



SENATE BILL 782: Merchandise Sales Limit/Meck Dist Ct.

2019-2020 General Assembly

Committee:		Date:	October 29, 2020
Introduced by:		Prepared by:	Erika Churchill
Analysis of:	S.L. 2020-84		Staff Attorney

OVERVIEW: *S.L. 2020-84 does both of the following:*

- *Raises the maximum amount a political party executive committee or an affiliated committee can raise from the sale of goods or services in an election cycle from \$10,000 to \$20,000.*
- *Returns District Court judicial elections in Mecklenburg County to at-large.*

Exempt Sales.

CURRENT LAW: All political committees, including political parties, candidates, and affiliated committees, are to report contributions and expenditures in accordance with Article 22A of Chapter 163. For that purpose, a 'contribution' is "any advance, conveyance, deposit, distribution, transfer of funds, loan, payment, gift, pledge or subscription of money or 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, to a political committee, to a political party, to an affiliated party committee, or to a referendum committee..." G.S. 163-278.6(13).

Under G.S. 163-278.8A, referred to as "Exempt Sale," political party executive committees and affiliated committees are granted the ability to not include the purchase price of good or services, such as t-shirts, buttons, and food items, sold by that political party executive committee or affiliated committee as a contribution provided all of the following apply:

- The treasurer submits a sales plan to the Executive Director of the State Board of Elections for approval prior to conducting the sale.
- The price charged for each item is reasonably close to its market price.
- The total amount raised from all sales under all plans by the committee does not exceed \$10,000 per election cycle.
- The total purchases for each contributor is \$50 or less.
- The treasurer includes in the appropriate reports any in kind contribution made to the political party in providing the goods or services sold under the plan.

Under an Exempt Sale, treasurers are not required to obtain the name, address, and employer information for each contributor. Instead, the treasurer records the total number of each item sold and the amount raised.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

Senate Bill 782

Page 2

BILL ANALYSIS: The act increases the maximum amount per election cycle that a political party executive committee or an affiliated committee can raise with exempted sales from \$10,000 to \$20,000, effective for the 2020 election cycle and forward.

Mecklenburg County District Court Districts.

CURRENT LAW: Prior to 1996, elections of judges in North Carolina were conducted in a partisan manner. In 2001, the law governing the elections of district court judges was amended to make those elections nonpartisan. S.L. 2017-3 returned judicial elections to a partisan basis, effective with the 2018 elections. Election of the Superior and District Court Divisions of the General Court of Justice are by district, consisting of various territorial districts, with at least one district judge in each district. The General Assembly determines the number of judges for each district. Each judge is a resident of the district to which he or she is elected. Article IV, Sec. 9 and 10, of the North Carolina Constitution grant the General Assembly authority to divide the State, from time to time, into a convenient number of judicial districts and divisions. Prior to 2018, the district court judges allocated to Mecklenburg County were elected at-large. In 2018, the General Assembly divided the County of Mecklenburg into eight district court districts to elect the 21 district court judges allocated to that county. The 21 judges, each elected to a four year term, were staggered so that nine judges were to be elected in 2018 and every four years thereafter and 12 judges were to be elected in 2020 and every four years thereafter.

Litigation was filed over the Mecklenburg County district court judicial districts. In November 2019, a consent order was entered, providing that the 2020 district court elections in Mecklenburg County would be conducted at large, with any licensed attorney otherwise qualified to be a candidate eligible to file without regard to the location of their residence and all county voters eligible to vote for that candidate. The consent order, under its terms, expires December 31, 2020 unless vacated or modified prior to that date.

BILL ANALYSIS: Effective January 1, 2021, for elections held on or after that date, the act requires that district court judges of Mecklenburg County be conducted at large. All elections in 2020 are to be conducted in accordance with the Consent Order as it was filed on November 27, 2019, in *Alexander v. North Carolina State Board of Elections*, 19 CVS 011321, Wake County.

EFFECTIVE DATE: The act became effective July 1, 2020, and is applicable as stated above.