			240	
MINUTES OF THE <u>House</u> COMM	MITTEE ONElect	ions		•
The meeting was called to order by	Representativ	ve Kenneth R. Chairperson	King	at
9:10 _{a.m./p.m/on} Thursday	, February 23	, 19 <u>89</u> in room .	521-S of th	ne Capitol.

Approved ____

2/28/89

All members were present except:

Committee staff present:

Myrta Anderson, Legislative Research Department Fred Carman, Revisor of Statues Office Ron Thornburgh, Secretary of State's Office Ellie Luthye, Committee Secretary

Conferees appearing before the committee:

Representative R.H. Miller Tom Rehorn Representative Elizabeth Baker Michael Woolf, Common Cause

The meeting of the Election Committee was called to order by Chairman Kenneth R. King at 9:10 a.m.

The first order of business was discussion and final action on HB 2418. Representative Foster made a motion that the bill be passed favorably. Seconded by Representative Dillon.

Representative Baker presented a substitute motion that the bill be tabled. Seconded by Representative Helgerson.

Chairman King then opened HB 2418 for discussion.

After due consideration Chairman King called for a vote on the substitute motion. A voice vote was taken afterwhich a division of vote was called for. The motion was defeated on a vote of 12-5.

The Chairman then called for a vote on Representative Foster's motion. A voice vote was given afterwhich a division of vote was called for. The motion carried 10-7. Representatives Baker, Helgerson, Johnson and Sawyer requested their vote be recorded as "no".

Chairman King next called on Representative R.H. Miller to explain $\underline{\text{HB}}$ 2359. He presented written testimony in support of this bill. (Attachment I) He explained the bill section by section stating the reasons for making the changes in the current law.

Former Senator Tom Rehorn was the next conferee to appear before the committee. He stated he felt it was necessary for all people to be held accountable, including local officers, and he felt it was important to bring all groups under public disclosure laws.

Representative Baker presented written testimony supporting $\underline{\text{HB}}$ $\underline{2359}$, stating she felt this reform would strengthen the two-party system and result in greater public accountability of candidates and elected officials. (Attachment II)

CONTINUATION SHEET

MINUTES OF THE	House COMMITTEE ON _	Elections	,
room _521-S, Statehouse,	at9:10 a.m./p/n//øn	Thursday, February 23	3, 1989.

The next conferee to appear before the committee in support of $\underline{\text{HB }2359}$ was Michael Woolf, Common Cause. He presented written testimony as well as copies of $\underline{\text{HB }2359}$ which showed the changes Common Cause advocates. (Attachment III)

Following a time of questions to the conferees from the committee members, Chairman King adjourned the meeting at 10:15 a.m., stating the opponents of \underline{HB} 2359 would be heard at the next committee meeting on Tuesday, February 28th. Representative Helgerson requested that Carol Williams, Public Disclosure Commission, be asked to return at that time to answer any questions the committee might have in regard to this bill. She agreed to do so.

The next meeting of the Elections Committee will be held on Tuesday, February 28th, 9:00 a.m. in Room 521-S.

GUEST LIST

COMMITTEE: Elections DATE: February 23, 1989 NAME (PLEASE PRINT) ADDRESS COMPANY/ORGANIZATION Jana Atchison Law Williams. KPDC RUNNER KS ASSA Broad-asters ROBERT H. MILLER MAJORITY LEADER



ROOM 381-W. STATE CAPITOL TOPEKA, KANSAS 66612-1591 (913) 296-2302

HOUSE OF REPRESENTATIVES

HB2359

This is a piece of legislation I'm very serious about. In a minute, I'll go through it section by section.

A wide variety of people, including lobbyists, elected officials and party activists, are concerned about where campaigning in Kansas is going.

The rapidly escalating cost of campaigns, the dominance of PAC money in campaign coffers, and the number of negative news accounts about the use of this money give support to reform this session, before we get into another campaign year.

The publicity on the Congressional pay proposal, coupled with the public perception that legislators think every thing is "just hunky-dory" only makes our image worse and your job today more important.

Last December, we attended a seminar in Lawrence on the "Congressionalization of State Legislatures." Let's not copy the big boys on this one; lets clean up our image now - it really won't hurt.

This committee really has the opportunity to be the "Press Relations" arm of the Kansas political community.

The resources are vast, we aren't in a vacuum. The people only see what we let them see and they don't like it.

\$1,722,650

In the 1986 election for the Kansas House of Representatives, Political Action Committees (PACs) and out-of-state organizations contributed \$1,722,650-nearly 60° out of every campaign dollar.

