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*Candidate Special Edition*

**December 2019**

## CANDIDATE NEWSLETTER

Congratulations on filing for public office. This newsletter reviews the requirements of the State Government Ethics Act (“Ethics Act”) that apply to candidates for certain State offices, including financial disclosure requirements, the gift ban, and lobbyist contribution restrictions.

### PART I: STATEMENT OF ECONOMIC INTEREST (SEI)

<p><b>WHO must file SEIs?</b></p> 	<p>All candidates (including those currently serving and those seeking office) for:</p> <ul style="list-style-type: none"> <li>✓ General Assembly (N.C. Senate, N.C. House)</li> <li>✓ Council of State (Governor, Secretary of State, Attorney General, Auditor, Insurance Commissioner, Labor Commissioner, Agriculture Commissioner, Superintendent of Public Instruction, Treasurer, and Lieutenant Governor)</li> <li>✓ Supreme Court, Court of Appeals, Superior Court, and District Court Judge</li> <li>✓ District Attorney</li> <li>✓ Clerk of Court</li> </ul>
<p><b>WHAT must I file?</b></p>	<ul style="list-style-type: none"> <li>✓ A paper or electronic version of a Long Form or No Change Form SEI:             <ul style="list-style-type: none"> <li>✓ If you did not previously file a 2019 SEI for the office which you seek, you must file a “Long Form” SEI.</li> <li>✓ If you previously filed a 2019 SEI for the office which you seek but have changes to report, you should also file a Long Form SEI.</li> <li>✓ If you previously filed a 2019 SEI for the office which you seek and have no changes to report, you may file a “No Change Form.”</li> </ul> </li> </ul>
<p><b>WHEN must I file?</b></p>	<ul style="list-style-type: none"> <li>✓ File your SEI as early as the date you file your Notice of Candidacy and no later than 10 days after the close of the candidate filing period (i.e., no later than 5 p.m. on December 30, 2019). Paper SEIs must be postmarked by December 30<sup>th</sup>.</li> </ul>
<p><b>WHERE must I file?</b></p>	<ul style="list-style-type: none"> <li>✓ You must file your Long Form or No Change Form SEI directly with the State Ethics Commission. Further information is available on the Commission’s website at <a href="https://ethics.ncsbe.gov/">https://ethics.ncsbe.gov/</a></li> </ul>
<p><b>HOW do I file?</b></p>	<ul style="list-style-type: none"> <li>✓ You may mail a completed paper SEI or file an electronic SEI. The electronic filing option is much easier and your information will be readily available for subsequent filings, including any SEIs due in 2020.</li> <li>✓ Go to the Commission’s website and select the “Candidate Filing” link on the home page. Follow the instructions to either print out the SEI or file electronically. Mail paper SEIs <b>directly to the Commission</b> at the address above.</li> <li>✓ If filing electronically, you should use your existing account or create a new account if you don’t already have one. There is a link to User Guides on the upper right-hand corner of the “Electronic Filing” webpage.</li> </ul>

## SEI COMPLETION FAQs

- 1. What kind of information must be disclosed?** Certain financial, professional, and personal information regarding you and members of your “immediate family,” including your spouse, unless legally separated and you or your spouse’s children or members of your “extended family” residing in your household.
- 2. What if some of the questions do not apply?** Please respond to **all** questions, even if they do not apply to you or members of your immediate family. If the question does not apply, you may indicate “none” or “not applicable.” If you file electronically, the system will ensure that all questions are answered.
- 3. What if I file a paper SEI and miss questions?** You will be required to file additional information. You will not satisfy your legal obligation to file an SEI until all questions have been answered.
- 4. If I previously filed an SEI in 2019, do I still need to file a candidate SEI?** Yes. If you are a candidate for a listed office, you must file either a Long Form or No Change Form SEI no later than 5 p.m. on December 30, 2019.
- 5. If I file a paper SEI, can I fax or email it?** No. You must mail or hand-deliver your signed original SEI.
- 6. Is my completed SEI a public record?** Yes. All SEIs, including candidate SEIs, are public records and will be available for review on the Commission’s website.

## PENALTIES

- 1. Are there fines for filing my SEI late or failing to file it?** Yes. The Ethics Commission may levy a \$250.00 fine for late or non-filing of your SEI.
- 2. Are there criminal penalties?** Yes. Knowingly concealing or failing to disclose information is a Class 1 misdemeanor. Knowingly providing false information is a Class H felony.



### Questions??

**Ethics Commission:** Contact the State Ethics Commission staff at (919) 814-3600 or by e-mail at [ethics.commission@doa.nc.gov](mailto:ethics.commission@doa.nc.gov) if you have any questions about filing an SEI.





## PART II: ADDITIONAL INFORMATION FOR CANDIDATES FOR GENERAL ASSEMBLY AND COUNCIL OF STATE

### A. THE ETHICS ACT'S GIFT BAN

- ✓ If you are currently a member of the NC General Assembly or the Council of State, are a legislative employee, or a public servant, you cannot accept gifts, directly or indirectly, from registered North Carolina lobbyists or lobbyist principals unless there is an exception in the Ethics Act that would allow that gift.
- ✓ The Ethics Act's gift ban does not apply to judges, district attorneys, or clerks of court or candidates for those offices, although other laws may restrict such gifts.
- ✓ If you do not currently hold a position that is subject to the gift ban, but have filed as a candidate for General Assembly or Council of State, you are restricted from accepting gifts from lobbyists and lobbyist principals unless there is an exception in the Ethics Act that would allow that gift.
- ✓ A gift is anything of monetary value. There is no de minimis or "small gift" exception; therefore, the value of the gift does not matter.
- ✓ A lobbyist is someone who is paid by either an individual or organization ("lobbyist principal,") to engage in communications or activities designed to influence legislative or executive action. A searchable list of registered lobbyists and lobbyist principals is on the Secretary of State's website at <https://www.sosnc.gov/lobbyists/>.
- ✓ Campaign contributions properly received and reported under the Election Law are not gifts. However, some individuals are prohibited from making campaign contributions to members of and candidates for the General Assembly and the Council of State.

### B. ADDITIONAL RESTRICTIONS APPLICABLE TO LOBBYISTS

- ✓ Lobbyists are restricted from making campaign contributions to members of or candidates for General Assembly and Council of State. Lobbyists also may not collect, take possession of, or transfer those contribution(s).
- ✓ Lobbyists also cannot serve as treasurers or assistant treasurers for a legislative candidate or a campaign committee to elect a State House or Senate candidate.



#### Questions??

**Ethics Commission:** Questions concerning the Ethics Act's gift ban, or lobbyists serving as campaign managers should be directed to the State Ethics Commission staff at (919) 814-3600 or by e-mail at [ethics.commission@doa.nc.gov](mailto:ethics.commission@doa.nc.gov).

**Board of Elections:** Questions concerning the acceptance of campaign contribution from lobbyists should be directed to the Campaign Finance Division of the State Board of Elections at (919) 814-0700 option 3.