Approved P. H. 3-11-85.

MINUTES OF THE	House	COMMITTEE ON	Elections		
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The meeting was called to order by ___Representative Richard L. Harper

______, 19_85in room <u>521-S</u> of the Capitol.

9:00 am a.m./p.m. on Friday, March 8,

Representative Flottman, excused

Representative Knopp, excused

Committee staff present:

All members were present except:

Myrta Anderson, Legislative Research Department Ramon Powers, Legislative Research Department

Mary Hack, Revisor of Statutes Office Eric Rucker, Secretary of State's Office Dottie Musselman, Committee Secretary

Conferees appearing before the committee:

Jim Edwards, Kansas Association of Commerce and Industry

Tom Whitaker, Kansas Motor Carriers Association Mike Germann, Kansas Railroad Association

Chairperson Harper called the meeting to order, and recognized Jim Edwards, Kansas Association of Commerce and Industry. HB 2537, An Act relating to elections; concerning certain campaign contributions and expenditures, was up for hearing today. Mr. Edwards appeared before the committee in support of this bill, and urged that the committee pass HB 2537 out of committee (Attachment 1). with a favorable recommendation.

The Chair next recognized Tom Whitaker, Kansas Motor Carriers Association. Mr. Whitaker came before the committee on behalf of the 1,550 member-firms of the association representing the highway transportation industry in support of HB 2537 which would remove the prohibition of citizenship participation by certain corporations and companies. (Attacment 2).

The next conferee appearing before the committee was Mike Germann, Kansas Railroad Association. Mr. Germann appeared also in support of HB 2537.

As there were no questions of the above conferees, the hearing was closed on нв 2537.

Attention was called to previously heard bills which would be considered for final action. HB 2534, An Act relating to the election and terms of members of governing bodies thereof, concerning schools, was first to be acted upon.

Representative Baker made a motion to pass out of committee HB 2534 favorably. Seconded by Representative Crumbaker. Motion carried.

Representative Wilbert made a motion to favorably pass out of committee HB 2535, the Presidential Preference Primary. Seconded by Representative Baker. Motion carried.

Representative Justice moved to favorably pass out HB 2192. Seconded by Representative Blumenthal. Motion carried by a show-of-hands vote.

Representative Blumenthal made a motion to favorably pass out of committee HB 2292. Seconded by Representative Roy. This motion failed by a show-ofhands vote.

Representative Crumbaker made the motion to amend line 32 on HB 2486 to read "150" feet instead of "250". Seconded by Representative Wilbert. Motion carried.

Representative Crumbaker made a motion to favorably pass out of committee Seconded by Representative Wilbert. Motion carried. HB 2486 as amended.

Representative Crumbaker made a motion to favorably pass out of committee Seconded by Representative Baker. Motion carried. HB 2536.

Meeting adjourned.

(att orkment)

LEGISLATIVE TESTIMONY

Kansas Chamber of Commerce and Industry

500 First National Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321



A consolidation of the Kansas State Chamber of Commerce, Associated Industries of Kansas, Kansas Retail Council

HB 2537

March 7, 1985

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

HOUSE ELECTION COMMITTEE

Mr. Chairman and Members of the Committee:

I am Jim Edwards, Director of Public Affairs for the Kansas Chamber of Commerce and Industry. I appreciate the opportunity to appear before you today to express our organizations' support for HB 2537, a bill which would allow all corporations to make either direct campaign contributions or contributions to political action committees.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses plus 215 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

In 1911, the language for KSA 25-1709 was originally drafted and made law. This was during the same era that other laws dealing with campaign finance or election laws

N. Elect. 3/8/85 (attachment #1) were being passed. Some of the laws dealt with the buying of constituent votes by candidates, distributing free alcohol to voters by candidates outside polling places, and others too numerous to mention. Probably good laws for that time period. Almost all of these laws have vanished from the books as years went by, except KSA 25-1709. Why has this one archaic statute survived when all others have vanished. I believe it is because no group has taken the initiative to repeal or amend it. That is the reason that I, as well as other conferees, want to discuss this issue with you today.