Robert Miller thinks PACs and out-of-state contributors are hurting good government. He won't take their money.

Campaigns can be expensive, though, and Robert Miller needs local contributions to help in his re-election effort.

If you agree, please do your part by sending a small contribution today.

Send your check to: Miller for State Representative, R.R.#1, Wellington

(Pol. Adv.)

Paid for by a lot of local people who want Robert Miller re-elected Chris Hemmingsen, Chairman STATE OF KANSAS

ELIZABETH BAKER
REPRESENTATIVE, EIGHTY-SECOND DISTRICT
SEDGWICK COUNTY

601 HONEYBROOK LANE DERBY, KANSAS 67037



COMMITTEE ASSIGNMENTS
CHAIRMAN: ECONOMIC DEVELOPMENT

MEMBER: ELECTIONS
JOINT COMMITTEE ON
ECONOMIC DEVELOPMENT
LOCAL GOVERNMENT

TOPEKA

February 22, 1989

HOUSE OF REPRESENTATIVES

TO:

House Committee on Elections

FROM:

Representative Elizabeth Baker

RE: H.B. 2359

H.B. 2359 amends the Campaign Finance Act and would bring significant reform to the State of Kansas. This reform would strengthen our 2-party system and result in greater public accountability of candidates and elected officials.

Candidates increasingly rely upon large contributions from special interest groups e.g., political action committees (PACs). Reliance on PACs produces candidate centered campaigns with the candidate functioning independently of his party and his constituents. Such reliance has considerably weakened the role of the parties, thus threating our 2-party system and its fundamental role in preserving our democracy. The result of candidate centered campaigns are parties that are unable to perform their functions of building coalitions, electing candidates and meeting the needs of their constituents.

Access to "easy money" encourages the elected official to accumulate "war chests" presumably to discourage opposition, but under Kansas law may be appropriated to the personal use of a legislator when he leaves office. Traditionally PACs contribute to incumbents; presumably to avoid their antipathy in the event they are re-elected in the next session. A well funded incumbent can readily intimidate potential opposition. Public accountability is further diminished because quality candidates are not attracted to the system. Most challengers are starving for money. In order to attract quality candidates there must be a level playing field. In addition, elections require a heavy personal investment. Why should someone want to make that investment knowing that lack of access to funds will most likely assure their defeat.

Those legislators that resist the influence of PACs and vote their convictions can expect to be met with retribution at the next election by an angry giants of labor, industry or

Attachment II

business who pour almost unlimited amounts into the challenger's coffers.

Kansas law allows unlimited PAC contributions which only encourages PAC addiction. PAC addicts do not make responsible, responsive elected officials. Kansas law needs reform.

I encourage your support of H.B. 2359.

Cash On Hand As Of December 1988

- 1) House: 125 members, 3 not counted
 - (A) Top 10: \$122,835.24 Top amount \$21,459.37 Average: \$12,283.52 per person
 - (B) Remainder total: \$320,217.88 Average \$2,859.09 - 3 claim 0 or less dollars
 - (C) Overall total: \$443,053.12

Top 10 have 27.7% of all funds or 23.3% more than average.

Top 10

- 1) \$21,459.37
- 2) \$15,947.07
- 3) \$14,934.70
- 4) \$10,993.32
- 5) \$10,740.45
- 6) \$10,390.97
- 7) \$ 9,661.20
- 8) \$ 9,648.31
- 0) # 0,540.31
- 9) \$ 9,565.09
- 10) \$ 9,494.76
- 2) Senate: 40 members, 2 not counted
 - (A) Top 5: \$93,019.13 Top amount \$26,609.09 Average: \$18,603.83 per person
 - (B) Remainder total: \$112,379.50 Average \$3,405.44 - I claimed 0 or less dollars
 - (C) Overall total: \$205,398.63
 Top 5 have 45.3% of all funds or 18% more than average.

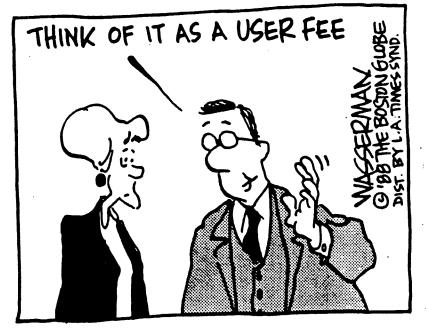
<u>Top 5</u>

- 1) \$26,609.09
- 2) \$23,187.45
- 3) \$17,506.48
- 4) \$12,926.20
- 5) \$12,789.91

















February 23, 1989

Statement in support of House Bill 2359
Presented to the House Committee on Elections
by Michael Woolf, Executive Director

Common Cause of Kansas supports House Bill 2359. Conceptually, this bill would make a number of significant and useful changes in the Campaign Finance Act. Monday, the State Issues Committee of Common Cause met to review the bill. While we want to emphasize our strong support for the bill, there are a number of amendments that we would like the Committee to consider.

