

1 AN ACT relating to the portion of income tax liability contributed to a political
2 party.

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

4 ➔Section 1. KRS 141.071 is amended to read as follows:

5 (1) The term "political party" shall, for the purposes of this section and KRS 141.072~~f~~
6 ~~and 141.073~~, mean those parties who met the requirements of KRS 118.015 on
7 January 1 of the taxable year.

8 (2) Every individual whose income tax liability for the taxable year is as great or
9 greater than amounts permitted to be designated under this section, may designate
10 that the tax paid or portion thereof be paid, as provided under this section and KRS
11 141.072, to a political party. Amounts of individual tax liability permitted to be so
12 designated are as follows: for the 1982 taxable year, one dollar and fifty cents
13 (\$1.50); for the 1983 taxable year, one dollar and seventy-five cents (\$1.75); and for
14 the 1984 taxable year and for every year thereafter, two dollars (\$2). In the case of a
15 joint return, each spouse shall, for the purposes of this section, be considered to
16 have an equal tax liability and may each designate amounts as provided in this
17 section, provided that the joint tax liability is at least as great as amounts jointly so
18 designated. Such designation shall not increase or decrease the income tax liability
19 of any taxpayer nor shall it reduce the overpayment of any taxpayer.

20 **(3) *This section applies to taxable years beginning before January 1, 2026.***

21 ➔Section 2. KRS 141.072 is amended to read as follows:

22 **For taxable years beginning before January 1, 2026,** the designation for a political party
23 shall appear on the face of the individual income tax return. Fifty cents (\$0.50) of any
24 designation pursuant to KRS 141.071 shall be reserved for remittance to the appropriate
25 official of the local governing authority of the designated political party within the
26 taxpayer's resident county. The remainder of the designation shall be reserved for
27 remittance to the appropriate official of the state governing authority of the designated

1 political party. The commissioner of the Department of Revenue shall annually certify by
2 December 1 all such designated amounts to be paid by the State Treasurer, and the
3 Treasurer shall annually remit by the following January 1 such funds to the appropriate
4 official of the state and local governing authorities of the designated political party.

5 →Section 3. KRS 121.180 is amended to read as follows:

6 (1) (a) 1. Persons becoming a candidate as defined in KRS 121.015(8) or slate of
7 candidates as defined in KRS 121.015(9), or a political issues committee
8 as defined in KRS 121.015(3)(d), shall submit a form prescribed and
9 furnished by the registry indicating whether they intend to raise or spend
10 in excess of five thousand dollars (\$5,000) in any one (1) election, or
11 that contributions will not be accepted or expended in excess of five
12 thousand dollars (\$5,000) in any one (1) election. Candidates and slates
13 of candidates shall submit this form to the registry within five (5) days
14 of receiving contributions or making expenditures with a view to
15 bringing about his or her nomination or election to public office, or
16 within five (5) days of filing papers to run for public office, whichever is
17 sooner. Candidates and slates of candidates who advance to a regular
18 election following a primary shall submit this form to the registry within
19 five (5) days after the date of the primary. Political issues committees
20 shall submit the form to the registry within five (5) days of meeting the
21 definition of political issues committee in KRS 121.015(3)(d).

22 2. Each candidate, slate of candidates, or political issues committee
23 indicating that contributions will not be accepted or expended in excess
24 of five thousand dollars (\$5,000) in any one (1) election shall be exempt
25 from filing any campaign finance reports required by subsection (3) of
26 this section.

27 3. A separate form shall be required for each primary, regular, or special

1 election in which the candidate or slate of candidates participates or in
2 which the public question appears on the ballot. The form shall be
3 submitted by means of electronic filing with the registry.

4 4. Any person acting as a candidate or slate of candidates by receiving
5 contributions or making expenditures with a view to bringing about his
6 or her nomination or election to public office, or filing papers to run for
7 public office, or group of persons acting as a political issues committee,
8 who fails to file this form as required, or who fails to remedy a
9 deficiency within five (5) days, may be fined by the registry an amount
10 not to exceed two hundred dollars (\$200) per day, up to a maximum
11 total fine of five thousand dollars (\$5,000).

