

MINUTES

SPECIAL COMMITTEE ON ELECTIONS

July 18-19, 1977

Members Present

Senator Paul Burke, Chairperson
Representative Norman Justice, Vice-Chairperson
Senator Frank Smith
Representative Ward Ferguson
Representative Francis Gordon
Representative Glee Jones
Representative John Modrein
Representative Belva Ott
Representative Richard Schmidt

Staff Present

Myrta Anderson, Kansas Legislative Research Department
Julie Mundy, Legislative Fiscal Staff
Mary Ann Torrence, Revisor of Statute's Office

Conferees and Others Present

Lynn Hellebust, Governmental Ethics Commission
LaVina McDonald, Secretary of State's Office
Mary Ritter, Secretary of State's Office
Gary Caruthers, Kansas Medical Society, Topeka
Debby Schmidt, Governor's Office
Pat Storey, Governor's Office
Mike Hryniewicz, Kansas Savings and Loan League
Jim Turner, Kansas Savings and Loan League
Roger Myers, Topeka Daily Capital
Lew Ferguson, Associated Press
Jack Swartz, Kansas Association of Commerce and Industry
Thos. H. Hart, Sr., Lawrence, Kansas
Cindy Schespner, WREN
Carl Schmitthenner, Kansas Dental Society, Topeka

July 18, 1977

Proposal No. 15 and 16 - Conflict of Interest Legislation

Chairman Burke called the meeting to order at 10:00 a.m. and stated that the first item of business would be a staff review of conflict of interest legislation. The staff of the Legislative Research Department then presented a memorandum, which included a general background statement of conflict of interest legislation, an example of the legislation in the State of Washington, a summary of four model bills, a summary of conflict of interest legislation in other states, and a summary of local and state conflict of interest legislation of Kansas. (See Attachment I.)

The first general Kansas conflict of interest law was enacted in 1967. That law was repealed in 1970 and replaced with the present language. The present law was modified in 1974 to apply only to local government. State officials and employees are now covered by K.S.A. 1976 Supp. 46-215 et seq.

In addition, charts were presented by the staff of the Legislative Research Department indicating coverage of conflict of interest legislation in the states, financial disclosure provisions, standards of conduct provisions, penalties to be imposed for violation of Code of Ethics, public access to financial disclosure statements, advisory opinions, and organization of state ethics boards and commissions of selected states. (See Attachment II.) Committee discussion followed.

Lynn Hellebust, Executive Director, Governmental Ethics Commission then presented a summary of Kansas conflict of interest law and the major policy questions to be evaluated when considering possible statutory change. The summary included financial disclosure, standards of conduct, and penalties. (See Attachment III.) Committee discussion followed. In response to a question, Mr. Hellebust stated that the Kansas Governmental Ethics Commission is currently considering whether or not there is a violation of the Kansas conflict of interest law by a member of the Local Housing Authority Board in Wichita. The Kansas conflict of interest law states that members of city boards must either make full disclosure of their substantial financial interests or file reports before voting on matters that affect their business interests. After further Committee discussion, the Chairman adjourned the Committee meeting for lunch.

Afternoon Session

Proposal No. 15 - Governmental Ethics Commission

The Chairman called on Lynn Hellebust, Executive Director, Governmental Ethics Commission to give a summary of the annual report and recommendations of the Governmental Ethics Commission to the 1977 Legislative Session and a summary of H.B. 2575 which contained the Commission's recommended changes relating to conflict of interest. (See Attachment IV and Attachment V.)

Mr. Hellebust then reviewed each of the suggested changes made by the Commission, indicating the section covered in H.B. 2575, and the reasons why the Commission was recommending a change in the statute. (See Attachment V.) Committee discussion followed.

Chairman Burke then called on Thos. H. Hart, Sr., Lawrence who had asked to appear before the Committee to testify on Proposal No. 15 - The Governmental Ethics Commission. Mr. Hart presented a petition to the Committee which was addressed to the Governor, Attorney General and Legislature of the State of Kansas. (See Attachment VI.) The petition stated that the Governmental Ethics Commission had exceeded its authority and should be investigated and abolished for allegedly violating constitutional rights of candidates and public officials.

Chairman Burke accepted the petition with a statement indicating the charge to the Committee on Proposal 15, "a study of the activities, statutory authority, rules and regulations and operations of the Kansas Governmental Ethics Commission" was broad enough to consider such a request.

Mr. Hellebust then resumed his summary of Commission recommendations. Committee discussion followed. Chairman Burke then suggested that one of the policy questions to be determined by the Committee was the question of the difference in penalty provisions of the state level conflict of interest statute (K.S.A. 1976 Supp. 46-274, Class B misdemeanor) and the local conflict of interest statute (K.S.A. 1976 Supp. 75-4306, Class A misdemeanor.) Committee discussion followed. Representative Ferguson then moved that the penalty be uniform for violation of both statutes and that the penalty be an unclassified misdemeanor (the maximum fine to be \$1,000, the minimum fine \$100). Representative Schmidt seconded the motion. Discussion on the motion followed. Motion failed. Representative Ferguson then moved that the penalty be uniform for violation of both statutes and that the penalty be a Class B misdemeanor (six months sentence and/or \$1,000 fine). Representative Schmidt seconded the motion. Motion carried.

Representative Justice then moved a conceptual motion that a bill be drafted to delete the provision that an elected state officer cannot receive appointments to a state office which was created by law during the last term for which such person had been elected. This would, in effect, conceptually repeal K.S.A. 46-234. Representative Ott seconded the motion. Motion carried.

Following Committee discussion, the meeting adjourned.

July 19, 1977

Proposal Nos. 15 and 16 -- Conflict of Interest Legislation

Chairman Burke called the meeting to order at 9:00 a.m. He directed the Committee's attention to H.B. 2575 which contained the Governmental Ethics Commission's recommended changes relating to conflict of interest. He stated that the Committee procedure would be to go over every section and determine what sections would be recommended for passage. (See Attachment IV.)

Following Committee discussion on Section 1, Representative Ferguson moved to delete the word "general", line 32, and to delete all language following the word, "agency", in lines 33 and 34. Representative Jones seconded the motion. Motion carried.

Section 2, page 2. Senator Smith moved to delete the language in lines 68 through line 75. Representative Modrcin seconded the motion. Motion carried.

Section 3. Representative Schmidt made the motion to accept the changes recommended. Senator Smith seconded the motion. Motion carried. After further Committee discussion concerning the fiscal impact of this action, etc., it was decided to pass over the section until Mr. Hellebust could check again with the Commission to determine the current recommendations.

Section 4. Representative Jones moved that the changes recommended in Section 4 be accepted. Representative Modrcin seconded the motion. Committee discussion followed. During Committee discussion the suggestion was made to change the wording in lines 161-163, page 5, to exclude all teachers from filing including those under the State Board of Regents, those under the State Board of Education, Department of Corrections, SRS, etc.

Discussion then followed on the language in lines 164-165, page 5. Representative Jones moved to change the language in line 164-165 to except those individuals appointed to advisory boards and commissions. Representative Modrcin seconded the motion. The Chairman reminded the Committee that a previous motion on Section 4, relating to lines 161-163 was still before the Committee. Representative Jones withdrew her previous motion. Representative Modrcin withdrew his second. The vote was then taken on the motion pertaining to a language change in lines 164-165, page 5, Section 4. Motion carried.

Committee discussion then returned to the topic of exclusion of teachers, Section 4, lines 161-163, page 5. The decision was made to have the Revisor's Office check to see just what teachers would be excluded under the recommended change and to delay a decision until this research was reported on.

Section 5. Representative Jones moved to accept the language changes in Section 5, lines 199-200, page 6. Senator Smith seconded the motion. Motion carried. The decision was made to delay action on the other suggested changes in Sections 5, 6, 7 and 8 until Mr. Hellebust could check with the Governmental Ethics Commission to determine the current recommendation as to where the original of reports and statements required by the Campaign Finance Act, Conflict of Interest Statutes, and Regulation of Lobbying be filed and which office should publish opinions.

Section 9. Representative Ott moved to accept the changes recommended in Section 9. Representative Schmidt seconded the motion. Motion carried.

Section 10. Decision made to pass over changes in lines 269, 288, 290, 299 and 300. Senator Smith moved that the other language changes in Section 10 be accepted. Representative Modrcin seconded the motion. Motion carried.

Section 11. The decision was made to pass over Section 11.

Section 12. The decision was made to pass over changes in Section 12, line 330, page 9. Representative Jones moved to accept the changes in Section 12, subsection (a), page 9. Senator Smith seconded the motion. Motion carried. Representative Schmidt moved to change "three days" to "ten (10) days" in Section 12, subsection (b) line 354. Representative Ferguson seconded the motion. Motion carried. Senator Smith moved to accept the changes in Section 12, subsection (b), page 10. Representative Modrcin seconded the motion. Motion carried. Representative Ott moved to accept the changes in Section 12, subsection (c), page 10. Senator Smith seconded the motion. Motion carried. Committee discussion followed on language in subsection (c) pertaining to the person to be held responsible for accuracy of the lobby report, the reporting lobbyist (person filing the report) or the lobbyist making out the individual report. Representative Ott made a conceptual motion to change the language in Section 12, subsection (c) to include the provision that the reporting lobbyist not be held responsible for fraudulent information given to the reporting lobbyist. (Giving false lobbying information is defined and classified as a crime in K.S.A. 46-275.) Senator Smith seconded the motion. Motion carried. Section 12, subsection (d), page 10, the decision was made to pass over this subsection.

Section 13, subsection (1), lines 379-384. The motion was made by Representative Jones to accept the changes in this section. Senator Smith seconded the motion. Motion carried. Section 13, subsection 2, lines 385-403, Representative Justice moved not to accept the changes recommended in subsection 2. Representative Gordon seconded the motion. Motion carried. Committee discussion followed.

Section 12. Representative Gordon then moved to reconsider the Committee's previous action on Section 12, subsection (b) lines 342-356 and to strike this subsection. Representative Justice seconded the motion. Motion carried. Representative Schmidt moved that the previous Committee action on Section 12, subsection (a) be reconsidered and the language in Section 12, subsection (a), lines 338-341 be reinserted. Representative Ott seconded the motion. Motion carried.

Section 13. Senator Smith moved that the changes in Section 13, subsection (3), lines 404-414, page 11 and Section 13, subsection (b), (c), and (d), lines 415-434 be accepted. Representative Gordon seconded the motion. Motion carried.

Section 14. The decision was made to pass over this section.

Section 15. Representative Jones made the motion to accept the suggested changes in Section 15. Senator Smith seconded the motion. Motion carried.

Section 16. Representative Jones moved that the suggested changes in Section 16 be accepted. Senator Smith seconded the motion. Motion carried.

New Section 17. The decision was made to pass over this section until the decisions were made on rules and regulations pertaining to this section. (See Rules and Regulations 19-60-3, Definitions. (c) (iii) and (iv).)

New Section 18. Senator Smith moved to accept the changes in New Section 18 and to incorporate this definition of gift in the Rules and Regulations. (See Rules and Regulations 19-60-3 (d) gift, page 59). Representative Modrcin seconded the motion. Motion carried.

New Section 19. Representative Ferguson moved that the sentence, lines 513-514 read as follows: "Such report or statement shall be filed within 10 days after receipt of notice sent by the Commission and a copy of the notice of the failure to file shall be part of the public record." Representative Justice seconded the motion. Motion carried. Representative Ferguson then moved that New Section 19 be accepted as amended. Representative Ott seconded the motion. Motion carried.

Section 20. Senator Smith moved that the suggested changes in Section 20 be accepted. Representative Modrcin seconded the motion. Motion carried. Senator Smith then made a conceptual motion that the suggested terminology changes in Section 20 be incorporated into the state conflict of interest law. Representative Ott seconded the motion. Motion carried.

Sections 21-27. Chairman Burke stated that Sections 21 through 27 refer to conflict of interest provisions on the local level and that the policy question to be considered was whether or not the state should impose such conflict of interest provisions on the local units of government. The alternatives are to repeal the existing section relating to local conflict of interest (K.S.A. 75-4301 to 75-4306) or to leave the statutes as they are now. Following Committee discussion the decision was made to delay a decision on these sections until the next meeting (August 17-18).

Representative Ott then moved to accept the changes approved by the Committee on H.B. 2575. Senator Smith seconded the motion. Motion carried.

Senator Burke then called on the staff of the Revisor's Office to review the proposed draft legislation. The Revisor's staff then summarized two proposed bills 7 RS 1556, (Attachment VII) an act relating to the ethical conduct of certain persons in relation to state government amending K.S.A. 1977 Supp. 46-226 and repealing the existing section and 7 RS 1556-1, (Attachment VIII) an act relating to ethical conduct of certain persons in relation to state government; amending K.S.A. 1977 Supp. 46-239 and 46-240 and repealing the existing sections.

Committee discussion followed. Representative Ferguson then moved to accept proposed Bill No. 7 RS 1556-1 (Attachment VIII). Representative Jones seconded the motion. Motion carried.

The Revisor's staff then reviewed proposed bill draft 7 RS 1559, (Attachment IX) an act relating to conflict of interest; amending K.S.A. 75-4306 and repealing the existing section. During Committee discussion the suggestion was made to change the language in line 4 to "any person who knowingly and intentionally fails" and in line 6 to "Class B misdemeanor." Representative Justice moved to accept the proposed bill draft of 7 RS 1559 (Attachment IX) with the recommended changes. Representative Jones seconded the motion. Motion carried.

The Revisor's staff then reviewed proposed bill draft 7 RS 1560, (Attachment X) an act supplementing the campaign finance act; concerning certain expenditures by party committees. Committee discussion followed. The discussion was made to postpone a decision on proposed bill draft 7 RS 1560 (Attachment X) until staff could check with the Governmental Ethics Commission's staff concerning an interpretation of the language "in a substantially equal manner."

Representative Ferguson moved to amend the minutes of June 6-7 as follows: page 1, members present include Representative Norman Justice, Vice Chairperson and Representative Ward Ferguson; page 3, line 24, change "objectives" to "objections"; page 7, line 24, change "included" to "excepted". Senator Smith seconded the motion. Motion carried. Representative Justice then moved to accept the minutes of June 6-7 as amended. Representative Modrcin seconded the motion. Motion carried.

The Committee then set the dates of October 25 and 26 for the October meeting dates and November 14 and 15 for the November meeting dates. Representative Jones said she would be unable to attend the November meeting.

The Chairman then stated the agenda for the August 17-18 meeting would include: a final review of the Rules and Regulations of the Governmental Ethics Commission, Committee consideration of H.C.R. 5026, Committee consideration of H.B. 2575, consideration of other legislation proposed relating to Proposal No. 16 - Campaign Finance Act, and the draft legislation proposed during Committee discussions relating to Proposals 15 and 16. The meeting was then adjourned.

Prepared by Myrta Anderson

Approved by Committee on:

August 17, 1977
Date

MEMORANDUM

July 8, 1977

TO: Special Committee on Elections
FROM: Kansas Legislative Research Department
RE: Conflict of Interest Legislation

For elected officials there is often little or no compensation for public service. Therefore, such citizen-officials are normally not expected to divest themselves of all private interests. Similarly, full-time public employees are often confronted with ambiguous situations where the public interest is not readily identifiable. Consequently, ethics and disclosure laws are adopted as a means of assuring that public officials and employees put the public interest separate from and ahead of private matters.

Recent ethics legislation seeks to elevate the standards of public service in at least four ways by:

1. Specifying acts which are prohibited by public officials;
2. Enunciating codes of ethics applicable to public servants;
3. Requiring procedures to prevent action involving conflicts or at least to attain a more objective review of the situation; and
4. Compelling public disclosure of financial interests.

Various states handle ethics and conflict of interest situations differently. Some states include appointed officials, others only elected officials. Some states include all elected officials and candidates; others only a few at the state level. Others include some employees.