I have attached a balloon of the bill to my testimony. I would like to go through HB 2359 section-by-section, briefly explaining our suggested changes and our reasons for supporting each change.

SECTION 1

New Section 1 basically states that a candidate cannot accept more money from political action committees (PACs) than from individual citizens. Common Cause strongly supports this proposal, as we have supported all proposals that will curb the rapid growth of the financial involvement of PACs in the election process. We have a concern as to who would be included as an "individual". If, as written, an "individual" would include a candidate and a candidate's spouse, we would ask that you include the language on the balloon that would prevent these contributions to their own campaign from being included in the equation.

SECTION 2

New Section 2(a) extends the campaign finance reporting system to candidates for local office. Under current law, candidates for local office need only report the amounts raised and spent on their campaign after the election is over. The only way that this information is useful for voters is if they have it available <u>before</u> an election while they are in the process of evaluating candidates.

We question, however, whether this section, and other changes in the bill, will achieve the intended affect. For example, as written, there is some question as to where candidates for local office would file: with the county election office as mentioned in Section 2, or the Secretary of State as designated in Section 8. Also, the existing local reporting statutes need to be repealed. We strongly support the timely reporting of campaign finance information by candidates for local office, but we believe that the reporting requirements for local candidates need to be drawn up in greater detail to properly address this concern.

New Section 2(b) requires candidates who file campaign finance reports

with the Secretary of State to also file a copy of their report with the local county election officer in the county or counties where the campaign is conducted. However, "pursuant to this section" in line 32 and "prescribed by subsection (a)" in line 33 need to be cross referenced to K.S.A. 25-4148.

Full and timely disclosure of campaign financing is not well served when all reports are filed in Topeka. Currently, it is difficult for both citizens and the media to gain access to this information. Common Cause supports filing reports locally because it would allow local citizens and local media a reasonable opportunity to review reports before elections - which is the major intent of the law.

SECTION 3

New Section 3 would require treasurers to list the occupation of individuals who contribute \$200 or more to a candidate. This is a matter of providing full disclosure about sources of funds, which Common Cause supports now as we have in the past. Reporting occupations of contributors is required in federal campaign finance laws, and it is presently required in Kansas for contributions made in campaigns involving constitutional amendments. We would like to ask the Committee to reduce the \$200 threshold to \$50, which is the amount at which contributions must be itemized. We believe that the \$200 threshold is too high. Very few individuals contribute that much to a single candidate. We believe that it should be reported for all contributions that must be itemized. It is helpful for crosschecking and understanding the sources of campaign funds.

SECTION 4

New Section 4 attempts to prohibit transferring money from a campaign fund to the candidate for personal use. Common Cause is currently supporting a similar proposal at the national level, and our concern in this area carries down to the state level. But New Section 4 only prohibits the transfer of the final report balance. This would allow a candidate to transfer the money before the final report; therefore, not correcting the potential abuses.

We would like to ask the Committee to substitute the language on our balloon for New Section 4. This language comes from the model law drawn up by the Council on Governmental Ethics Laws (COGEL). COGEL is made up of public disclosure commission members and staff from across the nation. Their language states that any funds that are not otherwise obligated for the payment of expenses for the campaign shall be given to the state general fund, returned to all contributors pro rata, given to a political party, or any combination of those options.

SECTION 5

New Section 5 requires the Public Disclosure Commission to provide a list of PACs to the local county election officials. The list would contain the PACs registered name and the name of organization with which the PAC is

connected or affiliated. But if the PAC is not affiliated with an organization, the public will still not know what interests the PAC advocates or opposes. We would suggest using the language in K.S.A. 25-4145, which asks for the full name of the affiliated organization, the name or sufficient description of the affiliation, or if the committee is not affiliated with an organization, the trade, profession, or primary interest of the contributors to the PAC. Common Cause supports this section as another way to keep the public fully informed. It not only releases information about who contributed to a campaign, but also what interests the contributions are trying to preserve or further.

SECTION 6

Section 6 makes two changes to the Public Disclosure Commission. First, in increases the number of Commissioners from five to seven members, with the two additional members being appointed by the governor. We believe that the importance of the issues addressed by the Commission necessitates expanding the membership. This would allow the commission to better represent the various interests and geographic areas of the state.