12 (b) For a primary, a candidate or slate of candidates shall file a request for
13 exemption not later than the deadline described in paragraph (a) of this
14 subsection for filing nomination papers and, except as provided in
15 subparagraph 2. of paragraph (c) of this subsection, shall be bound by its
16 terms unless it is rescinded in writing not later than thirty (30) days preceding
17 the primary. For a regular election, a candidate or slate of candidates shall file
18 or rescind in writing a request for exemption not later than sixty (60) days
19 preceding the regular election, except as provided in subparagraph 2. of
20 paragraph (c) of this subsection. For a special election, a candidate or slate of
21 candidates shall file a request for exemption not later than ten (10) days after
22 the candidate or slate of candidates is nominated for a special election and
23 shall be bound by its terms unless it is rescinded in writing not later than thirty
24 (30) days preceding the special election. A political issues committee chair
25 shall file a request for exemption when the committee registers with the
26 registry and shall be bound by its terms unless it is rescinded in writing not
27 later than thirty (30) days preceding the date the issue appears on the ballot.

- 1 (c) 1. A candidate or slate of candidates that revokes a request for exemption
2 in a timely manner shall file all reports required of a candidate intending
3 to raise or spend in excess of five thousand dollars (\$5,000) in an
4 election. To revoke the request for an exemption, the candidate or slate
5 of candidates shall file the appropriate form with the registry not later
6 than the deadline for filing a revocation.
- 7 2. A candidate or slate of candidates that is exempted from campaign
8 finance reporting requirements pursuant to paragraph (a) of this
9 subsection but who accepts contributions or makes expenditures in
10 excess of the exempted amount in an election, shall file all applicable
11 reports required for the remainder of that election, based upon the
12 amount of contributions or expenditures the candidate or slate of
13 candidates accepts or receives in that election.
- 14 (d) Any candidate or slate of candidates that is subject to a June or August filing
15 deadline and that intends to execute a request for exemption shall file the
16 appropriate request for exemption not later than the deadline described in
17 paragraph (a) of this subsection and, except as provided in subparagraph 2. of
18 paragraph (c) of this subsection, shall be bound by its terms unless it is
19 rescinded in writing not later than sixty (60) days preceding the regular
20 election. A candidate or slate of candidates that is covered by this paragraph
21 shall have the same reversion rights as those provided in subparagraph 1. of
22 paragraph (c) of this subsection.
- 23 (e) Any candidate or slate of candidates that will appear on the ballot in a regular
24 election that has signed a request for exemption for that election may exercise
25 the reversion rights provided in subparagraph 1. of paragraph (c) of this
26 subsection if a candidate or slate of candidates that is subject to a June or
27 August filing deadline subsequently files in opposition to the candidate or

1 slate of candidates. Except as provided in subparagraph 2. of paragraph (c) of
2 this subsection, a candidate or slate of candidates covered by this paragraph
3 shall comply with the deadline for rescission provided in subparagraph 1. of
4 paragraph (c) of this subsection.

5 (f) Except as provided in subparagraph 2. of paragraph (c) of this subsection, any
6 candidate or slate of candidates that has filed a request for exemption for a
7 regular election that later is opposed by a person who has filed a declaration
8 of intent to receive write-in votes may rescind the request for exemption and
9 exercise the reversion rights provided in subparagraph 1. of paragraph (c) of
10 this subsection.

11 (g) Any candidate or slate of candidates that has filed a request for exemption
12 may petition the registry to determine whether another person is campaigning
13 as a write-in candidate prior to having filed a declaration of intent to receive
14 write-in votes, and, if the registry determines upon a preponderance of the
15 evidence that a person who may later be a write-in candidate is conducting a
16 campaign, the candidate or slate of candidates, except as provided in
17 subparagraph 2. of paragraph (c) of this subsection, may petition the registry
18 to permit the candidate or slate of candidates to exercise the reversion rights
19 provided in subparagraph 1. of paragraph (c) of this subsection.