The degree of disclosure of financial interest required varies. Some states include disclosure of what the official perceives to be an interest of potential conflict. Others require detailed, in-depth disclosure of all substantial interests as determined by a threshold. Some states require reports to be public documents. In others they are private. Some states have an independent commission to administer the law. Others have separate bodies for each branch of government.

In addition to having a conflict of interest law on the books, a means of assuring compliance appears to be a necessary ingredient. Administration and enforcement of ethics laws and conflict of interest laws are considered to be more effective under a system of shared responsibilities. An administrative body can review reports for surface completeness and accuracy.

The Example of Washington

The State of Washington has, for example, an executive conflict of interest act (passed in 1969) which agency heads must enforce. There is a provision of law relating to misconduct of public officers, and there is a code of ethics for public officials (passed in 1969) which contains limited disclosure requirements. The code of ethics for municipal officers is limited to "contract interests." For the judicial branch there is a code of judicial conduct. For legislators, the legislative rule and ethics committees consider questions of compliance with those rules.

Washington's public disclosure act, passed in 1972, requires disclosure of financial affairs, campaign financing, and lobbying expenditures. The financial affairs provision covers nearly all elected officials. A referendum added about 425 appointed officials at the state level (agency heads, regents, commission members). The law is administered by the five-member public disclosure commission with its staff of 12.

The courts have emphasized that this kind of legislation cannot be overly broad, vague, or irrelevant. The Washington State Supreme Court, in upholding the constitutionality of the disclosure law, said the law:

"seeks to enlarge the information based upon which the electorate makes its decisions. The right of the electorate to know most certainly is no less fundamental than the right of privacy. When the right of the people to be informed does not intrude upon intimate personal matters which are unrelated to fitness for public office...the candidate or officeholder may not complain that his own privacy is paramount to the interests of the people."

Washington's laws gives the public disclosure commission the authority to suspend or modify the reporting requirements if, in a particular case, literal application of the law causes a "manifestly unreasonable hardship" for the reporting candidate or official and if a modification "would not frustrate the purposes of the act." This rather unusual power has been characterized as a "safety valve." There is no doubt that it has made the law workable. It has enabled the

commission to be human, to recognize and allow for individual differences.

Initially many candidates and elected officials said the disclosure law was passed to punish the sins of a few. Some still cling to that belief but the resistance is disappearing and there is some feeling that the law might even have a few positive features. Disclosure has given individuals an opportunity to demonstrate through a document they certify to be accurate that their actions as public officials cannot be misconstrued or seen as anything other than for the public good. Through full disclosure of financial affairs they can show that they have no ulterior motive, to secure special benefits for themselves or for anyone with whom they are financially involved.

Disclosure can be a protection for an elected official, too. A person with whom an official is linked financially may seek to use that relationship for his or her gain. It is one thing to have a law on the books, but it is something else to find anything being done about it.

A study done of 70 Pudget Sound area school directors' indicated reasons for leaving public office. For 61 percent of them "loss of privacy" (disclosure) was at the bottom of the list. The time requirements, pressure of complex problems, health, and family considerations ranked higher.

Political scandals at all levels of government have triggered legislation to strengthen codes of ethics, require personal financial disclosures and create independent enforcement commissions. Thirty-eight states now require some form of financial disclosure by public officials. Twenty-one of the state laws require local as well as state officials to file financial disclosure statements.

The Washington state financial disclosure laws require fairly extensive disclosure provisions. State and local elected officials are required to disclose for themselves and their families living in the household: major financial interests, creditors, sources of compensation of \$500 or more, real property, and sources of compensation and real property of businesses in which the official or family holds an ownership of ten percent or more.

In upholding the extensive disclosure requirements of the Washington initiative, the Supreme Court of Washington balanced two valued and conflicting societal interests and found:

"The right of the electorate to know most certainly is no less fundamental than the right of privacy. When the right of the people to be informed does not intrude upon intimate personal matters which are unrelated to fitness for public office, the candidate or officeholder may not complain that his own privacy is paramount to the interests of the people."

The United States Supreme Court declined to review the Washington Court's decision as it had declined to review a 1972 decision by the Supreme Court of Illinois upholding that state's disclosure requirement. The Supreme Court of California found California's 1969 law unconstitutional but recently declared the 1973 law constitutional. In 1975, the Maryland Court of Appeals upheld a county ordinance requiring broad financial disclosure.

Twenty-five states have independent ethics commissions. Twenty-one have been created since 1973. One of the strongest of these commissions is the California Fair Practices Commission which was established in 1976. The five-member commission has a one-million dollar-a-year budget, subpoena power, and the authority to issue cease and desist orders and levy civil fines.

Model Bills

There are currently four model bills which have been developed on conflict of interest -- by the National Conference on State Legislatures, the Council of State Governments, Common Cause, and the National Municipal League.

The Committee on Legislative Ethics and Campaign Financing of the National Conference on State Legislatures (NCSL) developed a model conflict of interest act which has been approved by the Committee on Suggested State Legislation and printed in the Council of State Governments' 1976 Suggested State Legislation. (See copy in notebooks.)

The NCSL Act applies to state and local elected and top appointed officials and employees. It establishes certain restricted activities, including a prohibition against representation of a person for compensation before any governmental body and non-ministerial matter. The act requires broad financial disclosure, including sources of income in excess of \$1,000. The act establishes an ethics commission with subpoena power and provides criminal penalties.

The Council of State Governments' Model Act (see copy in notebook) consists of 12 recommendations which include those aspects of conflict of interest which the Committee felt should be written into law. This Model Act recognizes that conflict of interest legislation may differ from the codes of ethics adopted by legislatures which may go further than the provisions of the Model Act. In the Model Act, conflict of interest regulations apply to state and local public officials, including the legislative, executive, and judicial branches.

The Common Cause Model Act is based on the assumption that only strong conflict of interest legislation and its vigorous enforcement can dispel common suspicions that cronyism and corruption are necessary costs of the democratic system. The Common Cause Model Act is also based on the assumption that our complex society presents many opportunities for public officials to benefit at the expense of the public and that there are officials who have and will succumb to such temptations.

The Common Cause Model Conflict of Interest Act establishes a simple principle: "The legislature hereby declares that public office is a public trust and that any effort to realize personal financial gain through public office, is a violation of that trust." The Common Cause Model Act includes several restricted activities and provides a preventive procedure to be used in conflict of interest situations. The Model Act suggests procedures for handling conflict of interest situations and concludes that nothing short of mandatory, periodic and detailed disclosure of personal finances by public officials will permit citizens to determine whether public officials act in the public or private interest.

The National Municipal League's Model Conflict of Interest Act was developed as a major part of the League's Ethics Project. The League's Model Act consists of 15 sections and is still in the draft stage. There is a section prohibiting state officials or employees from representing or assisting any person or business before any state agency or before any agency of any political subdivision of the state for contingency compensation. In addition there is a section prohibiting state officials or employees from representing or assisting others for a fee or other consideration in matters which have been involved in their work for the state. Another section requires state officials and employees to disqualify themselves from official action in conflict situations as much as possible within the limits of the legal responsibility of their position. The League's Model Act recommends two types of provisions which can be used in controlling post-service activities: restrictions on post-service contacts with the governmental agency and restrictions on the use of confidential information. The League's final draft of the Model Act will probably not be available until the early part of 1978.

General Summary - Conflict of Interest
Legislation in Other States

1. At least 15 states have passed no legislation which prescribes conflict of interest by requiring personal finance disclosure. In some states which have passed no legislation there are legislative rules which cover conflict of interest.
2. Most state acts apply financial disclosure requirements to both public officials and candidates for public office. Minnesota, North Carolina, and North Dakota, in addition, specifically mention nominees for appointive public office in their statutes. The laws of Alabama and Kansas, unlike the NCSL bill apply the disclosure requirements to all state employees earning over \$15,000 per year.
3. Although specific language differs, many states require the same basic information in their disclosure reports. Both the source and the amount of income and the names of business interests are almost always required. The kind and amount of stock and description of real property owned are also frequently cited disclosure information. Other states -- including Arizona, Colorado, Florida, Maryland, Michigan, Washington, and Wisconsin -- require officials or candidates to list their creditors. A few states require other information. California, Florida, Illinois, Indiana, Missouri, Maryland, and Texas are examples of states that require the listing of gifts over a specified amount.
4. Few state statutes contain the general conflict of interest prohibitions included in the NCSL bill. The prohibition against a public official's representation of another person before a governmental body (Section 4) is found in the Utah and Florida statutes. Arizona, Alabama, Utah, and Wisconsin specifically prohibit a public official from using confidential information to further his own financial interests. Minnesota, Maine, and Wisconsin are examples of states which disqualify public officials with a financial interest in a decision from participating in that decision. In Connecticut, Oregon, and Maryland legislators may vote despite a conflict of interest if they publicly state that they are convinced that they can vote objectively.

5. Ethics commissions administer conflict of interest laws in about 25 states, but these include over 60 percent of those states which passed conflict of interest legislation. Secretaries of State are given the responsibility in most of the others with disclosure laws.
6. Penalties for violation are usually strong. Alabama, for example, requires a fine of not more than \$10,000 plus imprisonment. States with less severe fines include Arkansas (\$50 to \$500) and Rhode Island (not more than \$500). Several states, including Florida, Minnesota, Oregon, South Dakota, Texas, and Utah, mandate that violators should be removed from office or from the ballot.

Kansas

The first general Kansas conflict of interest law was enacted in 1967. That law was repealed in 1970 and replaced with the present language. The present law was modified in 1974 to apply only to local government. State officials and employees are now covered by K.S.A. 1976 Supp. 46-215 et seq. A summary of the law is as follows:

- 75-4301 - The following words and terms are defined in the definition section: substantial interest, business, public office, public officer, public employee, municipal corporation, quasi-municipal corporation, contracts, acts.
- 75-4302 - This section provides for disclosure of substantial interest by all individuals holding elected local office, candidates for such office, and by anyone appointed to fill a vacancy in an elected office. Changes in the disclosure information must be reported within ten (10) days.
- 75-4303a- This section provides for the Governmental Ethics Commission to render advisory opinions on the interpretation or application.
- 75-4304 - This section provides that local officers and employees shall not participate, with certain statutory exceptions, in the making of a contract with anyone by whom he or she is employed or in whose business he or she has a substantial economic interest. This provision does not apply to contracts let after competitive bidding or contracts for property or services for which the price or rate is fixed by law. Any public officer or employee who is convicted of violating this section shall forfeit his office or employment.

75-4305 - This section provides that any local officer or employee who has not filed a Disclosure of Substantial Interests Statement, and who, while acting in his or her official capacity, shall pass upon any matter which will affect any business in which he or she holds a substantial economic interest, shall, before acting file a written statement of the nature of said interest with the county clerk. In the alternative, the local officer or employee may abstain from any action.

75-4306 - This section provides that any person who violates K.S.A. 75-4304 or 4305, and any person who fails to make any disclosure of substantial interest required by law shall be guilty of a class A misdemeanor.

The following information is taken from a Conflict of Interest Fact Sheet for State Employees distributed by the Governmental Ethics Commission.

What Can A State Employee Not Do?

Among other things, the statutes provide that state officers or employees (not including the judicial branch) cannot:

1. Engage in lobbying his or her own state agency for pay. (46-232)
2. Participate, with certain statutory exceptions, in the making of a contract with anyone by whom he or she is employed or in whose business he or she has a substantial economic interest; or accept employment with any person for one year following termination of employment with the state if, while employed by the state, he or she participated in the making of a contract with that person during the two years preceding termination. (46-233)
3. Accept compensation for performance of official duties, other than that to which he or she is entitled for such performance. (46-235)
4. Solicit anything of value from a person with a special interest if he or she knows or should know the purpose of the donor could be to influence him or her. (46-236)
5. Accept during a calendar year anything of value aggregating more than \$100, with the exception of hospitality in the form of food and beverage, from a person with a special interest if he or she knows or should know the purpose of the donor is to influence him or her. (46-237)

6. Accept from any person with a special interest compensation for property or services in excess of that charged in the ordinary course of business. (46-238)
7. Use confidential information acquired in the course of official duties in order to further his or her own economic interest or that of another. (46-241)
8. Represent any person or entity in certain matters before a state agency for compensation, without first filing a Representative Case Disclosure Statement indicating the name of the person being represented and the purpose of the representation. (46-239)
9. 46-234 restriction on appointment of elected state officers.
10. 46-240 and 242 - restrictions on acceptance of representative cases.

Who Must File A Statement of
Substantial Interest?

Statements of Substantial Interest, which will be distributed through each state agency or which may be obtained from the Governmental Ethics Commission, must be filed by the following officers and employees:

1. Legislators and legislative candidates.
2. Individuals holding an elective office in the executive branch and candidates for such office.
3. State officers and employees receiving compensation from the state at the rate of \$15,000 or more per year as of January 31. However, unclassified "state officers and employees" of institutions under the State Board of Regents whose principal duties are teaching do not have to file.
4. Individuals whose appointment to office is subject to confirmation by the Senate.

What Is The Penalty For Violating The Statute?

Intentional violation of the statute is a class B misdemeanor and also subjects an officer or employee to possible censure or removal from office or position of employment.

Who May File A Complaint?

Anyone believing that a violation has occurred may file a complaint with the Governmental Ethics Commission. Such complaints remain confidential during the commission's investigation and are resolved in a public hearing if the commission concludes that there was probable cause to believe that a violation did in fact occur.

What Are the Commission's General Powers?

The Governmental Ethics Commission is charged with administration of the statutes including the investigation and hearing of complaints. Investigations are conducted in response to complaints or upon the Commission's own initiative. Finally, the Commission renders advisory opinions in writing on questions concerning the interpretation of the statutes.

COVERAGE OF CONFLICT OF INTERESTS LEGISLATION

States	Number Covered	Legislators	Legislative Employees	Statewide Elected	State Employees	Governor Appointees	Candidates	State Judges	Counties & Cities	Comments
Alabama	--	Yes	Some	Yes	Some	Some	Yes	Yes	Yes	A 1975 code was found unconstitutional by a circuit court--now pending before State Supreme Court.
Alaska	2,942	Yes	--	Yes	Some	Yes	Yes	Yes	Some	--
Arizona	--	Yes	Yes	Some	Some	--	--	--	Some	Top aids at state, county & local levels are subject
Arkansas	--	Yes	Some	Yes	Some	Yes	Yes	Yes	Some	Officials in school districts are subject.
California	231,800	Yes	Some	Yes	Some	Yes	Yes	Yes	Yes	--
Florida	101,410	Yes	Yes	Yes	Yes	Some	Yes	Yes	Some	U.S. Senators and Congressmen are subject.
Hawaii	--	Yes	Yes	Yes	Yes	Yes	No	No	No	Financial disclosure remains confidential.
Illinois EO	--	No	No	Gov.	Some	Yes	No	No	No	Code of Ethics by Executive Order.
Illinois GEA	--	Yes	No	Yes	Some	Some	Some	Some	Some	Governmental Ethics Act.
Indiana	--	No	No	Yes	Yes	Yes	Yes	No	No	Legislative branch is not subject to code.
Kansas	570	Yes	Yes	Yes	Some	Yes	Yes	No	Yes	Local officials must file statements of economic interests but are not subject to state ethics code.
Maryland	--	No	No	Some	Yes	Yes	No	No	No	Code of Ethics by Executive Order--does not include financial disclosure.
Michigan	--	No	No	Yes	Yes	Yes	No	No	No	Code of Ethics by Executive Order.
Minnesota	800	Yes	Some	Yes	No	Yes	Some	Yes	No	Also district judges.
Nebraska	7,000	Yes	Some	Some	Some	Yes	No	No	No	--
Nevada	408	Yes	Yes	Yes	Yes	Yes	Yes	--	Yes	Nev. Supreme Court found code unconstitutional.
New Jersey	300	No	No	Gov.	Some	Yes	No	No	No	Code of Ethics by Executive Order.
New York	--	No	No	--	Some	Some	No	No	No	Code of Ethics by Executive Order.
Ohio	7,000	No	No	Yes	Some	Yes	Yes	No	Yes	Judiciary has its own code, Legislature has its own
Oregon	3,425	Yes	--	Yes	Yes	Yes	Yes	No	Yes	Judiciary has its own code.
Pennsylvania	--	No	No	No	Yes	Some	No	--	No	Code of Ethics by Executive Order.
South Carolina	--	No	--	Yes	Yes	Yes	Yes	No	Yes	Candidates must file but not present members of the legislature.
Washington	6,900	Yes	Yes	Yes	No	Some	Yes	Yes	Some	Local elected officials are subject.
Wisconsin	850	Yes	Yes	Yes	Some	Some	Yes	No	No	State employes identified in s. 20.923, Wis. Stats. must file.

