



# **BUNCOMBE COUNTY** ELECTION SERVICES

## **2023 CAMPAIGN FINANCE**

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## Chapter 1. Overview of Committees

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### What is a candidate campaign committee?

- Each candidate who has received funds or made payments or given consent for anyone else to receive funds or transfer anything of value for the purpose of bringing about that candidate's nomination or election for office is required to organize a political committee. N.C.G.S. § 163-278.7(a).

- In North Carolina, all individuals seeking elected office (whether for municipal, county, or state office) are required to have a committee.
  - Committees might only consist of one person – the candidate themselves – but they are still subject to the regulations of political committees.
  - A candidate must still have a committee even if they do not intend to raise or spend any money other than the filing fee.
- The NC State Board of Elections and the Buncombe County Board of Elections regulate contributions and expenditures in all elections.

#### **Committees must be organized within 10 DAYS of any of the following:**

- Receiving contributions
- Making expenditures
- Filing a notice of candidacy
- Giving consent to anyone else to receive money or spend money for the purpose of bringing about that individual's nomination or election for office
- Becoming certified as the nominee of a political party for a vacancy

*YES, even if you have not yet filed for candidacy, you MUST organize a committee if you begin to receive any monetary or in-kind contributions or make any campaign-related expenditures.*

Information on candidate qualifications can be found [here](#).

The Campaign Planning Guide for candidates can be found [here](#).

## Chapter 2. Where to begin

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### 1) Name the committee

- A candidate committee must select a formal committee name that is not currently used by any active or inactive committees already registered in North Carolina.
- Examples) Committee to Elect John Doe, Vote for Jane Doe, etc.
- Buncombe County Board of Elections can assist in determining whether the name is already in use.

### 2) Appointment of treasurer

- ALL candidates for any elected office must have an appointed treasurer that resides within North Carolina.
- A candidate may appoint themselves treasurer or any other individual including a relative, **except his or her spouse**.
- Treasurer responsibilities:
  - Maintaining detailed records of all transactions and keep documentation of all contributions and expenditures.
  - Completing the mandatory campaign finance training
  - Timely and accurately filing all required reports to the Board of Elections
  - Reporting any changes in information using the Statement of Organization form

### 3) Mandatory campaign finance compliance training

- The appointed treasurer (including candidates themselves if they assume the role of treasurer) are **required** to participate in treasurer training within 3 months of appointment and at least once every 4 years.
- Information on the mandatory training can be found [here](#), or you can contact the Buncombe County Board of Elections for assistance.

### 4) Bank accounts

- All campaign finance funds must be maintained in a separate bank account used exclusively by the committee.
- The **ONLY** exception is in the case of a candidate using **only his or her funds** and **no other funds** for the campaign. As long as the candidate continues to not accept funds from others, they do not have to set up a separate bank account.
- A separate bank account (if needed) must be set up within 10 days of organizing a committee. If a candidate does not open a separate account, but later on decides to accept funds from others, this decision can be amended by filing an updated CRO-3500 Certification of Financial Account form to the Buncombe County Board of Elections.

## Chapter 3. Registration Forms

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All candidates must complete the necessary forms within 10 days of filing a notice of candidacy or receiving contributions/making expenditures. Failing to do so will result in civil penalties.

**CRO-2100A Candidate Committee Statement of Organization:** This form discloses basic information about the candidate committee such as: name, address, office being pursued, and party registration of the candidate. This form also reports the name and contact information of the treasurer. Do NOT include bank account numbers on this form. There are **no** candidate ID numbers for local candidates. **The form must be signed by the candidate and treasurer.**

**CRO-3500 Certification of Financial Account:** This form discloses the separate bank account used by the candidate. If the candidate does not choose to open a separate bank account, this form is used to certify that in lieu of providing account information, the committee will not raise or spend any money except which is the candidate's personal funds.

**Organizational Report (CRO-1000, CRO-1100 and any additional forms required for detailed disclosure):** As part of the organizational report, the candidate committee must disclose all contributions and expenditures each filing period. There are **no** candidate ID numbers for local candidates. All disclosure reporting forms found [here](#).

\*If you are a candidate eligible to file a certification of Threshold, the Organizational Report is not required. See the next chapter to determine threshold ability.

**CRO-3900 Candidate Designation of Funds:** This form is OPTIONAL. This form designates how candidate committee funds should be disbursed in the case of the death of the candidate. Undesignated funds will be used to pay any debts incurred by the committee and leftover funds will be paid to the North Carolina Escheat Fund.

ALL candidate under threshold forms can be found [here](#).

ALL candidate over threshold forms can be found [here](#).

## Chapter 4. Candidates under Threshold

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If a county or municipal candidate does not intend to raise or spend more than \$1,000 in the election cycle, he or she may file a certification to that effect on the **CRO-3600 Certification of Threshold form**.

