information on the monthly report shall also be included in each quarterly report required by subsection (a) of this section.

(d) In addition to the reports required by this section, each lobbyist principal shall annually, in the last report for the registration period under G.S. 120C-200(d), report the cumulative combined total of all payments for lobbying and other activities described in subdivision (2) of subsection (e) of this section made during the registration period, as applicable:

- (1) If a lobbyist represents the lobbyist principal, but is not directly employed by that lobbyist principal, the portion of the payment that is for lobbying and to whom it was paid.
- (2) If a lobbyist is under contract with the lobbyist principal for lobbying, the portion of the contract that is reasonably allocated for lobbying.
- (3) If a lobbyist is a full-time employee of the principal, or is paid by means of an annual fee or retainer, the principal shall estimate and report the portion of the salary, fee, or retainer salary that is reasonably allocated for lobbying.

(e) For purposes of subsection (d) of this section, the following shall apply:

- (1) A lobbyist principal may rely upon a statement by the lobbyist estimating the portion of the salary or other payment that is reasonably allocated for lobbying.
- (2) In addition to reporting any payment to a lobbyist for lobbying under subsection (d) of this section, a lobbyist principal shall report, cumulatively for the year, any payment to a lobbyist for any of the following communications and activities that were used to lobby within the registration period under G.S. 120C-200(d):
 - a. Research.
 - b. Drafting of written communications.
 - c. Monitoring of proposed or pending legislative action or executive action, including time spent preparing communications with the lobbyist principal to relate information on proposed or pending legislative action or executive action.

- d. Time spent advising and rendering opinions to the lobbyist principal as to the construction and effect of proposed or pending legislative action or executive action.
- (3) A lobbyist principal is required to report any payment to a lobbyist for any of the following:
 - a. Direct lobbying communications or direct lobbying activities with a designated individual or that designated individual's immediate family.
 - b. Communications or activities to develop goodwill, including the building of relationships, with a designated individual or that designated individual's immediate family member."

SECTION 17.(k) G.S. 120C-404(b)(1) reads as rewritten:

"(1) All reportable expenditures made for ~~the purpose of~~ lobbying during the reporting period."

SECTION 17.(l) G.S. 120C-501(e) reads as rewritten:

"(e) The Board of Governors of the University of North Carolina and its constituent institutions, or the liaison personnel designated by that board or the constituent institutions, shall not give, for ~~the purpose of~~ lobbying, athletic tickets to any designated individual, except for those who are described in G.S. 138A-3(30)j. or those who are students and receive tickets on the same basis as other students."

SECTION 17.(m) G.S. 120C-800(a) reads as rewritten:

"(a) If a designated individual accepts a reportable expenditure made for ~~the purpose of~~ lobbying with a total value of over two hundred dollars (\$200.00) per calendar quarter from a person or group of persons acting together, exempted or not otherwise covered by this Chapter, the person, or group of persons, making the reportable expenditure shall report the date, a description of the reportable expenditure, the name and address of the person, or group of persons, making the reportable expenditure, the name of the designated individual accepting the reportable expenditure, and the estimated fair market value, or face value if shown, of the reportable expenditure."

SECTION 17.(n) G.S. 138A-3(1) reads as rewritten:

"(1) Blind trust. – A trust established by or for the benefit of a covered person or a member of the covered person's immediate family for ~~the purpose of~~ divestiture of all control and knowledge of assets. A trust qualifies as a blind trust under this subdivision if the covered person or a member of the covered person's immediate family has no knowledge of the holdings and sources of income of the trust, the trustee of the trust is independent of and not associated with or employed by the covered person or a member of the covered person's immediate family and is not a member of the covered person's extended family, and the trustee has sole discretion as to the management of the trust assets."

SECTION 17.(o) G.S. 138A-3(15) reads as rewritten:

"(15) Gift. – Anything of monetary value given or received without valuable consideration by or from a lobbyist, lobbyist principal, liaison personnel, or a person described under G.S. 138A-32(d)(1), (2), or (3). The following shall not be considered gifts under this subdivision:

- a. Anything for which fair market value, or face value if shown, is paid by the covered person or legislative employee.
- b. Commercially available loans made on terms not more favorable than generally available to the general public in the normal course of business if not made for ~~the purpose of~~ lobbying.
- c. Contractual arrangements or commercial relationships or arrangements made in the normal course of business if not made for ~~the purpose of~~ lobbying.
- d. Academic or athletic scholarships based on the same criteria as applied to the public.
- e. Campaign contributions properly received and reported as required under Article 22A of Chapter 163 of the General Statutes.

