Session of 2015

## SENATE BILL No. 27

By Committee on Ethics and Elections

1-14

AN ACT concerning candidates and lobbyists; relating to uses of campaign funds; concerning campaign finance disclosures; relating to certain lobbyist filings; amending K.S.A. 25-904, 25-4157, 25-4173, 46-268 {and 46-269} and K.S.A. 2014 Supp. {25-4148a and} 25-4157a and repealing the existing sections.

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Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 25-904 is hereby amended to read as follows: 25-904. (a) Every candidate for election to any city of the second and third class, unified school district, community college or township office subject to this act who intends to expend or have expended on such person's behalf an aggregate amount or value of less than \$500 \$1,000, 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 \$1,000 in each of the primary and the general election elections shall file, not later than the ninth day preceding the primary election, an affidavit of such intent with the county election officer of the county of residence of the candidate. No report required by subsection (b) shall be required to be filed by or for such candidate.

- (b) Except as provided in subsection (a), it shall be the duty of every candidate for nomination or for election to any city of the second and third class, unified school district, community college or township office subject to this act, within 30 days after each primary, general or special election, to file with the county election officer an itemized statement under oath stating the name and address of each person who has made any contribution in excess of \$50 during the election period together with the amount and date of such contributions and an itemized statement of all expenditures made by such candidate or obligations contracted or incurred by such candidate in connection with each primary, general or special election.
- (c) No candidate which is subject to the provisions of the campaign finance act—(, K.S.A. 25-4142 et seq., and amendments thereto), shall be required to file any report required by this section.
- (d) Any candidate who has signed an affidavit pursuant to subsection (a) and who incurs expenses in excess of or receives contributions in excess of \$500 \$1,000, exclusive of such candidate's filing fee for either

 the primary or the general election, shall file the report required by subsection (b).

- Sec. 2. K.S.A. 2014 Supp. 25-4157a is hereby amended to read as follows: 25-4157a. (a) No moneys received by any candidate or candidate committee of any candidate as a contribution under this act shall be used or be made available for the personal use of the candidate and no such moneys shall be used by such candidate or the candidate committee of such candidate except for:
  - (1) Legitimate campaign purposes;
  - (2) expenses of holding political office;
- (3) contributions to the party committees of the political party of which such candidate is a member;
- (4) any membership dues related to the candidate's campaign paid to a community service or civic organization in the name of the candidate;
- (5) any donations paid to-a any organization which is recognized as a 501(c)(3) tax exempt organization {or any religious organization}, community service or civic organization in the name of the candidate or candidate committee of any candidate but only if the candidate receives no goods or services unrelated to the candidate's campaign as a result of the payment of such donations;
- (6) expenses incurred in the purchase of tickets to meals and special events sponsored by any organization the major purpose of which is to promote or facilitate the social, business, commercial or economic well being of the local community; or
- (7) expenses incurred in the purchase and mailing of greeting cards to voters and constituents.

For the purpose of this subsection, expenditures for "personal use" shall include expenditures to defray normal living expenses for the candidate or the candidate's family and expenditures for the personal benefit of the candidate having no direct connection with or effect upon the campaign of the candidate or the holding of public office.

- (b) No moneys received by any candidate or candidate committee of any candidate as a contribution shall be used to pay interest or any other finance charges upon moneys loaned to the campaign by such candidate or the spouse of such candidate.
- (c) No candidate or candidate committee shall accept from any other candidate or candidate committee for any candidate for local, state or national office, any moneys received by such candidate or candidate committee as a campaign contribution. The provisions of this subsection shall not be construed to prohibit a candidate or candidate committee from accepting moneys from another candidate or candidate committee if such moneys constitute a reimbursement for one candidate's proportional share of the cost of any campaign activity participated in by both candidates

involved. Such reimbursement shall not exceed an amount equal to the proportional share of the cost directly benefiting and attributable to the personal campaign of the candidate making such reimbursement.

- (d) At the time of the termination of any campaign and prior to the filing of a termination report in accordance with K.S.A. 25-4157, and amendments thereto, all residual funds otherwise not obligated for the payment of expenses incurred in such campaign or the holding of office shall be contributed to a charitable organization, as defined by the laws of the state, contributed to a party committee or returned as a refund in whole or in part to any contributor or contributors from whom received or paid into the general fund of the state.
- Sec. 3. K.S.A. 25-4157 is hereby amended to read as follows: 25-4157. (a) Before any candidate committee, party committee or political committee may be dissolved or the position of a candidate's treasurer terminated, the treasurer of the candidate or such committee shall file a termination report which shall include full information as to the disposition of residual funds. Any report required by K.S.A. 25-4148, and amendments thereto, may be a termination report. Reports of the dissolution of candidate committees of candidates for state office, the termination of the treasurer of a candidate for state office, the dissolution of a political committee the major purpose of which is to support or oppose any candidate for state office and the dissolution of party committees shall be filed in the office of the secretary of state. Reports of the dissolution of candidate committees of candidates for local office, the termination of the treasurer of a candidate for local office and the dissolution of a political committee the major purpose of which is to support or oppose any candidate for local office shall be filed in the office of the county election officer of the county.
- (b) If a candidate dies with an open candidate committee account which contains campaign funds, the executor or administrator of the candidate's estate shall be responsible for terminating the candidate committee and disposing of the residual funds.
- Sec. 4. 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 \$1,000, 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 \$1,000 in each of the primary and the general elections shall file, not later than the ninth day preceding the primary election, an affidavit of such intent with the secretary of state for state offices. In the case of a candidate for a local office, such affidavit also shall be filed with the county election officer of the county in which the name of the candidate is on the ballot. No report

required by K.S.A. 25-4148, and amendments thereto, shall be required to be filed by or for such candidate.

