
The Department of the Secretary of State: Which Way Now?

by Jack Betts

North Carolina's Secretary of State is a relatively anemic state office—though few North Carolinians may realize it. The state's office has fewer than half the formal powers that most other such offices have, lacking such responsibilities as handling elections, publishing administrative rules, and policing campaign finance reports. In 1988, North Carolina elected the first new Secretary of State in more than half a century. With a new incumbent, is it time to consider whether the duties of the office should be expanded and upgraded? What duties, if any, ought to be grist for this mill?

For more than half a century, North Carolina's office of Secretary of State was symbolized by its well-known incumbent—bow-tied Thad Eure, the King of the Ramps, self-proclaimed Oldest Rat in the Democrat Barn, the ever-popular ceremonial signer of documents whose signature would have made John Hancock swoon in envy. Eure, a gentleman of the old school who sported a new straw boater each spring, would have been at home in a swallow-tailed coat and striped trousers. In large measure, he operated the department into the 1980s in much the same way as when he took the office in 1936—the old-fashioned way.

The staff was relatively small. The budget was low. A few key people ran things. And Thad Eure won the election, quadrennium in and quad-

rennium out, right up until 1988 when he chose to retire. Eure's decision to quit brought about the office's first new occupant in 52 years—Rufus L. Edmisten, a veteran politician and public figure who ran unsuccessfully for Governor in 1984 after a 10-year stint as Attorney General. Edmisten squeaked into office, winning 52 percent of the vote over Republican opponent John Carrington after demolishing four other Democrats in the primary with 64 percent of the vote.

Edmisten's accession to the office was marked by some immediate, if superficial, changes—most notably a change in the location of the main office of the Secretary of State. Eure had kept his office in the northeast corner of the

Jack Betts is editor of North Carolina Insight.



Karen Tam

Secretary of State Rufus L. Edmisten at his desk in his ceremonial office on the second floor of the State Capitol. The Seal of the Secretary of State sits on his desk.

Capitol even during years when Govs. Robert W. Scott and James E. Holshouser had made their offices in the more modern confines of the Administration Building on Jones Street. But with the 1988 election of James C. Gardner as Lieutenant Governor, the first Republican to hold the office in a century, Republican Gov. James G. Martin gave Eure's old Capitol office to Gardner. Democrats in the legislature promptly gave Edmisten former Democratic Lt. Gov. Robert B. Jordan III's capacious offices in the Legislative Office Building—space Gardner thought he'd get. Ironically, Edmisten's new office was first occupied by then-Lt. Gov. James C. Green, a political enemy of Edmisten whose tacit support of Martin in the 1984 election helped defeat Edmisten and put Martin in the Capitol.

When Edmisten complained publicly about being tossed out of the Capitol, the Governor gave him a small suite on the second floor of the Capitol to use for ceremonial functions. For Edmisten, it was the best of both worlds—he finally had the Capitol office he always wanted but failed to get when he lost the Governor's race, yet he still got a

big office in the fairly new Legislative Office Building.

Edmisten's new second-floor office in the old Capitol was once known as "The Third House." Labeled a committee room, it was in this chamber that many legislative deals were worked out. And during Reconstruction, the office was perhaps the most popular room in the Capitol, legend has it. The bar was set up there, and many a deal was said to have been lubricated—and sealed—over a cup of grog in that office.

But those changes in location and office size were relatively inconsequential harbingers of questions to come—questions about the role of the Secretary of State and the scope of his duties. Edmisten himself is seeking to refit the office to the needs of its clients. "I'm trying to move the office into the 20th century business world without losing the traditional aspects of it—the ceremonial parts of applying the seal to many documents, the swearing of people into office, the cosigning of proclamations, the meeting with foreign dignitaries," says Edmisten. Others wonder whether Edmisten is on a power-grabbing binge

in anticipation of a run for higher office, possibly for Governor in 1992—an ambition Edmisten firmly denies having. “He (Edmisten) is as clear on this as I’ve ever heard him,” says longtime aide and campaign manager Richard Carlton. “He does not plan to run for Governor or any other office than the one he’s got.”

What new duties, if any, should be assigned to the office? Should the powers of the office be expanded, its responsibilities broadened? And isn’t it time for the North Carolina Secretary of State’s office to be planning for the 21st Century, even as it struggles to cope with the demands of the 20th Century? Such a look at the future of the Secretary of State first requires a look at the past—and how the office evolved.

A Historical Holdover?

Unlike its federal counterpart, the North Carolina Office of Secretary of State concerns itself almost exclusively with things domestic, and mostly business things at that. From its earliest origins, in fact, the main business of the office has been maintaining the public record of transac-

tions. The current office traces its roots to the Proprietary Period, when the first Colonial Secretary, Richard Cobthrop, was appointed by the Lords Proprietors. Cobthrop never crossed the Atlantic, but most of the next 23 Colonial Secretaries did make it to the new world.¹ Among them was the second Colonial Secretary, Peter Carteret, a businessman who had high hopes for turning a tidy profit from the making of wine and production of whale oil from a plantation on Collington Island in Roanoke Sound. The venture failed utterly, thanks to a combination of devastating hurricanes, droughts, diseases, vermin, and undercapitalization.²

The office of Colonial Secretary lasted from about 1665 to the Revolutionary Period, when the General Assembly created the position of Secretary of State in 1777 and elected James Glasgow to the post. Glasgow may have had greater political skill than integrity; he served in office for more than 20 years, resigning only when he was accused of issuing fraudulent land warrants. The story is told that Glasgow plotted to burn the Capitol in 1799 to destroy the records upon which he would be prosecuted and convicted, but future



After the 1988 election, Gov. Jim Martin gave Thad Eure’s old Capitol office to newly elected Lt. Gov. Jim Gardner. Later Edmisten got other quarters on the second floor, but for a while, he had no home in the Capitol.

president Andrew Jackson foiled the scheme when he heard rumors of arson and conveyed his suspicions to Colonel William Polk, an old friend, former neighbor, and president of the State Bank.³ Polk alerted the authorities and the records were saved, but Glasgow fled justice, according to one account. According to another, he was brought to trial and convicted on two relatively minor charges of dereliction of duty.

The Capitol eventually did burn, but not until 1831. There again, a Secretary of State was involved, but this time in saving the state's records. William Hill, who held the office from 1811 to 1857, had sufficient time to save the state's records before the building burned to the ground after it caught fire during repairs to the roof. Because the building began burning at the top and worked its way down, Hill had just enough time to gather most of his papers and carry them out onto Union Square. Hill is known for another fact. Prior to Eure's 52-year tour as Secretary of State, Hill held the record—for 46 years in office.

Because of the office's roots in the Proprietary Period, staff members like to claim it is "the second oldest government office in North Carolina." The office has continued to maintain land records from the 17th century—some critics say in the 1980s in much the same way as it had 300 years earlier, using paper copies in an age of microfilm and computer digitization (though a microfilm project to film the oldest records finally began in 1988). The office of Secretary of State was incorporated in the N.C. Constitution of 1776, and the General Assembly elected the next seven Secretaries of State until 1868. That year, a new state Constitution gave the right of election to the people, and extended the length of terms to four years, with no limits on the number of terms a Secretary can serve.⁴

Altogether, 44 different persons have served as secretary, but since the office of Secretary of State was created in 1777, 21 different individuals have served as Secretary, most of them from the coastal area of the state. Edmisten is the *first* Secretary of State from western North Carolina.