NOTE: State employes in Alabama, Illinois, Kansas, and New York are subject to the code of ethics if their yearly salary is \$12,000, \$20,000, \$15,000 and \$30,000 (respectively) or more.

ALB. II

FINANCIAL DISCLOSURE PROVISIONS

Provisions	Alabama	Alaska	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	Florida	Illinois EO	Illinois GEA	Indiana EA	Indiana LEA	Kansas	Kentucky EO(d)	Kentucky FDA	Maine	Maryland FDA	Minnesota	New Jersey EO	New York EO	North Carolina	North Dakota	Ohio	Oregon	South Carolina	South Dakota	Tennessee	Texas	Virginia	Washington	West Virginia	Wisconsin	Hawaii	Nevada	Nebraska	
Names, business address and immediate family identity of significant financial interests	X	X	X	-	X	-	X	-	X	-	-	X	X	X	-	-	X	X	-	X	X	-	-	X	X	-	X	X	-	X	X	-	X	X	X	X	
Cash surrender value of insurance policy	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Names of creditors	X	X	X	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Offices & directorships	X	X	X	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Stock ownership	X	X	X	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Real estate ownership	X	X ^a	X	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Sources of income	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Professional services rendered	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Lease or rental agreements with public agencies	X	X	-	-	X	-	-	-	X	-	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Professional and occupational licenses held	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Identity of fiduciary relationship	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
List of contracts with public agencies	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Gifts	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Compensated representation before state agency	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Fees or honorarium	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Legend

- EO--Executive Order
- GEA--Government Ethics Act
- EA--Ethics Act
- LEA--Legislative Ethics Act
- FDA--Financial Disclosure Act

(a) Alaska and Maryland require information on mineral, oil, or timber leases.

(b) In certain circumstances additional information on income must be given.

(c) Major holdings, net worth statement, and copy of state income tax return.

(d) Maryland law requires disclosure of gifts of real property or of money, including forgiveness of liability.

(e) Texas requires every appointed officer not disclosing under financial disclosure provisions to file a statement of business interests regulated by the State.

STANDARDS OF CONDUCT PROVISIONS

	Use of position to gain benefits	Use of confidential information	Entering into a lease or contract	Restrictions on out-side employment	Restrictions on post employment	Personal interest in proposed legislation	Receipt of gifts	Representation of clients before governmental agencies
Alabama	X	X	X	-	X	-	X	X ^a
Arizona	X	X	X	-	-	X	-	X
Arkansas	X	X	-	X	-	-	X	-
California	X	-	X	-	-	X	-	-
Connecticut	-	X	X	X	-	X	-	X
Florida	X	X	X	X	-	X ^b	X	-
Hawaii	X	X	X	X	X	-	X	X
Illinois GEA	-	X	-	X	-	X ^b	X	X ^c
Indiana	X	X	X	-	-	X	X	-
Iowa	X	X	-	-	-	X	-	-
Kansas	X	X	X	-	X	-	X	X ^a
Louisiana	X	-	-	-	-	-	X	X ^a
Maine	-	-	X	-	-	X	-	-
Maryland	X	X	X	X	-	X	X	X
Michigan	-	X	X	X	-	-	X	X
Minnesota	-	-	-	X	-	X	-	X ^a
Nebraska	X	X	-	X	-	-	X	X
New Jersey	X	X	X	X	-	X	X	X
New York	X	X	X	X	X	-	X	X
Ohio	X	X	-	-	X	-	X	X
Pennsylvania	X	X	-	X	-	-	X	X ^a
South Carolina	X	X	X	X	X	X ^b	-	X ^c
Texas	-	X	-	X	-	-	X	X ^d
Washington	X	-	X	X	-	X	X	X
Wisconsin	X	X	X	-	-	-	X	-

- a) Representation of clients before state agencies is prohibited unless a disclosure of such activity is made in writing to the Ethics Board.
- b) Disclosure of any personal interest or possible conflict of interests must be made before any vote or official action is taken.
- c) Representation of clients before specific regulatory boards or commissions is prohibited.
- d) Only representation cases which are adversary in nature or other public hearing which is a matter of public record are permitted.

PENALTIES TO BE IMPOSED FOR VIOLATION OF CODE OF ETHICS

PENALTIES

	Alabama	Alaska	Arizona	Arkansas	California	Connecticut	Florida	Georgia	Hawaii	Illinois EO	Indiana	Iowa	Kansas	Maryland	Michigan	Minnesota	Nebraska	Nevada	New Jersey	New York	Ohio	Oregon	Pennsylvania	S. Carolina	Texas	Washington	WISCONSIN
1) Directly by Ethics Commissions:																											
a) Fines																											
b) Forfeiture of office or employment					X												X			X							
c) Cease and desist					X												X			X							
d) Other			X ²		X			X									X		X			X					

2) By the Courts											X ⁶							X ²								X ²	
a) Fines																											
b) Forfeiture of office or employment	X	X		X	X		X	X					X														
c) Cease and desist		X		X	X		X	X				X									X			X		X	X
d) Incarceration		X		X	X		X	X				X											X	X	X	X	X
e) Other				X	X		X	X	X ⁴			X			X	X	X			X			X	X	X	X	X

3) By Other Agencies																											
a) Fines																											
b) Forfeiture of office or employment	X ¹						X ¹	X		X		X ¹	X ¹				X				X ¹	X					
c) Cease and desist							X ³			X ⁵	X ⁵		X ⁸	X ⁸			X						X ¹			X	
d) Other																											

NOTES:

Legislature has the power to discipline its own members or to impeach public officials and appointing authorities have the right to suspend or dismiss their employes.

The Commission refers its findings to the Attorney General or district attorney for prosecution.

Suspension, demotion, public censure, reprimand and forfeiture of up to 1/3 of salary for up to 12 months.

The state can recover the illegal fee, compensation, gift or profit.

Disciplinary action is determined by the Governor.

The Board may recommend whatever sanction is appropriate with respect to a particular state employe as will best maintain in the minds of the public a good opinion of the conduct and character of public officials.

Contempt or injunction citation.

Discipline is determined by civil service rules and procedures.

PUBLIC ACCESS TO FINANCIAL DISCLOSURE STATEMENTS

State	Administrative agency	Statements filed with	Public	Confidential
Alabama	State Ethics Commission	Commission	Yes	--
Alaska	Alaska Public Officers Commission	Commission	Yes	--
Arizona	State Ethics Board	Secretary of State	Yes	--
Arkansas	Secretary of State	Secretary of State	Yes	--
California	Fair Political Practices Comm.	Secretary of State and Comm.	Yes	--
Colorado	Attorney General	Attorney General	Yes	--
Connecticut	Joint Legis. Ethics Cmte.	Jt. Legis. Ethics Cmte.	--	Yes
Delaware	Personnel Commission	Personnel Commission	--	Yes
Florida	Ethics Commission	Secretary of State or Clerk of Court	--	Yes
Illinois EO	State Ethics Board	State Ethics Board	Yes	--
Illinois GEA	Secretary of State	Secretary of State and/or County Clerk	Yes	--
Indiana Legis.	Legislative Ethics Cmte.	Legislature	Yes	--
Indiana	Ethics and Conflict of Interest Commission	Governor's Office	--	--
Kansas	Gov'l. Ethics Commission	Secretary of State	Yes	--
Kentucky	Election Finance Registry	Elec. Finance Registry	Yes	--
Kentucky FDA	Finance Disclosure Commission	Commission	Yes	Yes
Kentucky Legislative Ethics	Ethics Board	Ethics Board	--	--
Maine	Legislative Ethics Committee	Leg. Ethics Committee	Yes	--
Maryland FDA	Fin. Disclosure Advisory Bd.	Secretary of State, Adm. Board Elect. Laws(a)	Yes	--
Minnesota	State Ethics Commission	Ethics Commission	Yes	--
New Jersey	Exec. Comm. on Ethical Standards	(b)	Yes	--
New Jersey	Legislative Ethics Cmte.	Legislature	Yes	--
New York EO	Board of Public Disclosure	Dept. of State	--	Yes
North Carolina	Legislative Ethics Committee	State Board of Elections and Legislative Services Officer	Yes	--
North Dakota	Secretary of State, County or City Auditor, Attorney General	Secretary of State, County or City Auditor	Yes	--
Ohio	Commission on Ethics	Commission	Yes	--
Oregon	Government Ethics Commission	Commission	Yes	--
South Carolina	Ethics Commission & Legislature	EC, L, Chief Justice	Yes	--
South Dakota	Secretary of State	Secretary of State(c)	Yes	--
Tennessee	Secretary of State	Secretary of State	Yes	--
Texas	Secretary of State	Secretary of State	Yes	--
Virginia	Attorney General or Attorney of Commonwealth	Attorney General or Attorney of Commonwealth	Yes	--
Washington	Public Disclosure Comm.	Public Disclosure Comm.	Yes	--
West Virginia	Secretary of State Legislative Committee	Secretary of State Legislative Committee	Yes	--
Wisconsin	Clerk of Supreme Court Ethics Board	Clerk of Supreme Court Ethics Board(d)	Yes Yes	-- --

Legend

EO—Executive Order

GEA—Government Ethics Act

FDA—Financial Disclosure Act

(a) For local offices statement is filed with appropriate local Board of Election Supervisors which notifies the Secretary of State and the presiding officer of whichever house is to approve the appointment of the name and date of filing.

(b) Statement must be filed with Governor's Office, Executive Commission on Ethical Standards, the Attorney General, and the Secretary of State. Legislators must file financial statements as well as those relating to conflict of interest with the Clerk of the House or Secretary of the Senate. The Executive Commission on Ethical Standards notifies the executive department or appropriate local authority and the Secretary of State of candidate's failure to file; with respect to judges, the Commission on Judicial Fitness and the Supreme Court are notified; except for judges, no compensation shall be paid until statement has been filed; Secretary of State may remove the name of the candidate from the ballot.

(c) With county auditor for county and local offices.

(d) Candidates for election to state public office and persons nominated by the Governor for appointment to state public office and whose nominations are pending, must file statements of economic interest with the Ethics Board and the Secretary of State; other persons required to file such statements do so with the Ethics Board.

A D V I S O R Y O P I N I O N S

<u>State</u>	<u>Render Advisory Opinions</u>	<u>Availability</u>
Alabama	Yes	Yes ¹
Alaska	Yes	Yes
Arizona	Yes	Yes
California	Yes	Yes ²
Connecticut	Yes	Confidential
Florida	Yes	Yes ¹
Georgia	Yes	Yes
Hawaii	Yes	Yes
Illinois	No	
Indiana	Yes	Yes
Kansas	Yes	Yes ³
Maryland	Yes	Yes ⁴
Minnesota	Yes	Yes ¹
Nebraska	Yes	Yes ⁴
Nevada	Yes	Yes ⁴
New Jersey	Yes	Yes
New Jersey (leg.)	Yes	Some
New York	Yes	Yes
Ohio	Yes	Yes
Pennsylvania	Yes	Yes
South Carolina	Yes	Yes ¹
Washington	No	
Wisconsin	Yes	Confidential

1) Alabama, Florida, Minnesota, and South Carolina statutes authorize the respective ethics board "to issue, upon request, and publish advisory opinions"

2) California requires all the commission's opinions to be public records.

3) The Kansas ethics commission must file all opinions in the office of the secretary of state, these opinions are to be open for public inspection and the secretary of state must publish and distribute the opinions monthly.

4) The Maryland, Nebraska, and Nevada ethics codes require that the advisory opinions be published with deletions as may be necessary to prevent disclosure of the person who requested the advice.

STATE ETHICS BOARDS AND COMMISSIONS OF SELECTED STATES, 1972-75*

Name	Number of members	Appointed by:				Term (Years)	Chairperson (Elected or appointed)
		Gov-ernor	Legis-lature	Judicial	Other		
Alabama State Ethics Commission	5	1	1	2	1	5	E
Alaska Public Officers Commission	5	4	..	..	1	4	E
Arizona Ethics Board	8	8	..	..	..	4	E
California Fair Political Practices Commission	5	2	..	..	3(a)	4	A
Connecticut(b)	8	..	8	..	..	2	(c)
Florida Ethics Commission	9	5	4	..	..	2	E
Illinois Ethics Board	3	3	..	..	..	..	A
Indiana Ethics and Conflict of Interest Commission	5	5	..	..	..	4	A
Kansas Governmental Ethics Commission	11	3	6	2	..	2	A
Kentucky Ethics Board(d)	7	3	4	..	..	..	E
Kentucky Finance Disclosure Review Commission(e)	5	5	..	..	..	2	A
Maryland Financial Disclosure Advisory Board	5	2	2	1	..	4	E
Michigan State Board of Ethics	7	7	..	..	..	4	A
Minnesota Ethics Commission	6	6	..	..	..	4	E
New Jersey Executive Commission on Ethical Standards	7	7	..	..	..	4	A
New York Board of Public Disclosure	7	4	..	..	3(f)	(g)	A
North Carolina Legislative Ethics Committee	9	..	9	..	..	Length of legislative term	A
Ohio Commission on Ethics	6	6	..	..	..	6	E
Oklahoma Ethics Commission	3	1	2	..	..	3	(h)
Oregon Government Ethics Commission	7	3	4	..	..	4	E
Pennsylvania Board of Ethics	5	5	..	..	..	4	A
South Carolina Ethics Commission	6	6	..	..	..	4	E
Washington Public Disclosure Commission	5	5	..	..	..	5	E
Wisconsin Ethics Board	6	6	..	..	..	6	E

*The table includes only commissions established in legislation adopted in 1972 or later. Connecticut is included in the table because the Joint Legislative Ethics Committee has jurisdiction over members and employees of the executive department and employees of the judicial department. Hawaii, Louisiana, Maryland, Nebraska, and New York have ethics commissions or boards established before 1972. Arkansas, Colorado, Delaware, Missouri, South Dakota, Tennessee, Texas, Virginia, and West Virginia have enacted or amended conflict of interest or financial disclosure legislation since 1972, but have no ethics commissions. The Maryland FDAB was authorized by the 1973 financial disclosure law and a 1959 law established an ethics board which is only advisory. New York has two commissions, an advisory one appointed by the Attorney General under the Public Officers Law and the other appointed by the Governor under an executive order.

(a) The Secretary of State, the Attorney General, and the Controller each appoints a member.
 (b) Arizona, California, Connecticut, Indiana, Iowa, Maine, Maryland, New Jersey, New York, Ohio, Oklahoma, North and South Carolina are among the States which have joint or separate legislative ethics committees.

(c) This is a Joint Legislative Ethics Committee with one chairperson from the Senate and one from the House.
 (d) Board's jurisdiction extends only to legislators and legislators-elect; the Kentucky Finance Disclosure Review Commission created by executive order in April 1975 and the Registry of Election Finance administer separate and in some instances overlapping financial disclosure laws.

(e) The Kentucky Press Association, the Kentucky Broadcasters Association, and the Kentucky Association of Certified Public Accountants nominate three members from whom the Governor appoints one; the Governor also appoints a member from major management personnel in the executive branch and a member from the General Assembly.

(f) The Secretary of State, and the Secretary and Counsel to the Governor are members of the board. The public members appointed by the Governor may not hold any public office.

(g) Public members serve during the term of the Governor.

(h) No provision.