20 (h) If the opponent of a candidate or slate of candidates is replaced due to his or
21 her withdrawal because of death, disability, or disqualification, the candidate
22 or slate of candidates, except as provided in subparagraph 2. of paragraph (c)
23 of this subsection, may exercise the reversion rights provided in subparagraph
24 1. of paragraph (c) of this subsection not later than fifteen (15) days after the
25 party executive committee nominates a replacement for the withdrawn
26 candidate or slate of candidates.

27 (i) A person intending to be a write-in candidate for any office in a regular or

1 special election may execute a request for exemption under paragraph (a) of
2 this subsection and shall be bound by its terms unless it is rescinded in writing
3 not later than fifteen (15) days preceding the regular or special election. A
4 person intending to be a write-in candidate who revokes a request for
5 exemption in a timely manner shall file all reports required of a candidate
6 intending to raise or spend in excess of five thousand dollars (\$5,000) in an
7 election. Except as provided in subparagraph 2. of paragraph (c) of this
8 subsection, a person intending to be a write-in candidate who revokes a
9 request for exemption shall file the appropriate form with the registry.

10 (j) Except as provided in subparagraph 2. of paragraph (c) of this subsection, the
11 campaign committee of any candidate or slate of candidates that has filed a
12 request for exemption or a political issues committee whose chair has filed a
13 request for exemption shall be bound by its terms unless it is rescinded in a
14 timely manner.

15 (k) 1. Except as provided in subparagraph 2. of paragraph (c) of this
16 subsection, any candidate, slate of candidates, or political issues
17 committee that is exempt from filing campaign finance reports pursuant
18 to paragraph (a), (d), or (i) of this subsection that accepts contributions
19 or makes expenditures, or whose campaign treasurer accepts
20 contributions or makes expenditures, in excess of the applicable limit in
21 any one (1) election without rescinding the request for exemption in a
22 timely manner shall comply with all applicable reporting requirements
23 and, in lieu of other penalties prescribed by law, pay a fine of not less
24 than five hundred dollars (\$500).

25 2. Except as provided in subparagraph 2. of paragraph (c) of this
26 subsection, a candidate, slate of candidates, campaign committee, or
27 political issues committee that is exempt from filing campaign finance

1 reports pursuant to paragraph (a), (d), or (i) of this subsection that
2 knowingly accepts contributions or makes expenditures in excess of the
3 applicable spending limit in any one (1) election without rescinding the
4 request for exemption in a timely manner shall comply with all
5 applicable reporting requirements and shall be guilty of a Class D
6 felony.

- 7 (1) 1. Any candidate exempt from filing under this subsection for a primary
8 shall file a report described in subsection (4) of this section.
- 9 2. Any candidate exempt from filing under this subsection for a primary
10 who advances to the regular election shall file for an additional
11 exemption under this section for the regular election or the candidate
12 shall no longer be exempt from the filing requirements.
- 13 3. In the event a candidate exempt from filing under this subsection is no
14 longer eligible for the exemption, he or she shall immediately file for a
15 revocation of the exemption under paragraph (c) of this subsection.
- 16 (2) (a) State and county executive committees, and caucus campaign committees
17 shall make a full report, upon a prescribed form, to the registry, of all money,
18 loans, or other things of value, received from any source, and expenditures
19 authorized, incurred, or made, since the date of the last report, including:
- 20 1. For each contribution of any amount made by a permanent committee,
21 the name and business address of the permanent committee, the date of
22 the contribution, the amount contributed, and a description of the major
23 business, social, or political interest represented by the permanent
24 committee;
- 25 2. For other contributions in excess of one hundred dollars (\$100), the full
26 name, address, age if less than the legal voting age, the date of the
27 contribution, the amount of the contribution, and the employer and

1 occupation of each contributor. If the contributor is self-employed, the
2 name under which he or she is doing business shall be listed;

3 3. The total amount of cash contributions received during the reporting
4 period; and

5 4. A complete statement of expenditures authorized, incurred, or made.
6 The complete statement of expenditures shall include the name and
7 address of each person to whom an expenditure is made in excess of
8 twenty-five dollars (\$25), and the amount, date, and purpose of each
9 expenditure.