There are two minor technical changes that should be noted. First, lines 72 and 73 state that two appointees will serve two year terms ending in even-numbered years, and that one appointee will serve a two year term ending in even-numbered years. One of these needs to be changed to odd-numbered years so that all three are not serving the same term. Second, line 82 states that The member appointed by the governor shall be the chairperson. Since he will now be appointing three people, it needs to be changed to "The governor shall designate one of his appointees as chairperson of the commission.

Section 6 also requires the Public Disclosure Commission to hire an executive director. This is necessary to improve the administrative capacity of the agency. Currently, the Commission operates with a small staff -- too small to do all the things it needs to do. They need one person who is in charge and able to direct the time of all personnel into the most needed areas of activity. The best campaign finance laws enacted will not achieve their purposes if there is insufficient staff to carry out all of the responsibilities. We also believe that the Public Disclosure Commission should be authorized to hire sufficient staff to carry out the enforcement of the local candidate disclosure sections of this proposal.

And finally in Section 6, we would like to suggest some requirements for people who are allowed to serve on the Commission. On our balloon, we have suggested language that would prohibit a person who is currently, or has within the last year, been: a candidate; a lobbyist; a chairperson or treasurer of a candidate, party, or political committee; a state officer or employee; or a local official or employee that comes under the jurisdiction of the Commission. We do not believe a person who is regulated by a commission should also be allowed to sit on that very same commission. That is a direct conflict of interest.

SECTION 7

Section 7 is the definition section of the Campaign Finance Act. HB 2359 would add a definition of a "local office", which includes any elective city, county, community college district, or school district office, and any locally elective judicial office.

SECTION 8

Section 8 deals with the reporting dates and deadlines for campaign finance information. House Bill 2359 proposes four basic changes to current law:

- 1) moves the reporting date from the sixth day before a primary or general election to the eighth day;
- 2) changes the cutoff date from 10 days before an election to 12 days before;
- 3) changes the December 10th report after the election to January 10th; and
- 4) establishes January 10th as the date when annual reports will be due.

There are a couple of technical changes that need to be made to Section 8. On lines 233 and 237, 10 needs to be changed to 11 so that contributions and expenditures that occur on the eleventh day before an election will be reported, and it seems to us that subsections (1) and (4) would duplicate the reporting of campaign finance information in the year preceding the election.

As I discussed in New Section 3, Common Cause would like to see the occupation of all individual contributors listed whenever the contribution is itemized. This can most easily be done by adding "and occupation" to line 246 after "address". This is also on your balloon.

Common Cause agrees with changing the cutoff date to 12 days before an election, and reported eight days before. This would give weekly newspapers the opportunity to report this information before the election, but it also leaves a void of nearly two weeks in which contributions can come in to a candidate, and the public will have no way of knowing the amounts or where that money came from. Therefore, we recommend that if a candidate receives a contribution of \$200 or more after the cutoff date, the contribution be reported to the Secretary of State and the local election officials within 24 hours of when the contribution is received. This would prevent candidates from holding on to contributions until after the cutoff date and keeping that information from the media and the public until after the election is over.

SECTION 9

Two changes from current law have been proposed in Section 9. Subsection (c) would reduce the limit on PAC contributions from \$750 to \$500 for candidates for Senator, Representative, District and District Magistrate Judge, District Attorney, and members of the State Board of Education. I

testified on this proposal on February 9th when hearings were held on Representative Shallenburger's House Bill 2136. We continue to support this as a way to reduce the power, real and potential, placed in the hands of PACs and the special interests they represent.

Subsection (d) limits political party contributions to candidates for the same offices to \$1000 before the primary election and the same amount before the general election. Currently, political party contributions are unlimited. Unlimited contributions from political parties are unlimited. Unlimited contributions from political parties have resulted in a loophole in our contributions limits. For example, after an individual or PAC has contributed his limit to a candidate, that same individual or PAC can contribute an unlimited amount to a political party, who in turn can contribute an unlimited amount to that candidate. We support this proposal as a way to limit the current loophole.

SECTION 10

Section 10 deals with exemption from filing reports for candidates who plan to raise or spend less than \$500 for their campaign. We have one small change that we would like to propose. Since we will be requiring campaign finance reports to be filed at the local level, we think that it would be appropriate to also file the exemption reports locally. This could be done by changing line 353 to "an affidavit of such intent with the secretary of state and the county election officer of the county or counties in which the campaign is conducted for state offices".

