

1 AN ACT relating to campaign finance.

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

3 ➔Section 1. KRS 121.015 is amended to read as follows:

4 As used in this chapter:

5 (1) "Registry" means the Kentucky Registry of Election Finance;

6 (2) "Election" means any primary, regular, or special election to fill vacancies
7 regardless of whether a candidate or slate of candidates is opposed or unopposed in
8 an election. Each primary, regular, or special election shall be considered a separate
9 election;

10 (3) "Committee" includes the following:

11 (a) "Campaign committee," which means one (1) or more persons who receive
12 contributions and make expenditures to support or oppose one (1) or more
13 specific candidates or slates of candidates for nomination or election to any
14 state, county, city, or district office, but does not include an entity established
15 solely by a candidate which is managed solely by a candidate and a campaign
16 treasurer and whose name is generic in nature, such as "Friends of (the
17 candidate)," and does not reflect that other persons have structured themselves
18 as a committee, designated officers of the committee, and assigned
19 responsibilities and duties to each officer with the purpose of managing a
20 campaign to support or oppose a candidate in an election;

21 (b) "Caucus campaign committee," which means members of one (1) of the
22 following caucus groups who receive contributions and make expenditures to
23 support or oppose one (1) or more specific candidates or slates of candidates
24 for nomination or election, or a committee:

- 25 1. House Democratic caucus campaign committee;
- 26 2. House Republican caucus campaign committee;
- 27 3. Senate Democratic caucus campaign committee;

- 1 4. Senate Republican caucus campaign committee; or
- 2 5. Subdivisions of the state executive committee of a minor political party,
- 3 which serve the same function as the above-named committees, as
- 4 determined by regulations promulgated by the registry;
- 5 (c) "Political issues committee," which means three (3) or more persons joining
- 6 together to advocate or oppose a constitutional amendment or public question
- 7 which appears on the ballot if that committee receives or expends money in
- 8 excess of one thousand dollars (\$1,000);
- 9 (d) "Permanent committee," which means a group of individuals, including an
- 10 association, committee, or organization, other than a campaign committee,
- 11 political issues committee, inaugural committee, caucus campaign committee,
- 12 or party executive committee, which is established as, or intended to be, a
- 13 permanent organization having as a primary purpose expressly advocating the
- 14 election or defeat of one (1) or more clearly identified candidates, slates of
- 15 candidates, or political parties, which functions on a regular basis throughout
- 16 the year;
- 17 (e) An executive committee of a political party; and
- 18 (f) "Inaugural committee," which means one (1) or more persons who receive
- 19 contributions and make expenditures in support of inauguration activities for
- 20 any candidate or slate of candidates elected to any state, county, city, or
- 21 district office;
- 22 (4) "Contributing organization" means a group which merely contributes to candidates,
- 23 slates of candidates, campaign committees, caucus campaign committees, or
- 24 executive committees from time to time from funds derived solely from within the
- 25 group, and which does not solicit or receive funds from sources outside the group
- 26 itself. Any contributions made by the groups in excess of one hundred dollars
- 27 (\$100) shall be reported to the registry;

- 1 (5) "Testimonial affair" means an affair held in honor of a person who holds or who is
2 or was a candidate for nomination or election to a political office in this state
3 designed to raise funds for any purpose not charitable, religious, or educational;
- 4 (6) "Contribution" means any:
- 5 (a) Payment, distribution, loan, deposit, or gift of money or other thing of value,
6 to a candidate, his or her agent, a slate of candidates, its authorized agent, a
7 committee, or contributing organization. As used in this subsection, "loan"
8 shall include a guarantee, endorsement, or other form of security where the
9 risk of nonpayment rests with the surety, guarantor, or endorser, as well as
10 with a committee, contributing organization, candidate, slate of candidates, or
11 other primary obligor. No person shall become liable as surety, endorser, or
12 guarantor for any sum in any one (1) election which, when combined with all
13 other contributions the individual makes to a candidate, his or her agent, a
14 slate of candidates, its agent, a committee, or a contributing organization,
15 exceeds the contribution limits provided in KRS 121.150;
- 16 (b) Payment by any person other than the candidate, his or her authorized
17 treasurer, a slate of candidates, its authorized treasurer, a committee, or a
18 contributing organization, of compensation for the personal services of
19 another person which are rendered to a candidate, slate of candidates,
20 committee, or contributing organization, or for inauguration activities;
- 21 (c) Goods, advertising, or services with a value of more than one hundred dollars
22 (\$100) in the aggregate in any one (1) election which are furnished to a
23 candidate, slate of candidates, committee, or contributing organization or for
24 inauguration activities without charge, or at a rate which is less than the rate
25 normally charged for the goods or services; or
- 26 (d) Payment by any person other than a candidate, his or her authorized treasurer,
27 a slate of candidates, its authorized treasurer, a committee, or contributing

