

ATTACHMENT 1

AGENDA #9.1

MEMORANDUM

TO: Mayor and Town Council
FROM: Ralph D. Karpinos, Town Attorney
SUBJECT: Campaign Disclosure Law
DATE: October 27, 1999

Attached is the resubmitted information from the October 18th Council meeting regarding the Town's campaign disclosure law. A Council member requested the Council reconsider the item.

ATTACHMENT

1. October 18, 1999 memorandum (p. 2)
2. October 7, 1999 memorandum (p. 3)
3. October 6, 1999 letter from Deborah Ross of the American Civil Liberties Union (p. 4)
4. July 7, 1999 Council agenda item (p. 6)
5. Excerpt of July 7, 1999 minutes and the adopted ordinance (p. 16)

MEMORANDUM

(Confidential: Attorney-Client Matters)

TO: Mayor and Town Council
FROM: Ralph D. Karpinos, Town Attorney
SUBJECT: Campaign Disclosure Law
DATE: October 18, 1999

I have requested a closed session after tonight's hearings to discuss with the Council the attached letter from the American Civil Liberties Union of North Carolina. I believe a closed session would be permitted, should the Council wish to hold one on this matter, under G.S. 143-318.11(a)(3) because this involves attorney-client matters and potential litigation.

The letter expresses the ACLU's concern with the provision of our campaign contribution ordinance which requires that all contributions, regardless of amount, be reported with the name of the contributor. The ACLU requests that the Council amend the Ordinance and set an amount of \$50 below which the names of contributors do not need to be disclosed.

Since I first reported this to you I have spoken again with the letter's author, Deborah Ross. She has provided me with some additional legal references which I will review prior to Monday evening.

2

MEMORANDUM
(Confidential: Attorney-Client Matters)

TO: Mayor and Town Council
FROM: Ralph D. Karpinos, Town Attorney
SUBJECT: Campaign Disclosure Law
DATE: October 7, 1999

Attached is a letter I received today from the American Civil Liberties Union of North Carolina .

The letter expresses the ACLU's concern with the provision of our campaign contribution ordinance which requires that all contributions, regardless of amount, be reported with the name of the contributor. The ACLU requests that the Council amend the Ordinance and set an amount of \$50 below which the names of contributors do not need to be disclosed.

Upon receipt of the letter I called the author, Deborah K. Ross, the organization's Executive and Legal Director. Ms. Ross confirmed for me that, at least at this time and based on their research into current case law, the ACLU does not have an objection to the \$200 limit on the amount that can be contributed.

The ACLU's rationale for their concern with the "first dollar" reporting requirement is explained in the letter. Essentially, they make the point that requiring the disclosure of names of contributors of small amounts would improperly restrict individual rights in a manner that outweighs any interest the Town might have in requiring name disclosure for the purpose of deterring election corruption. Ms. Ross has indicated that she would be pleased to attend a Council meeting and provide the Council with further information.

The Agenda for October 11th appears lengthy. I will ask that a closed session be included on the Agenda for October 18 hearings to consider this letter and Ms. Ross's offer to speak to the Council.

A copy of our ordinance is attached.

cc: W. Calvin Horton, Town Manager



American Civil Liberties Union of North Carolina
 American Civil Liberties Union Legal Foundation of North Carolina
P.O. Box 28004 / Raleigh, North Carolina 27611-8004
(919) 834-3390 (VOICE & TDD) / FAX 828-3265

(7)

October 6, 1999

Ralph D. Karpinos
Chapel Hill Town Attorney
306 North Columbia Street
Chapel Hill, NC 27516

Re: First Dollar Reporting Requirement

Dear Mr. Karpinos:

It has come to the attention of the ACLU of North Carolina that the Chapel Hill Town Council passed an ordinance in July of 1999, that requires candidates for municipal elections in the Town of Chapel Hill to file reports "listing the names of all contributors and the amounts contributed by each." Town Code, Article IV, Chapter 2. This "first dollar" reporting requirement would require candidates to report the name of anyone who gave any amount of money in support of his/her campaign. While we appreciate the Council's interest in full disclosure and open elections, the ACLU believes that this type of disclosure law impairs the "privacy of association and belief guaranteed by the First Amendment," Buckley v. Valeo, 424 U.S. 1, 64 (1976), and does not serve a compelling interest. For these reasons, we respectfully request that the Town Council reconsider this portion of the Ordinance and amend the Ordinance to have its disclosure provision triggered at the \$50 level.

