Approved:\_\_

### MINUTES OF THE SENATE COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Barbara P. Allen at 1:30 p.m. on February 5, 2003 in Room 245-N of the Capitol.

All members were present except:

Senator Schmidt - excused

Committee staff present:

Ken Wilke, Revisor of Statutes Mike Heim, Legislative Research Dennis Hodgins, Legislative Research Nancy Kirkwood, Committee Secretary

Conferees appearing before the committee: Representative Rehorn

Senator Haley

Carol Williams, Executive Dir., Governmental Ethics Commission

Others attending:

see attached list

Hearing on

# SB 53 - Counties; statement of expenditures; publication of; availability

Chairperson Allen recognized Representative Rehorn to committee. Representative Rehorn testified in support of SB 53 (Attachment 1).

Fiscal note passed out stated it would have no fiscal effect on the state.

Senator Clark made a motion to pass put SB 53 and place on the consent calendar seconded by Senator Jackson. The motion carried.

# Action on SB 40 - Fire district; board of trustees

Senator Gilstrap briefed the committee on SB 40, It is an inter-local agreement with cities and township within a fire district. The County Commissioner could delegate authority, there would be a board appointed by city of Lansing and two fire districts. There was no opposition to the bill. The bill went through the house and passed out. Senator Gilstrap had a request on line 43 with publication in the statute book and amend to register.

Senator Jackson moved to include the change amending publication date to the Kansas register and pass SB 40 favorably, seconded by Senator Clark and the motion carried.

Hearing on

# SB 96 - Campaign finance; exemption from filing certain reports

Senator Haley recognized by Chairperson Allen as a proponent of **SB 96**, states under current Kansas law, the timing of filing of the affidavit of exemption from regular the contribution and expenditure report. Currently, it is an anticipatory that a candidate must know if they are going to raise or expend \$500 in that given period. Sometimes that is not foreseeable. It sends a clear signal, if this is pre-filed before the primary election, that a candidate would be limiting themselves to a certain amount of activity. The amount of money that a candidate raises or spends is in parallel to the success of the candidate in an election. By prefiling this, it may send a correct or incorrect signal that the candidate would be actively involved. At the same time, currently those candidates would have to know if they are going to raise or expend \$500 in that given time period. A candidate may be running for office and may not intend to raise or expend that much money. This must be filed 10 days before a primary election. No written testimony was given.

Carol Williams, Executive Director, Governmental Ethics Commission, briefed the committee how **SB 96** would affect current law (Attachment 2).

### CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ELECTIONS AND LOCAL GOVERNMENT at on February 12, 2003 in Room 245-N of the Capitol.

There being no other conferees to testify on **SB 96**, the hearing was closed.

Hearing on

## SB 97 - Campaign finance; candidate's treasurer

Senator Haley appeared before the committee as a proponent. He states a candidate takes full responsibility for filing reports and fulfilling duties as the treasurer unless the candidate has reported a treasurer to the ethics commission. It is assumed the candidate is the treasurer unless papers have been filed. If the candidate is their own treasurer, they must file all reports and fulfill all duties accordingly. No written testimony was provided.

Carol Williams, Executive Director, Governmental Ethics Commission, briefed the committee how <u>SB 97</u> would affect current law (Attachment3).

There being no other conferees to testify on SB 97, the Chair closed the hearing.

### Adjournment

The meeting adjourned at 2:27 p.m.. The next scheduled meeting is tomorrow, February 6, 2003.

# SENATE ELECTIONS AND LOCAL GOVERNMENT GUEST LIST

Date 2-5-03

Twila Drypread	DAB
Brad Bryant	Sec. of State
Kavina Renna	Ethics
Oma Atchison	Ethica)
Vera Gannavay Caro Williams	GEC
Carol Williams	645
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RICK REHORN

REPRESENTATIVE, 32ND DISTRICT WYANDOTTE COUNTY

STATE CAPITOL, ROOM 278-W TOPEKA, KS 66612-1504 (785) 296-7680



COMMITTEE ASSIGNMENTS
RANKING MINORITY MEMBER: FEDERAL & STATE AFFAIRS
MEMBER: BUSINESS, COMMERCE & LABOR
JUDICIARY

TOPEKA

HOUSE OF REPRESENTATIVES

Testimony Presented
To
Senate Committee on Elections and Local Government
Re: SB#53
By
Representative Rick Rehorn
February 4, 2003

K.S.A. 19-228 (c) currently requires that a detailed list of expenditures be available at the office of the county clerk and at the main branch of the Kansas City Kansas public library. This is a burden on many taxpayers of the Unified Government of Wyandotte County/Kansas City. These two buildings are less than a city block apart and during business hours parking is almost non-existent. Both buildings are in the far eastern part of the county.

In order to provide this information in a more convenient manner this section should be amended to include all branches of the Kansas City Kansas library, the Kansas City Kansas Community College library and the Bonner Springs library. This will provide the information at convenient locations for all residents and taxpayers throughout the county at little cost to the local government.

Thank you.