Do We Need a Secretary of State?

Most states (47) have a Secretary of State, but North Carolina's has not always been held in high esteem. In the mid-19th century, Gov. Charles Manly had this to say about it: "The office of the Secretary of State is a mere land

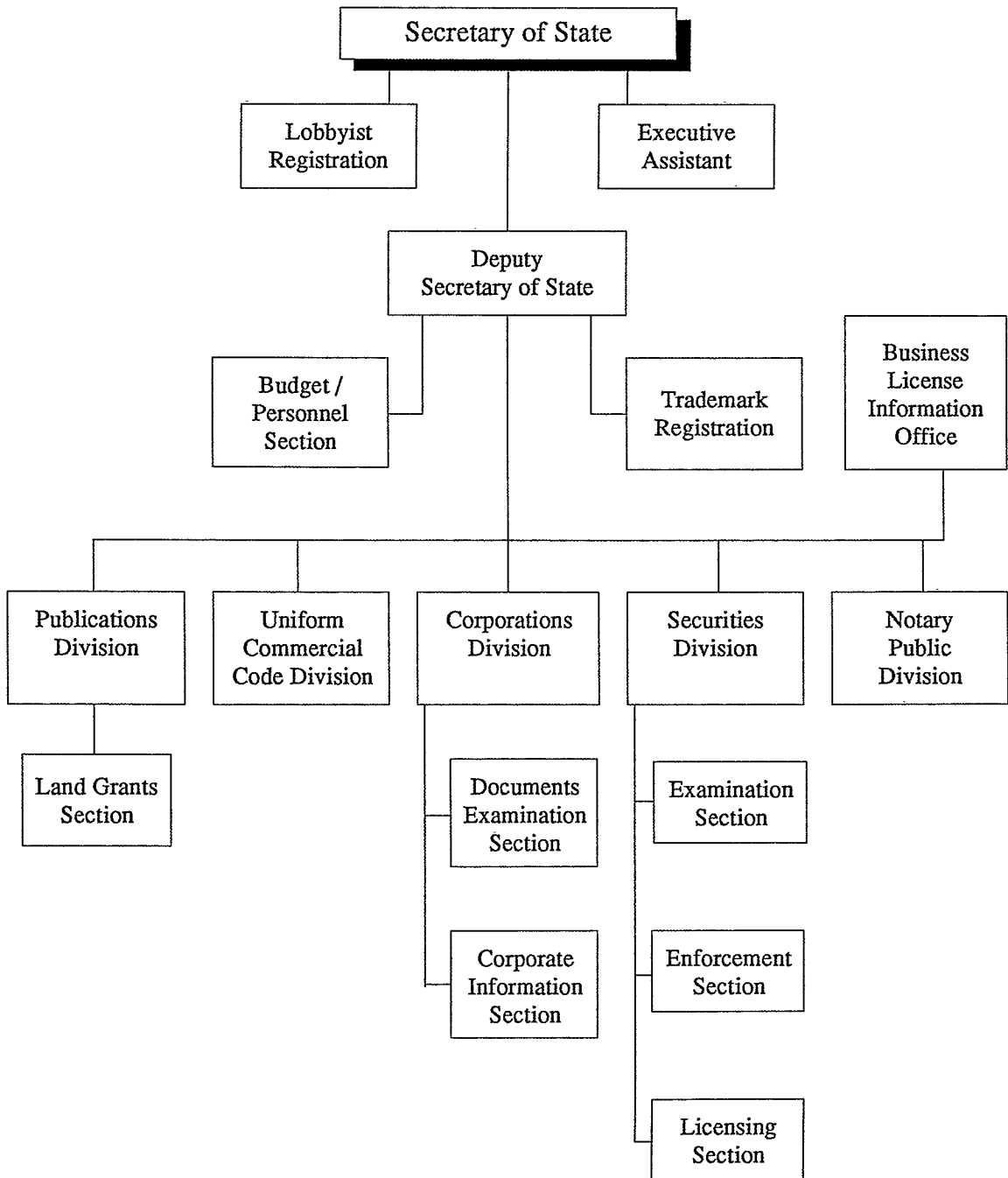
office. Almost the sole duty of its head is to issue grants and to certify copies, except the occasional employments of making contracts for printing and distributing the laws, and for the purchase of stationery and fire wood."⁵ Manly proposed in 1851 that the office be remade into a Bureau of Statistics, but the idea went nowhere. Indeed, it is difficult in North Carolina to change, let alone abolish, a constitutional office. The only such change since Manly's proposal came in 1873, when the voters approved an amendment abolishing the office of Superintendent of Public Works.⁶ Subsequent attempts to change the Council of State have failed—most recently, the attempt to make the Superintendent of Public Instruction an appointed rather than elected office.⁷

As the smallest of the departments with separately elected officials, the office of Secretary of State is frequently mentioned as the most logical one to be abolished if the number of separately elected state officials were to be reduced. However, no one has proposed abolishing the Secretary of State's office in North Carolina lately. For one thing, the duties of the office have to be handled somewhere, and merging it with another office might not save any money. Tom Covington, director of fiscal research for the N.C. General Assembly, notes that consolidation of agencies can achieve some economies of scale, "but normally you do not save money. You could conceivably have a consolidation that makes things more efficient for the people who use those agencies," such as the consolidation of state environmental agencies. But, Covington adds, "The environmental consolidation is a good example of not saving any money."

Powers and Duties of the Secretary of State

Since 1971, the Secretary of State has been head of the Department of the Secretary of State, though in practice it is still known as an office. He is fourth in line of succession to the Governor, behind the Lieutenant Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, in that order.⁸ The Secretary is a member of the Council of State and an ex-officio member of the Local Government Commission and the Capital Planning Commission. He is supposed to attend sessions of the General Assembly to take possession of laws adopted by the legislature and preserve the

Figure 1.
Organizational Chart
Department of the Secretary of State



journals of the House and Senate. The Secretary is also empowered to swear in public officials as well as law enforcement officers.⁹ Like other Council of State officers, he was paid \$66,972 in 1988-89—a wage the legislature is raising to \$70,992 in 1990 and \$75,252 in 1991.

The office has six operating divisions in addition to its administrative structure: a Publications Division, a Uniform Commercial Code Division, a Corporations Division, a Securities Division, a Notary Public Division, and a Business License Information Office. In addition, staff members in the office register trademarks and also handle the registration of legislative lobbyists and state agency lobbyists, known euphemistically in the General Statutes as “legislative agents” and “legislative liaison personnel.” (See Figure 1 for more on how the office is organized).

Among its peers in the 46 other states that have a Secretary of State, North Carolina’s office is one of the weakest in terms of common powers and duties. Most Secretary of State offices have far more of these powers than does North Carolina’s. In some states, for example, the Secretary of State has more responsibility because the Secretary serves as the chief elections officer; in North Carolina, the Secretary of State has little power in this area because North Carolina’s State Board of Elections is independent of any department. The National Association of Secretaries of State published a monograph in 1987 that compared the powers and duties of each of the Secretaries of State, including the principal state officer handling such duties in states where there is no Secretary of State; the volume required 26 different tables to list all the powers, responsibilities, functions, and details of each of the offices.¹⁰ A condensed version of that comparison in the 1988-89 edition of *The Book of the States* shows North Carolina’s Secretary of State to have the fewest electoral duties and to be below average among all other duties.¹¹ Table 1, right, is an extract of that comparison, and shows how many Secretaries of State have a particular major power or responsibility, and whether North Carolina’s does as well.