CONCLUSION

There are also two amendments to the bill in general that we believe are necessary:

- 1) amend the penalty section of the Act, K.S.A. 25-4171 to include a violation of New Sections 2, 3, or 4, as class A misdemeanors; and
- 2) amend the title section of the Act, K.S.A. 25-4142 to include New Sections 1 through 5 so they are included when referring to the "Campaign Finance Act".

In closing, I would like to repeat that Common Cause strongly supports the changes proposed in House Bill 2359. If enacted, these changes would open up the election process by better disclosure of campaign finance information, reduce the influence that special interest PAC donations can have on elected officials, and provide better enforcement of regulations.

HOUSE BILL No. 2359

By Representatives Baker, Goossen, Helgerson, R.H. Miller, O'Neal, Sader, Sawyer and Sebelius

2-9

16 AN ACT concerning elections; affecting the campaign finance act; 17 extending the provisions to counties, cities and school districts; 18 making certain acts unlawful and providing penalties for violations; 19 amending K.S.A. 25-4119a, 25-4143, 25-4148, 25-4153 and 25-20 4173, and repealing the existing sections. 21 22 Be it enacted by the Legislature of the State of Kansas: New Section 1. No candidate or candidate committee may re-23 ceive total contributions from political committees which exceed the 24 total of contributions from individuals in any election period. 25 spouse Violation of this section is a class A misdemeanor. 26 New Sec. 2. (a) Local candidates shall file the same reports on 27 the same dates as required of state candidates under the campaign 28 finance act. Reports shall be filed with the county election officer. 29 (b) Every treasurer of a candidate or a candidate committee for 30 other than a statewide election who is required to file a report in 31 the office of the secretary of state pursuant to this section shall file 32 a copy thereof at the times prescribed by subsection (a) in the office 33 of the county election officer of the county or counties in which the 34 campaign is conducted. The county election officer shall retain all 35 reports so filed until December 31 of the following year in which 36 filed. 37 New Sec. 3. When a report is made under this act and the 38 amount being contributed by an individual is \$200-or more, the \$50 39 report shall list the occupation of the individual contributor. 40 New Sec. 4. Any unexpended balance of any candidate on their 41 -final-report shall not be made available for the personal use of the 19 candidate.

other than the candidate and the candidate's spouse

A candidate whose candidate committee has an unexpended balance of funds not otherwise obligated for the payment of expenses incurred to further the candidate's candidacy shall designate how the K.S.A. 25-4148 surplus funds are to be distributed. K.S.A. 25-4148 The surplus funds shall:

- (a) escheat to the general fund;
- (b) be returned pro rata to all contributors;
- (c) in the case of a partisan candidate, be transferred to the state or local central committee of the political party of which the candidate is a member; or
- (d) be distributed using a combination of these options.

New Sec. 5. The Kansas public disclosure commission shall com-

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75 76

77

78

79)

81

pile a list of the full name of all political committees which have filed statements of organization with the secretary of state. The list shall contain the registered name of the political committee as well as the full name of the organization with which the political committee is connected or affiliated. At times selected by the commission, a copy of such list shall be sent to each county election officer and the secretary of state to be publicly posted.

Sec. 6. K.S.A. 25-4119a is hereby amended to read as follows: 25-4119a. (a) The governmental ethies commission created by this section prior to the effective date of this act and in existence in March, 1981 is hereby abolished, and There is hereby created the Kansas public disclosure commission, which shall be the successor in every respect to the powers, duties and functions of the governmental ethics commission so abolished. The Kansas public disclosure commission shall consist of five seven members of whom one three shall be appointed by the governor, one by the president of the senate, one by the speaker of the house of representatives, one by the minority leader of the house of representatives and one by the minority leader of the senate. The terms of such members shall be as follows: The members first appointed by the governor, the speaker of the house of representatives and the president of the senate shall serve until January 31, 1983 have two year terms ending on January 31 of odd-numbered years; and the members first appointed by the minority leader of the house of representatives and by the minority leader of the senate shall serve until January 31, 1982 have two year terms ending January 31 of even-numbered years; and of the members appointed by the governor two shall have two year terms ending January 31 of even-numbered years and one shall have two year terms ending in even-numbered years. When making the appointments the governor shall designate which of the appointees is to have which term. Of the governors appointees, no more than two shall be of the same political party.