- f. Expressions of condolence related to a death of an individual, sent within a reasonable time of the death, if the expression is one of the following:
1. A sympathy card, letter, or note.
 2. Flowers.
 3. Food or beverages for immediate consumption.
 4. Donations to a religious organization, charity, the State or a political subdivision of the State, not to exceed a total of two hundred dollars (\$200.00) per death per donor."

SECTION 17.(p) G.S. 138A-13(f) reads as rewritten:

"(f) This section shall apply to judicial officers only for ~~the purpose of~~ advice related to Article 3 of this Chapter."

SECTION 17.(q) G.S. 138A-24(a)(8) reads as rewritten:

"(8) A list of all things with a total value of over two hundred dollars (\$200.00) per calendar quarter given and received without valuable consideration and under circumstances that a reasonable person would conclude that the thing was given for ~~the purpose of~~ lobbying, if such things were given by a person not required to report under Chapter 120C of the General Statutes, excluding things given by a member of the filing person's extended family. The list shall include only those things received during the 12 months preceding the reporting period under subsection (d) of this section, and shall include the source of those things. The list required by this subdivision shall not apply to things of monetary value received by the filing person prior to the time the filing person filed or was nominated as a candidate for office, as described in G.S. 138A-22, or was appointed or employed as a covered person."

SECTION 17.(r) G.S. 138A-32(e)(10) reads as rewritten:

"(10) Gifts given or received as part of a business, civic, religious, fraternal, personal, or commercial relationship provided all of the following conditions are met:

- a. The relationship is not related to the public servant's, legislator's, or legislative employee's public service or position.
- b. The gift is made under circumstances that a reasonable person would conclude that the gift was not given ~~for the purpose of lobbying to lobby.~~"

SECTION 17.(s) This section is effective January 1, 2011, and applies to offenses committed on or after that date and reports filed on or after that date.

SECTION 18.(a) G.S. 126-23 reads as rewritten:

"§ 126-23. Certain records to be kept by State agencies open to inspection.

(a) Each department, agency, institution, commission and bureau of the State shall maintain a record of each of its employees, showing the following information with respect to each such employee:

- (1) ~~name,~~Name.
- (2) ~~age,~~Age.
- (3) ~~date~~Date of original employment or appointment to ~~the State~~ ~~service,~~service.
- (4) ~~the~~The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the agency has the written contract or a record of the oral contract in its ~~possession,~~possession.
- (5) ~~current position,~~Current position.
- (6) ~~title,~~Title.
- (7) ~~current salary,~~Current salary.
- (8) ~~date~~Date and amount of ~~most recent~~each increase or decrease in ~~salary,~~salary with that department, agency, institution, commission, or bureau.
- (9) ~~date~~Date and type of ~~most recent~~ each promotion, demotion, transfer, suspension, separation, or other change in position ~~classification,~~classification with that department, agency, institution, commission, or bureau.
- (10) Date and general description of the reasons for each promotion with that department, agency, institution, commission, or bureau.

(11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the department, agency, institution, commission, or bureau. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the head of the department setting forth the specific acts or omissions that are the basis of the dismissal.

(12) ~~and the~~ The office or station to which the employee is currently assigned.

(b) For the purposes of this section, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(c) Subject only to rules and regulations for the safekeeping of the records, adopted by the State Personnel Commission, every person having custody of such records shall permit them to be inspected and examined and copies thereof made by any person during regular business hours. Any person who is denied access to any such record for the purpose of inspecting, examining or copying the same shall have a right to compel compliance with the provisions of this section by application to a court of competent jurisdiction for a writ of mandamus or other appropriate relief."

SECTION 18.(b) G.S. 115C-320 reads as rewritten:

"§ 115C-320. Certain records open to inspection.

(a) Each local board of education shall maintain a record of each of its employees, showing the following information with respect to each employee:

(1) ~~name,~~ Name.

(2) ~~age,~~ Age.

(3) ~~date~~ Date of original employment or ~~appointment,~~ appointment.

(4) ~~the~~ The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the board has the written contract or a record of the oral contract in its ~~possession,~~ possession.

(5) ~~current position,~~ Current position.

(6) ~~title,~~ Title.

(7) ~~current salary,~~ Current salary.

(8) ~~date~~ Date and amount of ~~most recent each~~ increase or decrease in ~~salary,~~ salary with that local board of education.

