

1 AN ACT relating to campaign finance.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 121.175 is amended to read as follows:

4 (1) **As used in this section:**~~[No candidate, committee, or contributing organization shall~~
5 ~~permit funds in a campaign account to be expended for any purpose other than for~~
6 ~~allowable campaign expenditures.]~~

7 **(a) 1.** "Allowable campaign expenditures" means expenditures including
8 reimbursement for actual expenses, made directly and primarily in
9 support of or opposition to a candidate, constitutional amendment, or
10 public question which will appear on the ballot and includes, but is not
11 limited to:~~[,]~~

12 **a.** Expenditures for staff salaries;~~[,]~~

13 **b.** Gifts and meals for volunteer campaign workers;~~[,]~~

14 **c.** Food and beverages provided at a campaign rally;~~[,]~~

15 **d.** Advertising;~~[,]~~

16 **e.** Office space;~~[,]~~

17 **f.** Necessary travel;~~[,]~~

18 **g.** **Caregiving services;**

19 **h.** Campaign paraphernalia;~~[,]~~

20 **i.** Purchases of advertisements in athletic and scholastic
21 publications;~~[,]~~

22 **j.** Communications with constituents or prospective voters;~~[,]~~

23 **k.** Polling and consulting;~~[,]~~

24 **l.** Printing, graphic arts, or advertising services;~~[,]~~

25 **m.** Postage, office supplies, stationery, newsletters;~~[,]~~ and

26 **n.** Equipment which is used primarily for the administration of the
27 campaign.

1 2. "Allowable campaign expenditures" does not include expenditures of
2 funds in a campaign account;

3 a. For any purpose made unlawful by other provisions of the
4 Kentucky Revised Statutes;~~[-or]~~

5 b. Which would bestow a private pecuniary benefit, except for
6 payment of the reasonable value of goods and services provided
7 upon a candidate, member of the candidate's family, committee, or
8 contributing organization, or any of their employees, paid or
9 unpaid, including~~[-]~~ tickets to an event which is unrelated to a
10 political campaign or candidacy;

11 c. *For* items of personal property for distribution to prospective
12 voters, except items bearing the name, likeness, or logo of a
13 candidate or a campaign-related communication;

14 d. ~~[expenditures]~~To promote or oppose a candidacy for a leadership
15 position in a governmental, professional, or political organization,
16 or other entity; or

17 e. *For*~~[and]~~ equipment or appliances, the primary use of which is for
18 purposes outside of the campaign; and

19 (b) *"Caregiving services" means direct care, protection, and supervision of a*
20 *child, or a person with a disability or medical condition for whom a*
21 *candidate has a direct caregiving responsibility while engaged in campaign*
22 *activities.*

23 (2) *No candidate, committee, or contributing organization shall permit funds in a*
24 *campaign account to be expended for any purpose other than for allowable*
25 *campaign expenditures.*

26 (3) The provisions of KRS 121.190 notwithstanding, a candidate shall not be required
27 to include a disclaimer on campaign stationery purchased with funds from the

1 *candidate's*~~[his]~~ campaign account.

2 (4) A member of the General Assembly may utilize funds in *the member's*~~[his]~~
3 campaign account to purchase admission tickets for political party functions and
4 caucus campaign committee functions, to purchase items with a value of *no more*
5 *than*~~[not in excess of]~~ one hundred dollars (\$100) for donation to a political party or
6 caucus campaign committee for auctions and fundraisers, and to participate in or
7 support other events sponsored by a political party or caucus campaign committee.

8 (5) A member of the General Assembly may make allowable campaign expenditures in
9 both election years and nonelection years.

10 (6)~~[(2)]~~ ~~[By December 31, 1993,]~~The registry shall promulgate administrative
11 regulations to implement and enforce *this section*~~[the provisions of subsection (1)]~~.

12 (7)~~[(3)]~~ In lieu of the penalties provided in KRS 121.140 and 121.990 for a violation
13 of this section, the registry may, after hearing:

14 (a) For a violation which was not committed knowingly, order the violator to
15 repay the amount of campaign funds which were expended for other than
16 allowable campaign expenditures, and if not repaid within thirty (30) days,
17 may impose a fine of up to one hundred dollars (\$100) for each day the
18 amount is not repaid, up to a maximum fine of one thousand dollars (\$1,000);
19 and

20 (b) For a violation which was committed knowingly, in addition to referring the
21 matter for criminal prosecution, order the violator to repay the amount of
22 campaign funds which were expended for other than allowable campaign
23 expenditures, and if not repaid within thirty (30) days, may impose a fine of
24 up to one hundred dollars (\$100) for each day the amount is not repaid, up to a
25 maximum fine of one thousand dollars (\$1,000).