

# Candidate Committees

This document provides an overview for candidate committees; however, detailed information may be found in the [North Carolina Campaign Finance Manual](#).

The NC State Board of Elections and County Boards of Elections regulate contributions and expenditures in primaries and elections for municipal, county, and state offices.

If an individual is seeking elective office in North Carolina, whether for municipal, county, or state office, he or she is deemed to have a committee. The “Committee” may consist of only one person – the candidate – but this committee of one is still subject to the regulations of candidate political committees.

## Registering a Candidate Committee

A candidate committee is required to register with the board of elections within ten days of taking the first among certain activities that are deemed to have begun the committee’s organization. All candidates or officeholders must have a registered political committee. There are no exceptions to this law. This is true even if a candidate does not intend to raise or spend any money other than paying the filing fee.

The first of the following activities by the candidate starts the ten days:

1. Receiving money or an item of any value in support of the campaign; or
2. Spending money in support of the campaign; or
3. Giving consent for anyone else to receive money or spend money for the purpose of bring about that individuals nomination or election for office; or
4. Filing a notice of candidacy

## Treasurer

All candidates for any elected office in North Carolina have an appointed treasurer who resides in North Carolina. A candidate may serve as their own treasurer, or may appoint someone else to serve. However, a candidate’s spouse may not serve as treasurer.

## Mandatory Compliance Training

Every treasurer must participate in treasurer training within three months of appointment and at least once every 4 years. Training is conducted in group sessions at regional locations at various times. Training is also available online. More information on treasurer training can be found at the [Treasurer Training](#) page.

## Bank Accounts

All campaign funds must be maintained in a separate bank account used exclusively by the committee. No committee funds may be commingled with any other funds.

An exception to the requirement for a separate bank account is the case of a candidate using only his or her funds and none other for the campaign. As long as the candidate is accepting no funds from others, he or she is not required to set up a separate bank account.

## Receipt and Use of Cash

- A candidate committee may not accept cash contributions in excess of \$50
- Media expenditures may not be made in cash
- Non-media expenditures of more than \$50 also may not be made in cash

## What forms are required in order to set up the committee?

All candidate committees must complete the necessary registration forms within 10 days of organizing or within 10 days of filing a notice of candidacy, whichever occurs first.

[CRO-2100A Candidate Committee Statement of Organization](#). This form discloses basic information about the candidate committee, such as the name, address, office being pursued, and party registration of the candidate. This form also reports the name and contact information of the treasurer and must be signed by the candidate.

[CRO-3500 Certification of Financial Account](#). This form discloses the separate bank account used by the candidate or certifies 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 not previously reported.

\*if you are a candidate eligible to file a certification of Threshold, the Organizational report is not required. See the next section to determine threshold eligibility.

[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 must be paid to the North Carolina Escheat Fund.

## Certain Candidates under Threshold

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 threshold, the candidate does not have to file disclosure reports, which means that his or her organizational paperwork should only consist of CRO forms [2100A](#), [3500](#) and [3600](#).

Committees filing under threshold must still comply with all legal requirements for recording the details of committee transactions. Committees that certify under threshold and fail to follow these requirements risk forfeiture of funds.

Committees that file under threshold but 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 submit a disclosure report.

## What is a Contribution?

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.

A contribution includes in-kind transfers. An in-kind contribution is a non-monetary contribution, such as a good or service, made to a committee.

## Contribution Limits

Effective Jan. 1, 2021, no individual or political committee shall contribute in excess of \$5,600 to a candidate committee in any election.

If there is a primary and a general election, the candidate may receive \$5,600 from a contributor between the beginning of the election cycle and the day of the primary, and another \$5,600 from the same contributor beginning the day after the primary through the end of the election year.

The fair market value of in-kind contributions count towards contributions limits.

There are a few exceptions:

- A candidate or candidate's spouse may contribute unlimited amounts.
- 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.

## Contribution Prohibitions

A candidate committee may not accept any contribution made by a corporation, business entity, labor union, professional association or insurance company.

## What is an expenditure?

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 make an expenditure, to support or oppose the nomination, election, or passage of one or more clearly identified candidates, or ballot measure.

An expenditure includes any payment or other transfer made by a candidate committee.

North Carolina's Campaign Finance Laws require candidates to disclose all contributions and expenditures. North Carolina laws also set source and contribution limits. Violations may result in criminal or civil penalties.

## Expenditure Limits

A candidate or candidate committee may only use contributions for the purposes listed in N.C.G.S. § 163-278.16B. These include:

1. Expenditures resulting from holding public office;
2. Donations to certain nonprofit organizations so long as the candidate and certain members of the candidate's family are not employed by the organization;
3. Contributions to a national, State, district or county political party committee or an affiliated party committee;
4. Contributions to another candidate or candidate's campaign committee;
5. To return all or a portion of a contribution;
6. The payment of penalties imposed by the State Board of Elections;
7. Payments to the North Carolina Escheat Fund; and
8. Legal expense donations not in excess of \$4,000 per calendar year.

## Reporting Requirements

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

1. The name and complete mailing address of each contributor;
  2. The principal occupation of each contributor;
  3. The amount contributed; and
  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.

For each expenditure, a treasurer must collect the following information for reporting purposes:

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

## Disclosure Legends

Print media, television and radio advertisements purchased by the candidate or candidate committee must have a disclosure legend that includes the statement “Paid for by [name of candidate, or candidate committee]”. For more information about the format and size requirements, please review the [Campaign Finance Manual](#).

## What advertisements require the legend?

Newspaper ads, newspaper inserts, airplane streamers, pamphlets, billboards, sound truck advertising, portable signs (lighted or non-lighted; may be on wheels to be pulled around), periodicals, TV ads, radio ads, outdoor advertising facilities, magazines, cards of any size, fliers, mass mailings

## What materials do not require the legend?

Buttons, bumper stickers, yard signs, window posters (approximately 14 x 22 inches and posters used in stores, on stakes in yards, etc.) barn posters made at generally no cost ( 3 x 5 ft.), campaign paraphernalia such as balloons, shopping bags, nail files, etc., imprinted with a campaign message.