(9) ~~date~~ Date and type of ~~most recent~~ each promotion, demotion, transfer, suspension, separation, or other change in position ~~classification,~~ and classification with that local board of education.

(10) Date and general description of the reasons for each promotion with that local board of education.

(11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the local board of education. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the local board education setting forth the specific acts or omissions that are the basis of the dismissal.

(12) ~~the~~ The office or station to which the employee is currently assigned.

(b) For the purposes of this section, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(c) Subject only to rules and regulations for the safekeeping of records adopted by the local board of education, every person having custody of the records shall permit them to be inspected and examined and copies made by any person during regular business hours. The name of a participant in the Address Confidentiality Program established pursuant to Chapter 15C of the General Statutes shall not be open to inspection and shall be redacted from any record released pursuant to this section. Any person who is denied access to any record for the purpose of inspecting, examining or copying the record shall have a right to compel compliance with the provisions of this section by application to a court of competent jurisdiction for a writ of mandamus or other appropriate relief."

SECTION 18.(c) G.S. 115D-28 reads as rewritten:

"§ 115D-28. Certain records open to inspection.

(a) Each board of trustees shall maintain a record of each of its employees, showing the following information with respect to each employee:

(1) ~~name,~~ Name.

(2) ~~age,~~ Age.

(3) ~~date~~ Date of original employment or ~~appointment,~~ appointment.

- (4) ~~the~~The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the board has the written contract or a record of the oral contract in its ~~possession~~possession.
- (5) ~~current position~~Current position.
- (6) ~~title~~Title.
- (7) ~~current salary~~Current salary.
- (8) ~~date~~Date and amount of ~~most recent~~each increase or decrease in ~~salary~~salary with that community college.
- (9) ~~date~~Date and type of ~~most recent~~ each promotion, demotion, transfer, suspension, separation, or other change in position ~~classification~~and classification with that community college.
- (10) Date and general description of the reasons for each promotion with that community college.
- (11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the community college. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the board of trustees setting forth the specific acts or omissions that are the basis of the dismissal.
- (12) ~~the~~The office or station to which the employee is currently assigned.

(b) For the purposes of this section, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(c) Subject only to rules and regulations for the safekeeping of records adopted by the board of trustees, every person having custody of the records shall permit them to be inspected and examined and copies made by any person during regular business hours. Any person who is denied access to any record for the purpose of inspecting, examining or copying the record shall have a right to compel compliance with the provisions of this section by application to a court of competent jurisdiction for a writ of mandamus or other appropriate relief."

SECTION 18.(d) G.S. 122C-158(b) reads as rewritten:

"(b) The following information with respect to each employee is a matter of public record:

- (1) ~~name~~Name.
- (2) ~~age~~Age.
- (3) ~~date~~Date of original employment or appointment to the area ~~authority~~authority.
- (4) ~~the~~The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the agency has the written contract or a record of the oral contract in its ~~possession~~possession.
- (5) ~~current position~~Current position.
- (6) ~~title~~Title.
- (7) ~~current salary~~Current salary.
- (8) ~~date~~Date and amount of ~~most recent~~each increase or decrease in ~~salary~~salary with that area authority.
- (9) ~~date~~Date and type of ~~the most recent~~each promotion, demotion, transfer, suspension, separation, or other change in position ~~classification~~and classification with that area authority.
- (10) Date and general description of the reasons for each promotion with that area authority.
- (11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the area authority. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the area authority setting forth the specific acts or omissions that are the basis of the dismissal.
- (12) ~~the~~The office to which the employee is currently assigned.

(b1) For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(b2) The area authority shall determine in what form and by whom this information will be maintained. Any person may have access to this information for the purpose of inspection, examination, and copying during regular business hours, subject only to rules for the

safekeeping of public records as the area authority may have adopted. Any person denied access to this information may apply to the appropriate division of the General Court of Justice for an order compelling disclosure, and the court shall have jurisdiction to issue these orders."

SECTION 18.(e) G.S. 153A-98(b) reads as rewritten:

"(b) The following information with respect to each county employee is a matter of public record:

- (1) ~~name;~~ Name.
- (2) ~~age;~~ Age.
- (3) ~~date~~ Date of original employment or appointment to the county ~~service;~~ service.
- (4) ~~the~~ The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the county has the written contract or a record of the oral contract in its ~~possession;~~ possession.
- (5) ~~current position~~ Current position.
- (6) ~~title;~~ Title.
- (7) ~~current salary;~~ Current salary.
- (8) ~~date~~ Date and amount of ~~the most recent~~ each increase or decrease in ~~salary;~~ salary with that county.
- (9) ~~date~~ Date and type of ~~the most recent~~ each promotion, demotion, transfer, suspension, separation or other change in position ~~classification;~~ and classification with that county.
- (10) Date and general description of the reasons for each promotion with that county.
- (11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the county. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the county setting forth the specific acts or omissions that are the basis of the dismissal.
- (12) ~~the~~ The office to which the employee is currently assigned.

