

121.175 Allowable campaign expenditures -- Administrative regulations -- Penalties.

- (1) No candidate, committee, or contributing organization shall permit funds in a campaign account to be expended for any purpose other than for allowable campaign expenditures. "Allowable campaign expenditures" means expenditures including reimbursement for actual expenses, made directly and primarily in support of or opposition to a candidate, constitutional amendment, or public question which will appear on the ballot and includes, but is not limited to, expenditures for staff salaries, gifts and meals for volunteer campaign workers, food and beverages provided at a campaign rally, advertising, office space, necessary travel, campaign paraphernalia, purchases of advertisements in athletic and scholastic publications, communications with constituents or prospective voters, polling and consulting, printing, graphic arts, or advertising services, postage, office supplies, stationery, newsletters, and equipment which is used primarily for the administration of the campaign. "Allowable campaign expenditures" does not include expenditures of funds in a campaign account for any purpose made unlawful by other provisions of the Kentucky Revised Statutes or which would bestow a private pecuniary benefit, except for payment of the reasonable value of goods and services provided upon a candidate, member of the candidate's family, committee, or contributing organization, or any of their employees, paid or unpaid, including: tickets to an event which is unrelated to a political campaign or candidacy; items of personal property for distribution to prospective voters except items bearing the name, likeness, or logo of a candidate or a campaign-related communication; expenditures to promote or oppose a candidacy for a leadership position in a governmental, professional, or political organization, or other entity; and equipment or appliances the primary use of which is for purposes outside of the campaign. The provisions of KRS 121.190 notwithstanding, a candidate shall not be required to include a disclaimer on campaign stationery purchased with funds from his campaign account. A member of the General Assembly may utilize funds in his campaign account to purchase admission tickets for political party functions and caucus campaign committee functions, to purchase items with a value of not in excess of one hundred dollars (\$100) for donation to a political party or caucus campaign committee for auctions and fundraisers, and to participate in or support other events sponsored by a political party or caucus campaign committee. A member of the General Assembly may make allowable campaign expenditures in both election years and nonelection years.
- (2) By December 31, 1993, the registry shall promulgate administrative regulations to implement and enforce the provisions of subsection (1).
- (3) In lieu of the penalties provided in KRS 121.140 and 121.990 for a violation of this section, the registry may, after hearing:
 - (a) For a violation which was not committed knowingly, order the violator to repay the amount of campaign funds which were expended for other than allowable campaign expenditures, and if not repaid within thirty (30) days, may impose a fine of up to one hundred dollars (\$100) for each day the

amount is not repaid, up to a maximum fine of one thousand dollars (\$1,000);
and

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

Effective: March 16, 2005

History: Amended 2005 Ky. Acts ch. 105, sec. 7, effective March 16, 2005. -- Amended 1994 Ky. Acts ch. 458, sec. 11, effective July 15, 1994; and ch. 479, sec. 7, effective July 15, 1994. -- Created 1993 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 63, effective November 3, 1993.