As you know, campaign finance laws must be narrowly tailored to serve a compelling interest and are examined by the courts under a strict scrutiny analysis. Id. at 66. While disclosure laws do serve the compelling interest of deterring corruption or the appearance of corruption, they only serve this purpose when applied to larger contributions. Moreover, disclosure laws that begin at the "first dollar" are not narrowly tailored to serve the interest of preventing corruption or the appearance of corruption. For these reasons, we request that the Council reconsider this provision of the Ordinance and amend it to have the disclosure requirement begin at the \$50 level.

First dollar reporting requirements deter contributors of small amounts of money who prefer to remain anonymous and may expose others to harassment or retaliation. See id. at 68. The Supreme Court has concluded that "[t]hese are not insignificant burdens on individual rights, and they must be weighed carefully against the interest [in disclosure]." Id. Over the years, the ACLU has represented many employees who have been punished by their employers for their political activities. We have represented police officers who were fired for supporting candidates for sheriff. We have represented laborers who have been terminated for supporting pro-union legislators. In most of these cases, the support given to the candidate was nominal, certainly not enough to significantly influence the outcome of the election. However, given the current state



8

Ralph D. Karpinos
October 6, 1999

of employment and political patronage law, these individuals do not always prevail. As a result, they are greatly inhibited from participating in the political process. The Ordinance eliminates the one way they can give a small anonymous contribution to a candidate without fear of reprisal, for this reason, we believe it should be amended.

I would be happy to discuss this issue further with you and the Council at your convenience. Please do not hesitate to contact me at (919) 834-3466. Thank you for your time and attention.

Very truly yours,

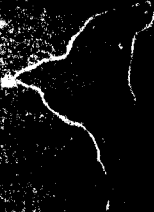


Deborah K. Ross
Executive/Legal Director

Faint, illegible text, possibly a carbon copy or bleed-through from the reverse side of the page.

Faint, illegible text, possibly a carbon copy or bleed-through from the reverse side of the page.

Faint, illegible text, possibly a carbon copy or bleed-through from the reverse side of the page.



Handwritten mark or signature at the bottom of the page.

Small circular stamp or mark at the bottom right of the page.

9

MEMORANDUM

TO: Mayor and Town Council

FROM: Ralph D. Karpinos, Town Attorney

SUBJECT: Ordinance Establishing Limits on Campaign Contributions and Requiring Disclosure of Contributors

DATE: July 7, 1999

The attached ordinance would limit the amount which can be contributed to candidates for Chapel Hill municipal elective office and require the disclosure of the names of contributors to election campaigns.

BACKGROUND

This Spring the Town Council requested from the 1999 General Assembly authority to enact ordinances to require disclosure of the names of campaign contributors and to limit the amount that can be contributed to a Town election campaign. Non-identical bills authorizing the Town to enact these regulations have passed both houses of the General Assembly. The bills are currently back before committees in the House of Representatives.

On June 28, 1999, the Council directed the preparation of a proposed ordinance implementing this local legislation, with a proviso that it become effective upon enactment of the Bill into law. If the Council chooses to enact such an ordinance this evening, it would become effective if and when the Bill is ratified and would apply to contributions to Town election campaigns after it becomes law.

DISCUSSION

A. Campaign Contribution Limitations

Under State Law, the maximum amount that can be contributed by an individual or political committee to a candidate for public office in North Carolina is \$4000.00 (N.C.G.S. Sec. 163-278.13.) Under the requested local legislation, the Town would have the authority to enact a maximum amount for contributions lower than that established by the State.

The proposed ordinance which is included with this memorandum includes, in Section 2-72, a figure for illustration purposes of \$200.00 as the maximum amount that could be contributed by an individual or political committee to a Town municipal election campaign.

Limitations on contributions by individuals and groups to candidates and campaign committees have been upheld by the United States Supreme Court. The Court has identified as a "legitimate and compelling" governmental interest justifying such restrictions "the prevention of corruption or the appearance of corruption." *Buckley v. Valeo*, 424 U.S. 1 (1976); *Fed. Election Comm'n v. Nat'l Conservative Political Action Comm.*, 470 U.S. 480 (1985) ("NC-PAC").