(b1) For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(b2) The board of county commissioners shall determine in what form and by whom this information will be maintained. Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the board of commissioners may have adopted. Any person denied access to this information may apply to the appropriate division of the General Court of Justice for an order compelling disclosure, and the court shall have jurisdiction to issue such orders."

SECTION 18.(f) G.S. 160A-168(b) reads as rewritten:

"(b) The following information with respect to each city employee is a matter of public record:

- (1) ~~name;~~ Name.
- (2) ~~age;~~ Age.
- (3) ~~date~~ Date of original employment or appointment to the ~~service;~~ service.
- (4) ~~the~~ The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the city has the written contract or a record of the oral contract in its ~~possession;~~ possession.
- (5) ~~current position~~ Current position.
- (6) ~~title;~~ Title.
- (7) ~~current salary;~~ Current salary.
- (8) ~~date~~ Date and amount of ~~the most recent~~ each increase or decrease in ~~salary;~~ salary with that municipality.
- (9) ~~date~~ Date and type of ~~the most recent~~ each promotion, demotion, transfer, suspension, separation, or other change in position ~~classification;~~ and classification with that municipality.
- (10) Date and general description of the reasons for each promotion with that municipality.
- (11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the municipality. If the disciplinary action was a dismissal,

a copy of the written notice of the final decision of the municipality setting forth the specific acts or omissions that are the basis of the dismissal.

(12) ~~the~~The office to which the employee is currently assigned.

(b1) For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(b2) The city council shall determine in what form and by whom this information will be maintained. Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the city council may have adopted. Any person denied access to this information may apply to the appropriate division of the General Court of Justice for an order compelling disclosure, and the court shall have jurisdiction to issue such orders."

SECTION 18.(g) G.S. 162A-6.1(b) reads as rewritten:

"(b) The following information with respect to each authority employee is a matter of public record:

(1) ~~name;~~ Name.

(2) ~~age;~~ Age.

(3) ~~date~~ Date of original employment or appointment to the service; ~~service.~~

(4) ~~the~~ The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the authority has the written contract or a record of the oral contract in its possession; ~~possession.~~

(5) ~~current position~~ Current position.

(6) ~~title;~~ Title.

(7) ~~current salary;~~ Current salary.

(8) ~~date~~ Date and amount of the most recent ~~each~~ increase or decrease in salary; ~~salary with that authority.~~

(9) ~~date~~ Date and type of the most recent ~~each~~ promotion, demotion, transfer, suspension, separation, or other change in position ~~classification;~~ ~~and~~ classification with that authority.

(10) Date and general description of the reasons for each promotion with that authority.

(11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the authority. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the authority setting forth the specific acts or omissions that are the basis of the dismissal.

(12) ~~the~~The office to which the employee is currently assigned.

(b1) For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(b2) The authority shall determine in what form and by whom this information will be maintained. Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the authority may have adopted. Any person denied access to this information may apply to the appropriate division of the General Court of Justice for an order compelling disclosure, and the court shall have jurisdiction to issue such orders."

SECTION 18.(h) This section becomes effective October 1, 2010.

SECTION 19.(a) G.S. 120C-600 is amended by adding a new subsection to read:

"(d) The Secretary shall publish annual statistics on complaints received and systematic reviews conducted under this section, including the number of systematic reviews, the number of complaints, the number of apparent violations of this Chapter referred to a district attorney, the number of complaints dismissed, and the number and age of complaints pending. Subject to the provisions of Chapter 132 of the General Statutes, the levy of all civil fines, including the amount of the fine and the identity of the person or governmental unit against whom it was levied, shall be a public record as defined in G.S. 132-1(a)."

SECTION 19.(b) G.S. 120C-601 is amended by adding a new subsection to read:

"(d) The Commission shall publish annual statistics on complaints, including the number of complaints, the number of apparent violations of this Chapter referred to a district attorney, the number of dismissals, and the number and age of complaints pending."

SECTION 20. G.S. 120C-700 is amended by adding a new subdivision to read:

"(9) Anything of value given or received in connection with seeking or hosting a national convention of a political party."

