Approved: February 21, 1996

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION AND ELECTIONS.

The meeting was called to order by the Chair, Rep. Carol Dawson, at 9:00 a.m. on February 13, 1996 in Room 521-S of the Capitol.

All members were present except:

All Present

Committee staff present:

Dennis Hodgins, Legislative Research Department Carolyn Rampey, Legislative Research Department

Jim Wilson, Revisor of Statutes

Donna Luttjohann, Committee Secretary

Conferees appearing before the committee:

Rep. Gary Merritt

Rep. Troy Findley

Others attending: See attached list

Hearing on:

HB 2887: State governmental ethics

Madam Chairman Dawson requested Mr. Jim Wilson, Revisor of Statutes, summarize the bill for the committee. He noted that this legislation would prohibit legislators and their family members to accept employment or economic opportunities that would extend a double pay effect with the State of Kansas.

Chair Dawson recognized Rep. Merritt as the sponsor of the bill. He testified that the intent of the bill is to eliminate abuses that have taken place in the political system and that the public wants a higher ethical standard regarding legislators. See Attachment 1.

The hearing on HB 2887 was closed.

Hearing on:

HB 2920: Election campaign finance; reports filed by treasurers

Madam Chair Dawson recognized Rep. Findley as sponsor of the bill. He testified that disclosing campaign fund receipts in a more timely manner would give the public the opportunity to be better informed before an election. See Attachment 2.

The hearing on HB 2920 was closed.

The minutes of the meetings of February 6, 7 and 9, 1996 were brought to the Committee's attention. On a motion by Rep. Gilbert and seconded by Rep. Benlon, the minutes were approved.

Announcements were made by the Chair and the meeting was adjourned at 10:10 a.m. with the next meeting scheduled for February 14, 1996, in Room 521-S of the Capitol.

GOVERNMENTAL ORGANIZATION AND ELECTIONS COMMITTEE GUEST LIST

DATE: February 13, 1996

NAME	REPRESENTING
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CARY A. MERRITT REPRESENTATIVE, TWENTIETH DISTRICT CONNSON COUNTY 10301 GRANADA OVERLAND PARK, KANSAS 66207

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HEALTH AND HUMAN SERVICES
JOINT COMMITTEE ON PENSIONS,
INVESTMENTS AND BENEFITS

Testimony by Representative Gary Merritt on H.B.2887

Chairwoman Dawson, Vice Chairwoman Benlon and Members of the Governmental Organizations and Elections Committee; I thank you for the opportunity to appear before you today on behalf of H.B.2887.

For the democratic process to work the way it was designed, some boundaries have to be set to ensure everyone is playing by the rules. It is apparent that there have been those who seek to take advantage of a position of power, influence, and the public trust.

It is time to say to the citizens of Kansas, "There are no special rules for special people."

This bill has been co-sponsored by House Leadership of both parties and the purpose intended is to eliminate the types of abuses which have been commonplace in the good 'ol boy political system. I am convinced the public should now demand a higher ethical standard and accountability of the legislature in this election cycle.

The following represents some highlights of the intent of this proposed legislation:

- 1. Only source of compensation from state general and all other revenue funds of the state for any legislator is their total legislative compensation package.
- a. Absolute and total prohibition on any member of the legislature to receive any state money directly or indirectly from the state general funds that it administers, or any revenue fund of any type and source other than their legislative pay.
- b. Includes any direct or indirect payment to legislator and any business that the legislator has a substantial interest in.
- c. Prohibition in paragraph a. and b. above, also applies to any kind of 'contingent interest' or 'contingency payment' by the state.
- d. Probibition also applies to the state issuing any contract or bond or any kind of debt instrument that benefits directly or indirectly any legislator as set forth in subparagraph a. and b.
- II. Prohibition of Paragraph I also applies to any contract or payment entity which is created by a special statute, including but not limited to the Kansas Turnpike Authority, Kansas Development Finance Authority, Kansas Corporation Commission, etc.

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- III. The prohibition of subparagraph a, and b, of Paragraph I, also applies to any contract issued by any political subdivision of the state if the State provides 25% or more of the funding of that political subdivisions revenue in any fiscal year.
- IV. No lawyer/legislator may represent any client before any state agency of any kind unless it is providing representation for himself, a business that the legislator has a "substantial interest" in or a member of their immediate family.
- V. No legislator may serve as a "lobbyist" as it is defined by current law before any state agency.

Exceptions:

Exceptions to the prohibition of subparagraph a. and b. of Paragraph I, if;

- a. the "substantial interest" that the legislator has in an entity receiving state funds from any source is publicly traded and that Legislator owns 5% or less of that publicly traded company.
- b. State contract or bond is awarded as a result of a competitive bid let by the state for the good or service.
- c. Benefit of a a state contract or state agency benefits the general public or a specific section of the general public or a specific class of project. Example; legislator/ farmer may represent family farm corporation before Department of Agriculture getting a pesticide applicator permit or irrigation permit.
- d. any classified state employee or equivalent class of employee in county or city government or school district. Example, school teacher not at a supervisory level or nurse, etc.
 - e. Any tax refund due and owing.

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JOINT COMMITTEE ON ECONOMIC
DEVELOPMENT

TESTIMONY IN SUPPORT OF HOUSE BILL 2920

Madame Chair, members of the committee, I greatly appreciate this opportunity to appear before you today to testify in support of HB 2920. HB 2920 would require candidates for statewide office, as well as the Kansas House and Senate, to disclose their campaign finances in a more timely and comprehensive manner so the public has an opportunity to become better informed about a candidates' financial status before an election.

Currently, candidates for statewide office and the legislature are required to file reports 8 days prior to the primary and general elections. The "cut-off" date for these reports is presently 11 days before the primary or general election. This essentially means that there exists an 11 day window in which contributions flow into candidate campaigns without the public being allowed to scrutinize who is contributing to candidates for elective office in the crucial closing days of a political campaign.

This proposal, which may more easily referred to as "Twenty-Four Hour Reporting," would require candidates for statewide office and the legislature to file a report within 24 hours following the receipt of any contribution or in-kind contribution in an aggregate amount or value of \$250 or more during this window.

Twenty-four hour reporting is not a new concept. It is currently used in a similar fashion at the federal election level. Candidates for the U.S. House of Representatives and the U.S. Senate are required to make similar disclosures during the reporting window that exists between the time final pre-election reports are filed with the Federal Election Commission and Election Day.

House Bill 2920, if enacted into law, would help open the window for greater public scrutiny of candidate campaign finances and allow for Kansas citizens to have increased accountability over their citizen legislature and statewide elected officials. I respectfully urge the committee to take favorable action on HB2920 and would be pleased to stand for questions at this time.

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