Attachment 7
7-18-77

SUMMARY OF KANSAS CONFLICT OF INTEREST LAW
AND MAJOR POLICY QUESTIONS TO BE EVALUATED
WHEN CONSIDERING POSSIBLE STATUTORY
CHANGES

KANSAS LAW	POLICY QUESTIONS
<p>I. Financial Disclosure</p> <p>A. Who:</p> <ol style="list-style-type: none"> 1. <u>State</u> officers and employees must file if in the following categories: <ol style="list-style-type: none"> a. Candidates b. Office holders c. Gubernatorial appointees subject to confirmation d. Employee earning \$15,000 or more per year e. Exceptions: <ol style="list-style-type: none"> (1) Teachers under the Board of Regents (2) All justices, judges and employees of the judicial branch 2. Elected <u>local</u> officials and candidates for such offices must file 	<p>I. Financial Disclosure</p> <p>A. Who must file?</p> <ol style="list-style-type: none"> 1. All <u>state</u> candidates, officers and employees? <ol style="list-style-type: none"> a. Legislaive? <ol style="list-style-type: none"> (1) Elected? (2) Officers and employees? Just certain ones, or all over \$x? b. Executive? <ol style="list-style-type: none"> (1) Elected? (2) Officers and employees? Just certain ones, or all over \$x? c. Judicial? <ol style="list-style-type: none"> (1) Justices, judges and commissioners? (2) Employees? Just certain ones, or all over \$x? 2. All <u>local</u> candidates, officers and employees? <ol style="list-style-type: none"> a. Cities? <ol style="list-style-type: none"> (1) Elected officials? (2) Officers and employees? Just certain ones, or all over \$x? b. Counties? <ol style="list-style-type: none"> (1) Elected officials? (2) Officers and employees? Just certain ones, or all over \$x? c. School districts? <ol style="list-style-type: none"> (1) Elected officials? (2) Officers and employees? Just certain ones, or all over \$x? d. Other?

Atch. III

KANSAS LAW

POLICY QUESTIONS

B. What:

1. Ownership of 5% or \$5000, whichever is less
2. Compensation of \$1000 or more
3. Gifts of \$500
4. Fees or commissions of \$1000 or more
5. Officer or board member of business

C. When:

1. State candidates, officers and employees:
 - a. Candidates - when filing for office
 - b. Gubernatorial appointees - initially when names submitted to Senate and annually on January 31 thereafter
 - c. Office holders and employees - initially when employed and annually on January 31 thereafter
2. Local candidates, officers and employees:
 - a. Candidates - when filing for office and within 10 days of any change thereafter
 - b. Any person appointed to fill a vacancy in elected office - within 30 days of appointment and within 10 days of any change thereafter
 - c. Any local officer or employee not required to file under "a" or "b" above when about to pass upon a matter which will affect any business in which he or she holds an interest

B. What is to be disclosed? Self? Immediate family?

1. Ownership? What dollar level?
2. Income?
 - a. What amount?
 - b. Report amount?
3. Gifts?
4. Fees or commissions?
5. Positions as officers or directors of businesses?

C. When?

1. Annually?
2. Amend if changes during year?

KANSAS LAW

POLICY QUESTIONS

II. Standards of Conduct

II. Standards of Conduct

- A. Who is covered?
1. State officers and employees:
 - a. Legislative
 - (1) Candidates
 - (2) Members
 - (3) Employees
 - b. Executive
 - (1) Candidates
 - (2) Office holders
 - (3) Employees, except for any appointed member of an advisory council, commission or board who serves without compensation other than amounts for expenses as provided in K.S.A. 1976 Supp. 75-3223(e)
 - c. Judiciary - none
 2. Local officers and employees - all, but limited coverage. See only B(2) and D(2) below.
- B. Use of position:
1. State officers and employees cannot:
 - a. Engage in lobbying his or her own state agency for pay
 - b. Accept compensation for performance of official duties, other than that to which he or she is entitled for such performance
 - c. Accept from any person with a special interest compensation for property or services in excess of that charged in the ordinary course of business

- A. Are all state and local employees to be covered?
1. State candidates, officers and employees?
 - a. Legislative?
 - (1) Candidates?
 - (2) Members?
 - (3) Employees?
 - b. Executive?
 - (1) Candidates?
 - (2) Office holders?
 - (3) Employees?
 - c. Judiciary?
 - (1) Justices, judges and commissioners?
 - (2) Employees?
 2. Local candidates, officers and employees?
 - a. Cities?
 - (1) Candidates?
 - (2) Elected officials?
 - (3) Employees?
 - b. Counties?
 - (1) Candidates?
 - (2) Elected officials?
 - (3) Employees?
 - c. School District?
 - (1) Candidates?
 - (2) Elected officials?
 - (3) Employees?
 - d. Other?
- B. Use of position to gain benefits
1. Extend to local government?
 2. Add other provisions?

KANSAS LAW

POLICY QUESTIONS

2. Local officers and employees who have not filed a Disclosure of Substantial Interests Statement, and who, while acting in his or her official capacity, shall pass upon any matter which will affect any business in which he or she holds a substantial economic interest shall, before acting, file a written statement of the nature of said interest with the county clerk. In the alternative, the local officer or employee may abstain from any action.
- C. Confidential information - state officers and employees cannot use confidential information acquired in the course of official duties in order to further his or her own economic interest or that of another.
- D. Leases or contracts:
1. State officers and employees cannot participate, with certain statutory exceptions, in the making of a contract with anyone by whom he or she is employed or in whose business he or she has a substantial economic interest.
 2. Local officers and employees cannot participate, with certain statutory exceptions, in the making of a contract with anyone by whom he or she is employed or in whose business he or she has a substantial economic interest. This provision does not apply to zoning decisions and other legislative-type matters.

- C. Use of confidential information
1. Extend to local government?

- D. Entering into a lease or contract

KANSAS LAW

- E. Restrictions on post employment:
1. State officers and employees cannot accept employment with any person for one year following termination of employment with the state if, while employed by the state, he or she participated in the making of a contract with that person during the two years preceding termination.
 2. Elected state officers cannot within one year of the expiration date of his or her last term of office receive any civil appointment to a position created during the last term for which such person had been elected.
- F. Receipt or solicitation - state officers and employees cannot:
1. Solicit anything of value from a person with a special interest if he or she knows or should know the purpose of the donor could be to influence him or her
 2. Accept during a calendar year anything of value aggregating more than \$100, with the exception of hospitality in the form of food and beverage from a person with a special interest if he or she knows or should know the purpose of the donor is to influence him or her.
- G. Representation cases - state officers and employees cannot:
1. Represent any person or entity in certain matters before a state agency for compensation, without first filing a Representation Case Disclosure Statement indicating the name of the person being represented and the purpose of the representation

POLICY QUESTIONS

- E. Restrictions on post employment
1. More comprehensive prohibitions?
 2. Extend to local government?
- F. Receipt or solicitation of gifts
1. Extend prohibitions to local government?
 2. Prohibit all gifts over \$x from certain sources? (At a minimum, language needs to be clarified. See Annual Report and Recommendations of the Governmental Ethics Commission, December 1, 1976, pages 23-24.)
- G. Representation of clients before governmental agencies
1. Prohibit certain representations entirely?
 2. Extend to local government?

KANSAS LAW

POLICY QUESTIONS

2. Accept compensation for a representation case contingent upon result achieved except for workmen's compensation cases.
3. Accept a representation case where he or she knows that it is without merit and being offered with the intent to obtain influence over a state agency
4. Use threat in an attempt to influence a state agency in any representation case

H. Restrictions on outside employment - none

I. Personal interest in proposed legislation - none

H. Restrictions on outside employment

1. Wish to restrict such employment for officers or employees? State? Local?

I. Personal interest in proposed legislation

III. Penalties

A. Directly by the Governmental Ethics Commission - none

B. By the courts

1. Incarceration up to six months for intentional violation
2. Fine up to \$1000 for intentional violation

C. By other agencies

1. Forfeiture of office or employment

III. Penalties

A. Directly by boards or commissions?

1. Fines?
2. Forfeiture of office or employment?
3. Cease and desist orders?
4. Other?

B. By the courts?

1. Incarceration?
2. Fines?
3. Cease and desist orders?
4. Forfeiture of office or employment?
5. Other?

C. By other agencies?

1. Fines?
2. Forfeiture of office or employment?
3. Cease and desist orders?
4. Other?

HOUSE BILL No. 2575

By Committee on Calendar and Printing

2-21

0015 AN ACT concerning ethical conduct of certain persons in relation
 0016 to the government of the state and certain governmental sub-
 0017 divisions thereof; amending K.S.A. 1976 Supp. 46-221, 46-233,
 0018 46-239, 46-247, 46-248, 46-250, 46-252, 46-254, 46-259, 46-265,
 0019 46-266, 46-268, 46-269, 46-270, 46-272, 46-273, 75-4301, 75-
 0020 4302, 75-4303a, 75-4304, 75-4305 and 75-4306 and repealing
 0021 the existing sections; also repealing K.S.A. 1976 Supp 46-279.

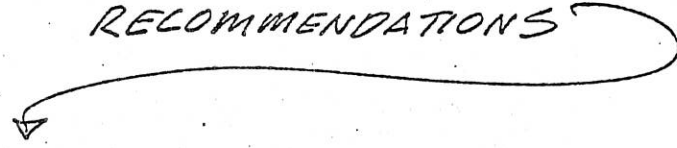
0022 *Be it enacted by the Legislature of the State of Kansas:*

0023 Section 1. K.S.A. 1976 Supp. 46-221 is hereby amended to
 0024 read as follows: 46-221. (a) "State officer or employee" means (1)
 0025 any individual who is an elected or appointed state officer, (2)
 0026 any individual who is in the classified service, unclassified
 0027 service or classified exempt service of the Kansas civil service act,
 0028 (3) all officers and employees of the legislative branch and of the
 0029 governor's office, irrespective of how compensated or period of
 0030 employment, and (4) any individual who receives monthly or
 0031 semimonthly compensation for services from the state or any state
 0032 agency, and (5) any attorney who serves as general counsel for any
 0033 state agency, irrespective of how compensated or period of em-
 0034 ployment. State officer or employee does not include any justice
 0035 or commissioner of the supreme court or judge of the judicial
 0036 branch or employee or officer of the judicial branch or any
 0037 member of a board, council or commission who is appointed by
 0038 the supreme court or who is elected or appointed to exercise
 0039 duties pertaining to functions of the judicial branch, when such
 0040 person is engaged in performing a function or duty for the
 0041 judicial branch. Also, state officer or employee does not include
 0042 any appointed member of an advisory council, commission or
 0043 board, who serves without compensation other than amounts for
 0044 expense allowances or reimbursement of expenses as provided for

GOVERNMENTAL
ETHICS
COMMISSION

Attachment III
 7-8-77
FEBRUARY
1977

KEY TO COMMISSION
 RECOMMENDATIONS



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0045 in subsection (e) of K.S.A. 1975 1976 Supp. 75-3223 and amend-
0046 ments thereto, when such member is engaged in performing a
0047 function or duty for such council, commission or board.

0048 (b) "Candidate for state office" means a candidate for nomi-
0049 nation or election to any state office as defined in K.S.A. 1975
0050 1976 Supp. 25-2505 and amendments thereto, except district
0051 judges.

0052 Sec. 2. K.S.A. 1976 Supp. 46-233 is hereby amended to read
0053 as follows: 46-233. (a) No state officer or employee shall in his or
0054 her capacity as such officer or employee participate in the making
0055 of a contract with any person or business by which such officer or
0056 employee is employed or in whose business such officer or
0057 employee has a substantial interest and no such person or busi-
0058 ness shall enter into any contract where any state officer or
0059 employee, acting in such capacity, is a signatory to or a partici-
0060 pant in the making of such contract and is employed by or has a
0061 substantial interest in such person or business.

0062 Whenever any individual has, within the preceding two (2)
0063 years participated as a state officer or employee in the making of
0064 any contract with any person or business, such individual shall
0065 not accept employment with such person or business for one (1)
0066 year following termination of employment as a state officer or
0067 employee.

0068 (b) No individual shall, while a legislator or within one (1)
0069 year after the expiration of a term as legislator, be interested
0070 pecuniarily, either directly or indirectly, in any contract with the
0071 state, which contract is funded in whole or in part by any
0072 appropriation or is authorized by any law passed during such
0073 term, except that the prohibition of this subsection (b) shall not
0074 apply to any contract interest in relation to which a disclosure
0075 statement is filed as provided by K.S.A. 1975 Supp. 46-230.

0076 (c) (b) No individual, while a legislator or within one (1) year
0077 after the expiration of a term as a legislator, shall as a litigant or by
0078 representing any person in a court proceeding attack any legisla-
0079 tive action taken or enactment made during any term such indi-
0080 vidual served as a legislator as being unconstitutional because of
0081 error in the legislative process with respect to such action or

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recommend favorably -
to delete -

0082 enactment.

0083 ~~(d)~~ (c) Subsections Subsection (a) and ~~(b)~~ shall not apply to
0084 the following:

0085 (1) Contracts let after competitive bidding has been adver-
0086 tised for by published notice; and

0087 (2) Contracts for property or services for which the price or
0088 rate is fixed by law.

0089 Sec. 3. K.S.A. 1976 Supp. 46-239 is hereby amended to read
0090 as follows: 46-239. (a) No state officer or employee shall accept
0091 employment in any representation case, unless such officer or
0092 employee has properly filed the disclosure statement prescribed
0093 by this section.

0094 (b) Any state officer or employee who is employed in any
0095 representation case shall, not later than ten (10) days after the
0096 acceptance of employment for such case or on the first appear-
0097 ance before the state agency involved (whichever occurs first),
0098 file on a form prescribed and provided by the commission a
0099 disclosure statement as provided in this section. Any individual,
0100 while a legislator or within one (1) year after the expiration of a
0101 term as a legislator, who contracts to perform any service for a
0102 state agency other than the legislature *is interested pecuniarily,*
0103 *either directly or indirectly, in any contract with the state,* shall
0104 file not later than ten (10) days after the acceptance of such
0105 contract; file *formal negotiations for such contract commence,* a
0106 disclosure statement as provided in this section.

0107 (c) The disclosure statement required by this section shall be
0108 filed with the secretary of state *commission* in all cases. Any
0109 individual who files a statement may file an amended statement
0110 (or, if permitted by the secretary of state *commission,* amend the
0111 original filing) at any time after the statement is originally filed.
0112 Copies of each such statement shall forthwith upon filing be
0113 transmitted by the secretary of state *commission* to (1) in the case
0114 of members of the house of representatives, the chief clerk of the
0115 house of representatives, or (2) in the case of senators, the secre-
0116 tary of the senate. In addition to the foregoing, a copy of every
0117 disclosure statement shall be transmitted by the secretary of state
0118 *commis* to the state agency involved, if the state agency is

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0119 other than a part of the legislative branch.

0120 (d) The commission shall furnish to the secretary of state a
0121 copy of each disclosure statement filed pursuant to this section,
0122 and any statement so furnished shall be open to public inspection
0123 at all reasonable times.

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provision

0124 (d) (e) The disclosure statement provided for by this section
0125 shall be signed by the person making the same and shall state (1)
0126 the name of the employer, (2) the purpose of the employment and
0127 (3) the method of determining and computing the compensation
0128 for the employment in the representation case.

0129 (e) (f) Any person who is employed in a representation case
0130 and who is required to file a disclosure statement pursuant to this
0131 section may file, upon termination of such person's employment
0132 in such representation case, a termination statement with the
0133 secretary of state *commission*. Such statement shall be on a form
0134 prescribed and provided by the commission and shall state (1) the
0135 name of the employer, (2) the state agency involved in the case,
0136 and (3) the date of the termination of employment. The secretary
0137 of state *commission* shall transmit a copy of such statement to the
0138 state agency involved.

0139 (f) (g) Failure to file a true disclosure statement is intention-
0140 ally (1) failing to file a disclosure statement when and where
0141 required by this section, or

0142 (2) filing a disclosure statement under this section which
0143 contains any material misrepresentation or false or fraudulent
0144 statement.