10 (b) In addition to the reporting requirements in paragraph (a) of this subsection,
11 the state executive committee of a political party that has established a
12 building fund account under KRS 121.172 shall make a full report, upon a
13 prescribed form, to the registry, of all contributions received from any source,
14 and expenditures authorized, incurred, or made, since the date of the last
15 report for the separate building fund account, including:

16 1. For each contribution of any amount made by a corporation, the name
17 and business address of the corporation, the date of the contribution, the
18 amount contributed, and a description of the major business conducted
19 by the corporation;

20 2. For other contributions in excess of one hundred dollars (\$100), the full
21 name and address of the contributor, the date of the contribution, the
22 amount of the contribution, and the employer and occupation of each
23 contributor. If the contributor is self-employed, the name under which
24 he or she is doing business shall be listed;

25 3. The total amount of cash contributions received during the reporting
26 period; and

27 4. A complete statement of expenditures authorized, incurred, or made.

1 The complete statement of expenditures shall include the name and
2 address of each person to whom an expenditure is made in excess of
3 twenty-five dollars (\$25), and the amount, date, and purpose of each
4 expenditure.

- 5 (c) The report required by paragraph (a) of this subsection shall be made on a
6 semiannual basis if the committee has more than ten thousand dollars
7 (\$10,000) in its campaign fund account, and shall be received by the registry
8 by January 31 and by July 31. The January report shall cover the period from
9 July 1 to December 31. The July report shall cover the period from January 1
10 to June 30. If the committee has less than ten thousand dollars (\$10,000) in its
11 campaign fund account the report required by paragraph (a) of this subsection
12 shall be made on an annual basis, and shall be received by the registry by
13 January 31. If an individual gives a reportable contribution to a caucus
14 campaign committee or to a state or county executive committee with the
15 intention that the contribution or a portion of the contribution go to a
16 candidate or slate of candidates, the name of the contributor and the sum shall
17 be indicated on the committee report. The report required by paragraph (b) of
18 this subsection relating to a state executive committee's building fund account
19 shall be received by the registry within two (2) business days after the close of
20 each calendar quarter. The receipts and expenditures of funds remitted to each
21 political party under KRS 141.071 and 141.072~~[to 141.073]~~ shall be
22 separately accounted for and reported to the registry in the manner required by
23 KRS 121.230. The separate report may be made a separate section within the
24 report required by this subsection to be received by the registry by January 31.
- 25 (3) (a) Except for candidates or slates of candidates, campaign committees, or
26 political issues committees exempted from reporting requirements pursuant to
27 subsection (1) of this section, each campaign treasurer of a candidate, slate of

1 candidates, campaign committee, or political issues committee who accepts
2 contributions or expends, expects to accept contributions or expend, or
3 contracts to expend more than five thousand dollars (\$5,000) in any one (1)
4 election, and each fundraiser who secures contributions in excess of five
5 thousand dollars (\$5,000) in any one (1) election, shall make a full report to
6 the registry, on a form provided or using a format approved by the registry, of
7 all money, loans, or other things of value, received from any source, and
8 expenditures authorized, incurred, and made, since the date of the last report,
9 including:

- 10 1. For each contribution of any amount made by a permanent committee,
11 the name and business address of the permanent committee, the date of
12 the contribution, the amount contributed, and a description of the major
13 business, social, or political interest represented by the permanent
14 committee;
- 15 2. For each contribution in excess of one hundred dollars (\$100) made to
16 any candidate or campaign committee or a political issues committee,
17 the full name, address, age if less than the legal voting age, the date of
18 the contribution, the amount of the contribution, and the employer and
19 occupation of each other contributor. If the contributor is self-employed,
20 the name under which he or she is doing business shall be listed;
- 21 3. The total amount of cash contributions received during the reporting
22 period; and
- 23 4. A complete statement of all expenditures authorized, incurred, or made.
24 The complete statement of expenditures shall include the name, address,
25 and occupation of each person to whom an expenditure is made in
26 excess of twenty-five dollars (\$25), and the amount, date, and purpose
27 of each expenditure.