This comparison shows that North Carolina’s Secretary of State has none of the major electoral duties; has four of the five main registration duties; has two of the three main custodial duties; has one of the two main publications duties; and has both of the main legislative duties listed. In other words, the Secretary of State in the N.C.

Table 1. Number of States with Principal Duties of Secretary of State

(* Asterisk indicates North Carolina Secretary of State has this responsibility)

Method of Selection	
Elected by Voters:	36
Appointed by Governor:	8
Elected by Legislature:	<u>3</u>
Total Number of Secretaries of State:	47
Elections Duties	
Chief Election Officer:	37
Conducts Voter Education Programs:	34
Files Campaign Reports:	33
Files Campaign Expense Reports:	28
Registration Duties	
Commissions Notaries Public:	43 *
Registers Trade Names and Trademarks:	42 *
Registers Corporations:	38 *
Prepares Extraditions and Arrest Warrants:	17
Registers Securities:	12 *
Custodial Duties	
Administers Uniform Commercial Code:	42 *
Maintains State Records and Documents:	35 *
Maintains State Agency Rules and Regulations:	34
Publications Duties	
Produces State Manual or Directory:	34 *
Publishes State Register or Agency Rules:	17
Legislative Duties	
Retains Copies of Legislative Acts:	41 *
Registers Lobbyists:	29 *

Source: *The Book of the States 1988-1989*, pp. 68-70.

**Table 2. Budget and Staff Trends in
The N.C. Secretary of State's Office, 1965-1990**

Year	Staff Budget Actual Dollars	Budget in 1988 Equivalent Dollars	Staff Size
1965	\$ 111,297	\$ 431,384	19
1970	218,246	675,684	23
1975	370,060	820,532	28
1980	646,981	922,940	32
1985	1,496,946	1,687,651	56
1989	3,441,936	3,441,936	91
1990 (requested)	\$5,710,083	NA	137
1990 (actual)	\$3,701,037	NA	98

NA: Not Applicable

Note: In 25 years, staff size will have increased 416%, and the budget will have increased 957%, correcting for the effects of inflation.

Source: Department of the Secretary of State

Capitol has nine of the 16 principal duties or responsibilities listed in Table 1.

Overall, however, North Carolina's Secretary of State has only 12 (or 46 percent) of the 26 duties and responsibilities listed by *The Book of the States*. This is a much broader listing of powers than in Table 1, and it includes electoral duties that North Carolina's Secretary of State does not have. This 12-of-26 figure is well below the average for Secretaries of State, and puts North Carolina's office among the lowest in the land, at least in terms of common duties and responsibilities. Nationally, the Secretaries of State have an average of 15.6 of the 26 major duties, or 60 percent.

This relative lack of duties and powers places North Carolina among the 13 least powerful Secretaries of State, in terms of common duties (see Table 3). Of course, some of these formal powers are broader and more significant than others, but they do represent a basis for comparison. Thirty-seven Secretaries have more powers than North Carolina's Secretary of State, while the other 13 have 12 or fewer. Four states—North Carolina,

Alaska, Washington and Utah—have 12 powers; the other nine have fewer than 12. They are Kentucky, with 11; New York, with 10; Maryland, with nine; Delaware, Hawaii, Oklahoma, South Carolina, and Wisconsin have eight; and Virginia has only six.

At the other end of the scale, the states with the most powerful Secretaries of State are Missouri, with 23 (88 percent) of the powers; Florida, Georgia, Massachusetts, Ohio, and South Dakota with 21 powers each (81 percent); and Montana, with 20 powers (77 percent).

Of course, in some previous years, the N.C. Secretary of State did hold some of these and other powers—proof that the department has changed throughout the years. For instance, the Department of Transportation's Division of Motor Vehicles, now a large bureaucracy, has its roots in the office of Secretary of State. So does the Department of Cultural Resources' Division of Archives, as well as the General Assembly's Legislative Services Office. And the State Board of Elections once was housed in the Department of the Secretary of State.

A Small State Agency

One reason for the overall modest size of North Carolina's Department of the Secretary of State is its former occupant. Eure, perhaps the best-known state politician of his time, relished the ceremonial role of his post and likely made more speeches at public gatherings—political and nonpolitical, partisan and nonpartisan—than any other public figure in the state. But although Eure was the most entrenched politician in the United States (upon Eure's retirement, Gov. James G. Martin remarked that the only public servant who had stayed in office longer than Eure's 52 years had been Rameses the Great, with 65 years in office), he eschewed building a bureaucratic empire. When he took over the office in late 1936, the office had a handful of employees—just six—and an annual budget of just a few thousand dollars. Thirty years later, the office of Secretary of State was still among North Carolina's smallest state agencies, with just 19 employees in 1965 and still only 28 by 1975. But, as Table 2 on page 8 indicates, the office began growing rapidly in the 1980s to cope with the demands from business for the services provided by the office. These demands were heaviest in the Securities Division, which performs as a sort of state-level Securities and Exchange Commission, and in the Corporations Division, during a period of unparalleled economic development in North Carolina.

Just in the last few years alone, the Secretary of State's workload has risen steadily. For instance, from 1985 to 1988, the number of:

- lobbyists jumped from 777 to 828;
- trademarks registered went from 550 to 742;
- document authentications went from 650 to 1,000;
- telephone calls to the Corporation Division jumped from less than 129,000 to nearly 159,000;
- corporations registered declined slightly from 12,582 to 12,405;
- requests for information about liens against commercial and agricultural property rose from 19,675 to 22,607;
- complaints about securities rose from several hundred to 578;
- notaries public appointed went from 25,154 to 26,744.

Table 2 points out the rapid growth of the office over the past quarter-century as well as in recent years. The department's staff has more than trebled in the last decade, and during the

period from 1965 to 1990, the staff will have increased 416 percent, from 19 to 98 staff members. The size of the budget will have grown from \$111,297 to more than \$3.7 million—an increase of 957 percent (when corrected for inflation). That represents only a modest increase compared to what Edmisten had sought. Edmisten's 1990 budget request asked for 46 new staff members at a cost of an additional \$2.3 million over the 1987-88 budget. But because of funding limitations, the 1989 legislature agreed to give him only seven new positions at an increased annual cost of \$259,101.

Edmisten had hoped that his request for 46 new employees would be approved despite the constraints on the state budget and lack of revenues for new state employees. Why? Because the office is one of the few state agencies that's a money-maker. In 1987-88, the office took in more than \$7.2 million in fees for various services, while it cost around \$3 million to operate the office. "We take in two to three times what we spend," says departmental budget officer Stan Edwards.

The new Secretary hopes this ability to produce money ultimately will make it easier for Edmisten to promote what he sees as long-needed changes in the department. Edmisten is careful to avoid criticizing his predecessor, but he firmly believes the department has not kept up with demands or properly planned for the future. "I'm trying to modernize, to upgrade, to add more personnel, and to make it a department that does not just react, but which can be a leader for the business community," says Edmisten.

