Subject: FW: 01.2023 Request for Changes

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Friday, January 13, 2023 1:38 PM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>; Rules, Oah <oah.rules@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

Thank you Bill. You have my consent to file the attached as the final rule.

From: Peaslee, William W <<u>bill.peaslee@oah.nc.gov</u>>
Sent: Friday, January 13, 2023 1:14 PM
To: Rules, Oah <<u>oah.rules@oah.nc.gov</u>>; Wakely, Lindsey <<u>Lindsey.Wakely@ncsbe.gov</u>>
Cc: Burgos, Alexander N <<u>alexander.burgos@oah.nc.gov</u>>; Cox, Paul <<u>paul.cox@ncsbe.gov</u>>
Subject: FW: 01.2023 Request for Changes

Lindsey,

With your consent I will file the attached as the final rule. It is my intention to recommend approval.

William W. Peaslee Rules Review Commission Counsel / Legislative Liaison Office of Administrative Hearings 1711 New Hope Church Road Raleigh NC, 27609 (984) 236-1939 Bill.Peaslee@oah.nc.gov

Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.

1	08 NCAC 21 .0	206 is adopted with changes as published in 37:04 NCR 313-314 as follows:	
2			
3 4	08 NCAC 21 .0206REQUESTING A WAIVER OF A CIVIL LATE PENALTY(a) A political committee, referendum committee, individual, or entity requesting a waiver of a civil late penalty under		
5	G.S. 163-278.34(a) shall complete and file the form available on the State Board's website within 60 days of service		
6	of the notice of penalty assessment. The form shall be signed and notarized and set forth any facts or circumstances		
7	that support go	od cause for a waiver of the penalty.	
8 9	(b) Waiver requ (1)	ests shall e filed with the State Board using one of the following methods: Hand-delivery during regular business hours to the State Board's offices.	
10	(2)	United States Postal Service to the mailing address listed on the State Board's website.	
11	(3)	Delivery service authorized by G.S. 1A-1, Rule 4 to the physical address published on the State	
12		Board's website.	
13	(4)	Email to campaign.reporting@ncsbe.gov so long as the original signed copy is retained by the	
14		political committee, referendum committee, individual or entity for at least two years counting from	
15		the date of the election to which the late report affects.	
16	(c) A waiver re	equest is considered filed on the date it is postmarked by the United States Postal Service or marked	
17	with an equival	lent marking by a delivery service authorized by G.S. 1A-1, Rule 4. An email is considered filed if	
18	received by 11:	59 pm. A waiver request filed by email must be sent to campaign.reporting@ncsbe.gov by 11:59 pm	
19	to be considere	d filed on that date.	
20	(d) Examples o	f factors considered by the State Board in determining the presence of good cause include but are not	
21	limited to:		
22	(1)	Whether the late report was the first late report of the committee or the first late report within the	
23		last 10 years.	
24	(2)	Whether the late report was due prior to or after the election for a candidate.	
25	(3)	Whether the late report resulted in any contribution or expenditure not being disclosed to the public.	
26	<u>(4)</u>	Whether the late report resulted from a family emergency, severe illness or hospitalization, natural	
27		disaster, or similar unforeseen circumstance.	
28	(5)	Whether the treasurer or assistant treasurer received insufficient guidance from the State Board	
29		office or county board office in attempting to file reports.	
30	<u>(6)</u>	Whether documented issues with the U.S. Postal Service or other delivery service inhibited the	
31		committee from filing a timely report.	
32	(d)(e) If a waiv	er request is denied by the State Board, a new notice of penalty assessment notice of the denial shall	
33	be served by any means authorized under G.S. 1A-1, Rule 4. The new notice of penalty assessment notice of the denia		
34	shall direct the political committee, referendum committee, individual or entity to pay the assessment within 30 days		
35	The political co	ommittee, referendum committee, individual or entity is not eligible to request a waiver of the new	
36	<mark>penalty assessm</mark>	tent. Reconsideration of a waiver request may be granted by the State Board based on mitigating factors	
37	not previously l	known to the State Board.	
38			

