

MINUTES OF THE Senate COMMITTEE ON Elections

The meeting was called to order by Senator Don Sallee at _____
Chairperson

5:00 ~~xxx~~/p.m. on April 6, 1989, 19__ in room 529-S of the Capitol.

All members were present except:

Senator Richard Rock (excused)

Committee staff present:

Myrta Anderson, Research Department
Fred Carman, Revisor of Statutes' Office
Elizabeth Handke, Committee Secretary

Conferees appearing before the committee:

Others attending: see attached list (attachment 1)

The meeting was called to order by Chairman Sallee at 5:09 P.M.

The Chairman opened the floor to comments and suggestions on H.B. 2359. Senator Yost presented a Senate Substitute for H.B. 2359 (attachment 2). Senator Yost stated he had a concern about the ability of a candidate to take money from a campaign for personal use upon retirement or any other time. He said New Section 1 would not allow campaign money to be used for personal use. In Section 2 he pointed out the recognized political committees which allows the party to set up an established or recognized political committee for each the House and Senate and those committees would not have limits on what they could give to the candidates. Also in Section 2, which is the limitations section, the real change is found in c,d,e and f. He called this the multi-Pac amendment which would prohibit people from setting up a series of PACs which are controlled by one particular business group and the funneling of that money into a particular candidate; this violates the spirit of the limitation law. He also stated the e and f part prohibits any one individual from contributing more than \$1000 to the party and \$750 to a PAC. Senator Lee asked Senator Yost to explain the multi-Pac situation. Senator Yost explained they are business groups, labor organization, or any professional group which may have multiple PACs and, in this substitute bill, they could not have each PAC send the maximum amount of money to one candidate. He also defined what a single entity was:

Two or more entities are treated as a single entity if the entities:

1. Share the majority of members on their boards of directors
2. Are owned or controlled by the same majority shareholder or shareholders
3. Are financially interrelated political committees of professional persons.

Senator Yost stated that individual contribution are not precluded. He also stated he had two main purposes with this substitute and they are not to take money for personal use and not to have funneling of money which would violate the spirit, if not the letter of the law, from one super group which has several PACs set up. Senator Lee had a concern that this legislation makes it easier for the wealthy to run and harder for individuals who have to raise their own money.

Senator Yost suggested the committee adopt this Senate substitute bill and then work from the substitution. Senator Bond stated he would like to have more time to think this over. The Chairman stated the committee would meet April 7, 1989 and possibly take action then.

The Chairman adjourned the meeting at 5:41 P.M.

Senate Substitute for HOUSE BILL NO. 2359

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

AN ACT concerning elections; affecting the campaign finance act; amending K.S.A. 25-4153, 25-4142 and 25-4171, and repealing the existing sections.

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

New Section 1. No expenditure, disbursement or other payment of any candidate or candidate's treasurer, reportable on any report, shall be made to the candidate, except for legitimate campaign purposes.

Sec. 2. K.S.A. 25-4153 is hereby amended to read as follows: 25-4153. (a) The aggregate amount contributed to a candidate and such candidate's candidate committee and to all party committees and political committees and dedicated to such candidate's campaign, by any person, except a party committee and its recognized political committees, the candidate or the candidate's spouse, shall not exceed the following:

(1) For the pair of offices of governor and lieutenant governor and for other state officers elected from the state as a whole, \$3,000 for each primary election (or in lieu thereof a caucus or convention of a political party) and an equal amount for each general election;

(2) for the office of state senator, member of the house of representatives, district judge, district magistrate judge, district attorney or member of the state board of education, \$750 for each primary election (or in lieu thereof a caucus or convention of a political party) and an equal amount for each general election.

(b) For the purposes of this section, the face value of a loan at the end of the period of time allocable to the primary or general election is the amount subject to the limitations of this

section. A loan in excess of the limits herein provided may be made during the allocable period if such loan is reduced to the permissible level, when combined with all other contributions from the person making such loan, at the end of such allocable period.

(c) For purposes of the contribution limitations, the following apply:

(1) All payments made by a person, organization, or political action committee whose contribution or expenditure activity is financed, maintained, or controlled by a corporation, labor organization, association, or any other person or committee, including a parent, subsidiary, branch, division, department, or local unit of the corporation, labor organization, association, or any other person, or by a group of such persons are considered made by the same person or committee.

(2) Two or more entities are treated as a single entity if the entities:

(A) Share the majority of members on their boards of directors; or

(B) are owned or controlled by the same majority shareholder or shareholders; or

(C) are financially interrelated political committees of professional persons.

(d) Each party committee may designate one recognized political committee for the house of representatives and one recognized political committee for the senate.

(e) The aggregate amount contributed to a state party committee shall not exceed \$1,000 for each primary election and an equal amount for each general election when contributed by a person other than a political committee. The aggregate amount contributed to a state party committee shall not exceed \$750 for each primary election and a like amount for each general election when contributed by a political committee.

(f) The aggregate amount contributed to a recognized political committee shall not exceed \$1,000 for each primary

*Elections
April 6, 1989
attachment 2-1*

election and a like amount for each general election when contributed by a person other than a political committee. The aggregate amount contributed to a recognized political committee shall not exceed \$750 for each primary election and a like amount for each general election when contributed by a political committee.

Sec. 3. K.S.A. 25-4142 is hereby amended to read as follows: 25-4142. K.S.A. 25-4142 to 25-4179, inclusive, and amendments thereto and section 1 and amendments thereto may be cited as the "campaign finance act."

Sec. 4. K.S.A. 25-4171 is hereby amended to read as follows: 25-4171. Intentional violation of any provision of K.S.A. 25-4144, 25-4145, 25-4146, 25-4147, 25-4151, 25-4154 or 25-4165; and amendments thereto, or section 1, or the confidentiality provision of K.S.A. 25-4161; and amendments thereto, is a class A misdemeanor.

Sec. 5. K.S.A. 25-4153, 25-4142 and 25-4171 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the Kansas register.

Elections
April 6, 1989
2-2