The United States Court of Appeals for the Sixth Circuit recently had this to say about limitations on campaign contributions:

Thus far, the Supreme Court has identified only one "legitimate and compelling" governmental interest that justifies restrictions on campaign financing: the prevention of corruption or the appearance of corruption. *NC-PAC*, 470 U.S. at 496-97. Corruption is defined as "a subversion of the political process. Elected officials are influenced to act contrary to their obligations of office by the prospect of financial gain to themselves or infusions of money into their campaigns. The hallmark of corruption is the financial quid pro quo: dollars for political favors." *Id.* at 497. Quid pro quo corruption -- both real and perceived -- was viewed as a malady so grave as to undermine "the integrity of our system of representative democracy." *Buckley*, 424 U.S. at 26-27. The governmental interest in preventing real and perceived quid pro quo corruption provides a "constitutionally sufficient justification" to sustain limitations on contributions by individuals and groups to candidates and campaign committees. *Id.* at 26-29.

Kruse v. City of Cincinnati, 1998 Fed. App. 0127P, (6th Cir.) at p. 6. (Cincinnati limited contribution amounts to \$1000 on individuals; \$2500 on political action and campaign committees; and \$10,000 on political parties.) *Id.* at p. 3.

As noted by a citizen who presented this issue to the Chapel Hill Town Council at the Council's November 23, 1998, meeting, the City of Austin, Texas, has enacted limitations on campaign contributions. Austin has established the limit for contributions at \$100.

Based on the example of Austin, Texas, and the governmental interest recognized by the Courts as justification for such limitations, I would not recommend that the Council set the limitation on campaign contributions any lower than \$100. I think it would be hard to support an argument that smaller contributions need to be limited to "prevent corruption" in Town municipal elections.

In considering what limit to place on campaign contributions, the Council may wish to bear in mind that, under the terms of the General Statutes and the local enabling legislation, there is no limitation on the amount which may be contributed to a campaign by the candidate him/herself or by a candidate's spouse, parents, brothers and sisters.

B. Disclosure

1. Under State Law, names of contributors and amounts contributed are required to be disclosed for contributions in excess of \$100.00. Reports are not required for campaigns not receiving or spending more than \$3000.00.

3 (11)

Under the requested local legislation, the Town would have the authority to require the disclosure of all contributors. If the Council enacts an ordinance, the Council may *not* exempt campaigns spending under \$3000.00 or any other amount. The enabling legislation states that the ordinance "shall apply regardless of the total amount of contributions, loans, or expenditures by the campaigns."

The proposed ordinance implements this authorization in Section 2-71(a).

2. Under the requested legislation, the Town may, if the Council chooses, exempt from disclosure contributions below a monetary amount set in the ordinance. For illustrative purposes, the attached draft ordinance includes, in Section 2-71(b), a disclosure exemption for contributions less than \$10.00. The Council may wish to include a limit below which disclosure is not required or, in the alternative, to delete sub-section (b) from any ordinance the Council chooses to enact.

RECOMMENDATION

That the Council consider this memorandum and the possibility of enactment of the attached Ordinance, as modified in such manner as the Council determines.

ATTACHMENT

1. June 28, 1999 Council Memorandum on Campaign Contributions Disclosure and Limitation Bill (begin new page 1)

AN ORDINANCE REQUIRING THE DISCLOSURE OF NAMES OF CAMPAIGN CONTRIBUTORS AND TO LIMIT THE AMOUNT THAT MAY BE CONTRIBUTED TO CAMPAIGNS FOR TOWN ELECTIONS (99-7-7/O-10)

BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF CHAPEL HILL as follows:

Section 1. A new Chapter 2, Article IV of the Town Code is hereby enacted to read as follows:

"ARTICLE IV. CAMPAIGN DISCLOSURE AND CONTRIBUTION LIMITATIONS"

Sec. 2-71. Disclosure of Contributor.

(a) Except as provided in sub-section (b) of this section, all candidates for municipal elections in the Town of Chapel Hill, regardless of the amount they spend, shall file reports, listing the names of all contributors and the amounts contributed by each.

(b) Names of contributors of amounts less than ten dollars (\$10.00) are exempt from the requirements of this section.

(c) Reports required by this section shall be filed in accordance with Part 2, Article 22A of Chapter 163, North Carolina General Statutes.

Sec. 2-72. Limitation on Contributions.

No individual or political committee shall contribute to any candidate, or political committee of a candidate, any money or make any other contribution in any Town of Chapel Hill municipal election in excess of two hundred dollar (\$200.00) for that election. "

Section 2. This Ordinance shall become effective upon the enactment by the North Carolina General Assembly of the necessary enabling legislation, currently designated as House Bill 868, 1999 Session, and shall apply to all campaign contributions made after its effective date.