Former Deputy Secretary of State Clyde Smith, a Raleigh attorney, objects to any characterization of the office under Eure as old-fashioned. "The office of the Secretary of State has been constantly changing in the functions assigned to it since its creation and will continue to change regardless of who is in office," notes Smith. "Thad Eure, while not seeking to build a bureaucratic empire . . . responded to change in a positive manner and well deserved the trust of the people for 52 years. His guiding star was public service, and he demanded that it be rendered with efficiency and without regard to social or political standing."

Still, the office's critics believe that it has not kept up with technology available for such functions as records management. Former state Rep. Raymond Warren, a 1988 candidate for the Republican nomination, says, "Edmisten is abso-

lutely right to begin the process of bringing the office into the computer age. To a large extent, the Secretary of State's office is an information source. As a data processing and recording facility, it cannot continue to store and process data in the manner Thad Eure encountered in 1936."

No Foreign Policy

Those unfamiliar with the Secretary of State's office may think it has more to do with foreign affairs and diplomacy, but the fact is that the

department is much more concerned with business than with anything else, Edmisten contends. "I have come to discover that the Secretary of State's office is the heartbeat of the business community," he says. "I learned that when I went into private practice in 1985, I used this office more than the Attorney General's office. I now know that it's got more potential for the business community than any other department in state government. I don't mean to throw off on Commerce or any other department, but we really service the business world, like an IBM repairman coming around every day. And what I'm trying to

Table 3. Number of the 26 Major Powers Held by Secretary of State

State	Powers	State	Powers
Missouri	23	Michigan	16
Florida	21	Nebraska	16
Georgia	21	Nevada	16
Massachusetts	21	New Jersey *	16
Ohio	21	Oregon *	16
South Dakota	21	West Virginia *	16
Montana	20	National Average	15.6
Arizona *	19	California	15
Connecticut	19	Illinois	15
Kansas	19	Iowa	14
Louisiana	19	Indiana	13
Mississippi	19	Minnesota	13
New Mexico	19	Alaska	12
Vermont	19	North Carolina	12
Idaho	18	Utah	12
Maine *	18	Washington	12
New Hampshire *	18	Kentucky	11
North Dakota	18	New York	10
Tennessee *	18	Maryland	9
Texas	18	Delaware	8
Wyoming *	18	Hawaii	8
Alabama	17	Oklahoma	8
Pennsylvania	17	South Carolina	8
Rhode Island	17	Wisconsin	8
Arkansas	16	Virginia	6
Colorado	16		

* The Secretary of State is first in line of succession to the governor in these 8 states.
Source: *The Book of the States 1988-1989*

do is get the extra tools we need to do that.”

Each of the department's operating segments has some responsibility for dealing with business. For instance:

- The Publications Division, which produces the biennial *North Carolina Manual* of state government, also oversees the land grants section, which maintains the state's land grants dating to the 1600s, as well as the original versions of all the state's laws and elections returns.

- The Uniform Commercial Code Division maintains records on security interests in personal property, the name and address of a property's debtor and the secured party, a description of the collateral, and data on tax liens.

- The Corporations Division issues corporate charters for businesses and prevents duplication of corporate names.

- The Securities Division acts as a sort of state-level Securities and Exchange Commission to protect investors from fraud and to regulate securities dealers and financial planners.

- The Notary Public Division commissions thousands of individuals to authenticate legal documents and verify signatures.

- The Business License Information Office dispenses information on obtaining required state licenses for new businesses.

- And individual department employees oversee the regulation of business and other legislative lobbyists and register trademarks.

Legislation in the Hopper

Going into the 1989 General Assembly, Edmisten had high hopes of considerably expanding the policymaking duties of the office. A number of bills were introduced at Edmisten's request to expand the department's powers and give Edmisten more to do—including taking a greater role in the business of North Carolina. Other bills expanding the office came from different sources, but they all would have added to the power of the office. “The legislation would change the Secretary of State's relationship with the business community from an administrative role—such as filing licenses and liens—to more of a policymaking and agenda-setting function,” observed *Triangle Business* news magazine in April 1989.¹²

Among the bills were proposals to:

- Create a Small Business Development Council, housed within the Secretary of State's

office, to stimulate small business. The Secretary of State would be chairman of the council under one proposal, a move the state Department of Commerce opposed. The bill (HB 698) stalled in the House Commerce Committee, but a different bill in the Senate (SB 451) with a rotating chairman is still alive in the Senate Appropriations Committee. (An existing Small Business Advisory Council already exists within the Department of Commerce).

- Establish an investor security fund to pay back investors swindled out of their money by fraud, and to give the Secretary of State's office the power to prosecute securities dealers—those who handle investment transactions—who are accused of violations of the securities or investment advisers laws. The bill (HB 719) is pending in the House Judiciary Committee for 1990.

- Create a statewide, computerized, voter registration system to replace the current decentralized system operated by the 100 county boards of elections under the direction of the independent State Board of Election. The bill (HB 1973) was defeated in the House Judiciary Committee.

- Transform the existing Publications Division into a new Information Services Division with several sections. Among other things, this change would allow the Secretary of State's office to join the long list of government agencies that have a public information officer on staff. The legislation (HB 734) is pending in the House Appropriations Committee for 1990.

- Regulate athletic agents and require them to register in North Carolina if they intend to represent athletes enrolled in North Carolina colleges. The bill (SB 463) passed the Senate and is pending in the House Judiciary Committee.

- Transfer the responsibility for compiling the North Carolina Administrative Code (administrative rules adopted by state agencies), and for publishing proposed rules in the *North Carolina Register*, from the Office of Administrative Hearings to the Secretary of State's office. This proposal (SB 535), recommended by the Office of the State Auditor in a critical audit of the three-year-old Office of Administrative Hearings,¹³ is pending in the Senate Appropriations Committee and is thus alive in the Senate for 1990.

- Create a North Carolina Commodities Act to regulate commodity futures trading (*commodities* are agricultural products, minerals, metals, fuels, coins, timber, livestock, or artwork, and *futures* are contracts to deliver supplies of a commodity at a specific time in the future). This bill

was ratified into law on July 13, 1989 as Chapter 634 of the 1989 Session Laws.

■ Rewrite the 1955 Business Corporation Act (G.S. Chapter 55) to adopt national model legislation regulating corporations. This bill (SB 280) was ratified on June 8, 1989. Among other things, the new law requires corporations to file with the Secretary of State each year a list of their principal officers and members of boards of directors, a brief description of their businesses, and their addresses.¹⁴ This sweeping rewrite was the result of two years of work by a study commission and predated Edmisten's decision to run for Secretary of State.

Aggressive New Approach

Some of these changes were approved and others were not, but their scope points out the aggressive approach that Edmisten has brought to the office in his efforts to "upgrade the office and make it more efficient for the business world." In particular, Edmisten wants a piece of the industry-recruiting process. "We're not trying to replace the Commerce Department in recruiting industry, but this department ought to be used as an example of why you want to come to North Carolina . . . I think the Secretary of State's office is part of the process," he says.

Former Gov. James B. Hunt Jr., who made economic development a linchpin of his eight-year administration, has been urging Edmisten to go beyond ordinary industrial recruiting, based on touting the state's business climate, and take a new stance as a salesman for the state's corporate climate. "I think a role uniquely suited for Rufus Edmisten is to be an advocate for the corporate climate in this state," says Hunt. Citing the state's strong anti-hostile-takeover law and the passage of a new corporation act, Hunt said that Edmisten should become active in recruiting corporations to reincorporate in North Carolina and to incorporate their spinoff companies in this state.