0145 Failure to file a true disclosure statement is a class B mis-
0146 demenor.

0147 Sec. 4. K.S.A. 1976 Supp. 46-247 is hereby amended to read
0148 as follows: 46-247. The following individuals shall file written
0149 statements of substantial interests, as provided in sections 34 to
0150 38 K.S.A. 1976 Supp. 46-248 to 46-252, inclusive, and amend-
0151 ments thereto:

0152 (a) Legislators and candidates for nomination or election to
0153 the legislature;

0154 (b) individuals holding an elected office in the executive
0155 branch of this state, and candidates for nomination or election to

0156 any such office;
 0157 (c) state officers and employees receiving compensation from
 0158 the state of fifteen thousand dollars (\$15,000) per year or more,
 0159 except that this section shall not apply to unclassified state
 0160 officers and employees of institutions under the state board of
 0161 regents whose principal duties are teaching *or state officers or*
 0162 *employees under the state board of education whose principal*
 0163 *duties are teaching;*

0164 (d) individuals whose appointment to office is subject to
 0165 confirmation by the senate.

0166 Sec. 5. K.S.A. 1976 Supp. 46-248 is hereby amended to read
 0167 as follows: 46-248. The statement of substantial interests required
 0168 by K.S.A. 1975 1976 Supp. 46-247 to 46-252, inclusive, and
 0169 amendments thereto, shall include the substantial interests of the
 0170 individual making the statement as provided in this section.
 0171 Campaign contributions reported in compliance with the cam-
 0172 paign finance act shall not be included in this statement.

0173 (a) The following shall be disclosed by all individuals re-
 0174 quired to file:

0175 (1) The name, address and type of business of any corporation
 0176 or the name, address and type of practice of any professional
 0177 organization or individual professional practice in which the
 0178 individual making the statement was an officer, director, asso-
 0179 ciate, partner or proprietor at the time of filing.

0180 (2) Each substantial interest of the individual making the
 0181 statement in such detail and form as is required by the commis-
 0182 sion.

0183 (b) The statements required by this section to be filed shall be
 0184 filed at the following times:

0185 (1) For individuals who are state officers or employees, an-
 0186 nually on January 31, so long as the act applies to the individual.

0187 (2) For individuals who become candidates, on the date of
 0188 filing declaration to become a candidate, or if the individual
 0189 becomes a candidate by another means, then within ten (10) days
 0190 of becoming a candidate, unless within such period the candi-
 0191 dacy is officially declined or rejected.

0192 (3) individuals to which paragraphs (1), (2) and (4) of this

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0193 subsection (b) do not apply, at the time of appointment to state
 0194 office or employment and annually thereafter commencing on the
 0195 next succeeding January 31, so long as this act applies to such
 0196 individual.

0197 (4) For individuals whose appointment to state office or em-
 0198 ployment is subject to confirmation by the senate, ~~on the date~~
 0199 ~~when the appointment is submitted to the senate~~ *within thirty (30)*
 0200 *days after appointment* and annually thereafter commencing on
 0201 the next succeeding January 31, so long as this act applies to such
 0202 individual.

0203 (c) The statements required by this section to be filed shall be
 0204 filed with the ~~secretary of state~~ *commission* in all cases. The
 0205 ~~secretary of state~~ *commission* shall promptly transmit copies of
 0206 all filings by legislators, candidates for the legislature and indi-
 0207 viduals subject to confirmation by the senate to the secretary of
 0208 the senate and the chief clerk of the house of representatives.

0209 Sec. 6. K.S.A. 1976 Supp. 46-250 is hereby amended to read
 0210 as follows: 46-250. The commission shall prescribe and provide
 0211 the forms provided for by K.S.A. ~~1975~~ 1976 Supp. 46-249. Any
 0212 person required to file a statement of substantial interests, may
 0213 file an amended statement of substantial interests (or, if permitted
 0214 by the ~~secretary of state~~ *commission*, amend the statement origi-
 0215 nally filed) at any time after the date when such statement is
 0216 required to be filed.

0217 Sec. 7. K.S.A. 1976 Supp. 46-252 is hereby amended to read
 0218 as follows: 46-252. ~~All statements~~ *The commission shall furnish*
 0219 *to the secretary of state a copy of every statement* of substantial
 0220 interests filed under this act, and any statement so furnished shall
 0221 be available for examination and copying by the public at all
 0222 reasonable times. Each individual examining a statement must
 0223 first fill out a form or sign a register prepared and publicly
 0224 maintained by the secretary of state identifying the examiner by
 0225 name, occupation, address and telephone number, and listing the
 0226 date of examination.

0227 Sec. 8. K.S.A. 1976 Supp. 46-254 is hereby amended to read
 0228 as follows: 46-254. The commission upon its own initiative may,
 0229 and upon the request of any individual to which this act applies

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0230 shall, render an opinion in writing on questions concerning the
0231 interpretation of this act. Any person who acts in accordance with
0232 the provisions of such an opinion, shall be presumed to have
0233 complied with the provisions of this act. A copy of every opinion
0234 rendered by the commission shall be filed with the secretary of
0235 state, and any opinion so filed shall be open to public inspection.
0236 The ~~secretary of state~~ *commission* shall publish all opinions
0237 rendered under this section monthly and each such publication
0238 shall be cumulative. Copies of each opinion shall be filed with
0239 the secretary of the senate and the chief clerk of the house on the
0240 same date as the same are filed with the secretary of state. The
0241 secretary of state shall cause adequate copies of all filings under
0242 this section to be supplied to the state library.

0243 Sec. 9. K.S.A. 1976 Supp. 46-259 is hereby amended to read
0244 as follows: 46-259. The commission shall maintain a record of its
0245 investigations, inquiries, and proceedings. All records, com-
0246 plaints, documents, reports filed with or submitted to or made by
0247 the commission, and all records and transcripts of any investiga-
0248 tions, inquiries or hearings of the commission under this act shall
0249 be confidential and shall not be open to inspection by any
0250 individual other than a member of the commission, an employee
0251 of the commission, or a state officer or employee designated to
0252 assist the commission, except as otherwise specifically provided
0253 in this act. The commission may, by adoption of a resolution,
0254 authorize the release to the attorney general ~~or to~~, the county or
0255 district attorney of the appropriate county *or the appropriate state*
0256 *or federal enforcement agency* of any information, records, com-
0257 plaints, documents, reports; and transcripts in its possession
0258 material to any matter pending before the attorney general ~~or any~~
0259 county or district attorney *pertaining to the violation of this act or*
0260 *of any other state or federal law*. All matters presented at a public
0261 hearing of the commission and all reports of the commission
0262 stating a final finding of fact pursuant to K.S.A. 1975 1976 Supp.
0263 46-262 shall be public records and open to public inspection.

0264 Violation of any provision of this section or the confidentiality
0265 provision of K.S.A. 1975 1976 Supp. 46-256 is a class B mis-
0266 demea

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0267 S. K.S.A. 1976 Supp. 46-265 is hereby amended to read
 0268 as follows: 46-265. (a) Every lobbyist shall register with the
 0269 secretary of state *commission* by completing a registration form
 0270 prescribed and provided by the commission and by signing and
 0271 verifying the same. Such registration shall show the name and
 0272 address of the lobbyist, the name and address of the person
 0273 compensating *whom* the lobbyist for lobbying represents, the
 0274 purpose of the employment representation and, when the lobbyist
 0275 receives compensation for lobbying, the method of determining
 0276 and computing the *such* compensation of the lobbyist. If the
 0277 lobbyist is compensated or to be compensated represents more
 0278 than one person for lobbying by more than one employer or is to
 0279 be engaged in more than one employment, the relevant facts
 0280 listed above shall be separately stated for each employer and each
 0281 employment person represented, but only one registration fee
 0282 each year shall be required of one lobbyist. Whenever any new
 0283 lobbying employment or lobbying position representation is ac-
 0284 cepted by a lobbyist already registered hereunder, he or she shall
 0285 report the same on forms prescribed and provided by the com-
 0286 mission before engaging in any lobbying activity related to such
 0287 new employment or position representation, and such report shall
 0288 be filed, when made, with the secretary of state *commission*.
 0289 Whenever the lobbying of a lobbyist concerns a legislative mat-
 0290 ter, the secretary of state *commission* shall promptly transmit
 0291 copies of each registration and each report filed under this act to
 0292 the secretary of the senate and the chief clerk of the house of
 0293 representatives.

0294 (b) Any person may register as a lobbyist under this section.
 0295 Such registration shall expire annually on December 31. In any
 0296 calendar year, before engaging in lobbying, persons to whom this
 0297 section applies shall register or renew their registration
 0298 hereunder. Every person registering or renewing his or her regis-
 0299 tration shall pay to the secretary of state *commission* a fee of ten
 0300 dollars (\$10). The secretary of state *commission* shall remit all
 0301 moneys received under this section to the state treasurer, and the
 0302 state treasurer shall deposit the same in the state treasury to the
 0303 credit of the state general fund.

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0304 (c) Any person who has registered as a lobbyist pursuant to
 0305 this act may file, upon termination of such person's lobbying
 0306 activities, a statement terminating such person's registration as a
 0307 lobbyist. Such statement shall be on a form prescribed by the
 0308 commission and shall state the name and address of the lobbyist,
 0309 the name and address of the person compensating the lobbyist for
 0310 lobbying and the date of the termination of the lobbyist's lobby-
 0311 ing activities.

0312 Sec. 11. K.S.A. 1976 Supp. 46-266 is hereby amended to read
 0313 as follows: 46-266. (a) *The commission shall furnish to the secre-*
 0314 *tary of state a copy of every registration and report filed with the*
 0315 *commission pursuant to K.S.A. 1976 Supp. 46-265, as amended.*

0316 (b) The secretary of state shall maintain alphabetical listings
 0317 of all lobbyists showing their employers and appointing author-
 0318 ities and the purpose of their employment or position. Such
 0319 listing shall be supplemented by indices showing employers and
 0320 the appointing authorities and relevant information as to each. All
 0321 registration papers and reports made under ~~section 51~~ *K.S.A. 1976*
 0322 *Supp. 46-265, as amended, and furnished to the secretary of state*
 0323 *hereunder shall be open to public inspection at all reasonable*
 0324 *times. The listings and supplemental indices provided for by this*
 0325 *section shall be maintained current at all times and from time to*
 0326 *time each year shall be printed, published and distributed by the*
 0327 *secretary of state.*

0328 Sec. 12. K.S.A. 1976 Supp. 46-268 is hereby amended to read
 0329 as follows: 46-268. (a) *Except as provided in subsections (b) and*
 0330 *(c), every lobbyist shall file with the secretary of state commission*
 0331 *a verified report of employment lobbying representation and*
 0332 *expenditures on a form prescribed and provided by the commis-*
 0333 *sion. Such reports shall be filed for each of the months of*
 0334 *January, February, March and April and for each of the periods*
 0335 *from May 1 to June 30, inclusive, from July 1 to September 30,*
 0336 *inclusive, and from October 1 to December 31, inclusive. Such*
 0337 *reports shall be filed by the tenth (10th) twentieth (20th) of the*
 0338 *month immediately following the reporting period. Reports shall*
 0339 *only be required for reporting periods during which expenditures*
 0340 *are made for gifts, payments or honoraria are given which are*

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of this language

0341 req. to be reported under K.S.A. 1975 Supp. 46-269.

0342 (b) Every lobbyist who intends to make expenditures, gifts,

0343 honoraria or payments in an aggregate amount or value of less

0344 than one hundred dollars (\$100) during a calendar year, including

0345 those made by or on behalf of the person the lobbyist represents,

0346 shall file, upon registering as required by K.S.A. 1976 Supp.

0347 46-265 and amendments thereto, an affidavit of such intent with

0348 the commission. Reports required by subsection (a) of this section

0349 shall not be required of such lobbyist. Any lobbyist who files such

0350 an affidavit and who in fact makes expenditures, gifts, honoraria

0351 or payments in an aggregate amount or value of one hundred

0352 dollars (\$100) or more during a calendar year, including those

0353 made by or on behalf of the person the lobbyist represents, shall

0354 file, within three (3) days of ascertaining such facts, all past due

0355 reports and shall be required to file all future reports required by

0356 subsection (a).

0357 (c) Whenever more than one lobbyist represents a person, one

0358 such lobbyist shall be designated as the reporting lobbyist, who

0359 shall report all reportable expenditures, gifts, honoraria or pay-

0360 ments made by or on behalf of the person represented. The

0361 amount or value of expenditures, gifts, honoraria or payments

0362 made by or on behalf of the person represented shall be cumulated

0363 for the purpose of any reporting requirements. Each lobbyist for a

0364 person represented by more than one lobbyist and the person so

0365 represented shall report to the reporting lobbyist designated by

0366 such person all expenditures, gifts, honoraria and payments made

0367 by or on behalf of the person represented prior to the date of the

0368 report to which such transactions are allocated. Every lobbyist for

0369 a person represented by more than one lobbyist, other than the

0370 reporting lobbyist designated by such person, shall file, upon

0371 registering as required by K.S.A. 1976 Supp. 46-265 and amend-

0372 ments thereto, an affidavit of that fact with the commission and

0373 shall not be required to file the reports required by subsection (a)

0374 of this section.

0375 (d) The commission shall furnish to the secretary of state a

0376 copy of every report and affidavit filed with the commission

0377 pursuant to this section, and all reports and affidavits so fur-

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0378 nished shall be open to public inspection at all reasonable times.
 0379 Sec. 13. K.S.A. 1976 Supp. 46-269 is hereby amended to read
 0380 as follows: 46-269. (a) Each report under K.S.A. 1975 1976 Supp.
 0381 46-268, as amended, shall disclose the following: (a) (1) The full
 0382 name and address of each person who has paid compensation for
 0383 lobbying to the lobbyist or has paid for expenses of lobbying
 0384 represented by the lobbyist;

0385 (b) (2) the aggregate amount or value of all expenditures made
 0386 (except for expenses of general office overhead) during the re-
 0387 porting period by the lobbyist or by his or her employer for or in
 0388 direct relation to lobbying during the reporting period; if such
 0389 expenditures to any one vendor exceed fifty dollars (\$50) or on
 0390 behalf of the person represented, according to the categories
 0391 contained in the definition of expenditure under section 17, ex-
 0392 cluding individual expenditures of less than one dollar (\$1) shall
 0393 not be required to be reported under this subsection (b). Such
 0394 expenditures shall be reported according to categories of ex-
 0395 penditures established by rules and regulations of the govern-
 0396 mental ethics commission. With regard to expenditures for enter-
 0397 tainment or hospitality which is primarily food and beverages,
 0398 only amounts expended on a state officer or employee or on such
 0399 officer or employee's spouse shall be considered to be for or in
 0400 direct relation to lobbying. Notwithstanding the requirements of
 0401 this subsection and subsection (c), no lobbyist shall be responsi-
 0402 ble to report any expenditure by his or her employer of which he
 0403 or she has no knowledge;

0404 (c) (3) all gifts, honoraria or payments, of made by the lobbyist
 0405 or by or on behalf of the person represented, to an individual state
 0406 officer or employee, or to the spouse of such officer or employee,
 0407 in an aggregate amount or value in excess of ten dollars (\$10) by
 0408 the lobbyist to any state officer or employee during the reporting
 0409 period, including the type of gift or purpose of the honoraria or
 0410 payment and the amount or value thereof.

0411 Whenever more than one lobbyist is employed by a single
 0412 employer, the reports required by this section relating to such
 0413 employer shall be made by only one such lobbyist and that
 0414 lobbyist shall be the lobbyist who is most directly connected with

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0415 the particular expenditure or gift, honoraria or payment. No
 0416 expenditure or gift, honoraria or payment required to be reported
 0417 by this section shall be reported by more than one lobbyist.