1 organization for any goods or services with a value of more than one hundred
2 dollars (\$100) in the aggregate in any one (1) election which are utilized by a
3 candidate, slate of candidates, committee, or contributing organization, or for
4 inauguration activities;

5 (7) Notwithstanding the foregoing meanings of "contribution," the word shall not be
6 construed to include:

7 (a) Services provided without compensation by individuals volunteering a portion
8 or all of their time on behalf of a candidate, a slate of candidates, committee,
9 or contributing organization;

10 (b) A loan of money by any financial institution doing business in Kentucky
11 made in accordance with applicable banking laws and regulations and in the
12 ordinary course of business; or

13 (c) An independent expenditure by any individual or permanent committee;

14 (8) "Expenditure" means a payment, contribution, loan, or promise of payment of
15 money or anything of ascertainable monetary value for goods, materials, services,
16 or facilities in assistance of, or in opposition to, the nomination or election of a
17 candidate, or the passage or defeat of a ballot question. For reporting purposes,
18 an expenditure is considered to be made at the time the payment, contribution,
19 loan, or promise of payment of money is obligated.

20 (9) "Candidate" means any person who has received contributions or made
21 expenditures, has appointed a campaign treasurer, or has given his or her consent
22 for any other person to receive contributions or make expenditures with a view to
23 bringing about his or her nomination or election to public office, except federal
24 office;

25 ~~(10)~~(9) "Slate of candidates" means:

26 (a) Between the time a certificate or petition of nomination has been filed for a
27 candidate for the office of Governor under KRS 118.365 and the time the

1 candidate designates a running mate for the office of Lieutenant Governor
2 under KRS 118.126, a slate of candidates consists of the candidate for the
3 office of Governor; and

4 (b) After that candidate has designated a running mate under KRS 118.126, that
5 same slate of candidates consists of that same candidate for the office of
6 Governor and the candidate's running mate for the office of Lieutenant
7 Governor. Unless the context requires otherwise, any provision of law that
8 applies to a candidate shall also apply to a slate of candidates;

9 ~~(11)~~⁽¹⁰⁾ "Knowingly" means, with respect to conduct or to a circumstance described
10 by a statute defining an offense, that a person is aware or should have been aware
11 that his or her conduct is of that nature or that the circumstance exists;

12 ~~(12)~~⁽¹¹⁾ "Fundraiser" means an individual who directly solicits and secures
13 contributions on behalf of a candidate or slate of candidates for a statewide-elected
14 state office or an office in a jurisdiction with a population in excess of two hundred
15 thousand (200,000) residents;

16 ~~(13)~~⁽¹²⁾ "Independent expenditure" means the expenditure of money or other things of
17 value for a communication which expressly advocates the election or defeat of a
18 clearly identified candidate or slate of candidates, and which is made without any
19 coordination, consultation, or cooperation with any candidate, slate of candidates,
20 campaign committee, or any authorized person acting on behalf of any of them, and
21 which is not made in concert with, or at the request or suggestion of any candidate,
22 slate of candidates, campaign committee, or any authorized person acting on behalf
23 of any of them;

24 ~~(14)~~⁽¹³⁾ "Electronic reporting" means the use of technology, having electrical, digital,
25 magnetic, wireless, optical, electromagnetic, or similar capabilities, by which an
26 individual or other entity submits, compiles, or transmits campaign finance reports
27 to the registry, or by which the registry receives, stores, analyzes, or discloses the

1 reports;

2 (15)~~[(14)]~~ "Security procedure" means a procedure employed for the purpose of
3 verifying that an electronic signature, record, or performance is that of a specific
4 person or for detecting changes or errors in the information in an electronic record.