- 1 (b) Reports of all candidates, slates of candidates, campaign committees,
2 independent expenditure-only committees, political issues committees, and
3 registered fundraisers shall be made as follows:
- 4 1. a. Candidates seeking statewide office, slates of candidates,
5 campaign committees for candidates seeking statewide office and
6 for slates of candidates, independent expenditure-only committees,
7 political issues committees, and fundraisers which file the form
8 described in subsection (1)(a) of this section before the year of an
9 election in which the candidate, a slate of candidates, or public
10 question shall appear on the ballot, shall file financial reports with
11 the registry at the end of the first calendar quarter after persons
12 become statewide candidates or slates of candidates, or following
13 registration of the committee or fundraiser, and each calendar
14 quarter thereafter, ending with the last calendar quarter of that
15 year. The provisions of this subparagraph shall be retroactive to
16 January 1, 2021;
- 17 b. All other candidates and campaign committees shall file annual
18 financial reports to be received by the registry on or before
19 December 1 for each year that a candidate is not yet on the ballot
20 but has filed a form as described in subsection (1)(a) of this
21 section with the registry for a future-year election; and
- 22 c. Candidates, slate of candidates, or committees shall make all
23 reports required by subparagraphs 2. to 5. of this paragraph during
24 the year in which the election takes place;
- 25 2. All candidates, slates of candidates, campaign committees, independent
26 expenditure-only committees, political issues committees, and registered
27 fundraisers shall make reports on the sixtieth day preceding a regular

- 1 election, including all previous contributions and expenditures;
- 2 3. All candidates, slates of candidates, campaign committees, independent
3 expenditure-only committees, political issues committees, and registered
4 fundraisers shall make reports on the thirtieth day preceding an election,
5 including all previous contributions and expenditures;
- 6 4. All candidates, slates of candidates, campaign committees, independent
7 expenditure-only committees, political issues committees, and registered
8 fundraisers shall make reports on the fifteenth day preceding the date of
9 the election; and
- 10 5. All reports to the registry shall cover campaign activity during the entire
11 reporting period and must be received by the registry within two (2)
12 business days after the date the reporting period ends to be deemed
13 timely filed.
- 14 (4) All candidates, regardless of funds received or expended, campaign committees,
15 independent expenditure-only committees, political issues committees, and
16 registered fundraisers shall make post-election reports within thirty (30) days after
17 the election. All post-election reports to the registry shall cover campaign activity
18 during the entire reporting period and must be received by the registry within two
19 (2) business days after the date the reporting period ends to be deemed timely filed.
20 For candidates, slates of candidates, and political issues committees otherwise
21 exempt under subsection (1)(a) of this section, the reporting period begins the day
22 the request for exemption is filed with the registry and continues through the
23 thirtieth day after the election.
- 24 (5) In making the preceding reports, the total gross receipts from each of the following
25 categories shall be listed: proceeds from the sale of tickets for events such as
26 testimonial affairs, dinners, luncheons, rallies, and similar fundraising events, mass
27 collections made at the events, and sales of items such as campaign pins, buttons,