1 of 2

1 History Note: Authority G.S. 163-278.34; G.S. 163-278.21

1 2

3

08 NCAC 21 .0207 PROCEDURES FOR COMMITTEES WITH MISSING REPORTS

08 NCAC 21 .0207 is adopted with changes as published in 37:004 NCR 313-314 as follows:

4 (a) A political committee or referendum committee that fails to file a report required by Article 22A within 30 days

5 after service of the Notice of Penalty Assessment under G.S. 163-278.34(e) shall be issued a Notice of Noncompliance

6 directing the treasurer to file the missing report. A copy of the Notice of Noncompliance shall be posted to the State

- 7 Board's website.
- 8 (b) A political committee or referendum committee that fails to file a missing report within 30 days after service of
- 9 the Notice of Noncompliance shall be referred to the State Board for consideration issuance of an order requiring the
- 10 committee to file the missing report and to cease receiving contributions and making expenditures if the missing
- 11 report is not filed within 30 days of the order. order, except in extenuating circumstances as determined by the State
- 12 Board. The treasurer shall be provided notice of the referral and given the opportunity to submit a written
- 13 affidavit stating any facts or circumstances for the State Board's consideration. If a political committee or referendum committee fails to file a missing report within 30 days after service of the Notice of Noncompliance, the State Board shall consider an order requiring the committee to file the missing report and to cease receiving contributions and making expenditures if the missing report is not filed within 30 days of the order. Prior to any decision, the State Board shall give notice to the treasurer and an opportunity for the treasurer or other representative of the committee to provide a written affidavit stating any facts or circumstances for why an order should not be issued.
- 14 (c) Any order issued by the State Board of Elections under Paragraph (b) shall be served by any means authorized
- 15 under G.S. 1A-1, Rule 4. A copy of the order shall be posted to the State Board's website.

16 (d) A political committee or referendum committee that fails to file the missing report within 30 days of the State

- 17 Board's order under Paragraph (b) shall have the committee's status changed from active to suspended. While
- 18 suspended, the committee shall not receive any contributions or make any expenditures except for the payment of any
- 19 civil penalties or forfeitures under G.S. 163-278.14 or G.S. 163-278.34. To be removed from suspended status, the
- 20 political committee or referendum committee shall file all missing reports identified in any order of the State Board
- and pay all civil late penalties incurred pursuant to G.S. 163-278.34.
- 22
- 23 History Note: Authority G.S. 163-278.34; G.S. 163-278.21.
- 24

Subject: FW: 01.2023 Request for Changes

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Friday, January 13, 2023 1:38 PM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>; Rules, Oah <oah.rules@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

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From: Peaslee, William W <<u>bill.peaslee@oah.nc.gov</u>>
Sent: Friday, January 13, 2023 1:14 PM
To: Rules, Oah <<u>oah.rules@oah.nc.gov</u>>; Wakely, Lindsey <<u>Lindsey.Wakely@ncsbe.gov</u>>
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Subject: FW: 01.2023 Request for Changes

Lindsey,

With your consent I will file the attached as the final rule. It is my intention to recommend approval.

William W. Peaslee Rules Review Commission Counsel / Legislative Liaison Office of Administrative Hearings 1711 New Hope Church Road Raleigh NC, 27609 (984) 236-1939 Bill.Peaslee@oah.nc.gov

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6	of the notice of penalty assessment. The form shall be signed and notarized and set forth any facts or circumstances		
7	that support go	od cause for a waiver of the penalty.	
8 9	(b) Waiver requ (1)	ests shall e filed with the State Board using one of the following methods: Hand-delivery during regular business hours to the State Board's offices.	
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14		political committee, referendum committee, individual or entity for at least two years counting from	
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26	<u>(4)</u>	Whether the late report resulted from a family emergency, severe illness or hospitalization, natural	
27		disaster, or similar unforeseen circumstance.	
28	(5)	Whether the treasurer or assistant treasurer received insufficient guidance from the State Board	
29		office or county board office in attempting to file reports.	
30	<u>(6)</u>	Whether documented issues with the U.S. Postal Service or other delivery service inhibited the	
31		committee from filing a timely report.	
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38			