(b) The terms of all subsequently appointed members shall be two years commencing on February 1 of the appropriate years. Vacancies occurring on the commission shall be filled for the unexpired term by the same appointing officer as made the original appointment. Members shall serve until their successors are appointed and

or, name or description sufficiently describing the affiliation or, if the committee is not connected or affiliated with any one organization, the trade, profession or primary interest of contributors of the political committee

odd

83

84

85

86

87

88

89

90

91

92

93

94

95 96

97

98

99

100

101

102

103

104

105

106 107

108

109

110

111

112113

114

qualified. The member-appointed by the governor shall be the chairperson of the commission. A majority vote of three four members of the commission shall be required for any action of the commission. The commission may adopt rules to govern its proceedings and may provide for such officers other than the chairperson as it may determine. The commission shall meet at least once each quarter, and also shall meet on call of its chairperson or any two members of the commission. Members of the commission attending meetings of such commission, or attending a subcommittee meeting thereof authorized by such commission, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in subsections (a) to (d), inclusive, of K.S.A. 75-3223 and amendments thereto. The commission may shall appoint an executive director who shall be in the unclassified service and receive compensation fixed by the commission, in accordance with appropriation acts of the legislature, subject to approval by the governor. The commission may employ such other staff and attorneys as it determines, within amounts appropriated to the commission, all of whom shall be in the unclassified service and shall receive compensation fixed by the commission and not subject to approval by the governor.

The Kansas public disclosure commission may adopt rules and regulations for the administration of the campaign finance act. Subject to K.S.A. 25-4178, rules and regulations adopted by the governmental ethics commission created prior to this act shall continue in force and effect and shall be deemed to be the rules and regulations of the commission created by this section of this enactment, until revised, amended, repealed or nullified pursuant to law. All rules and regulations of the commission shall be subject to the provisions of article 4 of chapter 77 of Kansas Statutes Annotated. The Kansas public disclosure commission shall continue to administer all of the acts administered by the governmental ethics commission to which it is successor.

-(d) The commission shall submit an annual report and recommendations in relation to all acts administered by the commission to the governor and to the legislative coordinating council on or before December 1 of each year. The legislative coordinating council shall transmit such report and recommendations to the legislature.

governor shall designate one of his appointees as

(c) No person shall be appointed to the commission who is currently, or has been within the last year, a candidate, lobbyist, chairperson or treasurer of a candidate, party or political committee, a state officer or employee, or a local official or employee that comes under the jurisdiction of the commission.

-(e)

/ 118

(e) - The provisions of	the Kansas	sunset law	shall app	ly to the
Kansas public disclosure	commission a	nd to the of	ice of the	executive
director of the commissi	on.			

- Sec. 7. K.S.A. 25-4143 is hereby amended to read as follows: 25-4143. As used in the campaign finance act, unless the context otherwise requires:
- (a) "Candidate" means an individual who: (1) Appoints a treasurer or a candidate committee,
- (2) makes a public announcement of intention to seek nomination or election to state or local office,
- (3) makes any expenditure or accepts any contribution for the purpose of influencing such person's nomination or election to any state or local office, or
- (4) files a declaration or petition to become a candidate for state or local office.
- (b) "Candidate committee" means a committee appointed by a candidate to receive contributions and make expenditures for the candidate.
- (c) "Commission" means the Kansas public disclosure commission created by K.S.A. 25-4119a, as amended and amendments thereto.
- (d) (1) "Contribution" means: (A) Any advance, conveyance, deposit, distribution, gift, loan or payment of money or any other thing of value made for the purpose of influencing the nomination or election of any individual to state or local office;
- (B) a transfer of funds between any two or more candidate committees, party committees or political committees;
- (C) the payment, by any person other than a candidate, candidate committee, party committee or political committee, of compensation to an individual for the personal services rendered without charge to or for a candidate's campaign or to or for any such committee;
- (D) the purchase of tickets or admissions to, or advertisements in journals or programs for, testimonial events.
 - (2) "Contribution" does not include:
- (A) The value of volunteer services provided without compensation;
- (B) costs to a volunteer related to the rendering of volunteer services not exceeding a fair market value of \$50 during an allocable

<u>(</u>f)

.

.

)

