

SENATE BILL No. 228

DIGEST OF INTRODUCED BILL

Citations Affected: IC 3-9; IC 3-14-1-10; IC 35-52-3-6.

Synopsis: PAC contributions to a school board candidate. Provides that a political action committee (PAC) may not make total annual contributions in excess of an aggregate of \$5,000 apportioned in any manner to a specific candidate for a school board office. Specifies a civil and criminal penalty for a PAC that violates this limitation.

Effective: July 1, 2025.

Hunley

January 8, 2025, read first time and referred to Committee on Elections.



First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

SENATE BILL No. 228

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 3-9-2-6.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2025]: **Sec. 6.5. During a year a political action committee may**
4 **not make total contributions in excess of an aggregate of five**
5 **thousand dollars (\$5,000) apportioned in any manner to a specific**
6 **candidate for a school board office.**

7 SECTION 2. IC 3-9-4-17, AS AMENDED BY P.L.169-2015,
8 SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2025]: Sec. 17. (a) In addition to any other penalty imposed,
10 a person who does any of the following is subject to a civil penalty
11 under this section:

- 12 (1) Fails to file with a county election board a report in the
13 manner required under IC 3-9-5.
14 (2) Fails to file a statement of organization required under
15 IC 3-9-1.
16 (3) Is a committee or a member of a committee who disburses or
17 expends money or other property for any political purpose before



the money or other property has passed through the hands of the treasurer of the committee.

(4) Makes a contribution other than to a committee subject to this article or to a person authorized by law or a committee to receive contributions in the committee's behalf.

(5) Is a corporation or labor organization that exceeds any of the limitations on contributions prescribed by IC 3-9-2-4.

(6) Makes a contribution in the name of another person.

(7) Accepts a contribution made by one (1) person in the name of another person.

(8) Is not the treasurer of a committee subject to this article, and pays any expenses of an election or a caucus except as authorized by this article.

(9) Commingles the funds of a committee with the personal funds of an officer, a member, or an associate of the committee.

(10) Wrongfully uses campaign contributions in violation of IC 3-9-3-4.

(11) Fails to designate a contribution as required by IC 3-9-2-5(c).

(12) Violates IC 3-9-3-5.

(13) Serves as a treasurer of a committee in violation of any of the following:

(A) IC 3-9-1-13(1).

(B) IC 3-9-1-13(2).

(C) IC 3-9-1-18.

(14) Violates IC 3-9-3-2.5 by making a communication that contains a disclaimer that is not presented in a clear and conspicuous manner, as required by IC 3-9-3-2.5(d) and IC 3-9-3-2.5(e). This subdivision does not apply to a person whose sole act is, in the normal course of business, participating in the preparation, printing, distribution, or broadcast of the communication containing the disclaimer.

(15) Is a political action committee that exceeds the limitation on contributions prescribed by IC 3-9-2-6.5.

(b) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for filing a defective report or statement. If the county election board determines that a person failed to file the report or a statement of organization not later than noon five (5) days after being given notice under section 14 of this chapter, the county election board may assess a civil penalty. The penalty is ten dollars (\$10) for each day the report is late after the expiration of the five (5) day period, not to exceed one hundred dollars (\$100) plus any investigative costs incurred and documented by the board. The civil



penalty limit under this subsection applies to each report separately.

(c) This subsection applies to a person who is subject to a civil penalty under subsection (a)(1) or (a)(2) for a delinquent report or statement. If the county election board determines that a person failed to file the report or statement of organization by the deadline prescribed under this article, the board shall assess a civil penalty. The penalty is fifty dollars (\$50) for each day the report is late, with the afternoon of the final date for filing the report or statement being calculated as the first day. The civil penalty under this subsection may not exceed one thousand dollars (\$1,000) plus any investigative costs incurred and documented by the board. The civil penalty limit under this subsection applies to each report separately.

(d) This subsection applies to a person who is subject to a civil penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or (a)(10). If the county election board determines that a person is subject to a civil penalty under subsection (a), the board may assess a civil penalty of not more than one thousand dollars (\$1,000), plus any investigative costs incurred and documented by the board.

(e) This subsection applies to a person who is subject to a civil penalty under subsection (a)(5). If the county election board determines that a person is subject to a civil penalty under subsection (a)(5), the board may assess a civil penalty of not more than three (3) times the amount of the contribution in excess of the limit prescribed by IC 3-9-2-4, plus any investigative costs incurred and documented by the board.

(f) This subsection applies to a person who is subject to a civil penalty under subsection (a)(11). If the county election board determines that a corporation or a labor organization has failed to designate a contribution in violation of IC 3-9-2-5(c), the board shall assess a civil penalty equal to the greater of the following, plus any investigative costs incurred and documented by the board:

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

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

(g) This subsection applies to a person who is subject to a civil penalty under subsection (a)(12). If the county election board determines, by unanimous vote of the entire membership of the board, that a person has violated IC 3-9-3-5, the board may assess a civil penalty of not more than five hundred dollars (\$500), plus any investigative costs incurred and documented by the board.

(h) This subsection applies to a person who is subject to a civil penalty under subsection (a)(13). If the county election board determines, by unanimous vote of the entire membership of the board,



that a person has served as the treasurer of a committee in violation of any of the statutes listed in subsection (a)(13), the board may assess a civil penalty of not more than five hundred dollars (\$500), plus any investigative costs incurred and documented by the board.

(i) This subsection applies to a person who is subject to a civil penalty under subsection (a)(14). If the board determines that a person is subject to a civil penalty under subsection (a)(14), the board may assess a civil penalty of not more than one thousand dollars (\$1,000) for each communication circulated or published (but not for each of the copies of the communication actually circulated or published), plus any investigative costs incurred and documented by the election division.

(j) This subsection applies to a person who is subject to a civil penalty under subsection (a)(15). If the county election board determines that a person is subject to a civil penalty under subsection (a)(15), the board may assess a civil penalty of not more than three (3) times the amount of the contribution in excess of the limit prescribed by IC 3-9-2-6.5, plus any investigative costs incurred and documented by the board.

~~(j)~~ **(k)** All civil penalties collected under this section shall be deposited with the county treasurer to be deposited by the county treasurer in a separate account. The funds in the account are available, with the approval of the county fiscal body, to augment and supplement the funds appropriated for the administration of this title in the county.

~~(k)~~ **(l)** Money in the account established under subsection ~~(j)~~ **(k)** does not revert to the county general fund at the end of a county fiscal year.

~~(l)~~ **(m)** Proceedings of the county election board under this section are subject to IC 4-21.5.

SECTION 3. IC 3-14-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 10. **(a)** A corporation or labor organization that recklessly exceeds any of the limitations on contributions prescribed by IC 3-9-2-4 commits a Class B misdemeanor.

(b) A political action committee that recklessly exceeds the limitation on contributions prescribed by IC 3-9-2-6.5 commits a Class B misdemeanor.

SECTION 4. IC 35-52-3-6, AS ADDED BY P.L.169-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 6. IC 3-14-1-10 defines a ~~crime~~ **crimes** concerning elections.