This the 7th day of July, 1999.

MEMORANDUM

TO: Town Council

FROM: Rosemary I. Waldorf, Mayor

SUBJECT: Campaign Contribution Disclosure and Limitation Bill

DATE: June 28, 1999

Our bill requesting authorization to require disclosure of campaign contributors and to set an amount for maximum campaign contributions has passed both the House and the Senate. The two versions passed are not identical and currently the bill has been re-referred to a committee in the House.

It is possible that the bill will be enacted sometime this summer after the Council has recessed for the summer. In order to provide for the application of the bill to the upcoming Council election, in the event that the bill does become law, I propose that the Council direct the Town Attorney to prepare draft ordinances for Council's consideration on July 7, 1999. In addition, I propose that we request the Attorney to advise us on what range of limitations on contributions would be reasonable and likely to be constitutionally acceptable.

The Council could then consider enactment of the ordinances on July 7, 1999, with a proviso that the ordinances would become effective upon enactment of the necessary enabling legislation. In the alternative, the Council could consider, on July 7, 1999, deferring enactment of a proposed ordinance until after our summer recess.

RECOMMENDATION

That the Council adopt the attached resolution.

2
(14)

A RESOLUTION DIRECTING THE TOWN ATTORNEY TO PREPARE A PROPOSED ORDINANCE ON CAMPAIGN FINANCE REFORM (99-6-28/R-13)

BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council directs the Town Attorney to prepare for the Council's consideration on July 7, 1999, an ordinance to implement the provisions of House Bill 841, Section 4, on campaign finance reform and to advise the Council on the reasonable ranges for setting limitations on campaign contributions pursuant to the provisions of that Bill.

This the 28th day of June, 1999.

(5)

North Carolina General Assembly
HISTORY OF HOUSE BILL H 841
CARRBORO/CHAPEL HILL LOCAL ACT
By INSKO

Date: 6/17/99
Time: 11:21 a.m.
Page: 1
Leg. day: H-083/S-082

Introduced 4- 1-99 by: HACKNEY INSKO
Counties : ORANGE

Date		Action
4- 1-99	H	REF TO COM ON LOGGOV
4-28-99	HA	REPTD FAV COM SUBSTITUTE
4-28-99	H	CAL PURSUANT RULE 36(B)
4-28-99	H	PLACED ON CAL FOR 04-28
4-28-99	H	PASSED 2ND & 3RD READING
4-29-99	S	REC FROM HOUSE
4-29-99	S	REF TO COM ON STLOGVT
6- 9-99	S	REPTD FAV COM SUBSTITUTE
6- 9-99	SA	COM SUBSTITUTE ADOPTED
6-10-99	SA	AMEND ADOPTED #1
6-10-99	S	PASSED 2ND & 3RD READING
6-15-99	H	REC TO CONCUR S COM SUB
6-15-99	H	RE-REF COM ON RULES

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

HOUSE BILL 841

Committee Substitute Favorable 4/28/99

Senate State and Local Government Committee Substitute Adopted 6/9/99

Fourth Edition Engraved 6/10/99

Short Title: Carrboro/Chapel Hill Local Act (Local)

Sponsors:

Referred to:

April 1, 1999

A BILL TO BE ENTITLED

AN ACT TO AMEND THE CARRBORO TOWN CHARTER TO AUTHORIZE THE GOVERNING BODY TO OFFER INCENTIVES TO ENCOURAGE MORE AFFORDABLE HOUSING UNITS AND TO CHANGE THE NAME OF THE CARRBORO BOARD OF ALDERMEN, AND TO AUTHORIZE THE TOWN OF CHAPEL HILL TO ENHANCE AND INCREASE SEDIMENTATION PROTECTION AND TO AMEND THE CHAPEL HILL CHARTER TO ALLOW THE TOWN COUNCIL TO REQUIRE CANDIDATES FOR ELECTIVE TOWN OFFICE TO DISCLOSE THE NAMES OF CAMPAIGN CONTRIBUTORS AND TO LIMIT BY ORDINANCE THE AMOUNT THAT PERSONS MAY CONTRIBUTE TO A CANDIDATE OR THEIR POLITICAL COMMITTEE AND TO ALLOW THE REGULATION OF OPEN BURNING AND TO ALLOW HALF-DAY SHIFTS FOR ELECTION JUDGES IN ORANGE COUNTY

The General Assembly of North Carolina enacts:

Section 1. Section 9-2 of the Carrboro Town Charter, being Chapter 476 of the 1987 Session Laws, reads as rewritten:

"Section 9-2. Unified Development Ordinance. The board of aldermen may combine into a single ordinance or unified land use code any of the ordinances that are permitted to adopt pursuant to the authority granted in Article 2 of Chapter 160A of the General Statutes for any local government within the Town of Carrboro that deals with the subject matter contained in Article 19 of Chapter 160A of the General Statutes. In a unified development ordinance the board may provide that subdivision preliminary plat approval be granted in the same manner as any other conditional use permit is issued, including the attachment of reasonable conditions to such approval. The Town may provide by ordinance for appropriate incentives to encourage that residential developments contain housing units that are affordable to low- or moderate-income persons."

Section 2. Section 2.5(1) of Article 2 of the Charter of the Town of Carrboro, being Chapter 476 of the 1987 Session Laws, as amended, reads as rewritten:

"(a) The governing body of the Town of Carrboro shall consist of a mayor and six aldermen, commissioners, council members, or council members, as determined by resolution of the Town of Carrboro, elected as

provided in Section 2-2. The governing body shall be known as the ~~Board of Aldermen, Board of Aldermen,~~ Board of Commissioners, Board of Councillors, or Town Council, as determined by resolution of the Town of Carrboro. Whenever this Charter or any ordinance, resolution, or other document refers to the Carrboro Board of Aldermen, such reference shall be deemed to refer to the Carrboro Board of Aldermen, Board of Commissioners, Board of Councillors, or Town Council, as determined by resolution of the Town of Carrboro.

Section 3. G.S. 113A-60(a) reads as rewritten:
"(a) Any local government may submit to the Commission for its approval an erosion and sediment control program for its jurisdiction, and to this end local governments are authorized to adopt ordinances and regulations necessary to establish and enforce erosion and sediment control programs. Local governments are authorized to create or designate agencies or subdivisions of local government to administer and enforce the programs. An ordinance adopted by a local government shall at least meet and may exceed the minimum requirements of this Article and the rules adopted pursuant to this Article. Article and may require enhanced and increased sedimentation protection by reason of the concurrent construction of two or more projects in the same watershed. Two or more units of local government are authorized to establish a joint program and to enter into any agreements that are necessary for the proper administration and enforcement of the program. The resolutions establishing any joint program must be duly recorded in the minutes of the governing body of each unit of local government participating in the program, and a certified copy of each resolution must be filed with the Commission."

Section 4. Chapter II of the Charter of the Town of Chapel Hill, being Chapter 473 of the 1975 Session Laws, as amended, is amended by adding the following new sections to read:

"Sec. 2.6. Disclosure of contributors.

(a) The Town Council may by ordinance require the disclosure by candidates (and their political committees) for elective town office of the names of all contributors to their campaigns. The ordinance may exempt from disclosure contributions below a monetary amount set in the ordinance.

(b) The ordinance shall apply regardless of the total amount of contributions, loans, or expenditures by the campaigns.

(c) G.S. 163-278.10A does not apply to municipal elections in the Town of Chapel Hill.

"Sec. 2.7. Limitation on contributions.

Except as provided by G.S. 163-278.13(c), the Town Council may by ordinance limit the amount of contributions which any individual, person, or political committee may contribute to any candidate for town office or to any political committee of that candidate. The ordinance may not set a limitation which has a dollar amount greater than the dollar amount set in the general law which would apply to elective office in the town.

"Sec. 2.8. Definitions. The definitions in Article 22A of Chapter 163 of the General Statutes apply to Sections 2.6 and 2.7 of this Charter."

Section 5. Chapter V of the Charter of the Town of Chapel Hill, being Chapter 473 of the 1975 Session Laws, as amended, is amended by adding the following new Article to read:

"Article 9. Regulation of Open Burning

"Sec. 5.50. After conducting a public hearing, the Town may adopt ordinances to regulate and prohibit the open burning of trees, limbs, stumps, and construction debris within the Town or the Town's extraterritorial jurisdiction.

The Town may, as a condition of approval for any permit for a subdivision, clearing and development of land, or construction

of buildings within the town of the town's extraterritorial jurisdiction, regulate and prohibit the open burning of trees, limbs, stumps and construction debris associated with the permitted activity.