5 The term includes a procedure that requires the use of algorithms or other codes,
6 identifying words or numbers, encryption, or callback or other acknowledgment
7 procedures;

8 (16)~~[(15)]~~ "Electronic signature" means an electronic sound, symbol, or process attached
9 to or logically associated with a record and executed or adopted by a person with
10 the intent to sign the record;

11 (17)~~[(16)]~~ "Filer" means any candidate, a slate of candidates, committee, or other
12 individual or entity required to submit financial disclosure reports to the registry;

13 (18)~~[(17)]~~ "Filer-side software" means software provided to or used by the filer that
14 enables transmittal of financial reports to the registry; and

15 (19)~~[(18)]~~ "Form" means an online Web page or an electronic document designed to
16 capture, validate, and submit data for processing to the registry, unless the context
17 otherwise prescribes.

18 ➔Section 2. KRS 121.150 is amended to read as follows:

19 (1) No contribution shall be made or received, directly or indirectly, other than an
20 independent expenditure, to support inauguration activities or to support or defeat a
21 candidate, slate of candidates, constitutional amendment, or public question which
22 will appear on the ballot in an election, except through the duly appointed campaign
23 manager, or campaign treasurer of the candidate, slate of candidates, or registered
24 committee. Any person making an independent expenditure, shall report these
25 expenditures when the expenditures by that person exceed five hundred dollars
26 (\$500) in the aggregate in any one (1) election, on a form provided or using a
27 format approved by the registry and shall sign a statement on the form, under

1 penalty of perjury, that the expenditure was an actual independent expenditure and
2 that there was no prior communication with the campaign on whose behalf it was
3 made.

4 (2) Except as provided in KRS 121.180(10), the solicitation from and contributions by
5 campaign committees, caucus campaign committees, political issues committees,
6 permanent committees, and party executive committees to any religious, charitable,
7 civic, eleemosynary, or other causes or organizations established primarily for the
8 public good is expressly prohibited; except that it shall not be construed as a
9 violation of this section for a candidate or a slate of candidates to contribute to
10 religious, civic, or charitable groups.

11 (3) No candidate, slate of candidates, committee, or contributing organization, nor
12 anyone acting on their behalf, shall accept any anonymous contribution in excess of
13 one hundred dollars (\$100), and all anonymous contributions in excess of one
14 hundred dollars (\$100) shall be returned to the donor, if the donor can be
15 determined. If no donor is found, the contribution shall escheat to the state. No
16 candidate, slate of candidates, committee, or contributing organization, nor anyone
17 acting on their behalf shall accept anonymous contributions in excess of two
18 thousand dollars (\$2,000) in the aggregate in any one (1) election. Anonymous
19 contributions in excess of two thousand dollars (\$2,000) in the aggregate which are
20 received in any one (1) election shall escheat to the state.

21 (4) No candidate, slate of candidates, committee, or contributing organization, nor
22 anyone on their behalf, shall accept a cash contribution in excess of one hundred
23 dollars (\$100) in the aggregate from each contributor in any one (1) election. No
24 candidate, slate of candidates, committee, or contributing organization, nor anyone
25 on their behalf, shall accept a cashier's check or money order in excess of the
26 maximum cash contribution limit unless the instrument clearly identifies both the
27 payor and the payee. A contribution made by cashier's check or money order which

1 identifies both the payor and payee shall be treated as a contribution made by check
2 for purposes of the contribution limits contained in this section. No person shall
3 make a cash contribution in excess of one hundred dollars (\$100) in the aggregate
4 in any one (1) election to a candidate, slate of candidates, committee, or
5 contributing organization, nor anyone on their behalf.

