

1 ISSUES; AND TO DISCLOSE THE FLOW OF MONEY THROUGH NORTH
2 CAROLINA AND NATIONAL POLITICAL ORGANIZATIONS.

3 The General Assembly of North Carolina enacts:

4 – QUARTERLY AND SEMIANNUAL REPORTING.

5 Section 1. (a) G.S. 163-278.9(a) reads as rewritten:

6 "(a) ~~The~~ Except as provided in G.S. 163-278.10A, the treasurer of each candidate
7 and of each political committee shall file under verification with the Board the following
8 reports:

9 (1) Organizational Report. – The appointment of the treasurer as required
10 by G.S. 163-278.7(a), the statement of organization required by G.S.
11 163-278.7(b), and a report of all contributions and expenditures not
12 previously reported shall be filed with the Board no later than the tenth
13 day following the day the candidate files his notice of candidacy or the
14 tenth day following the organization of the political committee,
15 whichever occurs first. Any candidate whose campaign is being
16 conducted by a political committee which is handling all contributions
17 and expenditures for his campaign shall file a statement with the Board
18 stating such fact at the time required herein for the organizational report.
19 Thereafter, the candidate's political committee shall be responsible for
20 filing all reports required by law.

21 (2) Preprimary Report. – The treasurer shall file a report with the Board no
22 later than the tenth day preceding the primary election. A candidate who
23 is not on the ballot in the primary and who has filed a first quarter report
24 pursuant to subdivision (5a) of this subsection shall not be required to
25 file a separate preprimary report under this subdivision.

26 (3) ~~Postprimary Report(s). – The treasurer shall file a report with the Board~~
27 ~~no later than the 30th day after the primary election if the candidate was~~
28 ~~eliminated in the primary. If there is a second primary, the treasurer~~
29 ~~shall file a report with the Board no later than the 30th day after the~~
30 ~~second primary election if the candidate was eliminated in the second~~
31 ~~primary.~~

32 (4) ~~Preelection Report. – The treasurer shall file a report with the Board not~~
33 ~~later than the tenth day preceding the general election.~~

34 (5) ~~Repealed by Session Laws 1985, c. 164, s. 1.~~

35 (5a) Quarterly Reports. – During even-numbered years during which there is
36 an election for that candidate or in which the campaign committee is
37 supporting a candidate, the treasurer shall mail the report to the Board
38 no later than seven working days after the end of each calendar quarter
39 covering the prior calendar quarter, except that the report for the third
40 quarter shall also cover the period in October through the seventeenth
41 day before the election, the third quarter report shall be due seven days
42 after that date, and the fourth quarter report shall not include that period
43 if a third quarter report was required to be filed.

1 (6) ~~Annual—Semiannual Reports.~~ – If contributions are received or
2 expenditures made ~~during a calendar year,~~ for which no reports are
3 otherwise required by this Article, any and all such contributions and
4 expenditures shall be reported by the last Friday in ~~January—July,~~
5 covering the period through the last day of June, and shall be reported
6 by the last Friday in January, covering the period through the last day of
7 December. of the following year."

8 (b) This section becomes effective January 1, 1998.

9 –DONOR'S PRINCIPAL OCCUPATION; BEST EFFORTS RULE.

10 Section 2. (a) G.S. 163-278.11(a)(1) reads as rewritten:

11 "(1) Contributions. – A list of all contributions required to be listed under
12 G.S. 163-278.8 received by or on behalf of a candidate, political
13 committee, or referendum committee. The statement shall list the name
14 and complete mailing address of each contributor, the amount
15 contributed, the principal occupation of the donor, and the date such
16 contribution was received. The total sum of all contributions to date
17 shall be plainly exhibited. Forms for required reports shall be prescribed
18 by the Board. The State Board of Elections shall prepare a schedule of
19 occupational classifications, adapting as it deems suitable the
20 occupational classifications of the Internal Revenue Code and
21 equivalent classifications of the Office of State Personnel. In reporting
22 the occupation of a contributor, the treasurer shall use the classifications
23 prepared by the State Board."

24 (b) G.S. 163-278.11 is amended by adding a new subsection to read:

25 "(c) Best Efforts. – When a treasurer shows that best efforts have been used to
26 obtain, maintain, and submit the information required by this Article for the candidate or
27 political committee, any report of that candidate or committee shall be considered in
28 compliance with this Article. The State Board of Elections shall promulgate rules that
29 specify what are 'best efforts' for purposes of this Article, adapting as it deems suitable
30 the provisions of 11 C.F.R. § 104.7. The rules shall include the provision that if the
31 treasurer, after complying with the rules, does not know the occupation of the contributor,
32 it shall suffice for the treasurer to report 'unable to obtain'."