SECTION 21.(a) Article 5 of Chapter 7A of the General Statutes is amended by adding a new section to read:

"§ 7A-38.3E. Mediation of public records disputes.

(a) Voluntary Mediation. – The parties to a public records dispute under Chapter 132 of the General Statutes may agree at any time prior to filing a civil action under Chapter 132 of the General Statutes to mediation of the dispute under the provisions of this section. Mediation of a public records dispute shall be initiated by filing a request for mediation with the clerk of superior court in a county in which the action may be brought.

(b) Mandatory Mediation. – Subsequent to filing a civil action under Chapter 132 of the General Statutes, a person shall initiate mediation pursuant to this section. Such mediation shall be initiated no later than 30 days from the filing of responsive pleadings with the clerk in the county where the action is filed.

(c) Initiation of Mediation. – The Administrative Office of the Courts shall prescribe a request for mediation form. The party filing the request for mediation shall mail a copy of the request by certified mail, return receipt requested, to each party to the dispute. The clerk shall provide each party with a list of mediators certified by the Dispute Resolution Commission. If the parties agree in writing to the selection of a mediator from that list, the clerk shall appoint that mediator selected by the parties. If the parties do not agree on the selection of a mediator, the party filing the request for mediation shall bring the matter to the attention of the clerk, and a mediator shall be appointed by the senior resident superior court judge. The clerk shall notify the mediator and the parties of the appointment of the mediator.

(d) Mediation Procedure. – Except as otherwise expressly provided in this section, mediation under this section shall be conducted in accordance with the provisions for mediated settlement of civil cases in G.S. 7A-38.1 and G.S. 7A-38.2 and rules and standards adopted pursuant to those sections. The Supreme Court may adopt additional rules and standards to implement this section, including an exemption from the provisions of G.S. 7A-38.1 for cases in which mediation was attempted under this section.

(e) Waiver of Mediation. – The parties to the dispute may waive the mediation required by this section by informing the mediator of the parties' waiver in writing. No costs shall be assessed to any party if all parties waive mediation prior to the occurrence of an initial mediation meeting.

(f) Certification That Mediation Concluded. – Immediately upon a waiver of mediation under subsection (e) of this section or upon the conclusion of mediation, the mediator shall prepare a certification stating the date on which the mediation was concluded and the general results of the mediation, including, as applicable, that the parties waived the mediation, that an agreement was reached, that mediation was attempted but an agreement was not reached, or that one or more parties, to be specified in the certification, failed or refused without good cause to attend one or more mediation meetings or otherwise participate in the mediation. The mediator shall file the original of the certification with the clerk and provide a copy to each party.

(g) Time Periods Tolloed. – Time periods relating to the filing of a claim or the taking of other action with respect to a public records dispute, including any applicable statutes of limitations, shall be tolled upon the filing of a request for mediation under this section, until 30 days after the date on which the mediation is concluded as set forth in the mediator's certification, or if the mediator fails to set forth such date, until 30 days after the filing of the certification under subsection (f) of this section.

(h) Nothing in this section shall prevent a party seeking production of public records from seeking injunctive or other relief, including production of public records prior to any scheduled mediation."

SECTION 21.(b) G.S. 7A-38.2(a) reads as rewritten:

"(a) The Supreme Court may adopt standards of conduct for mediators and other neutrals who are certified or otherwise qualified pursuant to G.S. 7A-38.1, 7A-38.3, 7A-38.3B, 7A-38.3D, 7A-38.3E, and 7A-38.4A, or who participate in proceedings conducted pursuant to

those sections. The standards may also regulate mediator and other neutral training programs. The Supreme Court may adopt procedures for the enforcement of those standards."

SECTION 21.(c) G.S. 132-9 reads as rewritten:

"§ 132-9. Access to records.

(a) Any person who is denied access to public records for purposes of inspection and examination, or who is denied copies of public records, may apply to the appropriate division of the General Court of Justice for an order compelling disclosure or copying, and the court shall have jurisdiction to issue such ~~orders.~~ orders if the person has complied with G.S. 7A-38.3E. Actions brought pursuant to this section shall be set down for immediate hearing, and subsequent proceedings in such actions shall be accorded priority by the trial and appellate courts.

(b) In an action to compel disclosure of public records which have been withheld pursuant to the provisions of G.S. 132-6 concerning public records relating to the proposed expansion or location of particular businesses and industrial projects, the burden shall be on the custodian withholding the records to show that disclosure would frustrate the purpose of attracting that particular business or industrial project.