or

- (C) payment by a candidate or candidate's spouse for personal meals, lodging and travel by personal automobile of the candidate or candidate's spouse while campaigning;
- (D) the value of goods donated to events such as testimonial events, bake sales, garage sales and auctions by any person not exceeding a fair market value of \$50 per event.
- (e) "Election" means: (1) A primary or general election for state or local office and (2) a convention or caucus of a political party held to nominate a candidate for state or local office.
- (f) (1) "Expenditure" means: (A) Any purchase, payment, distribution, loan, advance, deposit or gift of money or any other thing of value made for the purpose of influencing the nomination or election of any individual to state or local office;
 - (B) any contract to make an expenditure;
- (C) a transfer of funds between any two or more candidate committees, party committees or political committees;
 - (D) payment of a candidate's filing fees.
 - (2) "Expenditure" does not include:
- (A) the value of volunteer services provided without compensation;
- (B) costs to a volunteer incidental to the rendering of volunteer services not exceeding a fair market value of \$50 during an allocable election period as provided in K.S.A. 25-4149 and amendments thereto:
- (C) payment by a candidate or candidate's spouse for personal meals, lodging and travel by personal automobile of the candidate or candidate's spouse while campaigning or payment of such costs by the treasurer of a candidate or candidate committee;
- (D) the value of goods donated to events such as testimonial events, bake sales, garage sales and auctions by any person not exceeding fair market value of \$50 per event; or
- (E) any communication by an incumbent elected state or local officer with one or more individuals unless the primary purpose thereof is to influence the nomination or election of a candidate.
 - (g) "Party committee" means the state committee of a political

.28

party regulated by article 3 of chapter 25 of the Kansas Statutes Annotated, or the county central committee or the state committee of a political party regulated under article 38 of chapter 25 of the Kansas Statutes Annotated or the bona fide national organization or committee of those political parties regulated by the Kansas Statutes Annotated.

- (h) "Person" means any individual, committee, corporation, partnership, trust, organization or association.
- (i) "Political committee" means any combination of two or more individuals or any person other than an individual, a major purpose of which is to support or oppose any candidate for state or local office, but not including any candidate committee or party committee.
- (j) "Receipt" means a contribution or any other money or thing of value, but not including volunteer services provided without compensation, received by a treasurer in the treasurer's official capacity.
- (k) "State office" means any state office as defined in K.S.A. 25-2505 and amendments thereto.
- (l) "Testimonial event" means an event held for the benefit of an individual who is a candidate to raise funds for such candidate's campaign. Testimonial events include but are not limited to dinners, luncheons, rallies, barbecues and picnics.
- (m) "Treasurer" means a treasurer of a candidate or of a candidate committee, a party committee or a political committee appointed under the campaign finance act or a treasurer of a combination of individuals or a person other than an individual which is subject to paragraph (2) of subsection (a) of K.S.A. 25-4172 and amendments thereto.
- (n) "Local office" means an elective office of a city, county, community college district or school district and any locally elective judicial office.
- Sec. 8. K.S.A. 25-4148 is hereby amended to read as follows: 25-4148. (a) Every treasurer shall file a report prescribed by this section in the office of the secretary of state so that it is received by that office on or before each of the following days:
- (1) The sixth eighth day preceding the primary election, which report shall be for the period beginning on December January 1

_05

of the preceding election year for the office the candidate is seeking and ending 11 12 days before the primary election, inclusive;

- (2) the sixth eighth day preceding a general election, which report shall be for the period beginning 10 days before the primary election and ending 11 12 days before the general election, inclusive;
- (3) December January 10 after an election year, which report shall be for the period beginning 10 days before the general election 11 and ending on November 30 December 31, inclusive.;
- (4) for any calendar year when no election is held, a report shall be filed on the next January 10 for the preceding calendar year;
- (5) a treasurer need only file the annual report required by subsection (4) for those years when the candidate is not participating in a primary or general election.
- (b) Each report required by this section shall state:
- (1) Cash on hand on the first day of the reporting period;
- (2) the name and address of each person who has made one or more contributions in an aggregate amount or value in excess of \$50 during the election period together with the amount and date of such contributions, including the name and address of every lender, guarantor and endorser when a contribution is in the form of an advance or loan;
- (3) the aggregate amount of all proceeds from bona fide sales of political materials such as, but not limited to, political campaign pins, buttons, badges, flags, emblems, hats, banners and literature;
- (4) the aggregate amount of contributions for which the name and address of the contributor is not known;
- (5) each contribution, rebate, refund or other receipt not otherwise listed;
 - (6) the total of all receipts;
- (7) the name and address of each person to whom expenditures have been made in an aggregate amount or value in excess of \$50, with the amount, date, and purpose of each and the names and addresses of all persons to whom any loan or advance has been made; when an expenditure is made by payment to an advertising agency, public relations firm or political consultants for disbursement to vendors, the report of such expenditure shall show in detail the

and occupation r

(6) In addition to the other reporting requirements set out in this section any contribution of \$200 or more made during the period beginning 10 days before the primary and the primary election or during the period beginning 10 days before the general election and the general election, shall be reported within 24 hours of receipt to the Secretary of State and the county election officer of the county or counties in which the election is conducted.

