

Approved 3-19-91
Date

MINUTES OF THE SENATE COMMITTEE ON ELECTIONS

The meeting was called to order by SENATOR DON SALLEE at
Chairperson

1:30 ~~xxxx~~ p.m. on March 4, 1991 in room 529-S of the Capitol.

All members were present ~~xxxx~~ or excused:

Committee staff present:

Pat Mah, Legislative Research Department
Ardan Ensley, Office of the Revisor of Statutes
Clarene Wilms, Committee Secretary

Conferees appearing before the committee:

Senator Wint Winter
Michael Woolf, Common Cause

Others attending: See attached list.

The chairman called the meeting to order shortly after 1:30 p.m.

SB-153 - Concerning campaign finance; prescribing limitations upon contributions for such such purposes.

Senator Wint Winter appeared on the behalf of sponsors of SB-153 telling the committee a number of problems exist in current laws with respect to campaign finances such as disenchantment of the public, suspicion among the public concerning campaign finance, difficulties in recruiting good candidates and the tremendous advantage of incumbents in reelection. Presently a proliferation of political action committees, corporations and unions which have a singular interest can band together and essentially pick out a particular candidate, promise to finance their campaign. This creates an environment which sets candidates up for abuse and the possibility of candidates coming to the legislature without a broad base of knowledge of the community and the people.

Senator Winter presented statistics concerning incumbents and candidates and PAC contributions. (Attachment 1)

A member questioned an issue raised in written testimony by Common Cause that to prohibit PAC contributions could be unconstitutional. Senator Winter referred to action by the U.S. Congress which added a section to their bill that should such legislation be deemed unconstitutional it should be read as a twenty percent limitation of total contributions.

A member noted that PACs balance some of the wealthy contributors who want to influence the process and questioned whether consideration had been given to public funding such as a check-off system. Senator Winter stated he disagreed with the premise that the wealthy would have an advantage while agreeing it would be much harder to raise funds under his system. In regard to public funding Senator Winter noted he did not feel public funding would come about within the next ten years. He noted the system is "broken" and this would partially "fix" it.

A comment was made noting that what was considered a small contribution in one district would be a large contribution in another district due to large differentials in gross income received by various individuals.

A member noted that by having their name in front of the public the incumbent has an advantage and to establish an even playing field the challenger would need to be allowed additional funds to counteract such recognition. Senator Winter noted public financing would not solve that particular problem.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ELECTION S

room 529-S, Statehouse, at 1:30 ~~xxx~~ p.m. on March 4, 191.

A member noted that in the recent Insurance Commissioner's race the opposite held true and possibly the only way to deal with such a problem would be to make it an appointive position.

Michael Woolf, Common Cause, appeared in opposition to SB-153. It was noted some issues raised in the written testimony had been discussed, however, he noted the issue of the bill favoring someone with a large amount of free time to spend. Mr. Woolf requested the committee to consider ways a campaign should be financed. Common Cause favors some portion of public funding and Mr. Woolf noted HB-2169 had been introduced dealing with this issue. (Attachment 2)

Referring to the Supreme Court decision that you could not prohibit a person contributing to their own campaign, a member questioned Mr. Woolf concerning public funding being very beneficial to wealthy people. Mr. Woolf replied that the Supreme Court ruled it has to be a voluntary system with expenditure limits and public funding. With these three components it is possible to limit the amount a person may put into their own campaign because it is a voluntary system.

A member asked Mr. Woolf whether Common Cause was concerned about the advantage an incumbent has in Kansas elections and Mr. Woolf replied they were. The member questioned why Common Cause opposed SB-153 if it would level the playing field. Mr. Woolf noted they did not think the bill would accomplish leveling the playing field with a simple PAC ban. The money would still get into the system by some method such as bundling, independent expenditures, etc. The member questioned whether it was not better for a person to make such a decision on their own rather than a lobbyist or the board of directors of a PAC making the decision. Mr. Woolf noted that realistically he didn't feel there was any difference at all between the two noting that independent expenditures are not independent.

A member asked if Common Cause had polled their members on a total PAC ban and Mr. Woolf noted they had not. Another member suggested Common Cause poll their members asking them if they believed PACs should be banned.

The chairman announced hearings on SB-153 would be continued tomorrow.

Senator Lee moved approval of the minutes of February 25 and 26. Senator Bond seconded the motion and the motion carried.

The meeting adjourned at 2:28 p.m.