Among the benefits, Hunt said, were board meetings and shareholder meetings held in this state and, eventually, the siting of new manufacturing plants, service facilities, computer centers, and corporate headquarters in North Carolina. "This would be a whole new thrust for North Carolina, and one that has tremendous potential," says Hunt. "I was always looking for an edge like this when I was Governor, and I wish I'd thought of it then."

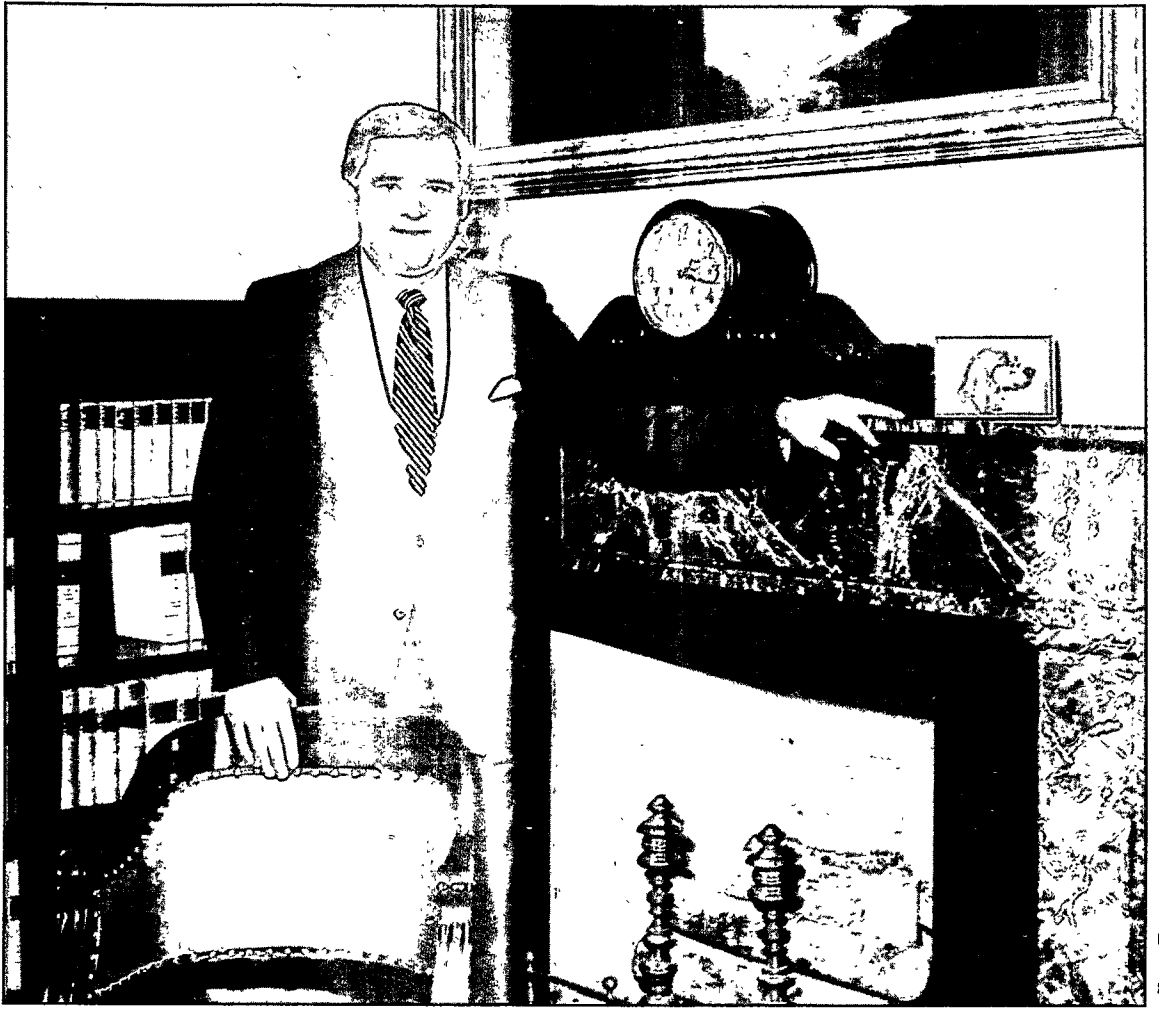
Hunt said he thought the Secretary of State, with his familiarity with the corporation laws of the state, would be a natural choice to handle the recruiting, but Hunt said he wasn't suggesting that the state Department of Commerce, which falls under the aegis of the Governor, not be a part of the recruiting as well. "Certainly the Secretary of Commerce ought to be very involved in selling this," says Hunt, "but since Rufus Edmisten is administering the corporation laws, he obviously is very knowledgeable about them and ought to be sharing his knowledge with these corporate prospects."

Not surprisingly, state Commerce Secretary James T. Broyhill is wary of Edmisten's desire to be involved in attracting new businesses to North Carolina. Broyhill says there is "no way the Secretary of State can be talking up international trade and tourism." He added, "I'm for a partnership, but one that does not mix responsibilities. The fact is that the Department of Commerce is the lead economic development agency in the state. We want to avoid turf battles."¹⁵ (For a listing of the Department of Commerce's responsibilities in industrial recruiting and economic development, see "North Carolina: An Economy in Transition," an April 1986 theme issue of *North Carolina Insight*, pp. 22-35.)

State Auditor Edward Renfrow agrees. "I don't see the Secretary of State's office as an economic development type of office, personally, because their role is a fiduciary responsibility activity," says Renfrow. "We wouldn't want to see any duplication or overlapping anywhere in government services."¹⁶

In an interview, Broyhill stops just short of accusing Edmisten of empire-building. "He's not talked with me about this," says Broyhill, "and I have no idea about what he really wants. But the statutes clearly give the Department of Commerce the lead authority for economic development in this state—for existing industry and for inviting new industry, for small business development, for travel and tourism, for film-making. He [Edmisten] does not have the staff or expertise to do that."

Broyhill is smarting over the 1987-88 General Assembly's decision to put the new Business License Information Office not in Commerce, where Governor Martin wanted it, but in the Department of the Secretary of State.¹⁷ The legislature put the office in the Department of the Secretary of State, Broyhill says, "for political reasons at the time, to give Thad Eure something to do.



Karen Tam

Edmisten poses in front of the fireplace in his Capitol office, where legislators are reputed to have gathered to seal state deals over a cup of grog in the 19th century.

But it ought to be in the Department of Commerce.”

But Edmisten has news for Broyhill. Not only does he plan to keep the Business License Information Office in his department, but he also hopes one day that office will have the authority to *issue* all of the licenses a business needs to operate in North Carolina. “One day I’d like to see us have a one-stop license issuing agency,” says Edmisten.

Former Deputy Secretary of State Clyde Smith, who also opposes Edmisten’s attempt to get into industry recruiting and developing small business, says that small business development is

already a crowded field with many state agencies given the duty of assisting the effort. “The General Assembly added the Secretary of State to the mix, and we went to great lengths to work out a cooperative relationship with these organizations based on a clear understanding of the function of each and mutual trust. Mr. Edmisten has jeopardized that relationship and taken the office in a direction which was not needed and which is perceived as a power grab.”