1 of 2

1 History Note: Authority G.S. 163-278.34; G.S. 163-278.21

1 2

3

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08 NCAC 21 .0207 is adopted with changes as published in 37:004 NCR 313-314 as follows:

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6 directing the treasurer to file the missing report. A copy of the Notice of Noncompliance shall be posted to the State

- 7 Board's website.
- 8 (b) A political committee or referendum committee that fails to file a missing report within 30 days after service of
- 9 the Notice of Noncompliance shall be referred to the State Board for consideration issuance of an order requiring the
- 10 committee to file the missing report and to cease receiving contributions and making expenditures if the missing
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- 12 Board. The treasurer shall be provided notice of the referral and given the opportunity to submit a written
- 13 affidavit stating any facts or circumstances for the State Board's consideration. If a political committee or referendum committee fails to file a missing report within 30 days after service of the Notice of Noncompliance, the State Board shall consider an order requiring the committee to file the missing report and to cease receiving contributions and making expenditures if the missing report is not filed within 30 days of the order. Prior to any decision, the State Board shall give notice to the treasurer and an opportunity for the treasurer or other representative of the committee to provide a written affidavit stating any facts or circumstances for why an order should not be issued.
- 14 (c) Any order issued by the State Board of Elections under Paragraph (b) shall be served by any means authorized
- 15 under G.S. 1A-1, Rule 4. A copy of the order shall be posted to the State Board's website.

16 (d) A political committee or referendum committee that fails to file the missing report within 30 days of the State

- 17 Board's order under Paragraph (b) shall have the committee's status changed from active to suspended. While
- 18 suspended, the committee shall not receive any contributions or make any expenditures except for the payment of any
- 19 civil penalties or forfeitures under G.S. 163-278.14 or G.S. 163-278.34. To be removed from suspended status, the
- 20 political committee or referendum committee shall file all missing reports identified in any order of the State Board
- and pay all civil late penalties incurred pursuant to G.S. 163-278.34.
- 22
- 23 History Note: Authority G.S. 163-278.34; G.S. 163-278.21.
- 24

1 of 1

Subject:FW: 01.2023 Request for ChangesAttachments:08 NCAC 21 .0206 1.13.docx

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Friday, January 13, 2023 11:12 AM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

Thank you Bill.

Please see the attached copy with changes. I did attempt to look at a few other rules as a go-by for how to introduce the example factors in (d), but happy to make minor changes to the wording based on your recommendation.

Please let me know if you have any questions, or need anything further.

Best,

1	08 NCAC 21 .0	206 is adopted with changes as published in 37:04 NCR 313-314 as follows:	
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3 4	08 NCAC 21 .0206REQUESTING A WAIVER OF A CIVIL LATE PENALTY(a) A political committee, referendum committee, individual, or entity requesting a waiver of a civil late penalty under		
5	G.S. 163-278.34(a) shall complete and file the form available on the State Board's website within 60 days of service		
6	of the notice of penalty assessment. The form shall be signed and notarized and set forth any facts or circumstances		
7	that support good cause for a waiver of the penalty.		
8 9	(b) Waiver requ (1)	tests shall e filed with the State Board using one of the following methods: Hand-delivery during regular business hours to the State Board's offices.	
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27		disaster, or similar unforeseen circumstance.	
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29		office or county board office in attempting to file reports.	
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37	not previously l	known to the State Board.	
38			

1 of 2

1 History Note: Authority G.S. 163-278.34; G.S. 163-278.21

Subject:

FW: 01.2023 Request for Changes

From: Peaslee, William W <bill.peaslee@oah.nc.gov>
Sent: Thursday, January 12, 2023 3:29 PM
To: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