1 hats, ties, literature, and similar materials. When any individual purchase or the
2 aggregate purchases of any item enumerated above from a candidate or slate of
3 candidates for a statewide-elected state office or a campaign committee for a
4 candidate or slate of candidates for a statewide-elected state office exceeds one
5 hundred dollars (\$100), the purchaser shall be identified by name, address, age, if
6 less than the legal voting age, occupation, and employer or, if the purchaser is self-
7 employed, the name under which he or she is doing business, and the amount of the
8 purchase. When any individual purchase or the aggregate purchases of any item
9 enumerated above from any candidate or campaign committee other than a
10 candidate or slate of candidates for a statewide-elected state office or campaign
11 committee for a candidate or slate of candidates for a statewide-elected state office
12 exceeds one hundred dollars (\$100), the purchaser shall be identified by name,
13 address, age if less than the legal voting age, occupation, and employer or, if the
14 purchaser is self-employed, the name under which he or she is doing business, and
15 the amount of the purchase. The lists shall be maintained by the campaign treasurer,
16 political issues committee treasurer, registered fundraiser, or other sponsor for
17 inspection by the registry for six (6) years following the date of the election.

18 (6) Each permanent committee, except a federally registered political committee as
19 defined in 52 U.S.C. sec. 30101(4)(a), inaugural committee, or contributing
20 organization shall make a full report to the registry, on a form provided or using a
21 format approved by the registry, of all money, loans, or other things of value,
22 received by it from any source, and all expenditures authorized, incurred, or made,
23 since the date of the last report, including:

24 (a) For each contribution of any amount made by a permanent committee, the
25 name and business address of the permanent committee, the date of the
26 contribution, the amount contributed, and a description of the major business,
27 social, or political interest represented by the permanent committee;

- 1 (b) For other contributions in excess of one hundred dollars (\$100), the full name,
2 address, age if under the legal voting age, the date of the contribution, the
3 amount of the contribution, and the employer and occupation of each
4 contributor. If the contributor is self-employed, the name under which he or
5 she is doing business shall be listed;
- 6 (c) An aggregate amount of cash contributions, the amount contributed by each
7 contributor, and the date of each contribution; and
- 8 (d) A complete statement of all expenditures authorized, incurred, or made,
9 including independent expenditures. This report shall be made by a permanent
10 committee, inaugural committee, or contributing organization to the registry
11 on the last day of the first calendar quarter following the registration of the
12 committee with the registry and on the last day of each succeeding calendar
13 quarter until such time as the committee terminates. A contributing
14 organization shall file a report of contributions received and expenditures on a
15 form provided or using a format approved by the registry not later than the
16 last day of each calendar quarter in which contributions are received or
17 expenditures are made. All reports to the registry shall be received on or
18 before each filing deadline, and any report received by the registry within two
19 (2) business days after each filing deadline shall be deemed timely filed.
- 20 (7) If the final statement of a candidate, campaign committee, independent expenditure-
21 only committee, or political issues committee shows an unexpended balance of
22 contributions, continuing debts and obligations, or an expenditure deficit, the
23 campaign treasurer shall file with the registry a supplemental statement of
24 contributions and expenditures not more than thirty (30) days after the deadline for
25 filing the final statement. Subsequent supplemental statements shall be filed
26 annually, to be received by the registry by December 1 of each year, until the
27 account shows no unexpended balance, continuing debts and obligations,

1 expenditures, or deficit. All post-election reports to the registry shall cover
2 campaign activity during the entire reporting period and must be received by the
3 registry within two (2) business days after the date the reporting period ends to be
4 deemed timely filed. All contributions shall be subject to KRS 121.150 as of the
5 date of the election in which the candidate appeared on the ballot.

6 (8) All reports filed under the provisions of this chapter shall be a matter of public
7 record open to inspection by any member of the public immediately upon receipt of
8 the report by the registry.

9 (9) A candidate or slate of candidates is relieved of the duty personally to file reports
10 and keep records of receipts and expenditures if the candidate or slate states in
11 writing or on forms provided by the registry that:

12 (a) Within five (5) business days after personally receiving any contributions, the
13 candidate or slate of candidates shall surrender possession of the contributions
14 to the treasurer of their campaign committee without expending any of the
15 proceeds thereof. No contributions shall be commingled with the candidate's
16 or slated candidates' personal funds or accounts. Contributions received by
17 check, money order, or other written instrument shall be endorsed directly to
18 the campaign committee and shall not be cashed or redeemed by the
19 candidate;

20 (b) The candidate or slate of candidates shall not make any unreimbursed
21 expenditure for the campaign, except that this paragraph does not preclude a
22 candidate or slate from making an expenditure from personal funds to the
23 designated campaign committee, which shall be reported by the committee as
24 a contribution received; and

25 (c) The waiver shall continue in effect as long as the candidate or slate of
26 candidates complies with the conditions under which it was granted.