As I stated before, times have changed and while the law might have been necessary and proper during the early 1900's, it is not needed now. The businesses listed in the statute have met competition in the market place. In addition, most fall under the review of a regulatory commission, that regulatory commission, specifically the Kansas Corporation Commission, does not have elected members. Two good reasons for the law being on the books in 1911 that are not relevant now.

A question that arises quite often is how utilities would handle contributions. The question can be answered by reviewing past KCC rate hearing rulings as well as looking at proposed KCC written policies. The KCC has ruled that certain contributions by utilities will not be allowed to be included in above-the-line expenses in the rate base. Proposed policy drafts will deal with the issue in the same manner and according to the chief counsel of the KCC, Brian Moline, campaign contributions would most likely be viewed as below-the-line expenses only. Below-the-line expenses would not effect the rate base in simplistic terms. Once again, what might have been a good idea in 1911 is not necessary today.

How do other states handle this issue? Out of the 50 states, 26 allow all corporations, with limited restrictions, to make campaign contributions. Out of the 24 remaining states, 19 states prohibit contributions by <u>any</u> corporations. Further detailing shows that there are only 5 states, including Kansas, that permit corporate, but prohibit regulated industry, contributions.

Recapping my remarks, I would once again remind you that what was needed in the early 1900's is not necessarily needed now. I feel that existing campaign finance statutes as well as KCC regulations can and will govern industry contributions when KSA 25-1709 is amended. I would encourage you to help in this matter by passing HB 2537 out of Committee with a favorable recommendation.

Thank you for the opportunity to appear before you today and I would be happy to answer questions you might have.

(attachments,

STATEMENT

By The

KANSAS MOTOR CARRIERS ASSOCIATION

Supporting House Bill 2537 relating to elections; concerning certain campaign contributions and expenditures.

Presented to the House Elections Committee, Rep. Richard Harper, Chairman; Statehouse, Topeka, Thursday, March 7, 1985.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am Tom Whitaker, Governmental Relations Director of the Kansas Motor Carriers Association with offices in Topeka. I appear here today on behalf of the 1,550 member-firms of our Association representing the highway transportation industry.

Our industry supports House Bill 2537 which would remove the prohibition of citizenship participation by certain corporations and companies. We honestly believe that the current provision of the Kansas election laws is archaic and discriminatory.

The accountability requirements now administered by the Kansas Public Disclosure Commission provide adequate guidelines for those candidates who seek public office and those who support such candidates with campaign contributions. These safeguards should apply equally to all those involved in such election efforts.

Our industry further believes that citizenship involvement in the affairs of government is essential to good government at all levels.

H. Elect. 3/8/87 (attachmut #2) The present language of K.S.A. 25-1709 as amended in the 1984 supplement, discourages those governed by this provision from being full participants in the election process. I'm certain this is not the intent of this Committee or this Legislature.

Permitting certain corporations and companies to become involved in the election process by the passage of House Bill 2537 would eliminate the artificial barriers preventing full citizenship participation by our industry. We indeed support adoption of House Bill 2537 and urge this Committee to recommend the bill for passage.

Thank you for the opportunity to appear before you today. I will be pleased to respond to any questions I may answer.

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MARCH 7, 1985

WIBW NEWS OPINION POLL

Question: Do you favor reenactment of the Kansas Presidential Preference Primary?

Results: 51% Yes

49% No

Another primary favored in poll

Most Kansas voters would like to see the state hold another <u>presidential pri-</u> mar<u>v election in</u> 1984.

The first Kansas Poll of the 1980 campaign shows 57 percent of those polled favor such a primary, 26 percent disapprove and 17 percent are undecided.

The poll, based on 997 telephone interviews statewide conducted between Aug. 22 and Aug. 27, was designed and conducted for The Capital-Journal by Central Research Corporation of Topeka. Complete results are on page 2.

The results of the presidential, Senate and 2nd District congressional races appeared Sunday and the results of another special issue will appear in Thursday's editions.

SEP 3 1980

The widest support for the presidential primary was in the urban 3rd District with 65 percent approving. The 2nd District, which includes Topeka, showed the lowest support — 49 percent.

The 18-to-29 age group showed the greatest support at 75 percent.

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