Good afternoon,

Thank you for our telephone conversation yesterday. My understanding is that the SBE's position is that the denial of a waiver is subject to appeal pursuant to G.S. 163-278.34(f). We discussed the lack of a definition of "good cause" which is the grounds for granting a waiver under rule .0206. I understand the inability to define every circumstance which might be good cause and the Board not wanting to limit itself to unforeseen circumstances which might be good cause. However without any definition, standard, or examples, the standard of "good cause" is completely subjective. As the SBE purportedly lists examples of good cause on its website, it would be beneficial to the regulated public in their understanding, as well as that of any subsequent adjudicating official, if the examples were in the rule. Absent this, the rule is unclear and ambiguous.

The rule suggests a process whereby a committee could request reconsideration of a previously denied waiver; however, the rule is silent as to how and when this reconsideration will occur. How would a committee request reconsideration? How would a committee submit "mitigating factors" for consideration? Are mitigating factors the same as the undefined "good cause"? What are the timeframes within which reconsideration can be requested and will conclude? When will the agency have made its final decision on a waiver? Absent this, the rule is unclear and ambiguous.

Please respond with any additional changes by 4:00 pm Friday January 13. Thank you.

William W. Peaslee Rules Review Commission Counsel / Legislative Liaison Office of Administrative Hearings 1711 New Hope Church Road Raleigh NC, 27609 (984) 236-1939 Bill.Peaslee@oah.nc.gov

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Subject: FW: 01.2023 Request for Changes

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Wednesday, January 11, 2023 3:57 PM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

I didn't note in my previous email, but certainly happy to answer any additional questions, or discuss further, as needed. We appreciate your feedback/thoughts/questions to improve the language of the rule.

Thank you,

Lindsey Wakely | Deputy General Counsel

NORTH CAROLINA STATE BOARD OF ELECTIONS 430 N SALISBURY STREET RALEIGH, NC 27611 DIRECT: 919.814.0729 www.ncsbe.gov

Subject:FW: 01.2023 Request for ChangesAttachments:08 NCAC 21 .0206 with changes 1.11.docx

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Wednesday, January 11, 2023 3:22 PM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

Good afternoon Bill,

The intent is not to create a never ending cycle of waiver requests. The intent is to provide notice of the State Board's decision on the waiver request and to communicate a new date by which the committee must pay the penalty assessment. If it clarifies to refer to this as a notice of the denial instead, we're amendable to that (see attached).

If a penalty is not paid, G.S. 163-278.34(e) says the State Board shall request the Attorney General to institute a civil action to recover the amount of the assessment. The intent is to not make this request until after the committee is denied the waiver and the 30 day period to pay the penalty, as indicated in the notice, has expired.

The State Board does not intend to impose the process or deadlines described in 08 NCAC 21 .0206 on reconsideration of any waiver request. There is probably an outer boundary here in that G.S. 163-278.34(e) says a collection action must be brought within three years of the date the assessment was due. If the penalty is outside of that three year window, reconsideration would not occur.

I suppose it's possible we could have multiple requests for reconsideration, although we have never seen that fact pattern.

G.S. 163-278.34(e) says that the violator must contest the assessment itself within 30 days of receiving the notice of penalty assessment. I think our understanding has been that the committee could institute a contested case under G.S. 150B-23 regarding denial of the waiver request within 60 days of receiving notice of the State Board's denial.

Thank you,

Lindsey Wakely | Deputy General Counsel

NORTH CAROLINA STATE BOARD OF ELECTIONS 430 N SALISBURY STREET RALEIGH, NC 27611 DIRECT: 919.814.0729 www.ncsbe.gov From: Peaslee, William W <<u>bill.peaslee@oah.nc.gov</u>>
Sent: Wednesday, January 11, 2023 1:40 PM
To: Wakely, Lindsey <<u>Lindsey.Wakely@ncsbe.gov</u>>
Cc: Burgos, Alexander N <<u>alexander.burgos@oah.nc.gov</u>>; Cox, Paul <<u>paul.cox@ncsbe.gov</u>>
Subject: RE: 01.2023 Request for Changes

In rule .0206, an entity desiring a waiver must file the request within 60 days of the "notice of penalty" prescribed by G.S. 163-278.34(a). ("The State Board shall immediately notify, or cause to be notified, late filers, from which reports are apparently due, by mail, of the penalties under this section.")