J2

name of each such vendor and the amount, date and purpose of the payments to each;

- (8) the name and address of each person from whom an in-kind contribution was received or who has paid for personal services provided without charge to or for any candidate, candidate committee, party committee or political committee, if the contribution is in excess of \$50 and is not otherwise reported under subsection (b)(7), and the amount, date and purpose of the contribution;
- (9) the aggregate of all expenditures not otherwise reported under this section; and
 - (10) the total of expenditures.
- (c) Treasurers of candidates and of candidate committees shall be required to itemize, as provided in subsection (b)(2), only the purchase of tickets or admissions to testimonial events by a person who purchases such tickets or admissions in an aggregate amount or value in excess of \$50 per event, or who purchases such a ticket or admission at a cost exceeding \$25 per ticket or admission. All other purchases of tickets or admissions to testimonial events shall be reported in an aggregate amount and shall not be subject to the limitations specified in K.S.A. 25-4154 and amendments thereto.
- (d) If a contribution or other receipt from a political committee is required to be reported under subsection (b), the report shall include the full name of the organization with which the political committee is connected or affiliated or, name or description sufficiently describing the affiliation or, if the committee is not connected or affiliated with any one organization, the trade, profession or primary interest of contributors of the political committee.
- (e) The commission may require any treasurer to file an amended report for any period for which the original report filed by such treasurer contains material errors or omissions, and notice of the errors or omissions shall be part of the public record. The amended report shall be filed within 30 days after notice by the commission.
- (f) The commission may require any treasurer to file a report for any period for which the required report is not on file, and notice of the failure to file shall be part of the public record. Such report shall be filed within five days after notice by the commission.
 - (g) For the purpose of any report required to be filed pursuant

309 310 311

304

312

318 319 320

321

317

322 323 324

> 326 327 328

325

330 331 332

329

334 335

333

336 337

8 j

340

to subsection (a) by the treasurer of any candidate seeking nomination by convention or caucus or by the treasurer of the candidate's committee or by the treasurer of any party committee or political committee of which the primary purpose is supporting or opposing the nomination of any such candidate, the date of the convention or caucus shall be considered the date of the primary election.

- (h) If a report is sent to the office of the secretary of state by certified or registered mail on or before the day it is due, the mailing shall constitute receipt by that office.
- Sec. 9. K.S.A. 25-4153 is hereby amended to read as follows: 25-4153. (a) The aggregate amount contributed to a candidate and such candidate's candidate committee and to all party committees and political committees and dedicated to such candidate's campaign, by any person, except a party committee, the candidate or the candidate's spouse, shall not exceed the following:
- (1) For the pair of offices of governor and lieutenant governor and for other state officers elected from the state as a whole, \$3,000 for each primary election (or in lieu thereof a caucus or convention of a political party) and an equal amount for each general election;
- (2) for the office of state senator, member of the house of representatives, district judge, district magistrate judge, district attorney or member of the state board of education, \$750 for each primary election (or in lieu thereof a caucus or convention of a political party) and an equal amount for each general election except as provided in subsection (c) and (d).
- (b) For the purposes of this section, the face value of a loan at the end of the period of time allocable to the primary or general election is the amount subject to the limitations of this section. A loan in excess of the limits herein provided may be made during the allocable period if such loan is reduced to the permissible level, when combined with all other contributions from the person making such loan, at the end of such allocable period.
- (c) The aggregate amount contributed to a candidate and such candidate's candidate committee under subsection (a)(2) shall not exceed \$500 for each primary election and an equal amount for each general election when contributed by a political committee.
 - (d) The aggregate amount contributed to a candidate and such

candidate's candidate committee by a party committee shall not exceed \$1,000 for each primary election (or in lieu thereof a caucus or convention of a political party) and an equal amount for each general election.

Sec. 10. K.S.A. 25-4173 is hereby amended to read as follows: 25-4173. Every candidate for state or local office who intends to expend or have expended on such person's behalf an aggregate amount or value of less than \$500, exclusive of such candidate's filing fee, and who intends to receive or have received on such person's behalf contributions in an aggregate amount or value of less than \$500 in each the primary and the general election shall file, prior to the date that the first report for such year is required to be filed, an affidavit of such intent with the secretary of state for state offices and the county election officer of the home county for local offices. No report required by K.S.A. 25-4148, and amendments thereto, shall be required to be filed by or for such candidate.

Sec. 11. K.S.A. 25-4119a, 25-4143, 25-4148, 25-4153 and 25-4173 are hereby repealed.

Sec. 12. This act shall take effect and be in force from and after its publication in the statute book.

and with the local county election officer in the county or counties in which the campaign is conducted