- As long as the committee remains under the \$1,000 threshold, the candidate does **not** have to file disclosure reports.
- Candidates under threshold still need to file CRO forms **2100A**, **3500**, and **3600**.
- Committees under threshold must still comply with all legal requirements for recording the details of committee transactions and must still keep documentation of all contributions and expenditures in case of an audit. Committees that certify under threshold and fail to follow these requirements risk forfeiture of funds.
- Committees that file under threshold but then exceed the \$1,000 threshold during the election cycle must **IMMEDIATELY** file an amended **CRO-3600 Certification of Threshold** to show a change in status from being under threshold to being over threshold. The treasurer must then begin submitting disclosure reports on a regular basis.

\* All monies raised or spent count towards the \$1,000 threshold, including money that the candidate spends out of pocket, in-kind contributions, loans, etc.

\*\* The option to file the Certification of Threshold is **ONLY** available to candidates seeking county or municipal offices.

### *Election Cycles:*

Committee election cycles are based on the term of the office the candidate is seeking. An election cycle for a candidate committee is the period from January 1 after an election for a particular office until December 31 after the election for the next term of the same office.

Term of Office	Election Year	Last Election	Cycle Start	Cycle End
4 years	2023	2019	1/1/2020	12/31/2023
2 years	2023	2021	1/1/2022	12/31/2023

## Chapter 5. Contributions

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*A contribution is ANYTHING of value whatsoever, made to, or in coordination with, a candidate to support or oppose the nomination or election of one or more clearly identified candidates, or to a political committee, to a political party, to an affiliated party committee, or to a referendum committee, whether or not made in an election year, and any contract, agreement, or other obligation to make a contribution.*

Contributions can include:

- Monetary (cash, checks, traveler’s checks, etc.)
- In-kind contributions (any goods/services provided to a committee)
- Loans or guarantees or endorsements of loans

### Limits:

- As of January 1<sup>st</sup>, 2023, no individual or political committee shall contribute in excess of \$6,400 to a candidate committee in any election.
- If there is a primary and a general election, the candidate may receive \$6,400 from a contributor between the beginning of the election cycle and the day of the primary, and another \$6,400 from the same contributor after the primary.
- The fair market value of all in-kind contributions count towards contributions limits.
- **Exceptions:**
  - A candidate or candidate’s spouse may contribute unlimited funds.
  - Any national, state, district, or county executive committee of any political party recognized under N.C.G.S § 163-96 is exempt from contribution limits.

### Prohibitions:

- **No cash contributions over \$50.**
- No joint contributions (ex. a contribution cannot be listed from “Mr. and Mrs. X”)
- Committees may **NOT** accept any contributions (including in-kind) from:
  - Corporations or business entities
  - Labor Unions
  - Professional Associations
  - Insurance Companies
- **No “Pass the Hat” contributions, however small the amount, without recording the contributor’s name and contact information.**

Additional rules regarding contributions:

- A person who purchases something from a candidate has made a contribution – this must be disclosed. All “transactions” are included as contributions/expenses.
- Volunteers who raise funds on behalf of a candidate/committee must turn over the funds to the treasurer within 7 days so that the records are current, as required by law.

For each contribution, the treasurer must collect the following information for reporting requirements:

1. The name and complete mailing address of each contributor\*
2. The principal occupation of each contributor
3. The amount contributed
4. The date each contribution was made

**\*Anonymous contributions are prohibited and subject to forfeiture. Contributions may not be made in the name of another.**

## Chapter 6. Expenditures

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*An expenditure includes any purchase, transfer of funds, payment, gift, or anything of value whatsoever, whether or not made in an election year, and any contract, agreement, or other obligation, to support or oppose the nomination, election, or passage of one or more clearly identified candidates or ballot measures.*

### Limits:

- A candidate or candidate committee may **only** use contributions for the purposes listed in N.C.G.S § 163-278.16B. These include:
  - Expenditures resulting from holding public office.
  - Donations to certain non-profit organizations so long as the candidate and certain members of the candidate's family are not employed by the organization.
  - Contributions to a national, State, district or county political party (or affiliated party).
  - Contributions to another candidate or candidate's campaign committee.
  - To return all or a portion of a contribution.
  - To pay any penalties imposed by the State Board of Elections.
  - Payments to the NC Escheat Fund.
  - Legal expense donations not in excess of \$4,000 per calendar year.

### Prohibitions:

- No expenditure for media purposes may be paid in cash, all media expenditures must be paid by check or other verifiable form of payment.

For each expenditure made, the treasurer must collect the following information for reporting requirements:

1. The name and complete mailing address of each payee
2. The amount paid
3. The purpose
4. The date each payment was made



## Chapter 7. Disclosure Reporting

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**This chapter only applies to committees that are over the \$1,000 threshold.**

Committees that are over the \$1,000 threshold are required to submit disclosure reports to the Board of Elections on a regular schedule. The Board of Elections will provide notice to the treasurer when each report is due. The campaign reporting schedule can also be found [here](#).



All disclosure reports must include the Disclosure report cover form (**CRO-1000**), the detailed summary form (**CRO-1100**), and details for **all** contributions and expenditures occurring within the reporting period.