33 (c) This section becomes effective February 1, 1998, and applies to all reports due
34 on or after that date.

35 –REPORTING OF COORDINATED EXPENDITURES.

36 Section 3. (a) G.S. 163-278.11(b) reads as rewritten:

37 "(b) Statements shall reflect anything of value paid for or contributed by any person
38 or individual, both as a contribution and expenditure. If a political party executive
39 committee makes an expenditure that benefits a candidate or group of candidates, that
40 political party executive committee shall report that expenditure, together with the date,
41 amount, and purpose of any such expenditure as well as the name of and office sought by
42 any candidate or candidates on whose behalf the expenditure was made. A candidate who
43 benefits from that expenditure shall report that expenditure or the proportionate share of

1 the expenditure that benefitted that candidate as an in-kind contribution if the candidate
2 or the candidate's committee has coordinated with the political party executive committee
3 concerning the expenditure."

4 (b) This section becomes effective February 1, 1998, and applies to reports due
5 on and after that date.

6 – EXPANDED REPORTING IN LOCAL ELECTIONS AND REFERENDA; \$3,000
7 THRESHOLD FOR ALL REPORTING.

8 Section 4. (a) G.S. 163-278.6(1) reads as rewritten:

9 "(1) The term 'board' means the State Board of Elections with respect to all
10 candidates for State and multi-county district offices and the county or
11 municipal board of elections with respect to all candidates for single-
12 county district, county and municipal offices. The term means the State
13 Board of Elections with respect to all statewide ~~referenda~~ referenda and
14 the county or municipal board of elections conducting all local
15 referenda."

16 (b) G.S. 163-278.6(18) reads as rewritten:

17 "(18) The term 'public office' means any office filled by election by the people
18 on a statewide, county, municipal or district basis, and this Article shall
19 be applicable to such elective offices whether the election therefor is
20 partisan or ~~nonpartisan~~, ~~provided candidates for municipal and county offices~~
21 ~~in those municipalities and counties having less than 50,000 population,~~
22 ~~according to the most recent decennial census figures, shall not be required to~~
23 ~~file reports required by this Article, but this Article shall otherwise be~~
24 ~~applicable to such candidates for municipal and county offices.~~ nonpartisan."

25 (c) G.S. 163-278.6(18a) reads as rewritten:

26 "(18a) The term 'referendum' means any question, issue, or act referred to a
27 vote of the people of the entire State by the General Assembly
28 Assembly, a unit of local government, or by the people under any
29 applicable local act and includes constitutional amendments and State
30 bond issues. The term 'referendum' ~~does not include~~ includes any type of
31 municipal, county, or special district referendum."

32 (d) G.S. 163-278.40(2) reads as rewritten:

33 "(2) The term 'city' means any incorporated city, town, or ~~village with a~~
34 ~~population of 50,000 or over, according to the most recent decennial~~
35 ~~federal census.~~ village."

36 (e) G.S. 163-278.10A reads as rewritten:

37 **"§ 163-278.10A. Threshold of ~~\$1,000.00~~ \$3,000 for Financial Reports.**

38 (a) Notwithstanding any other provision of this Chapter, a candidate shall be
39 exempted from the reports of contributions, loans, and expenditures required in G.S. 163-
40 278.9(a), 163-278.40B, 163-278.40C, 163-278.40D, and 163-278.40E if to further his
41 campaign that candidate:

42 (1) Does not receive more than ~~one~~ three thousand dollars (~~\$1,000.00~~)
43 (\$3,000) in contributions, and

1 (2) Does not receive more than ~~one~~three thousand dollars (~~\$1,000.00~~)
2 (\$3,000) in loans, and

3 (3) Does not spend more than ~~one~~three thousand dollars (~~\$1,000.00~~)
4 (\$3,000).