Section 6. (a) G.S. 163-11(a) reads as rewritten:
" (a) The chief judges and judges of election shall conduct the primaries and elections within their respective precincts fairly and impartially, and they shall enforce peace and good order in and about the place of registration and voting. On the day of each primary and general and special election, the precinct chief judge and judges shall remain at the voting place from the time fixed by law for the commencement of their duties there until they have completed all those duties, and they shall not separate nor shall any one of them leave the voting place except for unavoidable necessity. Notwithstanding the requirement in the previous sentence, the county boards of elections may allow judges of election to serve for half-day shifts."

Section 6. (b) This section applies to Orange County only.

Section 7. Section 3 of this act applies only to the Town of Chapel Hill.

Section 8. This act is effective when it becomes law.

(19)

Item 15 — Campaign Contributions

COUNCIL MEMBER BROWN MOVED TO ADOPT ORDINANCE 10, AS AMENDED TO REMOVE UNDER SECTION 2-71B "THE NAMES OF CONTRIBUTORS LESS THAN \$10."

Council Member Evans stated that there was no provision to address the personal funding that could go into a campaign, noting that someone could finance their own campaign totally.

Mr. Karpinos agreed that there was no limit on how much a person could spend on his or her own campaign, adding that State law exempted money which a person or his family contributed to his campaign.

Mayor Waldorf noted that they were not exempt from disclosure. Mr. Karpinos agreed.

Robert Porter, a resident of Chapel Hill, said it was important for people to be able to follow the money trail. He quoted Senator Paul Simon and pointed out that candidates were most likely to listen to their biggest contributors when time was limited. Mr. Porter argued that a \$200 limit was reasonable and pointed out that Senator Ellie Kinnaird had unilaterally limited her contributions voluntarily, and won the election. He recommended that Chapel Hill be a leader in this.

MAYOR PRO TEM CAPOWSKI MOVED, SECONDED BY COUNCIL MEMBER MCCLINTOCK, TO REDUCE THE CAMPAIGN CONTRIBUTION LIMIT FROM \$200 TO \$100. THE MOTION FAILED (2-7) WITH COUNCIL MEMBERS CAPOWSKI AND MCCLINTOCK VOTING AYE AND MAYOR WALDORF AND COUNCIL MEMBERS BATEMAN, BROWN, EVANS, FOY, PAVÃO AND WIGGINS VOTING NAY.

Council Member Wiggins asked, regarding the ordinance, if "no individual" did not include the candidate. Mr. Karpinos replied that it did not include the candidate or the candidate's immediate family. He said that this should be clarified by adding "except as provided by State law."

Council Member Foy suggested deleting the first clause in (a) so that the language begins, "all candidates for municipal elections." Mr. Karpinos agreed, adding that they should delete (b) and change (c) to (b).

COUNCIL MEMBER BROWN MOVED, SECONDED BY COUNCIL MEMBER FOY, TO ADOPT ORDINANCE 10, AS AMENDED WITH 2-71(b) DELETED. THE MOTION WAS ADOPTED UNANIMOUSLY (9-0).

AN ORDINANCE REQUIRING THE DISCLOSURE OF NAMES OF CAMPAIGN CONTRIBUTORS AND TO LIMIT THE AMOUNT THAT MAY BE CONTRIBUTED TO CAMPAIGNS FOR TOWN ELECTIONS (99-7-7/O-10)

BE IT ORDAINED by the Council of the Town of Chapel Hill as follows:

(20)

Section 1. A new Chapter 2, Article IV of the Town Code is hereby enacted to read as follows:

**"ARTICLE IV. CAMPAIGN DISCLOSURE AND
CONTRIBUTION LIMITATIONS**

Sec. 2-71. Disclosure of Contributors.

(a) All candidates for municipal elections in the Town of Chapel Hill, regardless of the amount they spend, shall file reports, listing the names of all contributors and the amounts contributed by each.

(b) Reports required by this section shall be filed in accordance with Part 2, Article 22A of Chapter 163, North Carolina General Statutes.

Sec. 2-72. Limitation on Contributions.

Except as provided by North Carolina General Statute 163-278.13(-), no individual or political committee shall contribute to any candidate, or political committee of a candidate, any money or make any other contribution in any Town of Chapel Hill municipal election in excess of two hundred dollars (\$200.00) for that election."

Section 2. This Ordinance shall become effective upon the enactment by the North Carolina General Assembly of the necessary enabling legislation, currently designated as House Bill 868, 1999 Session, and shall apply to all campaign contributions made after its effective date.

This the 7th day of July, 1999.