(c) In any action brought pursuant to this section in which a party successfully compels the disclosure of public records, the court shall allow ~~the prevailing party seeking disclosure of public records who substantially prevails~~ to recover its reasonable attorneys' fees if attributed to those public records, ~~unless the court finds the agency acted with substantial justification in denying access to the public records or the court finds circumstances that would make the award of attorneys' fees unjust.~~ records. The court may not assess attorneys' fees against the governmental body or governmental unit if the court finds that the governmental body or governmental unit acted in reasonable reliance on any of the following:

- (1) A judgment or an order of a court applicable to the governmental unit or governmental body.
- (2) The published opinion of an appellate court, an order of the North Carolina Business Court, or a final order of the Trial Division of the General Court of Justice.
- (3) A written opinion, decision, or letter of the Attorney General.

Any attorneys' fees assessed against a public agency under this section shall be charged against the operating expenses of the agency; provided, however, that the court may order that all or any portion of any attorneys' fees so assessed be paid personally by any public employee or public official found by the court to have knowingly or intentionally committed, caused, permitted, suborned, or participated in a violation of this Article. No order against any public employee or public official shall issue in any case where the public employee or public official seeks the advice of an attorney and such advice is followed.

(d) If the court determines that an action brought pursuant to this section was filed in bad faith or was frivolous, the court shall assess a reasonable attorney's fee against the person or persons instituting the action and award it to the public agency as part of the costs.

(e) Notwithstanding subsection (c) of this section, the court may not assess attorneys' fees against a public hospital created under Article 2 of Chapter 131E of the General Statutes if the court finds that the action was brought by or on behalf of a competing health care provider for obtaining information to be used to gain a competitive advantage."

SECTION 21.(d) This section becomes effective October 1, 2010, and applies to actions filed on or after that date.

SECTION 22.(a) G.S. 138A-14(b) reads as rewritten:

"(b) The Commission shall ~~make~~ offer basic ethics education and awareness presentations to all public servants and their immediate staffs, upon their election, appointment, or employment, and shall offer periodic refresher presentations as the Commission deems appropriate. Every public servant shall participate in an ethics presentation approved by the Commission within six months of the public servant's election, reelection, appointment, or employment, and shall attend refresher ethics education presentations at least every two years thereafter in a manner as the Commission deems appropriate."

SECTION 22.(b) G.S. 138A-24(c2) is recodified as G.S. 138A-22(c2).

SECTION 22.(c) The catch line of G.S. 138A-37 reads as rewritten:

"§ 138A-37. Legislator participation in official legislative actions."

SECTION 22.(d) G.S. 138A-38(a)(6) and (7) read as rewritten:

"§ 138A-38. Permitted participation exception.

(a) Notwithstanding G.S. 138A-36 and G.S. 138A-37, a covered person may participate in an official action or legislative action under any of the following circumstances except as specifically limited:

- ...
- (6) When a public or legislative body records in its minutes that it cannot obtain a quorum in order to take the official or legislative action because the covered person is disqualified from acting under ~~G.S. 130-36, G.S. 138A-36, G.S. 138A-37~~, or this section, the covered person may be counted for purposes of a quorum, but shall otherwise abstain from taking any further action.
- (7) When a public servant notifies the Commission in writing that the public ~~servant judicial employee, servant,~~ or someone whom the public servant appoints to act in the public servant's stead, or both, are the only individuals having legal authority to take an official action, and the public servant discloses in writing the circumstances and nature of the conflict of interest."

SECTION 22.(e) G.S. 120-104(c) reads as rewritten:

"(c) A legislator who acts in reliance on a formal advisory opinion issued by the Committee under this section shall be entitled to the immunity granted under ~~G.S. 138A-13(b), G.S. 138A-13(b1)~~."

SECTION 22.(f) G.S. 120C-800(b) reads as rewritten:

"(b) If the person making the reportable expenditure in subsection (a) of this section is outside North Carolina, and the designated individual accepting the reportable expenditure is also outside North Carolina at the time the designated individual accepts the reportable expenditure, then the designated individual accepting the reportable expenditure shall be responsible for filing the report or reporting the information in the designated individual's statement of economic interest in accordance with ~~G.S. 138A-24(a)(2), G.S. 138A-24(a)(8)~~."

SECTION 23.(a) G.S. 138A-12(b)(2) reads as rewritten:

"(2) For legislators, the application ~~of~~ or alleged violations of Part 1 of Article 14 of Chapter 120 of the General Statutes."