Smith agreed that the Business License Information Office could help facilitate issuing licenses, but he says that office should not actually issue them. Instead, the office should develop a

Table 4. Costs of Campaigns for Secretary of State in North Carolina, 1976-1988

	Candidate	(Party)	Actual Expenditures	Expenditures Controlled for Inflation ***	Percentage of Vote	
					Primary Election	General Election
1976	Thad Eure*	(D)	\$ 27,624	\$ 57,074	52.8	67.0
	George Breece	(D)	163,628	338,074	47.2	
	Asa Spaulding Jr. **	(R)	5,112	10,562	63.1	33.0
	C.Y. Nanney	(R)	3,175	6,560	36.9	
	Total Spent:		\$199,829	\$412,270		
1980	Thad Eure*	(D)	\$ 47,169	\$ 65,695	59.8	58.1
	George Breece	(D)	12,907	17,976	40.2	
	David T. Flaherty	(R)	3,672	5,114	NP	41.9
	Total Spent:		\$ 63,748	\$ 88,785		
1984	Thad Eure*	(D)	\$ 9,035	\$ 10,314	59.1	56.2
	Betty Ann Knudsen	(D)	76,187	86,971	40.9	
	Patric Dorsey	(R)	5,505	6,284	NP	43.8
	Total Spent:		\$ 90,727	\$103,569		
1988	Rufus Edmisten*	(D)	\$234,457	\$234,457	64.2	51.7
	R. Bradley Miller	(D)	102,060	102,060	14.3	
	F. Daniel Bell	(D)	44,486	44,486	12.7	
	Wayne S. Hardin	(D)	3,284	3,284	8.7	
	Brenda H. Pollard	(D)	1,525	1,525	NR	
	John Carrington **	(R)	420,438	420,438	62.1	48.3
	Raymond A. Warren	(R)	13,184	13,184	37.9	
	Joe H. Miller		93	93	NR	
	Total Spent:		\$819,527	\$819,527		

* Won party primary and general election

** Won party primary

NP No primary opponent

NR No report

*** Figures in this column show what the actual expenditures would be (in 1988 dollars) when controlled for inflation.

Note: Figures in Actual Expenditures column represent total spending for campaign, including primary expenditures and general election expenditures, if applicable. The State Board of Elections reports that Edmisten spent a total of \$505,202 during 1988, but more than half that amount went to retire Edmisten's debt from his unsuccessful 1984 gubernatorial campaign.

Source: State Board of Elections

master application form that would be circulated to the individual state boards and agencies. Those agencies still would have the responsibility to actually issue the business license.

Edmisten also wants to expand his turf east and west. His 1990 budget request seeks money to open eastern and western North Carolina offices to provide easier access to departmental services to N.C. citizens in the eastern and western parts of the state. "If there ever was a department in state government that needs a regional office, it is this one," Edmisten says. "We need one in Asheville and Greenville, that sort of thing." Having a larger base of operations also would help Edmisten politically, whether he plans to seek higher office or stay in the Secretary of State's post. For his part, Edmisten says he's not running for higher office. "I have no plans to run for any other office," Edmisten says.

The 1988 race for Secretary of State was a tougher one than expected for Edmisten, who won the primary easily but faced a tough general election fight with Republican John Carrington, a contributor to Edmisten in other campaigns. Prior to 1988, the Secretary of State campaigns had been relatively inexpensive ones, with the 1976 race, when Eure received his stiffest challenge ever, costing less than \$200,000 in actual dollars and \$412,000 in equivalent 1988 dollars (that is, controlled for inflation). But the 1988 race cost nearly twice that much in equivalent dollars—more than \$819,000. As Table 4 points out, Edmisten spent more than \$234,000 to win that race, and Carrington spent more than \$420,000 in a losing effort (the remainder was spread among six other candidates). The most anyone had ever spent in the race prior to that was Fayetteville attorney George Breece's nearly \$164,000 in 1976—\$338,000 in 1988 dollars.

Edmisten's allies may view the Secretary of State's office as a stepping-stone to higher office. After all, other Secretaries of State—such as New York's Mario Cuomo and Indiana's Birch Bayh Jr.—have gone on to the governorship (see Table 5). But Thad Beyle, a UNC-Chapel Hill political science professor and an expert on the governorship, says that in the 20th century, there have been 1,087 Governors, and only 20 of them had served as Secretary of State prior to becoming Governor. That's a rate of 1.8 percent. "This is not a stampede," points out Beyle. Of the 20 Secretaries of State who did become Governor, 13 succeeded to the office when the governorship became vacant

and they were next in line constitutionally—most recently Rose Mofford in Arizona, who succeeded Gov. Evan Mecham after he was impeached and removed for taking bribes. Only five of the 20 Secretaries of State were able to use the office as an immediate stepping-stone to the governorship, while two of them first sought another office before running for and winning the governorship. Nationally, eight Secretaries of State are next in line of succession to the Governor (see Table 3, page 10).

Beyle notes that Edmisten is not in a strong position to succeed to the governorship, because in North Carolina the Secretary of State is fourth in line. Thus, three officeholders—the Governor, the President Pro Tempore of the Senate, and the Speaker of the House—would have to vacate their offices before Edmisten could move up. That's an extremely long jump. Edmisten "is on a track seldom used in the past but showing growth in the last 25 years—trying to jump directly from the Secretary of State position to the Governor's chair," observes Beyle, who added that in recent years, more Governors are coming from the Attorney General's office—which Edmisten previously held.

New Elections Duties?

The new Secretary also wants greater responsibility in registering voters and operating a statewide registration system to increase voter registration. "I believe very strongly we should be removing some of these barriers to registration," says Edmisten. That would include allowing voters to register up to seven days before an election rather than the current 30-day cutoff. "This is not a partisan or a racial matter," adds Edmisten. "I think there should be an [independent] elections board, but I think the Secretary of State has a role in educating the public and removing barriers to voting." Edmisten's office already has the authority to set up a central voter file system in his office, but because the 100 county boards of elections use different registration systems, creating that central file has been difficult.

Alex K. Brock, executive director of the State Board of Elections, is not thrilled by Edmisten's ideas. "As a private citizen and an elected official, he can educate the public all he wants," says Brock. "If I was shaping things, I'd let the Secretary of State do anything the General Assembly

would let him do except get involved in the election laws and the administration of elections He [Edmisten] ought to be worried more about getting things updated over there.” Brock said too many of the records maintained by the office were

kept in stacks on the floor or in poorly-marked cardboard boxes in the department’s storerooms.

In many states, the Secretary of State has a strong role in supervising campaigns and particularly in requiring extensive disclosure of cam-

Table 5. Secretaries of State Who Became Governor in the 1970s and 1980s

1989: Birch Bayh Jr.	(D-Indiana), elected as the first Democratic Governor of Indiana since 1969. Bayh served as Secretary of State from 1985-1989 and still is Governor.
Rose Mofford	(D-Arizona), succeeded to office when Gov. Evan Mecham was impeached and removed from office. Mofford was Secretary of State from 1977-1988 and still is Governor.
1983: Mario Cuomo	(D-New York), elected Governor in 1982 and re-elected in 1986. Cuomo was Secretary of State from 1975-1979, and then served as Lieutenant Governor from 1979-1983 before running for Governor. He is still serving as Governor.
Mark White Jr.	(D-Texas), elected Governor in 1982, was appointed Secretary of State in 1973, was elected Attorney General in 1978, and was Governor from 1983-1987 before being defeated for re-election.
1977: Wesley Bolin	(D-Arizona), succeeded to governorship when incumbent Gov. Raul Castro was appointed to ambassadorship. Bolin was Secretary of State from 1949 to 1977, and served as Governor from 1977-1978. He died in office.
1976: John D. “Jay” Rockefeller IV	(D-West Virginia), was elected Governor in 1976 and re-elected in 1980 after serving as Secretary of State from 1969-1973. He is now a U.S. Senator.
1974: Edmund G. “Jerry” Brown	(D-California), son of a former Governor, elected Governor in 1974 and re-elected in 1978. Brown served as Secretary of State from 1971-1975. Brown left public office in 1983 and was recently elected chairman of the California Democratic Party.