GUEST LIST

SENATE ELECTIONS COMMITTEE

DATE March 4, 1991

(PLEASE PRINT)

NAME AND ADDRESS

ORGANIZATION

Michael Wolf
Topoka
Ron Hornburgh
Topoka
Jana Atchison
Topoka
Jan Crocker
Topoka
Craig Grant
Topoka
Wint Water
Lawrence
Quinn A. Whitaker
Topoka

CC/RS
SOS
KPDC
KPDC
H-NEA
Senate
Antenna

322 House candidates)

3,693 - ^{number of} PAC contributions given to ^{House} incumbents

54% } \$740,365.53 - total PAC contributions given to ^{House} incumbents

\$1,364,678.01 - total contributions from all sources to ^{House} incumbents

1,510 - ^{number of} PAC contributions given to non-incumbents

28% } \$349,161.83 - total PAC contributions given to non-incumbents

\$1,249,784.77 - total contributions from all sources to non-incumbents

3,882 - ^{number of} PAC contributions given to ^{House} winners

1,321 - ^{number of} PAC contributions given to losers

\$788,593.91 - total PAC contributions given to ^{House} winners

~~\$300,933.45~~ - total PAC contributions given to losers

\$1,619,661.19 - total contributions given to ^{House} winners

\$994,801.59 - total contributions given to losers

\$1,089,527.36 - total PAC contributions given to all House candidates

\$2,614,462.78 - total contributions given to all House candidates

Senate Elections
March 4, 1991
Attachment 1



COMMON CAUSE / KANSAS

701 Jackson, Room B-6 • Topeka, Kansas 66603 • (913) 235-3022

Testimony to the Senate Elections Committee
In Opposition to Senate Bill 153
by Michael Woolf, Executive Director

Thank you Mr. Chairman and members of the Committee for allowing me to testify today in opposition to SB 153.

We would like to encourage this Committee to think about how democratic campaigns should be financed. Our current system allows our public elections to be financially one-sided in many cases and paid for by special interest lobbies that have a huge financial stake in state government. That is the way our current system operates, and I don't think you will find very many people who believe that that is the way it ought to work. Common Cause believes that campaigns must be competitive and free of special interest group influence.

Senate Bill 153 attempts to address the second concern by preventing special interest groups from contributing to campaigns. It does not, however, address the need for competitive campaigns so voters can have a real choice on election day. Perhaps you think that Common Cause should support this proposal and settle for half a loaf. But I do not believe that this bill will decrease the reliance on special interest money, especially to the degree argued by proponents.

Since interest group contributions comprise over half of all the money that is available for legislative campaigns, I think it is unrealistic to believe that special interest money will simply disappear. Instead of simply abandoning this source of funding, candidates will ask leaders of special interest groups to get their members to contribute individually, or the leader of the special interest group will send past PAC contributors a list of influential candidates that they should contribute to instead of to the PAC. Another strong possibility is that wealthy special interest groups will make "independent expenditures" to benefit or negatively affect candidates. These "independent expenditures" cannot be limited under our current law. I have even heard if this were law that a special interest group could hire a person at a very high salary, and part of his or her job would be contributing to campaigns.

Either way, special interest groups will still control large sums of campaign money. Candidates will still have to please or be able to help these lobbies before they can get the money, and special interest groups will still try to use

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this money to influence and gain favor with public officials.

In addition, this proposal strongly favors wealthy candidates who are willing to put a lot of money into their own campaigns. It also favors good fundraisers, candidates with wealthy friends or colleagues, candidates that can spend a lot of time fundraising, and candidates who agree with the positions held by wealthy individuals. With these built in advantages to certain kinds of candidates it is clear that SB 153 will not produce competitive campaigns, and that should be a major goal of any campaign finance reform legislation.

Common Cause also believes that there are very serious constitutional problems with SB 153. The Supreme Court has clearly stated that individuals have the right to contribute to political campaigns; in fact they equated it with the freedom of speech. Because of the right to assemble, I don't believe that you can prohibit a voluntary group of individuals from contributing when it would be clearly unconstitutional to place that prohibition on a single individual.

In closing, Mr. Chairman, I have testified to this Committee before about all of the problems and inequalities that need to be corrected in our campaign finance system. Senate Bill 153 does not come close to making those much-needed reforms. In fact, I believe that this bill will make matters worse, and it will be a hindrance to full public disclosure. For these reasons, Common Cause is supporting House Bill 2169, which accomplishes the same goal, doesn't cause the problems, and will make elections more competitive so voters will have a real choice on election day.