5 To qualify for the exemption from those reports, the candidate's treasurer shall file a
6 certification under oath that he does not intend to receive in contributions or loans or
7 expend more than ~~one~~three thousand dollars (~~\$1,000.00~~) (\$3,000) to further his campaign.
8 The certification shall be filed with the Board at the same time the candidate files his
9 Organizational Report as required in G.S. 163-278.7, G.S. 163-278.9, and G.S. 163-
10 278.40A. If the candidate's campaign is being conducted by a political committee which
11 is handling all contributions, loans, and expenditures for his campaign, the treasurer of
12 the political committee shall file a certification of intent to stay within the threshold
13 amount. If the intent to stay within the threshold changes, or if the ~~\$1,000~~three thousand
14 dollars (\$3,000) threshold is exceeded, the treasurer shall immediately notify the Board
15 and shall be responsible for filing all reports required in G.S. 163-278.9 and 163-
16 278.40B, 163-278.40C, 163-278.40D, and 163-278.40E; provided that any contribution,
17 loan, or expenditure which would have been required to be reported on an earlier report
18 but for this section shall be included on the next report required after the intent changes
19 or the threshold is exceeded.

20 (b) The exemption in subsection (a) of this section applies to political party
21 committees under the same terms as for candidates, except that the term 'to further his
22 campaign' does not relate to a political party committee's exemption, and all
23 contributions, expenditures, and loans during an election shall be counted against the
24 political party committee's threshold amount."

25 (f) This section applies to primaries, elections, and referenda beginning in
26 1998.

27 – ELECTRONIC REPORTING.

28 Section 5. (a) G.S. 163-278.9 is amended by adding a new subsection to read:

29 "(j) Treasurers for the following entities shall file any report required by this
30 section electronically, according to rules which shall be promulgated by the State Board
31 of Elections:

32 (1) Candidates for statewide office;

33 (2) The State, district, county, and precinct executive committees of
34 political parties;

35 (3) Political committees that make contributions in excess of ten thousand
36 dollars (\$10,000) to candidates for statewide office or make independent
37 expenditures in excess of ten thousand dollars (\$10,000) that affect
38 contests for statewide office,

39 if the report shows in excess of ten thousand dollars (\$10,000) in contributions, in
40 expenditures, or in loans."

41 (b) This section applies to reports to be filed in 1998.

42 – INTERNET ACCESS.

1 Section 6. The State Board of Elections shall provide full access to the public
2 of campaign finance reports over the Internet as soon as technically feasible.

3 – CIVIL PENALTIES FOR LATE FILING.

4 Section 7. (a) G.S. 163-278.34 reads as rewritten:

5 "**§ 163-278.34. Filings; penalty for late filings.**

6 (a) ~~All~~ Except as provided in G.S. 163-278.9, all reports, statements or other
7 documents required by this Article to be filed with the Board shall be filed either by
8 manual delivery to or by ~~certified or registered~~ mail addressed to the Board. Timely filing
9 shall be complete if postmarked on the day the reports, statements or other documents are
10 to be delivered to the Board. If a report, statement or other document is not filed within
11 the time required by this Article, then the individual, person, media, candidate, political
12 committee, referendum committee or treasurer responsible for filing shall pay to the State
13 Board of Elections election enforcement costs and a civil late penalty of twenty dollars
14 (\$20.00) per day for each day the filing is late not to exceed five days. as follows:

- 15 (1) Two hundred fifty dollars (\$250.00) per day for each day the filing is
16 late for a report that affects statewide elections, not to exceed a total of
17 ten thousand dollars (\$10,000); and
18 (2) Fifty dollars (\$50.00) per day for each day the filing is late for a report
19 that affects only nonstatewide elections, not to exceed a total of five
20 hundred dollars (\$500.00).

21 The State Board shall immediately notify, or cause to be notified, late filers, from which
22 reports are apparently due, by registered or certified mail, return receipt requested, of the
23 penalties under this section. ~~If the penalty has not been paid to or the report has not been filed~~
24 ~~with the Board within five days after receipt of the notification, then the Board shall report the~~
25 ~~late filing or failure to file to the appropriate district attorney who shall indict and prosecute the~~
26 ~~offender as required in G.S. 163-278.27. No criminal penalty shall be imposed if the penalty~~
27 ~~required by this section is paid and the delinquent report is filed within five days after~~
28 ~~notification by the Board.~~

29 (a1) The State Board shall calculate and assess the amount of the civil penalty due
30 under subsection (a) of this section and shall notify the person who is assessed the civil
31 penalty of the amount of the penalty. The notice of assessment shall be served by any
32 means authorized under G.S. 1A-1, Rule 4, and shall direct the violator either to pay the
33 assessment or to contest the assessment within 30 days by filing a petition for a contested
34 case under Article 3 of Chapter 150B of the General Statutes. If a violator does not pay a
35 civil penalty assessed by the Board within 30 days after it is due, the Board shall request
36 the Attorney General to institute a civil action to recover the amount of the assessment.
37 The civil action may be brought in the superior court of any county where the report was
38 due to be filed or any county where the violator resides or maintains an office. A civil
39 action must be filed within three years of the date the assessment was due. An assessment
40 that is not contested is due when the violator is served with a notice of assessment. An
41 assessment that is contested is due at the conclusion of the administrative and judicial
42 review of the assessment. Consistent with G.S. 115C-437, the State Controller shall pay
43 the clear proceeds of civil penalties collected under this section to the County School