Table prepared by Thad Beyle



Dwayne Powell, The News and Observer

The News and Observer poked fun at Edmisten in this editorial cartoon, tweaking him for seeking law enforcement powers.

paign finance matters. The Secretaries in Alaska, Missouri, Oregon and West Virginia each go beyond routine disclosure and require special reports detailing how money was raised and spent. Missouri requires the most extensive campaign finance disclosure, with annual reports, the dissemination of statistics and campaign finance summaries, and coding and cross-indexing of reports to make it easier for the public to understand more about the financing of elections.

Ironically, the North Carolina elections board once was under the aegis of the Secretary of State's office (in 1971 and 1972), but neither Eure nor Brock enjoyed the association, and both asked the General Assembly to restore independent status to the elections board. "There were many things proposed for over here that Mr. Eure didn't want—the *State Register*, the voting machinery, and so on," muses Edmisten. "He may have been right, but I think many of these things need to be here. If it relates to the business world,

other than economic development, we need to do it [in the Secretary of State's office]."

And there are those who believe that one day, the elections board will go back to the Secretary of State. Referring to "the brief marriage of the Secretary of State and the Board of Elections [that] ended in a quickie divorce," former Deputy Secretary of State Clyde Smith notes that the department still maintains many elections records. "Elections should be under the Secretary of State. For the most part we have a fair and honest election system in North Carolina, but there is very little standardization in the counties" and thus a fragmented system for registering, filing, and for voting. "In addition to making the system more uniform, there is a crying need for imaginative voter registration and education programs. . . . Perhaps after Alex Brock retires, the General Assembly will consider the transfer," says Smith.

The consumer protection issue represents a fertile field of expansion for the Secretary of

State's office. During the 1988 campaign for the Democratic nomination for the office, former departmental Securities Administrator F. Daniel Bell, who later lost to Edmisten, made several recommendations for strengthening this aspect of the office. Specifically, Bell recommended the use of telephone hotlines for reporting complaints, an education program through schools and universities to alert the public to potential fraudulent practices, and training for Better Business Bureau groups to detect fraud.

Bell also called for a special audit team to ensure compliance with ethical standards of securities dealers, and for tougher sanctions on insider trading—those who use special inside knowledge for gain at the expense of other customers. As Bell put it during the campaign, "Faith in our markets has once again been shaken by evidences of greed, insider trading, irresponsible borrowing by takeover artists, unreliable accounting, and not enough oversight and enforcement." Since the campaign, the state has adopted the Investment Advisers Act¹⁸ to regulate such advisers and financial planners, a law that Bell helped author and which he said gives the Secretary of State "the necessary oversight authority to address financial planning fraud and abuses."

Edmisten, who served as state Attorney General from 1975-1985, foresees the department taking a stronger role in consumer protection, primarily through its securities division but in its other divisions as well. "We are asking for enforcement powers to become special prosecutors [in cases of investment fraud], and the Attorney General has no objection to that," says Edmisten. "We're asking for those prosecution powers because this is a technical area where other attorneys for the state don't have our expertise . . . We're also trying to set up an investor's fund that regulated investment advisers would be required to contribute to so that when we have one of these horrible, massive frauds, we can get some money back for some of these poor people."

The new Secretary of State astonished some legislators when he asked for law enforcement powers that included armed agents, unmarked cars, and access to the Police Information Network, prompting *The News and Observer* to poke fun at Edmisten in an editorial cartoon (see page 17). Former state Rep. Raymond Warren (R-Mecklenburg), who ran unsuccessfully for the GOP nomination for Secretary of State in 1988, summed up the general reaction to Edmisten's proposal: "I disagree with Edmisten's attempts to

become a quasi-Attorney General for the same reasons I disagree with his attempts to raid the territory of the Commerce secretary. It would be duplicative and a cause for unnecessary conflict."

After a round of negotiations, legislators agreed to give Edmisten's staff jurisdiction in prosecuting securities and commodities cases, but declined to grant him general law enforcement powers.

Edmisten's consumer protection efforts have drawn at least one critical response. Shortly after taking office, Edmisten called a news conference to announce revocation of the license of a Colorado-based penny-stock securities dealer that, it turned out, had no clients in this state but had been accused of fraud elsewhere. *Business North Carolina*, a Charlotte-based magazine, responded acidly. "Just what our Secretary of State needs, another launcher for his PR missives," the magazine said, adding, "And he has always been good at mugging for the media."¹⁹ A livid Edmisten says he was so angry at the article that he telephoned the writer and complained—something Edmisten rarely does.

Other Avenues of Change

Brad Miller, a Raleigh lawyer and unsuccessful candidate for Secretary of State in 1988, has been considering the proper role of the Secretary of State for years. He got into the 1988 race out of concern over business practices and concluded that the Secretary of State should be a more active participant in the formation of public policy—both within the higher councils of government, and in proposing and drafting needed changes in the law.

North Carolina's relatively large executive cadre—the eight-member Council of State—is a peculiar institution, but it at least gives the state a large number of high-level executives, "and it makes sense for them to be policy advocates," Miller believes. The Secretary of State especially should be one of the advocates, particularly when it comes to viewing the economic changes of recent years and how the statutes ought to be amended to deal with those changes. "In the past, many of our corporate laws were written mostly by corporate lawyers, but there are broader questions than what those lawyers provide," says Miller. "For instance, what is the extent to which corporate directors should be indemnified? What are the fiduciary duties of corporate directors?"

And what about the questions about what a corporation really is? Once a corporation was its stockholders, but now it seems to be the board of directors. These are some of the hard questions that ought to be considered, and it makes sense for the Secretary of State to provide some expertise on what the law should be in these areas."

Miller also suggested that the Secretary of State should become an advocate for open government, particularly a champion of the state open meetings law,²⁰ which requires all governmental meetings to be conducted in public, except for a certain few exemptions. Despite the law, abuses continue on both the state and local levels. As the Secretary of State of North Carolina, and as the most senior (in succession) of the Council of State officers, Edmisten could perhaps best mount a campaign for strict adherence to the spirit and the letter of the open meetings law. Such a stance would fit well with the office's 300-year tradition of maintaining open public records.

Another former candidate for Secretary of State, former Wake County Commissioner Betty Ann Knudsen, campaigned for the Secretary's post in 1984 on a platform of promoting more open government and calling for more teeth in the open meetings law. During the 1984 campaign, for instance, Knudsen called for amendments that would void any action taken by a public body in a closed meeting. Knudsen lost that race, but the General Assembly has since approved that sanction on closed meetings.²¹ Advocates of open government continue to press for other improvements in the law.