27 (10) (a) No candidate, slate of candidates, campaign committee, independent

1 expenditure-only committee, political issues committee, or contributing
2 organization shall use or permit the use of contributions or funds solicited or
3 received for the person or in support of or opposition to a public issue which
4 will appear on the ballot to:

- 5 1. Further the candidacy of the person for a different public office;
- 6 2. Support or oppose a different public issue; or
- 7 3. Further the candidacy of any other person for public office.

8 (b) Nothing in this subsection shall be deemed to prohibit a candidate or slate of
9 candidates from using funds in a campaign account to contribute directly to
10 another candidate or slate of candidates for state or federal office, or to
11 purchase admission tickets for any fundraising event or testimonial affair for
12 another candidate or slate of candidates for state or federal office, if the
13 amount of the purchase or contribution does not exceed the individual
14 contribution limit contained in KRS 121.150(6) or 52 U.S.C. sec. 30116 in
15 any one (1) election.

16 (c) Any funds or contributions solicited or received by or on behalf of a
17 candidate, slate of candidates, or any committee, which has been organized in
18 whole or in part to further any candidacy for the same person or to support or
19 oppose the same public issue, shall be deemed to have been solicited or
20 received for the current candidacy or for the election on the public issue if the
21 funds or contributions are solicited or received at any time prior to the regular
22 election for which the candidate, slate of candidates, or public issue is on the
23 ballot.

24 (d) Any unexpended balance of funds not otherwise obligated for the payment of
25 expenses incurred to further a political issue or the candidacy of a person
26 shall, in whole or in part, at the election of the candidate or committee:

- 27 1. Escheat to the State Treasury;

- 1 2. Be returned pro rata to all contributors;
 - 2 3. In the case of a partisan candidate, be transferred to:
 - 3 a. A caucus campaign committee; or
 - 4 b. The state or county executive committee of the political party of
5 which the candidate is a member;
 - 6 4. Be retained to further the same public issue or to seek election to the
7 same office; or
 - 8 5. Be donated to any charitable, nonprofit, or educational institution
9 recognized under Section 501(c)(3) of the United States Internal
10 Revenue Code of 1986, as amended, and any successor thereto, from
11 which the candidate or committee receives no financial benefit.
- 12 (11) If adequate and appropriate agency funds are available to implement this
13 subsection, electronic reporting shall be made available by the registry to all
14 candidates, slates of candidates, committees, contributing organizations, registered
15 fundraisers, and persons making independent expenditures. The electronic report
16 submitted to the registry shall be the official campaign finance report for audit and
17 other legal purposes, whether mandated or filed by choice.
- 18 (12) The date that an electronic or on-line report shall be deemed to have been filed with
19 the registry shall be the date on which it is received by the registry.
- 20 (13) All electronic or online filers shall affirm, under penalty of perjury, that the report
21 filed with the registry is complete and accurate.
- 22 (14) Filers who submit electronic campaign finance reports which are not readable, or
23 cannot be copied shall be deemed to not be in compliance with the requirements set
24 forth in this section.
- 25 (15) Beginning with the primary scheduled in calendar year 2020, and for each
26 subsequent election scheduled thereafter, reports required to be submitted to the
27 registry involving candidates, slates of candidates, committees, contributing

1 organizations, and independent expenditures shall be reported electronically.

2 (16) (a) On each form that the registry supplies for the reports required under
3 subsections (2), (3), and (6) of this section, the registry shall include an entry
4 reading, "No change since last report."