1 Fund in the county in which the person charged with the violation resides. The State
2 Controller shall reduce the monies collected by the enforcement costs and the collection
3 costs to determine the clear proceeds payable to the County School Fund. Monies set
4 aside for the costs of enforcement and the costs of collection shall be credited to accounts
5 of the State Board of Elections.

6 ~~(b) When a report, statement or other document, required by this Article is not~~
7 ~~apparently due (i.e., media, inactive candidate, individual, no organizational report filed,~~
8 ~~supplementary final report or annual report), the Board shall notify, as set forth above,~~
9 ~~the person or persons responsible for filing if information is presented indicating that the~~
10 ~~report, statement, or other document was in fact due. No criminal penalties shall be~~
11 ~~imposed if the late penalty is paid and the delinquent report is filed within five days after~~
12 ~~notification. The State Board of Elections may waive a late penalty where it determines~~
13 ~~there is reasonable cause."~~

14 (b) G.S. 163-278.6 is amended by adding a new subdivision to read:

15 "(7a) The term 'costs of collection' means monies spent by the State Board of
16 Elections in the collection of the penalties levied pursuant to provisions
17 in this Article to the extent the costs do not constitute more than fifty
18 percent (50%) of the civil penalty. The costs shall be presumed to be ten
19 percent (10%) of the civil penalty unless otherwise determined by the
20 State Board of Elections based on the records of expenses incurred by
21 the State Board of Elections for its collection procedures."

22 (c) G.S. 163-278.6 is amended by adding a new subdivision to read:

23 "(7b) The term 'day' means calendar day."

24 (d) G.S. 163-278.6 is amended by adding a new subdivision to read:

25 "(8a) The term 'enforcement costs' means salaries, overhead, and other
26 monies spent by the State Board of Elections in the enforcement of the
27 penalties provisions of this Article, including the costs of investigators,
28 attorneys, travel costs for State Board employees and its attorneys, to
29 the extent the costs do not constitute more than fifty percent (50%) of
30 the sum levied for the enforcement costs and civil late penalty."

31 (e) G.S. 163-278.22 is amended by adding a new subdivision to read:

32 "(14) To calculate, assess, and collect civil penalties pursuant to this Article."

33 (f) This section becomes effective January 1, 1998, and applies to all reports
34 due on or after that date.

35 –CLOSE THE LOOPHOLE FOR SECOND PRIMARIES.

36 Section 8. (a) G.S. 163-278.13(d) reads as rewritten:

37 "(d) For the purposes of this section, the term 'an election' means any
38 primary, second primary, or general election in which the candidate or political
39 committee may be involved, without regard to whether the candidate is opposed or
40 unopposed in the election, except that where a candidate is not on the ballot in a
41 second primary, that second primary is not 'an election' with respect to that candidate."

42 (b) This section becomes effective January 1, 1998, and applies to all elections
43 occurring on or after that date.

1 – FUND-RAISING IN SESSION.

2 Section 9. (a) G.S. 163-278.13A is repealed.

3 (b) Article 22A of the General Statutes is amended by adding a new section to
4 read:

5 **"§ 163-278.13B. Limitation on fund-raising during legislative session.**

6 (a) Definitions. – For purposes of this section:

7 (1) 'Limited contributor' means a lobbyist registered pursuant to Article 9A
8 of Chapter 120 of the General Statutes, that lobbyist's agent, or a
9 political committee that employs or contracts with or whose parent
10 entity employs or contracts with a lobbyist registered pursuant to Article
11 9A of Chapter 120 of the General Statutes.

12 (2) 'Limited contributee' means a member of or candidate for the Council of
13 State, a member of or candidate for the General Assembly, a political
14 committee the purpose of which is to assist a member or members of or
15 candidate or candidates for the Council of State or General Assembly.

16 (3) The General Assembly is in 'regular session' from the date set by law or
17 resolution that the General Assembly convenes until the General
18 Assembly either adjourns sine die or recesses or adjourns for more than
19 10 days.