How to file disclosure reports:

1. Committees may file manually on paper forms. These can be found on the State Board of Elections website [here](#) or on the Buncombe County Elections Services website [here](#).

**OR**

2. Free software is available for download on the North Carolina State Board of Elections website [here](#). This software performs all of the calculations for the committee, potentially reducing errors and saving time. The software automatically generates the appropriate form for each transaction. The software also maintains a database of all contributors and payees, which saves time by eliminating the need to enter repetitive information. (There are short instructional videos on the State Board's website along with a manual to help you get started). **Committees that raise or spend in excess of \$10,000 are required to file electronically.**

Other information for electronically filed disclosure reports:

- A reply email is sent for each report that is filed electronically and all electronic reports will be available on the State Board's website.
- **Reminder: there are no candidate ID numbers for local candidates. When prompted on the software, enter six zeroes to bypass the request.**
- The law requires that reports are filed under an original, wet-ink signature, so you must file a signed Disclosure Report Cover (**CRO-1000**) with your State or County Board of Elections, even if you are filing the disclosures electronically.
- Questions about disclosure can be directed to the North Carolina State Board of Elections at 919-814-0700 or [campaign.reporting@ncsbe.gov](mailto:campaign.reporting@ncsbe.gov)

*\*Note: Reporting does not stop after an election ends. Read Chapter 9: Post-Election Steps to be sure your committee abides by campaign finance rules.*

## Chapter 8. Media Disclosure Legend Requirements

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**Print media, radio or television advertisements must have a disclosure legend that includes the statement “paid for by [name of candidate, or candidate committee]”.**

More information on media legend requirements and contents can be found [here](#).

Print Media includes:

- Billboards\*
- Cards
- Newspapers/newspaper inserts
- Magazines
- Mass mailings
- Pamphlets
- Fliers
- Periodicals
- Outdoor advertising facilities

\*In order to qualify as a billboard, a “sign, flat surface, or other display” must be greater than 50 square feet. The definition of billboards excludes flags and banners. Flags and banners, no matter the size, do not require a disclosure legend per current law.


**Disclosure legend required ONLY IF greater than 50 square feet:**


- Yard signs
- Window posters
- Barn posters
- Portable signs (on wheels)
- Magnetic signs (on car doors)
- Vehicle graphics and car wraps


**No legend disclosure is required regardless of size:**

- Flags
- Banners
- Bumper stickers
- Buttons or other paraphernalia

### Legend Size Requirements

 For print media: legend must be 5% of the printed space in the ad or 12-point type, whichever is greater.

 For television: visual disclosure must be 4% of vertical picture height. TV adverts that are paid for by a candidate or candidate campaign committee must contain an easily identifiable photograph of the candidate for at least 2 seconds appearing simultaneously with the visual disclosure legend.

 For radio: the disclosure statement must last at least 2 seconds, provided the statement is spoken so that its contents may be easily understood.

## Chapter 9. Post-Election Steps

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Candidates and/or treasurers are required to take further steps as outlined below for their committees after an election, **regardless of the outcome.**

1

### Close the committee

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- If a candidate does not anticipate re-filing for candidacy in the near future or expects to open a new committee to run for a different office, they **must** close their committee by submitting the Certification to Close Committee form (CRO-3400) with an original, wet-ink signature. For candidates over threshold, a final report is also required that shows the settlement of all penalties and outstanding debts, the repayment or forgiveness of all loans, and the disbursement of all funds in the bank account.

2

### File for inactive status

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- If you **do** intend to file for candidacy again in the near future under the same committee, but **do not** intend to receive any contributions or make any campaign expenditures in the meantime, you may file to become inactive by submitting the Certification of Inactive Status (CRO-3200). Any remaining balances will need to be accounted for when the committee files to regain active status.

3

### Maintain active status

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- Committees that wish to remain active must diligently maintain their finances and continue to file reports throughout the year to avoid civil penalties. If a committee is under threshold, they must re-certify to that effect **each calendar year** by filing the Certification of Threshold (CRO-3600). Committees must also keep all records current by submitting amended organizational forms if there are any changes, including: a new appointment of treasurer, changes to the name of the committee, and/or updated addresses and phone numbers.

**\*COMMITTEES THAT CHOOSE TO FILE AS INACTIVE OR MAINTAIN ACTIVE STATUS** should be aware that the Buncombe County Board of Elections and the State Board of Elections continue to keep all financial records and have the ability to conduct audits and issue penalties while the committee is open. It is recommended that unless a candidate firmly intends to re-file for candidacy during the next election cycle, they should consider closing the committee.

For any further questions or concerns, please visit the North Carolina State Board of Elections website on Campaign Finance: <https://www.ncsbe.gov/campaign-finance>

Or contact Victoria Pickens at [victoria.pickens@buncombecounty.org](mailto:victoria.pickens@buncombecounty.org) or 828-250-4214



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