However, in (d) the Board is also issuing a "notice of penalty" after consideration of a waiver request. As written, this creates a never ending cycle of waiver requests. Doesn't the Board mean that after consideration of its waiver request, the decision granting or denying the request will be sent?

Are activities to collect any penalties stayed pending the determination of a waiver?

Within what time period should "reconsideration of a waiver request" be made? Does the petitioner use the same method as in (c)? Is there a limit on the number of request requests for reconsideration which can be made? At what point does the Board's decision become final and therefore subject to an appeal?

William W. Peaslee Rules Review Commission Counsel / Legislative Liaison Office of Administrative Hearings 1711 New Hope Church Road Raleigh NC, 27609 (984) 236-1939 Bill.Peaslee@oah.nc.gov

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8	(b) Waiver requests shall be filed with the State Board using one of the following methods:		
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10	(2)	United States Postal Service to the mailing address listed on the State Board's website.	
11	(3)	Delivery service authorized by G.S. 1A-1, Rule 4 to the physical address published on the State	
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13	(3)	Email to campaign.reporting@ncsbe.gov so long as the original signed copy is retained by the	
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23	assessment within 30 days. The political committee, referendum committee, individual or entity is not eligible to		
24	request of a waiver of the new penalty assessment. Reconsideration of a waiver request may be granted by the		
25	State Board b	ased on mitigating factors not previously known to the State Board. only be granted under	
26	extenuating circ	sumstances as determined by the Campaign Finance Director of the State Board of Elections.	
27			
26	History Note:	Authority G.S. 163-278.34; G.S. 163-278.21	

27

Subject:FW: 01.2023 Request for ChangesAttachments:01.2023 Elections Request for Changes - LEW Response.docx; 08 NCAC 21.0207 with changes.docx;
08 NCAC 21.0206 with changes.docx

From: Wakely, Lindsey <Lindsey.Wakely@ncsbe.gov>
Sent: Tuesday, January 10, 2023 1:15 PM
To: Peaslee, William W <bill.peaslee@oah.nc.gov>
Cc: Burgos, Alexander N <alexander.burgos@oah.nc.gov>; Cox, Paul <paul.cox@ncsbe.gov>
Subject: RE: 01.2023 Request for Changes

Good afternoon Bill,

Hope you're well.

Please see the attached response to your request for changes. We have made changes to both .0206 and .0207. Changes are attached. Please let me know if you have any questions, or if there is anything you would like to discuss further. If you think any of the changes need further refinement, please let me know.

Thank you,

Lindsey Wakely

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: State Board of Elections

RULE CITATION: 08 NCAC 21 .0201

DEADLINE FOR RECEIPT: January 10, 2023

<u>PLEASE NOTE:</u> This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

Page 1, Lines 10: What does the Board mean by "maintained"? Must the bank depository be a repository licensed in North Carolina? Must the treasurer's books remain in North Carolina? This rule has been interpreted to require that the committee utilize a bank or depository institution that has offices in the State of North Carolina.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: State Board of Elections

RULE CITATION: 08 NCAC 21 .0206

DEADLINE FOR RECEIPT:

<u>PLEASE NOTE:</u> This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

Page 1, Lines 6-7: Is there any adopted criteria upon which the Board will determine "good cause"? Or is "good cause" completely subjective? By statute, whether a waiver is granted is wholly within the Board's discretion. See G.S. § 163-278.34(a) & (d). While the State Board has not voted to adopt specific criteria, the State Board routinely considers a set of mitigating factors in determining whether good cause exists to grant a given request. These mitigating factors do not represent an exclusive list. Other factors may be considered by the Board at their discretion. The mitigating factors routinely considered by the Board are available in public materials on the State Board's website.