20 (4) A contribution is 'made' during regular session if the check or other
21 instrument is dated during the session, or if the check or other
22 instrument is delivered to the limited contributee during session, or if
23 the limited contributor pledges during the session to deliver the check or
24 other instrument at a later time.

25 (5) A contribution is 'accepted' during regular session if the check or other
26 instrument is dated during the session, or if the limited contributee
27 receives the check or other instrument during session and does not
28 return it within 10 days, or agrees during session to receive the check or
29 other instrument at a later time.

30 (b) Prohibited Solicitations. – While the General Assembly is in regular session,
31 no limited contributee or the real or purported agent of a limited contributee shall:

32 (1) Solicit a contribution from a limited contributor to be made to that
33 limited contributee or to be made to any other candidate, officeholder,
34 or political committee; or

35 (2) Solicit a third party, requesting or directing that the third party directly
36 or indirectly relay to the prohibited contributor the prohibited
37 contributee's solicitation of a contribution.

38 (c) Prohibited Contributions. – While the General Assembly is in regular session:

39 (1) No limited contributor shall make a contribution to a limited
40 contributee.

41 (2) No limited contributor shall make a contribution to any candidate,
42 officeholder, or political committee, directing or requesting that the
43 contribution be made in turn to a limited contributee.

1 (3) No limited contributor shall transfer any amount of money or anything
2 of value to any entity, directing or requesting that that entity use what
3 was transferred to contribute to a limited contributee.

4 (4) No limited contributee shall accept a contribution from a limited
5 contributor.

6 (d) Prosecution. – A violation of this section is a Class 2 misdemeanor."

7 (c) This section becomes effective January 1, 1998, and applies to all
8 contributions solicited, made, or accepted on or after that date.

9 – \$2 CHECKOFF FOR POLITICAL PARTIES FINANCING FUND AND CHANGE
10 IN THE METHOD OF DISTRIBUTING MONEY FROM THAT FUND.

11 Section 10. (a) G.S. 105-159.1(a) reads as rewritten:

12 "(a) Every individual whose income tax liability for the taxable year is ~~one dollar~~
13 ~~(\$1.00)~~ two dollars (\$2.00) or more may designate on his or her income tax return that ~~one~~
14 ~~dollar (\$1.00)~~ two dollars (\$2.00) of the tax shall be credited to the North Carolina
15 Political Parties Financing ~~Fund.~~ Fund for the use of the political party designated by the
16 taxpayer. In the case of a married couple filing a joint return whose income tax liability
17 for the taxable year is ~~two dollars (\$2.00)~~ four dollars (\$4.00) or more, each spouse may
18 designate on the income tax return that ~~one dollar (\$1.00)~~ two dollars (\$2.00) of the tax
19 shall be credited to the North Carolina Political Parties Financing ~~Fund.~~ Fund for the use
20 of the political party designated by the taxpayer. Amounts credited to the Fund shall be
21 allocated among the political parties according to the designation of the taxpayer. Where
22 any taxpayer elects to designate but does not specify a particular political party, those
23 funds shall be distributed among the political parties on a pro rata basis according to their
24 respective party voter registrations as determined by the most recent certification of the
25 State Board of Elections. As used in this section, the term 'political party' means one of
26 the following that has at least one percent (1%) of the total number of registered voters in
27 the State:

28 (1) A political party that at the last preceding general State election received
29 at least ten percent (10%) of the entire vote cast in the State for
30 Governor or for presidential electors.

31 (2) A group of voters who by July 1 of the preceding calendar year, by
32 virtue of a petition as a new political party, had duly qualified as a new
33 political party within the meaning of Chapter 163 of the General
34 Statutes."

35 (b) This section becomes effective with respect to the 1997 taxable year and
36 subsequent taxable years.

37 –DISCLOSURE OF SPENDING FOR MATERIAL THAT NAMES CANDIDATES,
38 ELECTIONS, PARTIES, AND ISSUES.

39 Section 11. (a) G.S. 163-278.12 is repealed.

40 (b) Article 22A of Chapter 163 of the General Statutes is amended by adding a
41 new section to read:

42 **"§ 163-278.12A. Disclosure of spending for material that names elections,**
43 **candidates, parties, elected officials, and referendum issues.**

1 (a) General Duty to Report. – Any individual, person, political committee, or other
2 entity that makes an expenditure for printed materials or advertisements broadcast or
3 distributed to anyone other than members of the entity shall report those expenditures in
4 accordance with subsection (b) of this section if a candidate, elected official, political
5 party, public office, referendum issue, or election is named in the printed material or
6 advertisement.

