



GOVERNMENTAL ETHICS COMMISSION

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Neutral Testimony - HB 2312
Tuesday, February 21, 2023
House Committee on Elections

HB 2312 would make party committees legally responsible for filing reports instead of volunteer party committee treasurers. Additionally, it would make party committees liable for campaign finance violations committed by the party committee instead of volunteer treasurers. Lastly, the bill would place an upper limit on all fines for volunteer party committee treasurers at \$1,000 instead of the usual \$5,000.

CURRENT LAW

Party committees (which definitionally includes central committees) present unique issues with respect to their treasurers. Unlike candidates who are always liable for their own reports, party committees are not. The Campaign Finance Act only holds treasurers liable for reporting violations in a party committee. Not even the party committee itself is responsible for any reporting issue.

The existence of a party committee depends on someone being appointed as a treasurer, as opposed to candidates who can always appoint themselves. This creates situations where party committees often appoint volunteer treasurers who often drew the short straw. The organization may have procedures in place where other people do much of the heavy lifting of the campaign finance report, but the signature – and the assigned liability thereof – falls only on this treasurer. Currently, there is no avenue for the campaign finance act to hold anyone responsible for a reporting violation of a party committee other than the treasurer, not even the party committee itself.

WHAT HB 2312 DOES

HB 2312 has a few parts that are all in service to the same goal.

First, party committees that have volunteer treasurers (or who pay a treasurer but do not file a surety bond) are liable for all reporting requirements instead of the treasurer. This means if a report goes unfiled, the automatic civil penalty (the late fee) and if necessary, any resulting civil fine related to reporting are the responsibility of the party committee itself. This has the effect of exempting volunteer treasurers from most campaign finance liability, placing that burden on the party committee.

Second, if a volunteer treasurer commits a violation of the campaign finance act that necessitates a fine, the maximum fine is \$1,000 instead of the normal \$5,000/\$10,000/\$15,000 structure.

Third, volunteer party committee treasurers are specifically exempted from liability for any violation that was actually committed by the party committee, and is only liable for intentional violations they personally commit.

SUGGESTED AMENDMENT

Generally speaking, this bill addresses an important concern. Party committees seem to be the entities that have the largest recurring issues where a volunteer treasurer is the only person who can be held responsible for a report they had very little actual role in developing.

The fine cap as written is slightly overbroad – the bill already exempts volunteer treasurers from any violation that they did not intentionally commit. The intention appears to be ensuring that volunteer treasurers are not ever faced with substantial liability for their conduct as treasurer. As such, I would recommend an amendment on page 5, line 13, to replace “the campaign finance act” to “K.S.A. 25-4148, K.S.A. 25-4148a, K.S.A. 25-4148c, or K.S.A. 25-4148d” to apply the fine cap to the reporting issues addressed by this legislation.