Page 1, Line 17 – 18: "An email is considered filed if received by 11:59 pm"? While this may not be worthy of an objection, it is incomplete. Intent here is to communicate that a waiver request is considered filed on a given date if sent by 11:59 pm. This has been changed.

Page 1, Lines 21-24: The last two sentences of the Rule appear incongruent. As written the Board can re-consider the denial of the initial waiver request; however, that reconsideration would not impact the "new penalty assessment". Is that the intention? While a waiver request is pending, the penalty is held in abeyance. The purpose of the new penalty assessment is to communicate the date a penalty must be paid after a waiver request is denied. The intent was to communicate that this does not re-start the waiver request process. After the penalty assessment has been denied, the committee is only eligible for reconsideration based on mitigating factors not previously known to the State Board. Language has been simplified for clarity.

Page 1, Line 23: Is there any adopted criteria upon which the Board will determine whether "mitigating factors" exist? The State Board has not adopted specific criteria. The expectation is the State Board would reconsider the waiver request based on new information, not the same information previously

considered. This would include any circumstances where staff error resulted in inaccurate information being considered by the State Board.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: State Board of Elections

RULE CITATION: 08 NCAC 21 .0207

DEADLINE FOR RECEIPT:

<u>PLEASE NOTE:</u> This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

Page 1, Line 9: Here it appears that the State Board is making a referral to itself. I believe the Board is making a distinction between its staff and the Board. Is that appropriate for a rule? The intent in this section was out clearly outline the overall process for the regulated community, however, we agree that use of "referral" speaks more to the internal management and procedure. This section has been changed. Language can be refined further as needed. Rule is intended to provide an opportunity for the treasure, or other representative of the committee, to provide a written affidavit explaining any factors or circumstances for why the order should not issue.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

1	08 NCAC 21 .0206 is adopted with changes as published in 37:04 NCR 313-314 as follows:		
2			
3	08 NCAC 21 .0	206 REQUESTING A WAVIER OF A CIVIL LATE PENALTY	
4	(a) A political co	ommittee, referendum committee, individual, or entity requesting a waiver of a civil late penalty under	
5	G.S. 163-278.34	(a) shall complete and file the form available on the State Board's website within 60 days of service	
6	of the notice of penalty assessment. The form shall be signed and notarized, and set forth any facts or circumstances		
7	that support good cause for a waiver of the penalty.		
8	(b) Waiver requests shall be filed with the State Board using one of the following methods:		
9	(1)	Hand-delivery during regular business hours to the State Board's offices.	
10	(2)	United States Postal Service to the mailing address listed on the State Board's website.	
11	(3)	Delivery service authorized by G.S. 1A-1, Rule 4 to the physical address published on the State	
12		Board's website.	
13	(3)	Email to campaign.reporting@ncsbe.gov so long as the original signed copy is retained by the	
14		political committee, referendum committee, individual or entity for at least two years counting from	
15		the date of the election to which the late report affects.	
16	(c) A waiver red	quest is considered filed on the date it is postmarked by the United States Postal Service or marked	
17	with an equivalent marking by a delivery service authorized by G.S. 1A-1, Rule 4. An email is considered filed if		
18	received by 11:	59 pm. A waiver request filed by email must be sent to campaign.reporting@ncsbe.gov by	
19	<u>11:59 pm to b</u>	e considered filed on that date.	
20	(d) If a waiver request is denied by the State Board, a new notice of penalty assessment notice of the penalty owed		
21	shall be served by any means authorized under G.S. 1A-1, Rule 4. The new notice of penalty assessment notice		
22	of the penalty owed shall direct the political committee, referendum committee, individual, or entity to pay the		
23	assessment within 30 days. The political committee, referendum committee, individual or entity is not eligible to		
24	request of a waiver of the new penalty assessment. Reconsideration of a waiver request may be granted by the		
25	State Board based on mitigating factors not previously known to the State Board. only be granted under		
26	extenuating circ	sumstances as determined by the Campaign Finance Director of the State Board of Elections.	
27			
26	History Note:	Authority G.S. 163-278.34; G.S. 163-278.21	