0418 (b) Expenditures required to be reported hereunder shall be
 0419 allocated (1) to the reporting period when the debt is incurred if
 0420 the amount is then known or ascertainable or (2) to the reporting
 0421 period when the amount becomes known or ascertainable if the
 0422 amount is not initially known or ascertainable, whichever occurs
 0423 first.

0424 (c) Gifts, honoraria and payments required to be reported
 0425 hereunder shall be allocated to the reporting period when ac-
 0426 cepted by the state officer or employee. When a gift, honoraria or
 0427 payment is composed of separate transfers deferred over more
 0428 than one reporting period, the total value thereof shall be allo-
 0429 cated to the reporting period in which the state officer or em-
 0430 ployee accepts the initial transfer.

0431 (d) For the purposes of this section, "gift" includes hospitality
 0432 in the form of food and beverages to any state officer or employee
 0433 in an aggregate amount or value in excess of fifty dollars (\$50)
 0434 during the reporting period.

0435 Sec. 14. K.S.A. 1976 Supp. 46-270 is hereby amended to read
 0436 as follows: 46-270. The secretary of state *commission* shall obtain
 0437 suitable name tags in two colors, of a size not smaller than two
 0438 inches by three inches, to be fastened on the outside of the
 0439 wearer's garment with lettering adequate in size and clarity to be
 0440 readable at a distance of three feet by individuals of normal
 0441 vision, bearing the name of the lobbyist, the names of the persons
 0442 compensating or appointing the lobbyist and the year. The sec-
 0443 retary of state *commission* shall present to each individual regis-
 0444 tering under sections 50 and 51 K.S.A. 1976 Supp. 46-264 and
 0445 46-265, and amendments thereto, one such tag, and such tag shall
 0446 be worn by the lobbyist when lobbying in the state capitol
 0447 building.

0448 Sec. 15. K.S.A. 1976 Supp. 46-272 is hereby amended to read
 0449 as follows: 46-272. No lobbyist *person having a special interest,*
 0450 *and no person on behalf of such a person,* shall pay or offer or
 0451 agree to pay to any state officer or employee, candidate for state

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0452 office or an association *associated* person thereof a price, fee,
 0453 compensation or other consideration for the sale or lease of any
 0454 property or the furnishing of services which is substantially in
 0455 excess of that which other persons in the same business or
 0456 profession would charge in the ordinary course of business.

0457 Sec. 16. K.S.A. 1976 Supp. 46-273 is hereby amended to read
 0458 as follows: 46-273. (a) No lobbyist person having a special inter-
 0459 est, and no person on behalf of such a person, shall offer employ-
 0460 ment or employ any state officer or employee or associated person
 0461 thereof for a representation case, with intent to obtain improper
 0462 influence over a state agency.

0463 (b) No lobbyist person having a special interest, and no person
 0464 on behalf of such a person, shall offer employment or employ any
 0465 state officer or employee or associated person to use or attempt to
 0466 use threat or promise of official action in an attempt to influence a
 0467 state agency in any representation case.

0468 New Sec. 17. (a) "Expenditure" means the payment or con-
 0469 tract for payment or the receipt and use of goods or services at less
 0470 than fair market value:

0471 (1) For the provision of hospitality in the form of food and
 0472 beverages to any state officer and employee or his or her spouse;

0473 (2) associated with the giving of any gift, honoraria or pay-
 0474 ment;

0475 (3) for mass media communications, letter writing campaigns
 0476 and similar transactions to urge or request others to engage in
 0477 lobbying; or

0478 (4) for any other transaction for or in direct relation to lobby-
 0479 ing.

0480 (b) "Expenditure" does not include the payment or contract
 0481 therefore or the receipt and use of goods and services at less than
 0482 fair market value:

0483 (1) For the preparation of proposals, position papers and
 0484 similar documents;

0485 (2) to employ another to lobby on one's behalf;

0486 (3) for personal travel and subsistence of a person engaging in
 0487 lobbying;

0488 (4) an individual's own communications by means of the

C(7)

yes

B(7)

Dad on

0489 post office, telephone, telegraph or similar communications
0490 system;

0491 (5) for general office overhead, including costs associated
0492 with memberships in private clubs or similar establishments
0493 except as provided in subsection (a) (3) of this section;

0494 (6) for bona fide personal or business entertaining of a state
0495 officer or employee or his or her spouse due solely to a personal
0496 friendship or business relationship outside of the state officer or
0497 employee's official duties as such; or

0498 (7) which is reported in compliance with the campaign fi-
0499 nance act.

0500 New Sec. 18. (a) "Gift" means the transfer of any money or
0501 any thing of value unless legal consideration of reasonably equal
0502 or greater value is received in return.

0503 (b) "Gift" does not mean (1) any transfer of any bona fide
0504 personal or business gift to a state officer or employee or his or
0505 her spouse based solely on a personal friendship or business
0506 relationship outside of a state officer's or employee's official
0507 duties as such or (2) any contribution reported in compliance
0508 with the campaign finance act.

0509 New Sec. 19. (a) The commission may require any person to
0510 file a report or statement for any period for which such person has
0511 failed to file a report or statement required to be filed by such
0512 person pursuant to this act. Such report or statement shall be filed
0513 within five (5) days after notice by the commission, and notice of
0514 the failure to file shall be part of the public record.

0515 (b) The commission may require any person to file an
0516 amended report or statement for any period for which the report
0517 or statement filed by such person pursuant to this act contains
0518 material errors or omissions. Such amended report or statement
0519 shall be filed within thirty (30) days after notice by the commis-
0520 sion, and notice of the errors and omissions shall be part of the
0521 public record.

0522 Sec. 20. K.S.A. 1976 Supp. 75-4301 is hereby amended to
0523 read as follows: 75-4301. The following words and terms, when
0524 used in this act and the acts of which this act is amendatory, shall
0525 have the meanings respectively ascribed to them herein:

B (18)

*yes. see information in
regs*

A (16)

10
receipt of sent
a copy of the
yes as amended

yes
amended version to changes
state law in compliance

0526 *Substantial interest.* The ownership by an individual or his
 0527 *such individual's* spouse, either individually or collectively of a
 0528 legal or equitable interest exceeding five thousand dollars
 0529 (\$5,000) or five percent (5%) of any business, whichever is less,
 0530 and also including the receipt by an individual or his *such*
 0531 *individual's* spouse directly or indirectly of any salary, gratuity,
 0532 other compensation or remuneration or a contract for or promise
 0533 or expectation of any such salary, gratuity, other compensation or
 0534 remuneration having a dollar value of one thousand dollars
 0535 (\$1,000) or more in the current or immediately preceding or
 0536 succeeding calendar year from any business or combination of
 0537 businesses, and also including the holding of the position of
 0538 officer or director of any business, irrespective of the amount of
 0539 compensation or remuneration received by the person holding
 0540 any such position. If a person's salary, compensation or other
 0541 remuneration is a portion or percentage of a fee paid to a business
 0542 or combination of businesses, a person shall have a substantial
 0543 interest in any client who pays a fee to such business or combi-
 0544 nation of businesses from which fee such person receives one
 0545 thousand dollars (\$1,000) or more in the current or immediately
 0546 preceding calendar year.

0547 *Business.* Any corporation, association, partnership, propri-
 0548 etorship, trust, joint venture, and every *or any* other business
 0549 interest, including ownership or use of land for income *or any*
 0550 *municipal or quasimunicipal corporation.*

0551 *Local public office.* A position of public trust or agency,
 0552 created by the Kansas constitution; by statute; by executive decree
 0553 or by an ordinance or resolution of a municipal or quasi-municipal
 0554 corporation passed in pursuance of legislative authority. *Any*
 0555 *office of any municipal or quasimunicipal corporation, or any*
 0556 *office created by ordinance or resolution thereof.*

0557 *Local public officer.* Any person who holds public office in the
 0558 state of Kansas; except that an attorney-at-law, acting only in his
 0559 professional capacity; who holds no other public office shall not
 0560 be construed to be a public officer for the purposes of this act; nor
 0561 shall such term include any notary public or any person who
 0562 holds or in any political party and who holds no other

C(8)

A(5)

also this includes counties? yes.

0563 public officer who holds a local public office.

0564 Local public employee. Any employee of the state of Kansas or
0565 any municipal or quasi-municipal corporation; except that an
0566 attorney-at-law, acting only in his professional capacity, who
0567 holds no other public employment shall not be construed to be a
0568 public employee for the purposes of this act.

0569 Municipal corporation. Any city incorporated under the laws of
0570 the state of Kansas.

0571 Quasi-municipal corporation. Any county, township, school
0572 district, drainage district; or any other governmental subdivision
0573 in the state of Kansas having authority to receive expend or hold
0574 public moneys or funds.

0575 Contracts. Agreements including but not limited to sales and
0576 conveyances of real and personal property and agreements for the
0577 performance of services.

0578 Acts. The exercise of power or authority or performance of any
0579 duty incident to local public office or employment.

0580 Sec. 21. K.S.A. 1976 Supp. 75-4302 is hereby amended to
0581 read as follows: 75-4302. (a) Every candidate for elective local
0582 public office, at the time and place of filing his such candidate's
0583 declaration of candidacy or at the time of his such candidate's
0584 appointment as a candidate, shall file a written report disclosing
0585 all of his such candidate's substantial interests. On or before July
0586 1, 1970, every candidate for elective public office who filed his
0587 declaration of candidacy prior to the effective date of this act; and
0588 every elected public officer who has not filed a disclosure of
0589 substantial interests shall file in the office of the election officer
0590 with whom such officer is required to file his declaration of
0591 candidacy for public office; a written report disclosing all of his
0592 substantial interests. Within thirty (30) days after he takes taking
0593 office, any person who is appointed to fill a vacancy in an a local
0594 elective public office shall file, in the office where his such
0595 person's predecessor filed his or her declaration of candidacy, a
0596 written report disclosing all of his such person's substantial
0597 interests.

0598 (b) At the time of his taking office, every public officer or
0599 employee appointed or employed to serve as a board member of;

includes counties, drainage, school districts & subdivisions

A (5)

0600 or the head or executive officer of, any state agency, department,
0601 board, bureau, office, institution, council or commission in the
0602 executive, legislative or judicial branch of state government and
0603 every public officer or employee exercising supervisory authority
0604 over a primary division or subdivision thereof shall file in the
0605 office of the secretary of state a written report disclosing all of his
0606 substantial interests.

0607 (c) On or before July 1, 1970, every appointive public officer
0608 or employee required to file a disclosure of interests at the time of
0609 his appointment, who has not filed such disclosure, shall file a
0610 written report disclosing his substantial interests in the manner
0611 prescribed by law.

0612 (d) (b) Whenever any change shall occur in the substantial
0613 interests of any person candidate required by law this section to
0614 file a disclosure of such interests, he such candidate shall file a
0615 supplemental report disclosing this the change within ten (10)
0616 days thereof.

0617 (e) (c) The secretary of state shall prescribe, by rules or and
0618 regulations, prescribe the manner and form for filing the disclo-
0619 sures of substantial interests required by law this section.

0620 Sec. 22. K.S.A. 1976 Supp. 75-4303a is hereby amended to
0621 read as follows: 75-4303a. The governmental ethics commission
0622 shall render advisory opinions on the interpretation or applica-
0623 tion of the general conflict of interests law, as contained in K.S.A.
0624 1973 Supp. 75-4301 to 75-4306, inclusive, and amendments
0625 thereto provisions of this act. Such opinions shall be rendered
0626 after receipt of a written request therefor by a local public officer
0627 or employee or by any person who has filed as a candidate for
0628 local elective public office. Any person who requests and re-
0629 ceives such advisory opinion, and who acts in accordance with
0630 the provisions thereof, shall be presumed to have complied with
0631 the provisions of the general conflict of interests law this act. A
0632 copy of any advisory opinion rendered by the commission shall
0633 be filed by it in the office of the secretary of state, and any
0634 opinion so filed shall be open to public inspection. All requests
0635 for advisory opinions shall be directed to the secretary of state
0636 who shall notify the commission thereof. The governmental

A(5)

0637 ethics commission shall administer the act of which this section
 0638 is a part *this act* and may adopt rules and regulations therefor.
 0639 The committee on governmental ethics is hereby abolished on the
 0640 effective date of this act and the powers and duties of said
 0641 committee are hereby on said date transferred to and conferred
 0642 upon said commission. Opinions of said committee issued prior
 0643 to the effective date of this act shall continue to be effective until
 0644 withdrawn or overruled by the commission to the extent that such
 0645 opinions are not in conflict with 1974 Senate bills 656 and 689.

0646 Sec. 23. K.S.A. 1976 Supp. 75-4304 is hereby amended to
 0647 read as follows: 75-4304. (a) No *local* public officer or employee
 0648 shall, *acting in his such* capacity as ~~such officer or employee,~~
 0649 *shall* make or participate in the making of a contract with any
 0650 person or business by which ~~he~~ *such officer or employee* is
 0651 employed or in whose business ~~he~~ *such officer or employee* has a
 0652 substantial interest, and no such person or business shall enter
 0653 into any contract where any *local* public officer or employee,
 0654 acting in such capacity, is a signatory to or a participant in the
 0655 making of such contract and is employed by or has a substantial
 0656 interest in such person or business.

0657 (b) A *local* public officer or employee does not make or
 0658 participate in the making of a contract if ~~he~~ *such officer* abstains
 0659 from any action in regard to the contract.

0660 (c) This section shall not apply to the following:

0661 (1) contracts let after competitive bidding has been advertised
 0662 for by published notice; and

0663 (2) or contracts for property or services for which the price or
 0664 rate is fixed by law.

0665 (b) (d) Any public officer or employee who is convicted of
 0666 violating this section shall forfeit his *or her* office or employment.

0667 Sec. 24. K.S.A. 1976 Supp. 75-4305 is hereby amended to
 0668 read as follows: 75-4305. (a) Any *local* public officer or employee
 0669 who has not filed a disclosure of substantial interests and who,
 0670 while acting in his *or her* official capacity, shall pass upon any
 0671 matter which will affect any business in which such officer or
 0672 employee shall ~~hold~~ *holds* a substantial interest, shall, before ~~he~~
 0673 *such officer or employee* acts upon such matter, file a written

A (23)

A (5)

0674 report of the nature of said interest with the office of the secretary
 0675 of state, if such person is a state officer or employee, or if such
 0676 person is an officer or employee of a municipal or quasi-municipal
 0677 corporation, with the county clerk of the county in which all
 0678 or the largest geographical part of such *the* municipal or quasi-
 0679 municipal corporation *of which such officer or employee is an*
 0680 *officer or employee* is located.

0681 (b) A local public officer or employee does not pass or act
 0682 upon any matter if he *such officer or employee* abstains from any
 0683 action in regard to the matter.

0684 Sec. 25. K.S.A. 1976 Supp. 75-4306 is hereby amended to
 0685 read as follows: 75-4306. (a) Any person who violates any provi-
 0686 sion of section 3 or 4 of this act, and any person *K.S.A. 1976 Supp.*
 0687 *75-4304 or 75-4305, and amendments thereto, or who fails to*
 0688 *make file* any disclosure of substantial interest required by law
 0689 *K.S.A. 1976 Supp. 75-4302, and amendments thereto,* shall be
 0690 guilty of a class A misdemeanor.

A(5)

0691 (b) If any clause, paragraph, subsection or section of this act
 0692 shall be held invalid or unconstitutional it shall be conclusively
 0693 presumed that the legislature would have enacted the remainder
 0694 of this act without such invalid or unconstitutional clause, para-
 0695 graph, subsection or section.

0696 Sec. 26. K.S.A. 1976 Supp. 46-221, 46-233, 46-239, 46-247,
 0697 46-248, 46-250, 46-252, 46-254, 46-259, 46-265, 46-266, 46-268,
 0698 46-269, 46-270, 46-272, 46-273, 46-279, 75-4301, 75-4302, 75-
 0699 4303a, 75-4304, 75-4305 and 75-4306 are hereby repealed.