6 (5) No candidate, slate of candidates, committee, contributing organization, nor anyone
7 on their behalf, shall accept any contribution in excess of one hundred dollars
8 (\$100) from any person who shall not become eighteen (18) years of age on or
9 before the day of the next general election.

10 (6) Except as provided in subsection ~~(22)~~ (23) of this section, no candidate, slate of
11 candidates, campaign committee, nor anyone acting on their behalf, shall accept a
12 contribution of more than two thousand dollars (\$2,000) as indexed for inflation
13 every odd-numbered year using the preceding year's percent increase in the non-
14 seasonally adjusted annual average Consumer Price Index for all Urban Consumers
15 (CPI-U), U.S. City Average, All Items, for that year as published by the United
16 States Bureau of Labor Statistics and rounded to the nearest hundred dollars, from
17 any person, permanent committee, or contributing organization in any one (1)
18 election. No person, permanent committee, or contributing organization shall
19 contribute more than two thousand dollars (\$2,000) as indexed for inflation every
20 odd-numbered year using the preceding year's percent increase in the non-
21 seasonally adjusted annual average Consumer Price Index for all Urban Consumers
22 (CPI-U), U.S. City Average, All Items, as published by the United States Bureau of
23 Labor Statistics and rounded to the nearest hundred dollars, to any one (1)
24 candidate, campaign committee, nor anyone acting on their behalf, in any one (1)
25 election.

26 (7) Permanent committees or contributing organizations affiliated by bylaw structure or
27 by registration, as determined by the Registry of Election Finance, shall be

1 considered as one (1) committee for purposes of applying the contribution limits of
2 subsection (6) of this section.

3 (8) No permanent committee shall contribute funds to another permanent committee for
4 the purpose of circumventing contribution limits of subsection (6) of this section.

5 (9) No person shall contribute funds to a permanent committee, political issues
6 committee, or contributing organization for the purpose of circumventing the
7 contribution limits of subsection (6) of this section.

8 (10) No person shall contribute more than two thousand dollars (\$2,000) as indexed for
9 inflation every odd-numbered year using the preceding year's percent increase in
10 the non-seasonally adjusted annual average Consumer Price Index for all Urban
11 Consumers (CPI-U), U.S. City Average, All Items, for that year as published by the
12 United States Bureau of Labor Statistics and rounded to the nearest hundred dollars,
13 to a permanent committee or contributing organization in any one (1) year.

14 (11) (a) No person shall contribute more than five thousand dollars (\$5,000) to the
15 state executive committee of a political party in any one (1) year. The
16 contribution limit in this paragraph shall not apply to a contribution
17 designated exclusively for a state executive committee's building fund account
18 established under KRS 121.172.

19 (b) No person shall contribute more than five thousand dollars (\$5,000) to a
20 subdivision or affiliate of a state political party in any one (1) year.

21 (c) No person shall contribute more than five thousand dollars (\$5,000) to a
22 caucus campaign committee in any one (1) year.

23 (12) No person shall make a payment, distribution, loan, advance, deposit, or gift of
24 money to another person to contribute to a candidate, a slate of candidates,
25 committee, contributing organization, or anyone on their behalf. No candidate, slate
26 of candidates, committee, contributing organization, nor anyone on their behalf
27 shall accept a contribution made by one (1) person who has received a payment,

1 distribution, loan, advance, deposit, or gift of money from another person to
2 contribute to a candidate, a slate of candidates, committee, contributing
3 organization, or anyone on their behalf.

4 (13) No candidate, slate of candidates, committee, contributing organization, or
5 anyone on their behalf shall make an expenditure to an intermediary, including
6 subcontractors, for the purpose of making a payment to another person.
7 Expenditures shall be made directly to the provider of goods or personal services.

