

S-966, H-586: EXPAND VOTER-OWNED ELECTIONS FOR MORE COUNCIL OF STATE OFFICES

70 legislators are co-sponsoring H-586 / S-966.

Purpose The Act gives candidates for Council of State agency heads (8 of 10 Council of State offices excluding Lt. Gov. and Gov.) a voluntary option to finance their campaigns using a publicly supported fund but only if hundreds of registered voters authorize them to do so. It:

- gives candidates an alternative to the money chase
- eliminates the reliance on donors who do business with the agency
- encourages voter involvement and voter “ownership” of elections
- puts realistic limits on campaign spending and fund-raising
- allows candidates to spend more time with voters

When Does It Begin? The program began in 2008 for State Auditor, Superintendent of Public Instruction, and Commissioner of Insurance. This bill expands the program to cover Treasurer, Attorney General, Secretary of State and Commissioners of Labor and Agriculture beginning in 2012.

How Does It Work? Candidates must first demonstrate that they have earned the public’s trust to be eligible for money from the N.C. Voter-Owned Elections Fund. To qualify, you follow 3 steps:

STEP 1. Declare your intent to participate in the VOE program. If you spend over \$20,000 for campaign-related purposes before filing this declaration, you can’t participate.

STEP 2. Raise hundreds of small, qualifying donations (\$10 to \$200) from registered voters. The larger the grant for the office, the more small donations required (900 to 2,300).

STEP 3. Submit a record of the qualifying contributions and also agree to:

- stop all fund-raising after the qualifying period
- accept a total spending limit and use the public funds only for campaign purposes
- return any unused public funds to the Voter-Owned Elections Fund

What Does A Certified Candidate Get? Candidates who qualify receive a competitive amount of public money for the general election. If you have an opponent, the amount is the average amount spent by winning candidates in the general election in contested races for that office in the last three elections, but not less than \$300,000. The grant sizes would likely range from \$300,000 for the State Auditor to \$1.7 million for the Attorney General. No public funds are provided if you have no opponent. Your party can provide in-kind support of up to \$30,000.

If an opposing candidate or outside group (including certain 527 or “issue advocacy” groups) spends above the limits accepted by a participating candidate, then that candidate can receive “rescue” or matching funds to stay competitive (up to 200% of the original grant in general election and up to 100% the maximum of qualifying donations in the primary).

What Does It Cost? There is no appropriation in this bill. It only authorizes expanding the program, because of the state’s fiscal climate. The program ultimately needs \$3.5 to \$4 million per year to work.

Who Oversees the Act? The state Board of Election administers the Act, with advice from a 5-member Advisory Council appointed by the Gov. It will recommend refinements to improve the program.

For more, contact N.C. Voters for Clean Elections at 919-521-4121 or partners: Democracy North Carolina at 919-286-6000, Center for Voter Education 919-839-1200, or Common Cause 919-836-0027