7 (b) Procedures for Reporting; Exceptions. – Any political committee otherwise
8 required by this Article to file reports with a board of elections shall include any
9 expenditure described in subsection (a) of this section on those reports. Any entity not
10 otherwise required by this Article to file reports shall report expenditures described in
11 subsection (a) of this section to the State Board of Elections within 10 days after the
12 aggregate expenditure has reached the threshold amount set for candidates and political
13 party committees in G.S. 163-278.10A. After the initial report, each entity shall report
14 subsequent expenditure described in subsection (a) of this section according to the
15 schedule set out in G.S. 163-278.9(a), G.S. 163-278.9A(a), or Part 2 of this Article,
16 whichever is appropriate. Individuals who incur expenses with respect to referendum
17 issues are not subject to the disclosure requirements of this section.

18 (c) Applicability of Labeling Requirements. – Persons shall be subject to the
19 labeling provisions of G.S. 163-278.16(f) for any advertising in the media, as defined by
20 that subsection, if that advertising is subject to subsection (a) of this section.

21 (d) Definition. – For the purpose of this section, the term 'expenditure' means any
22 purchase, advance, conveyance, deposit, distribution, transfer of funds, loans, payment,
23 gift, pledge, or subscription of money or anything of value whatsoever, whether or not
24 made in an election year, and any contract, agreement, promise, or other obligation,
25 whether or not legally enforceable. An individual or entity is deemed to have made an
26 expenditure for printed materials or advertisements if that individual or entity has agreed
27 to compensate another individual or entity for purchasing such materials or
28 advertisements."

29 (c) This section becomes effective December 1, 1997.

30 –DISCLOSING THE FLOW OF MONEY THROUGH NORTH CAROLINA AND
31 NATIONAL POLITICAL ORGANIZATIONS.

32 Section 12. (a) G.S. 163-278.9(a) is amended by adding a new subdivision to read:

33 "(4a) 48-Hour Report. – Any political committee or political party which
34 receives a contribution or transfer of funds from any political
35 committee shall make disclosure within 48 hours of receipt of a
36 contribution or transfer of one thousand dollars (\$1,000) or more
37 received after the last preelection report but before an election. The
38 disclosure shall be by report to the State Board of Elections
39 identifying the source and amount of such funds. The State Board of
40 Elections shall specify the form and manner of making the report.
41 For purposes of this subdivision, 'political committee' means a
42 combination of two or more individuals, or any person, committee,
43 association, or organization, the primary or incidental purpose of

1 which is to support or oppose any candidate or political party or to
2 influence or attempt to influence the result of an election or which
3 accepts contributions or makes expenditures for the purpose of
4 influencing or attempting to influence the nomination or election of
5 any candidate at any election, or which receives contributions to
6 repay loans or cover a deficit. The term includes, without limitation,
7 any political party's State, county, or district executive committee
8 and includes out-of-state political committees."

9 (b) G.S. 163-278.9A(a) is amended by adding a new subdivision to read:

10 "(2a) 48-Hour Report. – Any referendum committee which receives a
11 contribution or transfer of funds from any political committee shall
12 make disclosure within 48 hours of receipt of a contribution or
13 transfer of one thousand dollars (\$1,000) or more received after the
14 last preelection report but before an election. The disclosure shall be
15 by report to the State Board of Elections identifying the source and
16 amount of such funds. The State Board of Elections shall specify the
17 form and manner of making the report. For purposes of this
18 subdivision, 'political committee' means a combination of two or
19 more individuals, or any person, committee, association, or
20 organization, the primary or incidental purpose of which is to
21 support or oppose any candidate or political party or to influence or
22 attempt to influence the result of an election or which accepts
23 contributions or makes expenditures for the purpose of influencing
24 or attempting to influence the nomination or election of any
25 candidate at any election, or which receives contributions to repay
26 loans or cover a deficit. The term includes, without limitation, any
27 political party's State, county, or district executive committee and
28 includes out-of-state political committees."

29 (c) This section becomes effective December 1, 1997.

30 Section 13. The provisions of this act are severable. If any provision is held
31 invalid by a court of competent jurisdiction, the invalidity does not affect other provisions
32 of the act that can be given effect without the invalid provision.

33 Section 14. This act is effective when it becomes law. Prosecutions for, or
34 sentences based on, offenses occurring before the relevant effective date in this act are
35 not abated or affected by this act, and the statutes that would be applicable to those
36 prosecutions or sentences but for the provisions of this act remain applicable to those
37 prosecutions or sentences.