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1 2

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08 NCAC 21 .0207 PROCEDURES FOR COMMITTEES WITH MISSING REPORTS

08 NCAC 21 .0207 is adopted with changes as published in 37:004 NCR 313-314 as follows:

4 (a) A political committee or referendum committee that fails to file a report required by Article 22A within 30 days

5 after service of the Notice of Penalty Assessment under G.S. 163-278.34(e) shall be issued a Notice of Noncompliance

6 directing the treasurer to file the missing report. A copy of the Notice of Noncompliance shall be posted to the State

- 7 Board's website.
- 8 (b) A political committee or referendum committee that fails to file a missing report within 30 days after service of
- 9 the Notice of Noncompliance shall be referred to the State Board for consideration issuance of an order requiring the
- 10 committee to file the missing report and to cease receiving contributions and making expenditures if the missing
- 11 report is not filed within 30 days of the order. order, except in extenuating circumstances as determined by the State
- 12 Board. The treasurer shall be provided notice of the referral and given the opportunity to submit a written
- 13 affidavit stating any facts or circumstances for the State Board's consideration. If a political committee or referendum committee fails to file a missing report within 30 days after service of the Notice of Noncompliance, the State Board shall consider an order requiring the committee to file the missing report and to cease receiving contributions and making expenditures if the missing report is not filed within 30 days of the order. Prior to any decision, the State Board shall give notice to the treasurer and an opportunity for the treasurer or other representative of the committee to provide a written affidavit stating any facts or circumstances for why an order should not be issued.
- 14 (c) Any order issued by the State Board of Elections under Paragraph (b) shall be served by any means authorized
- 15 under G.S. 1A-1, Rule 4. A copy of the order shall be posted to the State Board's website.

16 (d) A political committee or referendum committee that fails to file the missing report within 30 days of the State

- 17 Board's order under Paragraph (b) shall have the committee's status changed from active to suspended. While
- 18 suspended, the committee shall not receive any contributions or make any expenditures except for the payment of any
- 19 civil penalties or forfeitures under G.S. 163-278.14 or G.S. 163-278.34. To be removed from suspended status, the
- 20 political committee or referendum committee shall file all missing reports identified in any order of the State Board
- and pay all civil late penalties incurred pursuant to G.S. 163-278.34.
- 22
- 23 History Note: Authority G.S. 163-278.34; G.S. 163-278.21.
- 24

1 of 1

From: Sent:	Peaslee, William W Wednesday, December 21, 2022 2:47 PM
То:	Wakely, Lindsey
Cc:	Burgos, Alexander N
Subject:	01.2023 Request for Changes
Attachments:	01.2023 Elections Request for Changes.docx
Follow Up Flag:	Follow up
Flag Status:	Flagged

Good afternoon,

I'm the attorney who reviewed the Rules submitted by the State Board of Elections for the January 2023 RRC meeting. The RRC will formally review these Rules at its meeting on Thursday, January 19, 2023, at 9:00 a.m. The meeting will be a hybrid of in-person and WebEx attendance, and an evite should be sent to you as we get closer to the meeting. If there are any other representatives from your agency who will want to attend virtually, let me know prior to the meeting, and we will get evites out to them as well.

Please submit the revised Rules and forms to me via email, no later than <u>5 p.m. on January 10, 2023.</u>

In the meantime, please let me know if you have any questions or concerns.

William W. Peaslee Rules Review Commission Counsel / Legislative Liaison Office of Administrative Hearings 1711 New Hope Church Road Raleigh NC, 27609 (984) 236-1939 Bill.Peaslee@oah.nc.gov

Email correspondence to and from this address may be subject to the North Carolina Public Records Law and may be disclosed to third parties by an authorized state official.