SECTION 23.(b) G.S. 138A-12(c)(1) reads as rewritten:

"(1) A sworn complaint filed under this Chapter shall state the name, address, and telephone number of the individual filing the complaint, the name and job title or appointive position of the covered person or legislative employee against whom the complaint is filed, and a concise statement of the nature of the complaint and specific facts indicating that a violation of this Chapter or Chapter 120 of the General Statutes or G.S. 126-14 or the criminal law in the performance of that individual's official duties has occurred, the date the alleged violation occurred, and either (i) that the contents of the complaint are within the knowledge of the individual verifying the complaint, or (ii) the basis upon which the individual verifying the complaint believes the allegations to be true."

SECTION 23.(c) G.S. 138A-12(c)(5) reads as rewritten:

"(5) The Commission shall send a copy of the complaint to the covered person or legislative employee who is the subject of the complaint and the employing entity, within ~~30~~ 10 business days of the filing."

SECTION 23.(d) G.S. 138A-12(d) reads as rewritten:

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

SECTION 23.(e) G.S. 138A-12(f) reads as rewritten:

"(f) Dismissal of Complaint After Preliminary Inquiry. – The Commission shall conclude the preliminary inquiry within 20 business days. The Commission shall dismiss the complaint, if the Commission determines if at the end of its preliminary inquiry inquiry the Commission determines that any of the following apply:

- ~~(i)~~(1) ~~the~~The individual who is the subject of the complaint is not a covered person or legislative employee subject to the Commission's jurisdiction and authority under this ~~Chapter, Chapter.~~ or
- ~~(ii)~~(2) ~~the~~The complaint does not allege facts sufficient to constitute a violation within the jurisdiction of the Commission under subsection (b) of this section, ~~the Commission shall dismiss the complaint.~~section.
- (3) The complaint is determined to be frivolous or brought in bad faith."

SECTION 23.(f) G.S. 120-103.1(c) reads as rewritten:

"(c) Investigation of Complaints. – The Committee shall investigate all complaints properly before the Committee in a timely manner. Within ~~60~~10 business days of receiving a complaint or a referral of a complaint to the Committee, the Committee shall do at least one of the following:

- (1) Dismiss the complaint.
- (2) Initiate a preliminary investigation of the complaint.
- (3) Refer the complaint for further investigation and a hearing in accordance with subsection (i) of this section.
- (4) Make recommendations to the house in which the legislator who is the subject of the complaint is a member without further investigation, if the referral is from the State Ethics Commission."

SECTION 23.(g) G.S. 120-103.1(c1) reads as rewritten:

"(c1) Preliminary Investigation. – The Committee may initiate a preliminary investigation if it determines that the complaint alleges facts sufficient to constitute a violation of matters over which the Committee has jurisdiction as set forth in subsection (a) of this section. In determining whether there is reason to believe that a violation has or may have occurred, a member of the Committee may take general notice of available information even if not formally provided to the Committee in the form of a complaint. The Committee may utilize the services of a hired investigator when conducting investigations. The Committee shall provide written notification of the initiation of an investigation under this section to the legislator who is the subject of the complaint within 10 days of the date of the Committee's decision to initiate an investigation. The Commission shall conclude the preliminary inquiry within 20 business days."

SECTION 23.(h) G.S. 138A-12(c)(3) reads as rewritten:

- "(3) The Commission may decline to accept, refer, or conduct an inquiry into any complaint that does not meet all of the requirements set forth in subdivision (1) of this subsection, or the Commission may, in its sole discretion, request additional information to be provided by the complainant within a specified period of time of no less than ~~seven~~five business days."

SECTION 24.(a) The introductory language in Section 1 of S.L. 2009-129 reads as rewritten:

"**SECTION 1.** ~~G.S. 120-29(2)~~G.S. 120-129(2) reads as rewritten:".

SECTION 24.(b) G.S. 120-132 reads as rewritten:

"§ 120-132. **Testimony by legislative employees.**

(a) Except as provided in subsections (b) and (c) of this section, No no present or former legislative employees employee may be required to disclose any information that the individual, while employed or retained by the State, may have acquired:

- (1) In a standing, select, or conference committee or subcommittee of either house of the General Assembly or a legislative commission;
- (2) On the floor of either house of the General Assembly, ~~or~~in any office of a ~~legislator;~~ legislator, or at any other location of the State legislative buildings and grounds as defined in G.S. 120-32.1(d);
- (3) As a result of communications that are confidential under G.S. 120-130 and G.S. 120-131.