Senate Elec & Loc Gov 02-05-03 Attachment 1 Administration of Campaign Finance, Conflict of Interest & Lobbying Laws



109 West 9th Street Suite 504 Topeka, Kansas 66612 (785) 296-4219

### **GOVERNMENTAL ETHICS COMMISSION**

# Testimony before Senate Committee on Elections and Local Government on Senate Bill 96

# By Carol Williams, Executive Director February 5, 2003

The Governmental Ethics Commission does not take a position on Senate Bill 96. I stand before you today to provide background information for your consideration when you work this bill.

Senate Bill 96 amends K.S.A. 25-4144, which is a provision of the Campaign Finance Act. Under current law, and since 1974, once an individual becomes a candidate, he or she has ten days to appoint a treasurer, and then an additional ten days to file an Appointment of Treasurer or Candidate Committee form listing the treasurer's name and address with the Secretary of State's office. SB 96 would not require a candidate to appoint a treasurer or candidate committee or perform or assume any of the legal responsibilities of a treasurer, when the candidate files an Affidavit of Exemption from Filing Receipts and Expenditures Reports. Under current law, pursuant to K.S.A. 25-4173, a candidate can file an Affidavit of Exemption from Filing Receipts and Expenditures Reports if the candidate does not intend to take in or spend \$500 or more in both the primary and general election periods. If an Affidavit is filed, the candidate is exempt from filing the pre-primary, pre-general and wrap up general election report for that election year. The candidate must still have a treasurer, and the treasurer must still keep all records and comply with all other provisions of the Campaign Finance Act.

In SB 96, a candidate for state office would qualify to file an affidavit if he or she spent less than \$500 in either the primary or the general election, not the entire election cycle as is current law. Any candidate who did not take in or spend \$500 in the primary, but then raised and expended considerably more money in the general, would not be required to report or keep records for any of this campaign activity. Historically, many candidates will not have an

Senate Elec & Loc Gov 02-05-03 Attachment 2 opponent in the primary and will not receive \$500 in contributions or make \$500 in expenditures until after the primary election. Many of these candidates fully expect to raise and spend more than \$500 in their general election and can not, under current law, file the affidavit due to this fact. SB 96 would permit a candidate to file an affidavit even though he or she fully intends to receive and expend more than \$500 in the general election because \$500 was not received or spent in the primary election. Since no report would be filed showing the general election activity, the public would be denied access to who contributed to the candidate's campaign, how much the candidate raised, what types of campaign expenditures the candidate incurred and the amount of total expenditures the candidate made.

Another point that should be considered in the deliberation of this bill is that until the filing deadline, most candidates do not know if they will have primary opposition. This is usually the determining factor in whether a candidate can keep contributions and expenditures under \$500. A majority of candidates file for office before the filing deadline. In 2002, 356 of the 374 candidates that ran for state office filed before the date of the filing deadline. Under SB 96, those candidates who make an assumption they won't have primary opposition and will qualify for filing an affidavit of exemption won't be required to keep records or perform any duties of the treasurer. If these same candidates end up not qualifying to file the affidavit and are required to file a report, who will file the report? What will the time frame be for them to appoint a treasurer? Who will be responsible for reconstructing all campaign activity up to the reporting deadline? What happens if the candidate doesn't keep records?

If the committee chooses to pass this bill favorably, I would ask that the above issues be addressed, and that K.S.A. 25-4173 be amended to exclude all reference to state candidates, since left as is, K.S.A. 25-4144 and K.S.A. 25-4273 would be in conflict.

Administration of Campaign Finance, Conflict of Interest & Lobbying Laws



109 West 9th Street Suite 504 Topeka, Kansas 66612 (785) 296-4219

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In SB 97, a candidate is not required to appoint a treasurer and report that treasurer's name to the Secretary of State's office within any specific time period. However, as this bill is currently drafted, if a candidate chooses not to appoint a treasurer, the candidate would still be required to appoint a candidate committee and report the name and address of the chairperson and treasurer of this candidate committee to the Secretary of State within the same twenty day time frame required for filing an appointment of treasurer form.

SB 97 further provides that until a treasurer is appointed, the candidate would be responsible for performing all the duties of a treasurer.

Assuming it was not the intent of SB 97 to require the formation of a candidate committee if a treasurer is not named, but to instead leave the matter of making the appointment of a treasurer or candidate committee optional until such time a candidate chooses to name a

Senate Elec & Loc Gov 02-05-03 Attachment 3 treasurer, I wish to make a point. The urgency for appointing a treasurer and filing the appointment of treasurer form is two-fold: (1) No contributions can be received and no expenditures can be made by or on behalf of a candidate until such time as the candidate's appointment of treasurer or candidate committee form is filed with the Secretary of State pursuant to K.S.A. 25-4146(b); and (2) The treasurer needs to receive vital information from the Commission as soon as possible concerning his or her responsibilities and duties under the Campaign Finance Act. Historically, candidates file this form immediately so that they can legally begin raising money and making expenditures for their campaigns.

In the 2000 election year, there were 1,789 candidates who ran for state and local office. Only 32 candidates received a failure to file notice for not filing their appointment of treasurer form on time. Of these 32 candidates, approximately half were Libertarian candidates. In the 2002 election year, there were 556 candidates running for office, with 25 candidates receiving a failure to file notice for failing to file their appointment forms. Again in 2002, many of the Libertarian candidates and 6 judicial candidates were among those who received a failure to file notice.