

HOUSE BILL No. 1318

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-9.

Synopsis: Campaign finance limits. Provides that a member of the general assembly or a candidate for election to the general assembly may not accept contributions of more than \$100 in any calendar year.

Effective: January 1, 2020.

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January 14, 2019, read first time and referred to Committee on Elections and Apportionment.



First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1318

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 3-9-2-3, AS AMENDED BY P.L.118-2017,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2020]: Sec. 3. (a) Notwithstanding IC 23-0.5-8-2 or any
4 other statute, a corporation or labor organization may make a
5 contribution to aid in the:
6 (1) election or defeat of a candidate; or
7 (2) the success or defeat of:
8 (A) a political party; or
9 (B) a public question submitted to a vote in an election.
10 (b) Contributions by a corporation or labor organization are limited
11 to those authorized by sections 4, **4.5**, 5, and 6 of this chapter.
12 (c) A national bank or a corporation organized by authority of any
13 law of Congress must comply with contribution restrictions applicable
14 to Indiana elections under 52 U.S.C. 30118.
15 SECTION 2. IC 3-9-2-4.5 IS ADDED TO THE INDIANA CODE
16 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
17 JANUARY 1, 2020]: **Sec. 4.5. (a) This section applies only to the**



- 1 following:
- 2 (1) An individual who holds a legislative office.
- 3 (2) A candidate for a legislative office.
- 4 (b) An individual described in subsection (a) may not accept
- 5 contributions of more than one hundred dollars (\$100) in any
- 6 calendar year from any corporation, labor organization, or
- 7 individual or any other person.
- 8 SECTION 3. IC 3-9-4-16, AS AMENDED BY P.L.225-2011,
- 9 SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 10 JANUARY 1, 2020]: Sec. 16. (a) In addition to any other penalty
- 11 imposed, a person who does any of the following is subject to a civil
- 12 penalty under this section:
- 13 (1) Fails to file with the election division a report in the manner
- 14 required under IC 3-9-5.
- 15 (2) Fails to file a statement of organization required under
- 16 IC 3-9-1.
- 17 (3) Is a committee or a member of a committee who disburses or
- 18 expends money or other property for any political purpose before
- 19 the money or other property has passed through the hands of the
- 20 treasurer of the committee.
- 21 (4) Makes a contribution other than to a committee subject to this
- 22 article or to a person authorized by law or a committee to receive
- 23 contributions on the committee's behalf.
- 24 (5) Is a corporation or labor organization that exceeds any of the
- 25 limitations on contributions prescribed by IC 3-9-2-4.
- 26 (6) Makes a contribution in the name of another person.
- 27 (7) Accepts a contribution made by one (1) person in the name of
- 28 another person.
- 29 (8) Is not the treasurer of a committee subject to this article, and
- 30 pays any expenses of an election or a caucus except as authorized
- 31 by this article.
- 32 (9) Commingles the funds of a committee with the personal funds
- 33 of an officer, a member, or an associate of the committee.
- 34 (10) Wrongfully uses campaign contributions in violation of
- 35 IC 3-9-3-4.
- 36 (11) Violates **either of the following:**
- 37 (A) IC 3-9-2-4.5.
- 38 (B) IC 3-9-2-12.
- 39 (12) Fails to designate a contribution as required by IC 3-9-2-5(c).
- 40 (13) Violates IC 3-9-3-5.
- 41 (14) Serves as a treasurer of a committee in violation of any of the
- 42 following:



- 1 (A) IC 3-9-1-13(1).
2 (B) IC 3-9-1-13(2).
3 (C) IC 3-9-1-18.
- 4 (15) Fails to comply with section 4(d) of this chapter.
5 (16) Violates IC 3-9-3-2.5 by making a communication that
6 contains a disclaimer that is not presented in a clear and
7 conspicuous manner required by IC 3-9-3-2.5(d) and
8 IC 3-9-3-2.5(e). This subdivision does not apply to a person
9 whose sole act is, in the normal course of business, participating
10 in the preparation, printing, distribution, or broadcast of the
11 communication containing the disclaimer.
- 12 (b) This subsection applies to a person who is subject to a civil
13 penalty under subsection (a)(1) or (a)(2) for filing a defective report or
14 statement. If the commission determines that a person failed to file the
15 amended report or statement of organization not later than noon five (5)
16 days after being given notice under section 14 of this chapter, the
17 commission may assess a civil penalty. The penalty is ten dollars (\$10)
18 for each day the report is late after the expiration of the five (5) day
19 period, not to exceed one hundred dollars (\$100) plus any investigative
20 costs incurred and documented by the election division. The civil
21 penalty limit under this subsection applies to each report separately.
- 22 (c) This subsection applies to a person who is subject to a civil
23 penalty under subsection (a)(1) or (a)(2) for a delinquent report or
24 statement. If the commission determines that a person failed to file the
25 report or statement of organization by the deadline prescribed under
26 this article, the commission shall assess a civil penalty. The penalty is
27 fifty dollars (\$50) for each day the report or statement is late, with the
28 afternoon of the final date for filing the report or statement being
29 calculated as the first day. The civil penalty under this subsection may
30 not exceed one thousand dollars (\$1,000) plus any investigative costs
31 incurred and documented by the election division. The civil penalty
32 limit under this subsection applies to each report separately.
- 33 (d) This subsection applies to a person who is subject to a civil
34 penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or
35 (a)(10). If the commission determines that a person is subject to a civil
36 penalty under subsection (a), the commission may assess a civil penalty
37 of not more than one thousand dollars (\$1,000), plus any investigative
38 costs incurred and documented by the election division.
- 39 (e) This subsection applies to a person who is subject to a civil
40 penalty under subsection (a)(5). If the commission determines that a
41 person is subject to a civil penalty under subsection (a)(5), the
42 commission may assess a civil penalty of not more than three (3) times



1 the amount of the contribution in excess of the limit prescribed by
2 IC 3-9-2-4, plus any investigative costs incurred and documented by
3 the election division.

4 (f) This subsection applies to a person who is subject to a civil
5 penalty under subsection (a)(11). If the commission determines that **an**
6 **individual who holds a legislative office or is a candidate for a**
7 **legislative office has violated IC 3-9-2-4.5, or** a candidate or the
8 candidate's committee has violated IC 3-9-2-12, the commission shall
9 assess a civil penalty equal to the greater of the following, plus any
10 investigative costs incurred and documented by the election division:

11 (1) Two (2) times the amount of any contributions received.

12 (2) One thousand dollars (\$1,000).

13 (g) This subsection applies to a person who is subject to a civil
14 penalty under subsection (a)(12). If the commission determines that a
15 corporation or a labor organization has failed to designate a
16 contribution in violation of IC 3-9-2-5(c), the commission shall assess
17 a civil penalty equal to the greater of the following, plus any
18 investigative costs incurred and documented by the election division:

19 (1) Two (2) times the amount of the contributions undesignated.

20 (2) One thousand dollars (\$1,000).

21 (h) This subsection applies to a person who is subject to a civil
22 penalty under subsection (a)(13). If the commission determines, by
23 unanimous vote of the entire membership of the commission, that a
24 person has violated IC 3-9-3-5, the commission may assess a civil
25 penalty of not more than five hundred dollars (\$500), plus any
26 investigative costs incurred and documented by the election division.

27 (i) This subsection applies to a person who is subject to a civil
28 penalty under subsection (a)(14). If the commission determines, by
29 unanimous vote of the entire membership of the commission, that a
30 person has served as the treasurer of a committee in violation of any of
31 the statutes listed in subsection (a)(14), the commission may assess a
32 civil penalty of not more than five hundred dollars (\$500), plus any
33 investigative costs incurred and documented by the election division.

34 (j) This subsection applies to a person who is subject to a civil
35 penalty under subsection (a)(15). The commission may assess a civil
36 penalty equal to the costs incurred by the election division for the
37 manual entry of the data contained in the report or statement, plus any
38 investigative costs incurred and documented by the election division.

39 (k) This subsection applies to a person who is subject to a civil
40 penalty under subsection (a)(16). If the commission determines that a
41 person is subject to a civil penalty under subsection (a)(16), the
42 commission may assess a civil penalty of not more than one thousand



1 dollars (\$1,000) for each communication circulated or published (but
2 not for each of the copies of the communication actually circulated or
3 published), plus any investigative costs incurred and documented by
4 the election division.

5 (l) All civil penalties collected under this section shall be deposited
6 with the treasurer of state in the campaign finance enforcement
7 account.

8 (m) Proceedings of the commission under this section are subject to
9 IC 4-21.5.