(b) A present or former legislative employee may disclose information acquired under subsection (a) of this section that would be reflected in the official public record or was otherwise publicly disseminated.

~~(c) Notwithstanding the provisions of the preceding sentence, Subject to G.S. 120-9, G.S. 120-133, and the common law of legislative privilege and legislative immunity, the presiding judge of a court of competent jurisdiction may compel that disclosure, disclosure of information acquired under subsection (a) of this section if in his the judge's opinion, the same disclosure is necessary to a proper administration of justice."~~

SECTION 24.(c) This section becomes effective October 1, 2010.

SECTION 25.(a) The Legislative Ethics Committee shall study the need for additional regulation of campaign contributions to State officials and candidates for State office by persons doing business with, or regulated by, the office held by the State official. In particular, the Committee shall study the need to regulate campaign activities by persons doing or seeking to do business of any kind, engaged in activities that are regulated or controlled by, or having financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the State official. The Committee shall also study the statement of economic interest required to be filed under Article 4 of Chapter 138A of the General Statutes, particularly whether that statement accurately and informatively discloses required information.

SECTION 25.(b) The Committee shall report its findings and recommendations to the 2011 Regular Session of the General Assembly on or before April 1, 2011.

SECTION 26.(a) There is established the Public Funding of Council of State Elections Commission, which shall consist of the following members:

- (1) Five members appointed by the Speaker of the House of Representatives, to include:
 - a. Two members of the House of Representatives, of whom no more than one shall be of the same political party as the Speaker of the House of Representatives.
 - b. An individual in business recommended by the North Carolina Chamber.
 - c. An individual representing groups opposing public financing of elections.
 - d. An individual who has received public financing for a campaign.
- (2) Five members appointed by the President Pro Tempore of the Senate, to include:
 - a. Two members of the Senate, of whom no more than one shall be of the same political party as the President Pro Tempore of the Senate.
 - b. An individual in business recommended by a business association other than the North Carolina Chamber.
 - c. An individual representing groups advocating and supporting public financing of elections.
 - d. An individual representing the North Carolina State Bar.

SECTION 26.(b) The Commission shall study issues related to the continuation of public funding for Council of State elections, including:

- (1) The existing program, funding sources for existing programs, and the financial needs of the existing program;
- (2) Whether to expand the program to the remainder of the Council of State, and the financial needs to accomplish that expansion;
- (3) Potential funding mechanisms to fund the needs of the existing program and the expansion; and
- (4) Any other matter pertinent to public financing of campaigns for elected office, including issues raised by the First Amendment and all legal precedents related to those issues.

SECTION 26.(c) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint a co-chair from among their respective appointees. A co-chair or other member of the Commission continues to serve until a successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment. Members serve at the pleasure of the appointing officer.

SECTION 26.(d) The Commission shall meet upon the call of its House and Senate co-chairs. A quorum of the Commission is a majority of its members. No action may be taken except by a majority vote at a meeting at which a quorum is present.

SECTION 26.(e) The Commission while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and Article 5A of Chapter 120 of the General Statutes. The Commission may contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02.

SECTION 26.(f) Members of the Commission shall receive per diem, subsistence, and travel allowance as provided in G.S. 120-3.1, 138-5 and 138-6, as appropriate.

SECTION 26.(g) The Legislative Services Officer shall assign professional and clerical staff to assist the Commission in its work. The Director of Legislative Assistants of the House of Representatives and the Director of Legislative Assistants of the Senate shall assign clerical support staff to the Commission.

SECTION 26.(h) The Commission shall report the results of its study and its recommendations to the 2011 General Assembly no later than March 1, 2011.

SECTION 27. Notwithstanding Page J-8, Item 29, of the Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets dated June 28, 2010, of the funds appropriated to the State Ethics Commission, the sum of ninety-one thousand five hundred forty-one dollars (\$91,541) in recurring funds and two thousand two hundred fifty dollars (\$2,250) in nonrecurring funds shall be used to fund two Paralegal III positions and provide operating expenses to respond to customer service queries regarding State ethics law compliance and any additional ethics rules or standards implemented by the Governor.

SECTION 28. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 10th day of July, 2010.

Walter H. Dalton
President of the Senate

Joe Hackney
Speaker of the House of Representatives

Beverly E. Perdue
Governor

Approved _____m. this _____ day of _____, 2010