8 (14) Subject to the provisions of subsection (18)~~((17))~~ of this section, no candidate or
9 slate of candidates for nomination to any state, county, city, or district office, nor
10 their campaign committees, nor anyone on their behalf, shall solicit or accept
11 contributions for primary election expenses after the date of the primary. No person
12 other than the candidate or slate of candidates shall contribute for primary election
13 expenses after the date of the primary.

14 (15)~~((14))~~ Subject to the provisions of subsection (18)~~((17))~~ of this section, no candidate
15 or slate of candidates for any state, county, city, or district office at a regular
16 election, nor their campaign committees, nor anyone on their behalf, shall solicit or
17 accept contributions for regular election expenses after the date of the regular
18 election. No person other than the candidate or slate of candidates shall contribute
19 for regular election expenses after the date of the regular election.

20 (16)~~((15))~~ Subject to the provisions of subsection (18)~~((17))~~ of this section, no candidate
21 or slate of candidates for nomination or election to any state, county, city, or district
22 office, nor their campaign committees, nor anyone on their behalf, shall solicit or
23 accept contributions for special election expenses after the date of the special
24 election. No person other than the candidate or slate of candidates shall contribute
25 for special election expenses after the date of the special election.

26 (17)~~((16))~~ The provisions of subsections (14)~~((13))~~ and (15)~~((14))~~ of this section shall
27 apply only to those candidates in a primary or regular election which shall be

1 conducted subsequent to January 1, 1989. The provisions of subsection ~~(16)~~~~(15)~~
2 of this section shall apply only to those candidates or slates of candidates in a
3 special election which shall be conducted subsequent to January 1, 1993.

4 ~~(18)~~~~(17)~~ A candidate, slate of candidates, or a campaign committee may solicit and
5 accept contributions after the date of a primary election, regular election, or special
6 election to defray necessary expenses that arise after the date of the election
7 associated with election contests, recounts, and recanvasses of a specific election,
8 complaints regarding alleged campaign finance violations that are filed with the
9 registry pertaining to a specific election, or other legal actions pertaining to a
10 specific election to which a candidate, slate of candidates, or campaign committee
11 is a party, and for repayment of debts and obligations owed by the campaign.
12 Reports of contributions received and expenditures made after the date of the
13 specific election shall be made in accordance with KRS 121.180.

14 ~~(19)~~~~(18)~~ No candidate, slate of candidates, committee, except a political issues
15 committee, or contributing organization, nor anyone on their behalf, shall
16 knowingly accept a contribution from a corporation, directly or indirectly, except to
17 the extent that the contribution is designated to a state executive committee's
18 building fund account established under KRS 121.172.

19 ~~(20)~~~~(19)~~ Nothing in this section shall be construed to restrict the ability of a
20 corporation to administer its permanent committee insofar as its actions can be
21 deemed not to influence an election as prohibited by KRS 121.025.

22 ~~(21)~~~~(20)~~ No candidate, slate of candidates, or committee, nor anyone on their behalf,
23 shall solicit a contribution of money or services from a state employee, whether or
24 not the employee is covered by the classified service provisions of KRS Chapter
25 18A. However, it shall not be a violation of this subsection for a state employee to
26 receive a solicitation directed to him as a registered voter in an identified precinct as
27 part of an overall plan to contact voters not identified as state employees.

1 ~~(22)~~~~(21)~~ No candidate or slate of candidates for any office in this state shall accept a
2 contribution, including an in-kind contribution, which is made from funds in a
3 federal campaign account. No person shall make a contribution, including an in-
4 kind contribution, from funds in a federal campaign account to any candidate or
5 slate of candidates for any office in this state.

6 ~~(23)~~~~(22)~~ It shall be permissible for a married couple to make a contribution with one
7 (1) check that reflects the combined individual contribution limits of each
8 individual spouse per election, as set forth in subsection (6) of this section, for all
9 elections in a calendar year and the following shall be required to be written on the
10 check:

- 11 (a) The signatures of both spouses on the signature line of the check; and
- 12 (b) The designation of each contribution amount and the election or elections to
13 which they apply shall be memorialized on the memo line of the check.