

VOTER-OWNED ELECTIONS FOR COUNCIL OF STATE (SB-1205 and HB-1517)

Purpose Beginning in 2012, the Act gives **a limited number of candidates for the Council of State agency heads** (e.g. Auditor, Treasurer, Insurance Commission, etc.) a voluntary option to finance their campaigns using a publicly supported fund, **but only if** thousands of registered voters authorizes 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

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 raise or spend over \$10,000 for campaign-related purposes before filing this declaration, you can’t participate.

STEP 2. Raise a *minimum* of (750-2,000) small, qualifying donations (\$10 to \$200) from registered voters in North Carolina.

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

- raise or spend no more than \$10,000 in pre-qualifying “seed” money
- stop all fund-raising after you are certified as a qualified VOE candidate
- accept a total spending limit and use the public funds only for campaign purposes

What Does A Certified Candidate Get? Candidates who qualify receive a competitive amount of public money for the primary and general election. If you have an opponent, the amount is the median amount spent by candidates reporting expenditures in contested races for that office in the last 2 elections, but not less than \$50,000 in the primary and \$300,000 in the general election. Your party can also provide in-kind support of up to \$30,000 during the entire election cycle.

If a privately-funded candidate raises or spends more than the \$150,000 in the primary or more than the base level of public funding you received in the general elections, you get additional “rescue” funding, up to 200% of those limits. You also receive rescue funds if you are attacked by 527s, independent expenditures or other outside groups. No public funds are provided if you have no opponent.

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 1-888-OUR-VOTE, Center for Voter Education at 919-839-1200, Common Cause at 919-836-0027 or League of Women Voters at 704-846-2540

Legislative Pilot for Campaign Public Financing

(SB-1261 and HB-1949)

It's time to test Voter-Owned Elections for N.C. legislative races

Purpose The bill is a pilot. It will provide a public-financing option for candidates who prove they have grassroots voter support in two House districts and two Senate districts to test this type of "Voter-Owned Elections program for legislative races. It:

- Gives candidates an alternative to the money chase
- Encourages voter involvement and "voter ownership" of elections
- Puts realistic limits on skyrocketing campaign costs
- Provides a good way to test how legislative public financing could work

When Does It Begin Candidates would first demonstrate that they have earned the public's trust to be eligible to participate in the program. To qualify, you follow 3 steps:

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 raise or spend over \$6,000 for campaign-related purposes before filing this declaration, you can't participate

STEP 2: Raise a *minimum* of 150 small qualifying donations (\$10-\$100) for the House and 300 for the Senate from registered voters in North Carolina.

STEP 3: Stop all fundraising after you're certified as a qualified VOE candidate
Accept a total spending limit
Use the public funds only for campaign purposes
Return any unused public funds to the Public Campaign Fund

What does a certified candidate get? Candidates who qualify receive a competitive sum of public money for the general election (the median spent in earlier elections). No initial grant is awarded in the primary. The candidate who raises qualifying donations and is the party nominee gets funds for the general election (about \$50,000 for the House, \$75,000 for Senate).

If a participating candidate is outspent by an opponent privately-financing their campaign or by an outside opposition group (including a 527), the candidate can receive "rescue" funds up to two times the amount of the original public financing grant.

What does it cost? The program's cost will be minimal (about \$450,000 a year) and can be funded by the existing voluntary check-off. No appropriation is requested; the bill specifies that money can only come from taxpayer-designated funds. Taxpayers are not forced to support this program if they don't want to; there is no "compelled speech."

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