The Lobby Law

Yet another area that represents a fertile field for expansion is ethics in government. The Secretary of State's office already has responsibility for registering lobbyists and maintaining financial records, and the General Assembly could also give the department the job of regulating sports agents of college athletes. But critics say that North Carolina's lobbyist registration law is a relatively weak one with so many loopholes as to make the lobbyist financial disclosure law the laughingstock of the country.²² That law requires lobbyists to report the fees they are paid for lobbying, but if they are on retainer or on salary, they do not have to report the income. Nor do lobbyists have to report in detail what they spend on lobbying, or name the individuals they may entertain in

the pursuit of legislative influence.

"Although special interest groups may have spent millions of dollars trying to influence the General Assembly this year, it would be hard to tell from their lobbying expense reports," reported *The News and Observer* of Raleigh in August 1985.²³ "The reports . . . show only a fraction of what most interest groups paid their lobbyists on such issues as a state lottery and phosphate detergent ban."

Obviously, one ripe area for the Secretary of State would be to examine what other states require in the way of lobbyist disclosure and make recommendations to the 1991 General Assembly for improvements in the state's lobby laws. Specifically, the disclosure reports could require lobbyists to indicate exactly on which bills they lobbied, who the clients were for each bill, how much money was spent to entertain each legislator, what those circumstances were, and how monies were spent on lobbying in addition to the fee, retainer, or salary paid each lobbyist. And to provide a better idea of what government agencies spend on lobbying, the Secretary of State might also devise a way to determine how much time government agency liaisons spend trying to influence the General Assembly.

But Edmisten does not want stronger lobbying laws in North Carolina. "Obviously, we don't require as much as other places do," says Edmisten, "but in my experience as Attorney General and (as an aide to U.S. Sen. Sam Ervin) during Watergate, you can require all the things in the world and if someone is intent on violating the law, the strictest requirement in the world won't make a difference. Senator Ervin felt that way, and I feel the same way. I'm often asked if we should have stricter disclosure laws, but I think we are doing okay . . . If I thought some mischief was going on, I'd recommend changing the law."

Retorts former Representative Warren, "If Edmisten thinks that stricter lobbyist regulation is not needed, he is blind. . . . To allow special interests to spend virtually unlimited and unaccountable amounts of money to influence environmental protection, consumer rights, and tax policies is unconscionable. Protecting special interests and lobbyists from public scrutiny makes poor public policy, but it probably helps insure friendly PAC contributions in the future."

Still other areas that might be considered for the department are responsibility for publishing administrative rules and as an umbrella agency for the independent licensing boards of the state.

Smith, the former Deputy Secretary of State, says that filing of rules and regulations "should be returned to the Secretary of State along with publication of the North Carolina Administrative Code and the *Register*."

But if the department does get that responsibility, notes former legislator Warren, it must first make improvements in its publication section. "Nothing, and I do mean nothing, produced by that division is without numerous errors," he says. "The *North Carolina Manual* is full of errors each year. The other guides and books published by the division are also not reliable. As a result, I have been told by attorneys and others within state government that they cannot rely on the version of the state Constitution or any other fact contained in publications from the Secretary of State's office to be correct."

Smith also proposes that the department "be an umbrella agency for most of the licensing boards to provide administrative services. The recent flap over the board of cosmetology is a good illustration of why it is needed." In April 1989, the State Auditor said members of the state Board of Cosmetic Arts collected reimbursements for meals they were not entitled to claim, for excessive mileage, and for entertainment and other travel expenses that were not documented.²⁴ Smith also thought supervision of licensing board administration would help facilitate developing a one-stop business licensing function of the department.

The 30-Hour Work Week— Time For an End?

All these potential changes in the duties and responsibilities of the Secretary of State would bring new powers to the office and involve the Secretary in new policymaking areas. By the same token, there may be existing requirements in the law that should be repealed. Consider the first responsibility listed for the Secretary of State in the N.C. General Statutes. Not many people know it, but an 1870 state law requires the Secretary to work a 30-hour work week, and to open his office six days a week.²⁵ That law, in its entirety, reads: "The Secretary of State shall attend at his office, in the City of Raleigh, between the hours of 10 o'clock A.M. and three o'clock P.M., on every day of the year, Sundays and legal holidays excepted."

If nothing else, perhaps it's time to change the

law requiring the Secretary of State to keep his office open on Saturday afternoons. After all, legislators usually manage to adjourn by noon on Friday, and that gives them a 24-hour head start over the Secretary of State for weekend politicking. ☐☐

FOOTNOTES

¹John Cheney, *North Carolina Government 1585-1979, A Narrative and Statistical History*, N.C. Department of Secretary of State, 1981, p. 78.

²William S. Powell, *Dictionary of North Carolina Biography*, Vol. 1 A-C, The University of North Carolina Press, 1979, pp. 335-336.

³Richard Walser, *The North Carolina Miscellany*, The University of North Carolina Press, 1962, pp. 99-101.

⁴Section 1, Article III, Constitution of North Carolina, adopted in convention, March 16, 1868.

⁵"Message of His Excellency Governor Manly, To The Legislature of North Carolina, At The Session of 1850-51," Legislature of N.C.—Document No. 1, Nov. 18, 1850.

⁶An Act to Alter the Constitution of North Carolina in Relation to the Office of Superintendent of Public Works, ratified in the N.C. General Assembly on Feb. 24, 1873 and approved by the people of North Carolina on Aug. 7, 1873.

⁷See Ferrel Guillory, "The Council of State and North Carolina's Long Ballot—A Tradition Hard to Change," *North Carolina Insight*, Vol. 10, No. 4, June 1988, pp. 40-44.

⁸G.S. 147-11.1(b)(3).

⁹G.S. 147-36.

¹⁰Joy Hart Seibert, "The Secretary of State: The Office and Duties," prepared for the National Association of Secretaries of State, published by the Council of State Governments, 1987.

¹¹*The Book of the States, 1988-1989*, The Council of State Governments, Lexington, Ky., pp. 68-70.

¹²Allan Holmes, "Changes in office: Legislation would give secretary of state more clout, higher profile," *Triangle Business*, Vol. 4, No. 32, April 24-May 1, 1989, p. 3.

¹³"Performance Audit Report, Office of Administrative Hearings and the Administrative Rules Review Commission," Office of State Auditor, April 1989, pp. 42 and 81.

¹⁴Chapter 265 (SB 280) of the 1989 Session Laws.

¹⁵As quoted in Holmes, p. 3.

¹⁶*Ibid.*

¹⁷Chapter 808 of the 1987 Session Laws, now codified as G.S. 147-54.

¹⁸Chapter 1098 of the 1987 Session Laws (Second Session 1988), now codified as G.S. 78C.

¹⁹Martin Donsky, "Fax to the Max," *Business North Carolina*, Vol. 9, No. 4, April 1989, p. 15.

²⁰G.S. 143-318.9—318.18.

²¹Chapter 932 of the 1985 Session Laws (Second Session 1986), now codified as G.S. 143-318.16A.

²²G.S. 120-47.1—47.10.

²³Rob Christensen, "Lobbying law lenient in N.C. compared to other states," *The News and Observer* of Raleigh, August 25, 1985, p. 1A.

²⁴"Special Review, North Carolina State Board of Cosmetic Arts," Office of the State Auditor, April 1989, pp. 3-5.

²⁵Chapter 111 of the 1870 Session Laws, now codified as G.S. 147-34.