0700 Sec. 27. This act shall take effect and be in force from and
 0701 after its publication in the statute book.

RE HB 2575

EXCERPTS FROM--

ANNUAL REPORT AND RECOMMENDATIONS
of the
GOVERNMENTAL ETHICS COMMISSION
STATE OF KANSAS

To the Governor and the Legislature
December 1, 1976

Governmental Ethics Commission
109 W. Ninth
Topeka, Kansas 66612
(913) 296-4219

Atch. II

PART II: RECOMMENDATIONS

Last year the Commission recommended an extensive package of changes. These recommendations were not enacted, however. Nevertheless, the Commission finds that experience has only reinforced the need for them. Therefore, the Commission hereby resubmits its recommendations of last year.*

The following recommendations are prepared according to four categories--general, lobbying regulation, conflict of interest and campaign finance. The first of these concerns issues which apply to all statutes under the Commission's jurisdiction. Note that some of the items are not outright recommendations, but rather possible changes the Commission offers for consideration.

HB 2575 SECTIONS

A. General

SEC. 3

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" 12(d)

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1. K.S.A. 1975 Supp. 25-4101 et seq. and 46-215 et seq. Amend existing sections of both Acts to provide that the reports and statements required by the Campaign Finance Act and the statutes relating to conflict of interest and the regulation of lobbying be filed in duplicate with the Commission, one copy of which the Commission will forward to the Secretary of State, and that the authority to publish the Commission's opinions be transferred to the Commission.

Comment. The Commission is charged with administration and enforcement of both Acts including promulgation of rules and regulations, issuance of opinions, prescribing the forms and instructions, receiving of complaints, conducting of investigations, and holding of hearings. The Secretary of State is responsible for receiving and storing reports and statements. This particular division of responsibility necessitates a goodly amount of interoffice communication which results in an attendant loss of time that might be better utilized. Presently the arrangement worked out is one in which the reports are received by the Secretary of State's Office, they are copied, and in most cases certified, and forwarded to the Commission. These then become the basis for the Commission's review and audit activities. In addition, the arrangement tends to confuse those who must comply with the statutes. They often do not understand why after having corrected a problem to the Commission's satisfaction, they must then file an amended report with yet another office.

*Recommendation C(6) is the only recommendation which is new this year.

SEC. 9

- 2. K.S.A. 1975 Supp. 25-4101 et seq. and 46-215 et seq. Amend by adding sections to both Acts to provide that information acquired in the course of review, audit and investigation activities which may pertain to a possible violation of law outside the jurisdiction of the Commission may be communicated by the Commission to the agency responsible for enforcement of those laws.

Comment. Presently if the Commission, during the course of a review, audit or investigation, were to acquire data which indicated other state or federal laws had been violated, we would be unable, because of the confidentiality provisions of the Commission's enabling legislation, to communicate that information, for example, to the Internal Revenue Service or the Kansas Attorney General's Office. An example would be the possible violation by one of several types of corporations regulated by the state in making a contribution to a candidate for state office. This is a contravention of K.S.A. 1975 Supp. 25-1709.

SEE
HB 2573

- 3. K.S.A. 1975 Supp. 25-4101 et seq. and 46-215 et seq. Amend by adding sections to both Acts to provide that the presiding member of the commission or subcommittee conducting a hearing shall be eligible to receive \$35 per diem compensation on those days in which a pre-hearing conference is actually conducted by the member.

Comment. Currently members of the Commission can only be compensated for days actually spent in Commission meetings or subcommittee hearings. However, the character of the work performed by the presiding member in a hearing situation is comparable and the individual devoting such time should be reimbursed on the same basis.

SEC. 20
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- 4. K.S.A. 1975 Supp. 46-215 et seq. and K.S.A. 75-4301 et seq. Amend to clarify that a person covered by one of these laws is not covered by the other.

Comment. The state level conflict of interest provisions are contained in K.S.A. 1975 Supp. 46-215 et seq. K.S.A. 75-4301 et seq. is an earlier statute which at one time covered all conflict issues but is now intended to cover only those at the local level. (See K.S.A. 1975 Supp. 46-279.) Apparently it can be argued that the statutory method used to limit the applicability of K.S.A. 1975 Supp. 75-4301 et seq. to the local level does not comply with Article 2, Section 16 of the Kansas Constitution. Should that argument prevail, then both bodies of law might apply to numerous factual situations

DRAFT
Section 20

and multiple filings of statements might result. In addition, those persons who are exempted from the operation of the state level law might nonetheless fall within the purview of K.S.A. 1975 Supp. 75-4301 et seq. We recommend appropriate statutory changes be made to clearly define the relationship of these two bodies of law.

5. K.S.A. 1975 Supp. 25-901 et seq. and K.S.A. 1975 Supp. 25-4101 et seq. Amend to clarify the relationship of these two laws.

Comment. A relationship similar to that described in the preceding recommendation exists between these two laws. (See K.S.A. 1975 Supp. 25-4135.) The same problems discussed above exist here and we therefore recommend the appropriate statutory change.

- SEC. 19 6. K.S.A. 1975 Supp. 46-215 et seq. Amend by adding the following section:

(a) The commission may require any person to file a report for any period for which any report required by this act of the person 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 (5) days after notice by the commission.

(b) The commission may require any person to file an amended report for any period for which the original report filed by such person contains material errors or omissions, and notice of such errors or omissions shall be part of the public record. Such amended report shall be filed within thirty (30) days after notice by the commission.

Comment. This recommended section corresponds to similar language in the Campaign Finance Act (K.S.A. 1975 Supp. 25-4108(e) and (f)) which was added by the 1975 Legislature. It is important to provide notice to those persons who have inadvertently failed to file a report or made material errors or omissions. In addition, this section facilitates enforcement of the conflict of interest and lobbying disclosure provisions.

B. Lobbying Regulation

- SEC. 10 1. K.S.A. 1975 Supp. 46-265. Amend to read:
(a) Every lobbyist shall register with the secretary of state by completing a registration form prescribed and provided by the commission and by signing and verifying the same. Such registration shall show the

name and address of the person compensating the lobbyist represents for lobbying, the purpose of the representation employment and, when compensated, the method of determining and computing the compensation of the lobbyist. If the lobbyist ~~is compensated or to be compensated~~ represents more than one person for lobbying by more than one employer or is to be engaged in more than one employment, the relevant facts listed above shall be separately stated for each person represented employer and each employment, but only one registration fee each year shall be required of one lobbyist. Whenever any new lobbying employment ~~or lobbying position~~ representation is accepted by a lobbyist already registered hereunder, he or she shall report the same on forms prescribed and provided by the commission before engaging in any lobbying activity related to such new representation employment or position, and such report shall be filed, when made, with the secretary of state. Whenever the lobbying of a lobbyist concerns a legislative matter, the secretary of state shall promptly transmit copies of each registration and each report filed under this act to the secretary of the senate and the chief clerk of the house of representatives.

(b) Any person may register as a lobbyist under this section. Such registration shall expire annually on December 31. In any calendar year, before engaging in lobbying, persons to whom this section applies shall register or renew their registration hereunder. Every person registering or renewing his or her registration shall pay to the secretary of state a fee of ten dollars (\$10). The secretary of state shall remit all moneys received under this section to the state treasurer, and the state treasurer shall deposit the same in the state treasury to the credit of the state general fund.

(c) Any person who has registered as a lobbyist pursuant to this act may file, upon termination of such person's lobbying activities, a statement terminating such person's registration as a lobbyist. Such statement shall be on a form prescribed by the commission and shall state the name and address of the person compensating the lobbyist for lobbying and the date of the termination of the lobbyist's lobbying activities.

Comment. These changes are technical in nature. The language of this section focuses on an employment relationship which is presently one of several methods by which an individual may become a lobbyist. The use of the term "represents" is intended to include those who are appointed or spend money on behalf of another person.

SEC. 12(c)

New Section. Amend by adding the following section:
Whenever more than one person represents another person for lobbying, one such person shall be designated as the reporting lobbyist, who shall report all reportable lobbying expenditures, gifts, honoraria or payments made by or on behalf of the person represented. The amount or value of expenditures, gifts, honoraria or payments made by or on behalf of the person represented shall be cumulated for the purpose of any reporting requirements. Any person not designated as the reporting lobbyist, including the person represented, shall report to the one so designated all lobbying expenditures, gifts, honoraria and payments made by or on behalf of the person represented prior to the date of the report to which such transactions are allocated.

Comment. Currently organizations with more than one lobbyist may spread out expenditures among lobbyists and avoid reporting since each lobbyist reports independently and reporting thresholds apply independently. For example, assume an organization has five lobbyists and each makes expenditures of \$45 to a specific vendor during each of the seven reporting periods in a calendar year. And assume each lobbyist is not otherwise required to file any of the reports. In this situation, the total amount expended on behalf of the organization of \$1,575 would not be reported. The recommended language is intended to eliminate this means of avoiding disclosure.

SEC. 12(b)^{3.}

New Section. Amend by adding the following section:
(a) Every lobbyist who intends to make lobbying expenditures or gifts, honoraria or payments in an aggregate amount or value of less than one hundred dollars (\$100) during a calendar year including those made by or on behalf of the person the lobbyist represents, shall, upon filing the registration statement, file an affidavit of such intent with the secretary of state. Reports required by K.S.A. 1975 Supp. 46-268, as amended, shall not be required of such lobbyist. Any lobbyist who files such an affidavit and who in fact makes lobbying expenditures or gifts, honoraria or payments of one hundred dollars (\$100) or more during a calendar year, including those made by or on behalf of the person the lobbyist represents, shall within three (3) days of ascertaining such facts file all past due reports and all future reports.

SEC. 12(c)

(b) Every lobbyist who is not a designated lobbyist for a person represented by more than one lobbyist shall file an affidavit of that fact and shall not file the reports required by K.S.A. 1975 Supp. 46-268, as amended.

Comment. Currently whether a lobbyist must report expenditures depends on whether the lobbyist has made expenditures in excess of \$50 to any one vendor or other person. This threshold permits a lobbyist to spread out lobbying activities among vendors and avoid reporting. For example, assume a lobbyist spends \$45 at each of five vendors during each of the seven reporting periods in a calendar year and is not otherwise required to report. The total expenditures of \$1,575 would not be reported under the Act in its present form. The language recommended above is intended to set a threshold that is not subject to the avoidance of reporting based on the structuring of a transaction.

SEC. 12(a)

4. K.S.A. 1975 Supp. 46-268. Amend to read:

(a) Every lobbyist, except those who have properly filed an affidavit of exemption, shall file with the secretary of state a verified report of employment representation and expenditures on a form prescribed and provided by the commission. Such reports shall be filed for each of the months of January, February, March and April and for each of the periods from May 1 to June 30, inclusive, from July 1 to September 30, inclusive, and from October 1 to December 31, inclusive. Such reports shall be filed by the twentieth (20th) ~~tenth-(10th)~~ of the month immediately following the reporting period. ~~Reports shall only be required for reporting periods during which expenditures are made or gifts, payments or honoraria are given which are required to be reported under K.S.A. 1975 Supp. 46-269.~~

SEC. 12(b) + (c)

(b) Expenditures are allocated (1) to the reporting period when the debt is incurred if the amount is then known or ascertainable, or (2) to the reporting period when the amount becomes known or ascertainable if the amount is not initially known or ascertainable, whichever occurs first.

(c) Gifts, honoraria and payments are allocated to the reporting period when accepted by the state officer or employee. When a gift, honoraria or payment is composed of separate transfers deferred over more than one reporting period, the total value thereof shall be allocated to the reporting period in which the state officer or employee accepts the initial transfer.

Comment. The allocation of expenditures on the basis of the date of payment or the date a bill is received permits a lobbyist to defer payment or receipt of a

bill such that reporting may be avoided. For example, assume a lobbyist incurs a debt for \$315 at one vendor's in January and makes payments or arranges to be billed at the rate of \$45 for each reporting period. If the lobbyist is not otherwise required to report, the \$315 would not be reported under either of the allocation systems just described. The recommended language is intended to preclude the avoidance of reporting and provide for the most timely reporting. Recognizing, however, that billings are not always received by the 10th of the month, we recommend the reporting date be changed to the 20th of the month immediately following the reporting period.

Sec (3, 5)
Sec. 14(a)

K.S.A. 1975 Supp. 46-269. Amend to read:

Each report under K.S.A. 1975 Supp. 46-268 shall disclose the following: (a) ~~The full name and address of each person represented who has paid compensation for lobbying to the lobbyist or has paid for expenses of lobbying by the lobbyist.~~

(b) ~~The aggregate amount or value of all expenditures made (except for expenses of general office overhead) by the lobbyist or on behalf of the person represented according to the categories in the definition of expenditure, excluding individual by his or her employer for or in direct relation to lobbying during the reporting period, if such expenditures to any one vendor exceed fifty dollars (\$50).--Individual expenditures of less than one dollar (\$1) shall not be required to be reported under this subsection (b).--Such expenditures shall be reported according to categories of expenditures established by rules and regulations of the governmental ethics commission.--With regard to expenditures for entertainment or hospitality which is primarily food and beverage 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 (b) no lobbyist shall be responsible to report any expenditure by his or her employer of which he or she has no knowledge.~~

(c) All gifts, honoraria or payments, of made by the lobbyist or by or on behalf of the person represented to each state officer or employee and/or his or her spouse in an aggregate amount or value in excess of ten dollars (\$10) by the lobbyist to any state officer or employee during the reporting period, including the type of gift or purpose of the honoraria or payment and the value thereof. 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.~~

Comment. The recommended changes are primarily conforming changes necessary for the implementation of preceding and following recommendations.

Sec. 13(d)

6. K.S.A. 1975 Supp. 46-269(c). Consider amending this subsection to provide that hospitality in the form of food and beverage shall be reported as a gift in the total amount or value received if the amount or value exceeds a set threshold during a reporting period, such threshold not to exceed \$50.

Comment. The requirement of this subsection to report gifts by name of the recipient does not include hospitality in the form of food and beverage regardless of the amount received. The Commission recognizes there are many situations involving attendance by public officials at meetings and conventions where the interaction of such officials with the public should not be restricted in any manner. On the other hand, however, consideration should be given to establishing a threshold per reporting period, not to exceed \$50, above which the value of hospitality provided in the form of food and beverage would constitute a reportable gift under this section so that the exclusion from such reporting is not abused.

Sec. 17

7. New Section. Amend by adding the following section:
- (a) "Expenditure" means the payment or contract therefore or the receipt and use of goods or services at less than fair market value (1) for the provision of hospitality in the form of food and beverages to any state officer and employee and his or her spouse, (2) associated with the giving of any gift, honoraria or payment, (3) for mass media communications, letter writing campaigns and similar transactions to urge or request others to engage in lobbying, or (4) for any other transaction for or in direct relation to lobbying.
- (b) "Expenditure" does not include the payment or contract therefore or the receipt and use of goods and services at less than fair market value (1) for

the preparation of proposals, position papers and similar documents, (2) to employ another to lobby on one's behalf, (3) for personal travel and subsistence of a person engaging in lobbying, (4) for an individual's own communications by means of the postal system, telephone, telegraph or similar communications system, (5) for general office overhead including costs associated with memberships in private clubs or similar establishments except as provided in subsection (a)(3) of this section, or (6) for bona fide personal or business entertaining of a state officer or employee or his or her spouse due solely to a personal friendship or business relationship outside of the state officer or employee's official duties as such, or (7) which is reported in compliance with the Campaign Finance Act.

Comment. This recommendation is intended to clarify which disbursements require an individual to register, as well as which are reportable. The recommended definition is primarily that which can be inferred from the use of the term throughout the Act. The exceptions are generally those which are contained in different parts of the Act.

The definition of "expenditure" is basically directed at the reporting of those disbursements which occur outside of the public forum. This approach serves a valid policy consideration and recognizes the practical problems associated with prorating overhead costs, lobbyist's fees, and other costs which are difficult to compute. However, the exclusions constitute the vast majority of costs associated with lobbying. While the Commission does not have available the data necessary to determine what percentage of lobbying costs are included in the exclusions, one situation where a lobbyist over-reported indicates in that case that the excluded costs constitute approximately 90% of the total lobbying effort. In other words, had the lobbyist reported only those costs required by the Act, the amount reported would have been approximately 10% of the total costs associated with the effort.