- Sec. 5. K.S.A. 46-268 is hereby amended to read as follows: 46-268. (a) Except as otherwise provided in subsection (b), every lobbyist shall file with the secretary of state a report of employment and expenditures on a form and in the manner prescribed and provided by the commission. A report shall be filed on or before the 10<sup>th</sup> day of the months of February, March, April, May, September and January. Reports shall include all expenditures which are required to be reported under K.S.A. 46-269, and amendments thereto, or a statement that no expenditures in excess of \$100 were made for such purposes, during the preceding calendar month or months since the period for which the last report was filed.
- (b) For any calendar year in which a lobbyist expects to expend an aggregate amount of less than \$100 for lobbying in each reporting period, a lobbyist shall file an affidavit of such intent with the secretary of state. Such lobbyist shall not be required to file the reports required under subsection (a) for the year for which such affidavit is filed-but shall file a report on or before January 10, which shall include all expenditures made in the preceding calendar year which are required to be reported under K.S.A. 46-269, and amendments thereto. If in any reporting period a lobbyist filing such affidavit expends in excess of \$100 in reportable expenses, a report shall be filed for such period in the manner prescribed by subsection (a).
- Sec. 6. K.S.A. 2014 Supp. 25-4148a is hereby amended to read as follows: 25-4148a. When a report is made under this act and the amount being contributed by an individual is over \$150, the report shall list the occupation—and—industry of the individual contributor. If the individual contributor is not employed for compensation then the report shall list the occupation—and—industry of the contributor's spouse.
- Sec. 7. K.S.A. 46-269 is hereby amended to read as follows: 46-269. Each report required to be filed by K.S.A. 46-268, and amendments thereto, is a public record and shall be open to public inspection upon request. Such report shall disclose the following:
- (a) The full name and address of each person who has paid compensation for lobbying to the lobbyist or has paid for expenses of lobbying by the lobbyist during the period reported.
- (b) The aggregate amount or value of all expenditures made, except for expenses of general office overhead, by the lobbyist or by the lobbyist's employer for or in direct relation to lobbying during the reporting period, if such expenditures exceed \$100. Individual expenditures of less than \$2 shall not be required to be reported under this subsection. Every lobbyist shall keep detailed accounts of all expenditures required to be reported pursuant to K.S.A. 46-268, and

amendments thereto. Such expenditures shall be reported according to the following categories of expenditures:

- (1) Food and beverages provided as hospitality;
- (2) entertainment, gifts, honoraria or payments;
- (3) mass media communications;
- (4) recreation provided as hospitality;
- (5) communications for the purpose of influencing legislative or executive action; and
- (6) all other reportable expenditures made in the performance of services as a lobbyist.

With regard to expenditures for entertainment or hospitality which is primarily recreation, food and beverages, only amounts expended on a state officer or employee or on such officer or employee's spouse shall be considered to be for or in direct relation to lobbying. Notwithstanding the requirements of this subsection and subsection (d), no lobbyist shall be responsible to report any expenditure by the lobbyist's employer of which such person has no knowledge.

- (c) (1) In addition to the information reported pursuant to subsection (b), each lobbyist expending an aggregate amount of \$100 or more for lobbying in any reporting period shall report any gift, entertainment or hospitality provided to members of the legislature, members of the judicial branch of government and any employees of the legislature or judicial branch of government. Such report shall disclose the full name of the legislator, member of the judicial branch and employee who received such gift, entertainment or hospitality the date and the amount expended on such gift, entertainment or hospitality.
- (2) No report shall be required to be filed pursuant to this subsection (c) for the following:
- (A) Meals, the provision of which is motivated by a personal or family relationship;
- (B) meals provided at public events in which the person is attending in an official capacity;
- (C) meals provided to a person subject to this section when it is obvious such meals are not being provided because of the person's official position;
- (D) food such as soft drinks, coffee or snack foods not offered as part of a meal; and
- (E) entertainment or hospitality in the form of recreation, food and beverages provided at an event to which the following have been invited:
- (i) All members of the legislature or all members of either house of the legislature; or
- 42 (ii) all members of a political party caucus of the legislature or all 43 members of a political party caucus of either house of the legislature.

- (d) Except as provided by subsection (c), whenever an individual lobbyist contributes to a single special event, such lobbyist shall report only the aggregate amount or value of the expenditure contributed by such lobbyist.
- (e) Whenever more than one lobbyist is employed by a single employer, the reports required by this section relating to such employer shall be made by only one such lobbyist and that lobbyist shall be the lobbyist who is most directly connected with the particular expenditure or gift, honoraria or payment. No expenditure or gift, honoraria or payment required to be reported by this section shall be reported by more than one lobbyist.
- (f) All accounts, records and documents of the lobbyist which relate to every expenditure reported or which should have been reported shall be maintained and preserved by the lobbyist for a period of five years from the date of the filing of such report or statement and may be inspected under conditions determined by the commission.
- 17 Sec. -6: {8.} K.S.A. 25-904, 25-4157, 25-4173 and 46-268 {and 46-269} and K.S.A. 2014 Supp. {25-4148a and} 25-4157a are hereby repealed Sec. -7: {9.} This act shall take effect and be in force from and after its publication in the statute book.