



# NORTH CAROLINA

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## STATE BOARD OF ELECTIONS

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Mr. Brad Scott  
420 N Ashe Avenue  
Newton, NC 28658

May 22, 2024

Re: Request for an advisory opinion under N.C.G.S. § 163-278.23 regarding in-kind contributions

Dear Mr. Scott,

Thank you for contacting our office. The following written opinion is provided in accordance with N.C.G.S. § 163-278.23.

On February 29, 2024, you asked whether in-kind contributions to a candidate require the candidate to organize a candidate committee under N.C.G.S. § 163-278.7(a). In addition, you asked whether an individual volunteering to collect signatures on behalf of an unaffiliated candidate has made an in-kind contribution that would require the candidate to organize a candidate committee.

Pursuant to N.C.G.S. § 163-278.7(a), “[e]ach candidate who has received funds or made payments or given consent for anyone else to receive funds or transfer anything of value for the purpose of bringing about that individual's nomination or election for office . . . shall appoint a treasurer and, under verification, report the name and address of the treasurer to the Board.” When an individual gives consent for anyone else to “transfer anything of value for the purpose of bringing about that individual's nomination or election for office,” then N.C.G.S. § 163-278.7(a) is triggered and a committee must be organized. An in-kind transfer conveys goods or services rather than money. *In kind*, Black’s Law Dictionary (11th ed. 2019). When there is value attached to the good or service, the transfer will implicate the reporting requirements under N.C.G.S. § 163-278.7(a), just like the transfer of funds. At that point, the candidate must file a Statement of Organization and Certification of Financial Accounts with the appropriate board of elections. *See* N.C.G.S. § 163-278.7(b).

N.C.G.S. § 163-278.6(13) states that the term “contribution” “shall not be construed to include services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate, political committee, or referendum committee.” While N.C.G.S. § 163-278.7(a) does not speak directly to contributions, it would not be logical to construe the intent of the

General Assembly to require organization of a candidate committee and the filing of disclosure reports based on receipt of volunteer services which, according to the definition of “contribution,” would not ultimately be regulated or reportable under Article 22A. Therefore, the exception for volunteer services in N.C.G.S. § 163-278.6(13) also applies to N.C.G.S. § 163-278.7(a).

Accordingly, an individual volunteering their time to a candidate to gather signatures for a petition does not trigger the candidate to organize a committee pursuant to N.C.G.S. § 163-278.7(a). However, if along with their time, the individual provides resources for the effort, such as printing or copying forms and purchasing pens, then an in-kind contribution has been made and a committee must be organized.

The opinion will be filed with the Codifier of Rules to be published in the North Carolina Register.

Sincerely,

A handwritten signature in blue ink that reads "Karen Brinson Bell". The signature is fluid and cursive, with the first name "Karen" being the most prominent.

Karen Brinson Bell  
Executive Director  
State Board of Elections

Cc: Ashley B. Snyder, Codifier of Rules

**To:**

Karen Brinson Bell  
PO BOX 27255  
Raleigh, NC 27611-7255  
Email: [karen.bell@ncsbe.gov](mailto:karen.bell@ncsbe.gov)  
Phone: (919) 814-0700

**From:**

Brad Scott  
420 N Ashe Avenue  
Newton, NC 28658  
980-858-2137

29 February 2024

Re: Request for Opinion per N.C.G.S. 163-278.23

Dear Karen Bell --

A candidate committee has four essential functions that activate the requirement to report campaign finance activities. These, per NCSBE Campaign Finance Manual (Version Rev. 02.22), are listed as:

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 bringing about that individual's nomination or election for office; or
4. Filing a notice of candidacy.

This raises a question about in-kind contributions. Specifically, do in-kind contributions require the formation of a candidate committee? Furthermore, when unaffiliated candidates or those intending to file for office enlist volunteers for signature collection, does this action require the establishment of a candidate committee?

Volunteer services to a committee can typically be valued based on an hourly wage. However, when campaigns leverage volunteer services to bolster a candidacy, these contributions often go unreported due to the absence of a financial transaction. Nonetheless, the definition of in-kind contributions embraces such non-monetary support.

Consequently, should poll workers also be considered in-kind contributors under this rationale? The efforts of individuals who support candidate committees by working at polls and distributing campaign materials frequently go unnoticed. These contributors offer valuable services to the campaign, often at the expense of personal time (where they could be working for a wage).

Additional instances of potential in-kind contributions include:

- Deploying campaign signs;
- Designing or painting campaign signage;
- Composing electronic letters to newspaper editors;
- Managing social media platforms, among others.

I would appreciate your opinion on these questions. By formally requesting an opinion by N.C.G.S. 163-278.23, I am asking the NCSBE to support candidates in recognizing additional value that, generally, goes unreported.

**Brad Scott**