The major addition to the definition of "expenditure" is contained in the phrase "the receipt and use of goods at less than fair market value". Currently, if a lobbyist receives goods from a member of the organization the lobbyist represents and those goods are used to entertain state officers and employees, the costs associated with the goods are not reportable

since the lobbyist did not make the expenditure. For example, members could donate the food and beverage for a lobbying event in such a way that the lobbyist would not report anything. The recommended language is intended to include this situation in the definition of expenditures.

SEC. 18

- 8. New Section. Amend by adding the following section:
 - (a) "Gift" means the transfer of any money or any thing of value unless legal consideration of reasonably equal or greater value is received in return.
 - (b) "Gift does not mean (1) any transfer of any bona fide personal or business gift to a state officer or employee or his or her spouse based solely on a personal friendship or business relationship outside of a state officer's or employee's official duties as such, or (2) any contribution reported in compliance with the Campaign Finance Act.

Comment. The term "gift" is currently undefined in the Act. The recommended definition is one of general usage which makes clear that the value of a special discount is a gift but excludes those gifts totally unrelated to a state officer or employee's position as such.

ADD TO BILL

- 9. K.S.A. 1975 Supp. 46-267. Consider amending this section to exempt from its prohibition against contingent fees for lobbying the situation where any person representing an individual in a compensation case for personal injury or damages to personally owned property before the joint legislative committee on Claims and Accounts.

Comment. It is the Commission's opinion that the advantages to an individual suffering personal injury or damage to personally owned property outweighs what might be the benefits of a uniform policy prohibiting contingency fees for lobbying.

C. Conflict of Interest

SEC. 1

- 1. K.S.A. 1975 Supp. 46-221(a). Amend the definition of "state officer or employee" to include attorneys who function as general counsel for a state agency no matter how compensated.

Comment. Presently any attorney who is employed on a full-time basis as general counsel for a state

agency is included within the definition of state officer or employee and is therefore subject to the conflict of interest provisions. If, however, the arrangement is one of an independent contractor or the attorney is employed on a part-time basis, such an attorney is not within the definition of state officer and employee and is therefore not covered by the conflict of interest provisions.

2. K.S.A. 1975 Supp. 46-229(e). Consider whether this section should be modified.

Comment. K.A.R. 19-41-2 concerns the definition of "substantial interests" and therefore what matters must be reported by certain state officers and employees under K.S.A. 1975 Supp. 46-248. We believe this regulation should be reviewed in detail for the purpose of considering whether any of the definitions should be modified either to exclude certain matters from reporting or to include others.

SEC. 2
" 3

3. K.S.A. 1975 Supp. 46-233 and K.S.A. 1975 Supp. 46-239. Repeal K.S.A. 1975 Supp. 46-233(b) and amend K.S.A. 1975 Supp. 46-239(b) as follows:

(b) Any state officer or employee who is employed in any representation case shall, not later than ten (10) days after the acceptance of employment for such case or on the first appearance before the state agency involved (whichever occurs first), file on a form prescribed and provided by the commission a disclosure statement as provided in this section. Any individual, while a legislator or within one (1) year after the expiration of a term as a legislator, who ~~contracts to perform any service for a state agency other than the legislature, shall be~~ is interested pecuniarily, either directly or indirectly, in any contract with the state, shall not later than ten (10) days after the acceptance of such contract, formal negotiations for such contract commence, file a disclosure statement as provided in this section.

46-236
237
291

Comment. Both subsections identified above attempt to reach similar situations. However, since they are worded differently, it is often difficult to determine in what situations legislators are required to file Representation Case Disclosure Statements when involved in contracting with the state in their capacities as private businessmen. The recommended repeal and amended language is intended to simplify the application

of the Act to such situations. It is also suggested that the disclosure be based on the date formal negotiations commence instead of the current test which provides for disclosure after the fact.

4. K.S.A. 1975 Supp. 46-236, 46-237 and 46-271. Consider amending these sections to clarify their application.

Comment. The key section is K.S.A. 1975 Supp. 46-237 which deals primarily with the acceptance by state officers and employees of certain economic opportunities, gifts, services, etc. from persons with a special interest and sets limits on the amounts which may be received. Set out below are several situations which cause interpretation difficulties under this section. The application of the law to each situation should be reviewed in order to understand the difficulty with the present language. In considering each situation, assume that the person giving the economic opportunity, gift or service has a special interest and that reasonable persons might infer that a purpose of the giving is to influence the state officer or employee in the performance of official duties.

(1) An economic opportunity, gift or service is given to relatives, business or personal friends of a state officer or employee which does not pecuniarily inure to the advantage of the state officer or employee but does inure to the benefit of such relatives, business or personal friends.

(2) The person with a special interest pays for transportation and hotel accommodations of a state officer or employee when he or she is directly involved in contracting with, regulating or investigating the donor on behalf of the state.

(3) The person with a special interest pays for transportation and hotel accommodations of a state officer or employee when he or she is performing official duties which are incidental to those matters described in (2) above such as speaking at a conference and providing general information about the agency.

(4) The person with a special interest pays for transportation and hotel accommodations of a state officer or employee when he or she is participating in an event in a ceremonial capacity indirectly related to official duties.

(5) An economic opportunity, gift or service is given which benefits the state as a whole such as donations to universities, the state library, etc.

The Commission believes the application of law to each of these situations should be clarified. In regard to situations (2) and (3) we believe a careful balancing is necessary between the contention that permitting such payments is fiscally advantageous to the state and should not be prohibited and the argument that permitting such payments may work to the competitive advantage of those persons who are capable of doing so over those who are not and the need to maintain agency independence. Whatever changes are made should also be considered for K.S.A. 1975 Supp. 46-236 and 46-271.

In the Commission's continuing review of this section, it is developing appropriate language for clarification. Should it be determined that clarification is in order, the Commission will gladly provide such assistance as may be required to draft appropriate amendatory language.

- SEC. 4
5. K.S.A. 1975 Supp. 46-247(c). Amend to provide that state officers and employees whose principal duties are teaching and who are under the jurisdiction of the State Board of Education and other state agencies are exempt from the requirement to file Statements of Substantial Interests.

Comment. All elected state officers and employees, all appointed state officers and employees whose appointment is subject to confirmation, and all state officers and employees earning \$15,000 or more except those individuals under the Board of Regents whose principal duties are teaching, must annually file a Statement of Substantial Interests. The latter exception was apparently included to exempt individuals from this requirement whose duties are primarily teaching. However, it is limited by the reference to the State Board of Regents. The Commission sees no distinction between teachers under that agency and those who are under the jurisdiction of others and therefore recommends that the exclusion be broadened to include state officers and employees whose principal duties are teaching no matter under whose jurisdiction they come.

- SEC. 5
6. K.S.A. 1975 Supp. 46-248(b)(4). Amend to provide that individuals whose appointments are subject to confirmation by the Senate and therefore must file Statements of Substantial Interest may do so within thirty days of the appointment, rather than on the date the appointment is submitted to the Senate.

Comment. Many such appointments are made during the interim between sessions, and the individuals involved have no idea as to when their appointment will be submitted to the Senate. It is a time over which they have no control. Therefore, it would seem more equitable if they were allowed to file initially within thirty days of appointment and then annually on January 31 thereafter, as all others are required.

SEC. 15
" 16

- 7. K.S.A. 1975 Supp. 46-272 and 46-273. Amend these sections to apply to persons with "special interests" rather than "lobbyists" and to include offers and payments by and on their behalf.

Comment. Currently the limitations contained in these sections are directed at each lobbyist. Thus, an organization with more than one lobbyist or with a number of persons who do not meet the definition of lobbyist may spread out the offers and payments and therefore dilute the applicability of these sections.

SEC. 20

- 8. K.S.A. 1975 Supp. 75-4301. Consider amending to provide that the definition of "business" be amended to include a municipal or quasi-municipal corporation.

Comment. This change would have the effect of prohibiting a member of a school board, for example, whose spouse is a teacher in that school system from making or participating in the making of a contract for teacher salaries or other personnel matters.

D. Campaign Finance

- 1. K.S.A. 1975 Supp. 25-4108(b)(2). Amend to provide that each person making a contribution or contributions in an aggregate of \$25 or more during a reporting period shall be identified as to principal occupation or place of business.

Comment. In line with the theory of disclosing those segments of the population which support a given candidate or committee, the Commission believes that the information regarding the contributor's occupation or business is significant.

- 2. K.S.A. 1975 Supp. 25-4108(h). Amend this subsection to read:

If a report is sent to the office of the filing officer secretary of state by certified or registered

PETITION

TO: The Governor, Attorney General and Legislature of
The State of Kansas.

WHEREAS the Constitution of the United States and
of the State of Kansas guarantees people the right to
petition their government for a redress of grievances and

WHEREAS the legislature passed the Campaign Finance
Act and created the Governmental Ethics Commission during
the 1974 session and

WHEREAS the Act was passed because of Water Gate
and the so-called K.U. Medical Center Scandal and

WHEREAS the Governmental Ethics Commission, during
the 1977 session of the legislature indicated by their actions
and testimony that they believe all candidates for state offices
are presumed to be guilty until proven innocent, thus reversing
one of the highest principals of American law and

WHEREAS the Governmental Ethics Committee directly
or indirectly attempted to coerce members of the legislature
into increasing their budget and

WHEREAS the Commission has failed to find any wrong-
doing or dishonesty by candidates for election to state office
and

ALC. VI

WHEREAS the Governmental Ethics Commission has attempted to stretch the Campaign Finance Act to cover persons and incidents that the legislature did not intend to be covered under said act and

WHEREAS the Governmental Ethics Commission failed to fully appraise candidates for state offices of all the rules and regulations and

WHEREAS the action of the Governmental Ethics Commission will and has discouraged persons from running for public office and

WHEREAS both the Campaign Finance Act and the Governmental Ethics Commission have wholly failed of their purpose.

NOW THEREFORE, the undersigned citizens and tax payers of the State of Kansas respectfully request that their public officials investigate the Governmental Ethics Commission and its operation and take all steps necessary to protect the rights of freedom of the citizens of the State of Kansas including abolishing the Governmental Ethics Commission and repealing the Campaign Finance Act.

Respectfully Submitted,

NAME

ADDRESS

DATE

Thos. H. Hart Sr.

2039 NAISMITH DR
LAWRENCE, K₂ 66044

7-18-77

BILL NO. _____

By Special Committee on Elections.

AN ACT relating to the ethical conduct of certain persons in relation to state government; amending K.S.A. 1977 Supp. 46-226 and repealing the existing section.

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

Section 1. K.S.A. 1977 Supp. 46-226 is hereby amended to read as follows: 46-226. "Representation case" means the representation of any person, client, principal, or third person, with compensation, in any matter before any state agency where the action or non-action of the state agency involves the exercise of substantial discretion; but representation case does not mean or include (a) any communication initiated by a legislator on behalf of a constituent or other member of the public for which no compensation is received or to be received, or (b) preparation and filing of tax returns or other governmental forms, or (c) participation in tax audit negotiations, or (d) any activity of a state officer or employee in carrying out the duties of his or her office or employment, or (e) a preliminary inquiry by any person into a matter before a state agency or (f) representation of a client involving a claim pursuant to the workmen's compensation act or the employment security law by any person other than an employee of the department of human resources.

Sec. 2. K.S.A. 1977 Supp. 46-226 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Atch. VII

BILL NO. _____

By Special Committee on Elections

AN ACT relating to the ethical conduct of certain persons in relation to state government; amending K.S.A. 1977 Supp. 46-239 and 46-240 and repealing the existing sections.

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

Section 1. K.S.A. 1977 Supp. 46-239 is hereby amended to read as follows: 46-239. (a) Except for representation of a client involving a claim pursuant to the workmen's compensation act or employment security law by an attorney other than an employee of the department of human resources, no state officer or employee shall accept employment in any representation case, unless such officer or employee has properly filed the disclosure statement prescribed by this section.

(b) Any state officer or employee who is employed in any representation case shall, not later than ten (10) days after the acceptance of employment for such case or on the first appearance before the state agency involved (whichever occurs first), file on a form prescribed and provided by the commission a disclosure statement as provided in this section. Any individual, while a legislator or within one (1) year after the expiration of a term as a legislator, who contracts to perform any service for a state agency other than the legislature, shall not later than ten (10) days after the acceptance of such contract, file a disclosure statement as provided in this section.

(c) The disclosure statement required by this section shall be filed with the secretary of state in all cases. Any individual who files a statement may file an amended statement (or, if permitted by the secretary of state, amend the original filing) at any time after the statement is originally filed. Copies of each such statement shall forthwith upon filing be transmitted by the

secretary of state to (1) in the case of members of the house of representatives, the chief clerk of the house of representatives, or (2) in the case of senators, the secretary of the senate. In addition to the foregoing, a copy of every disclosure statement shall be transmitted by the secretary of state to the state agency involved, if the state agency is other than a part of the legislative branch.

(d) The disclosure statement provided for by this section shall be signed by the person making the same and shall state (1) the name of the employer, (2) the purpose of the employment and (3) the method of determining and computing the compensation for the employment in the representation case.

(e) Any person who is employed in a representation case and who is required to file a disclosure statement pursuant to this section may file, upon termination of such person's employment in such representation case, a termination statement with the secretary of state. Such statement shall be on a form prescribed and provided by the commission and shall state (1) the name of the employer, (2) the state agency involved in the case, and (3) the date of the termination of employment. The secretary of state shall transmit a copy of such statement to the state agency involved.

(f) Failure to file a true disclosure statement is intentionally (1) failing to file a disclosure statement when and where required by this section, or

(2) filing a disclosure statement under this section which contains any material misrepresentation or false or fraudulent statement.

Failure to file a true disclosure statement is a class B misdemeanor.

Sec. 2. K.S.A. 1977 Supp. 46-240 is hereby amended to read as follows: 46-240. Except for cases involving claims pursuant to the workmen's compensation act or employment security law, no state officer or employee shall accept or agree to accept any compensation, ~~or any part thereof,~~ for employment in a any

representation case of any kind, before a state agency, ~~except~~
~~workmen's compensation cases,~~ which is contingent upon the result
~~achieved or~~ attained.

Sec. 3. K.S.A. 1977 Supp. 46-239 and 46-240 are hereby
repealed.

Sec. 4. This act shall take effect and be in force from and
after its publication in the statute book.

7-1-77

yes

PROPOSED BILL NO. _____

By Special Committee on Elections

AN ACT relating to conflicts of interests; amending K.S.A. 75-4306 and repealing the existing section.

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

Section 1. K.S.A. 75-4306 is hereby amended to read as follows: 75-4306. (a) Any person who intentionally violates any provision of ~~section 3 or 4 of this act~~ K.S.A. 75-4304 and 75-4305, and any person who ^{knowingly and} intentionally fails to make any disclosure of substantial interest required by law K.S.A. 75-4302 shall be guilty of a class A misdemeanor. — *class B-*

(b) If any clause, paragraph, subsection or section of this act shall be held invalid or unconstitutional it shall be conclusively presumed that the legislature would have enacted the remainder of this act without such invalid or unconstitutional clause, paragraph, subsection or section.

Sec. 2. K.S.A. 75-4306 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Atch. IX

AN ACT supplementing the campaign finance act; concerning certain expenditures by party committees.

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

Section 1. (a) Expenditures by a party committee for obtaining time, space or services of a communications media or for providing a forum for the purpose of jointly promoting three or more candidates [in a substantially equal manner] need not be reported by a candidate or candidate committee as a contribution or expenditure under the campaign finance act, but a party committee shall include any such expenditure in reports required by the campaign finance act.

(b) This section shall be a part of and supplemental to the campaign finance act.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.

Atch. X