5 (b) If a person or entity that is required to report under subsection (2), (3), or (6)
6 of this section has received no money, loans, or other things of value from any
7 source since the date of its last report and has not authorized, incurred, or
8 made any expenditures since that date, the person or entity may check or
9 otherwise designate the entry that reads, "No change since last report." A
10 person or entity designating this entry in a report shall state the balance
11 carried forward from the last report but need not specify receipts or
12 expenditures in further detail.

13 ➔Section 4. KRS 121.230 is amended to read as follows:

14 (1) (a) No state or local governing authority of a political party to which funds are
15 remitted under KRS 141.071 and 141.072~~[to 141.073]~~ shall use such funds
16 other than in support of the party's candidates in a general election and for the
17 administrative costs of maintaining a political party headquarters.

18 (b) Permissible expenditures for the administrative costs of maintaining a
19 political party headquarters shall be limited to payments for or purchases of:

- 20 1. Leases, mortgages, insurance, property taxes, and legal expenses;
- 21 2. Appliances and fixtures;
- 22 3. Utilities, pest control, lawn care, security, cleaning, trash removal, and
23 necessary equipment and supplies related thereto;
- 24 4. Equipment for internet, telephone, cable or satellite television, or other
25 communications services;
- 26 5. Major and minor repairs to the political party headquarters, including
27 but not limited to the facility's roof, foundation, and structure, and to the

- 1 facility's plumbing, HVAC, and electrical systems; and
- 2 6. Office supplies, including but not limited to desks, chairs, computers,
- 3 printers, copiers, paper, and ink.
- 4 (2) Each state or local governing authority of a political party to which funds are
- 5 remitted under KRS 141.071 and 141.072~~[to 141.073]~~ shall deposit such funds in a
- 6 bank account and shall report the amount of such funds received as a separate entry
- 7 on its committee report. All expenditures from such remitted funds shall be by
- 8 check. A copy of each canceled check written on the account of funds remitted
- 9 under KRS 141.071 and 141.072~~[to 141.073]~~ shall be retained by the state or local
- 10 governing authority of the political party for a period of not less than four (4) years.
- 11 (3) The designated official of each state or local governing authority of a political party
- 12 to which funds are remitted under KRS 141.071 and 141.072~~[to 141.073]~~ shall
- 13 maintain a current record of the receipts, balance, and expenditures of the funds so
- 14 remitted. In addition, the official shall, by January 31 each year, forward to the
- 15 Registry of Election Finance a report of:
- 16 (a) The unexpended and unobligated balance of such remitted funds; and
- 17 (b) An itemized listing of each expenditure authorized, incurred or made from
- 18 such remitted funds, indicating the amount, date, and purpose of each
- 19 expenditure, regardless of the amount, and the name, address, and occupation
- 20 of each person to whom an expenditure of fifty dollars (\$50) or more was
- 21 made, since the date of the last report.
- 22 (4) The reports required by subsection (3) of this section shall be a matter of public
- 23 record open to inspection by any member of the public immediately upon receipt of
- 24 the report by the registry.
- 25 (5) The Registry of Election Finance may annually audit the accounts and records of
- 26 receipts and expenditures of funds in the amount of one thousand five hundred
- 27 dollars (\$1,500) or less that are remitted to each state or local governing authority

1 of a political party under KRS 141.071 **and 141.072**~~[to 141.073]~~. The registry shall
2 annually audit the accounts and records of receipts and expenditures of funds in the
3 amount of more than one thousand five hundred dollars (\$1,500) that are remitted to
4 each state or local governing authority of a political party under KRS 141.071 **and**
5 **141.072**~~[to 141.073]~~. The registry shall report the results of each audit conducted to
6 the General Assembly. In the course of such audits, the registry or its authorized
7 agents may ascertain the amount of such remitted funds on deposit in the separate
8 bank account, required by subsection (2) of this section, of the political party
9 audited and may audit the account on the books of the bank. No bank shall be liable
10 for making available to the registry any of the information required under this
11 section.

12 ➔Section 5. The following KRS section is repealed:

13 141.073 Rules and regulations.