

Approved: 3/7/96
Date

MINUTES OF THE SENATE COMMITTEE ON ELECTIONS, CONGRESSIONAL & LEGISLATIVE
APPORTIONMENT AND GOVERNMENTAL STANDARDS.

The meeting was called to order by Chairperson Janice Hardenburger at 1:40 p.m. on February 21, 1996 in Room 529-S of the Capitol.

All members were present except:

Committee staff present: Dennis Hodgins, Legislative Research Department
Gordon Self, Revisor of Statutes
Bonnie Fritts, Committee Secretary

Conferees appearing before the committee: Doug Walker, State Senator, 12th District
Marge Petty, State Senator, 18th District
Bobbi Mariani, Assistant Director, Division of Personnel Services
Scott Stone, Executive Director and Chief Counsel for Kansas Association of Public Employees
Janet Williams, Kansas Commission on Governmental Standards and Conduct

Others attending: See attached list

SB 422 **relating to lobbying, prohibiting certain acts**

Senator Hardenburger opened the hearings on this bill.

Senator Walker appeared as chief sponsor and proponent of the bill. He testified that this bill, generally known as the revolving door, would prohibit a legislator, governor's appointee, or state officer from becoming a lobbyist for one year following the expiration of the term of office or resignation from office (Attachment 1). He also stated that this one year waiting period would allow for any immediate issue to be resolved and also provides a clean break from the legislative process.

Discussion followed regarding the fairness of this legislation should it become law, and other conflicts concerning the language of the bill.

Hearings were closed on the bill.

SB 610 **concerning state governmental ethics; relating to contracts involving state officers and employees; prohibition on accepting certain private employment; exception for agency closures and budget reductions**

Senator Hardenburger opened the hearings on the bill.

Senator Petty appeared as a sponsor and proponent of the bill. She testified that her greatest interest lies with an employee package that would affect a large number of employees not just a select few.

Scott Stone, appeared in support of the bill and testified that state employees are currently prohibited from accepting employment from the private sector. This bill waives that prohibition for those laid-off due to closure (Attachment 2).

There was discussion about the fact that there is no standard severance package at this time for a state employee and that if length of employment is less than ten years then that person is not vested.

Janet Williams testified in favor of the bill stating that, the reasons which will cause the termination of his or her employment are due to circumstances beyond the state employee's control, and the Commission does not believe that employee should be further penalized by not being permitted to accept employment with any person or business because the employee may have participated in the making of a contract with that entity within the preceding two years (Attachment 3).

Bobbi Mariani also appeared as a proponent of the bill stating that her department is committed to assisting employees who will be displaced as a result of an institution closing and that the Governor has encouraged all agencies to give due consideration to hiring qualified employees who will be laid off. She also stated that the Governor and his Cabinet developed criteria to aid in evaluating legislative proposals and presented written testimony outlining that criteria (Attachment 4). This testimony stated that the exception provided by this bill applies only to employees affected by hospital closure, and will exist for a relatively short time.

Senator Hardenburger closed the hearing on SB 610.

SB 633 **concerning governmental ethics; relating to staff officers and employees; restrictions on compensation**

Senator Hardenburger continued hearings on this bill.

Dennis Hodgins gave an overview of the bill.

Janet Williams testified in support of this bill by stating that this bill amends K.S.A. 46-235 and makes it easier to understand. The Commission believes the current language makes it difficult to discern what type of conduct is prohibited (Attachment 5).

Discussion followed regarding the confusing language in the bill.

Hearings were closed on this bill.

The meeting adjourned at 2:27 p.m.

The next meeting is scheduled for February 22, 1996.

DOUG WALKER
SENATOR, 12TH DISTRICT
ANDERSON, BOURBON, FRANKLIN,
LINN, MIAMI COUNTIES



TOPEKA

SENATE CHAMBER

OFFICE OF DEMOCRATIC WHIP

TESTIMONY ON SB 422

COMMITTEE ASSIGNMENTS

RANKING MINORITY MEMBER:
EDUCATION
PUBLIC HEALTH AND WELFARE
MEMBER: ENERGY AND NATURAL RESOURCES
FEDERAL AND STATE AFFAIRS
HEALTH CARE DECISIONS FOR THE '90s

Madame Chair and Members of the Committee:

I appreciate the opportunity to appear before you today in support of SB 422 . This bill would prohibit a legislator, governor's appointee or state officer from becoming a lobbyist for one year following the expiration of the term of office or resignation from office.

While it generally is true that anyone can learn anything given enough time and interest, we all know that the most effective lobbyists are those who have a working knowledge of the system and know how to work the people in the system. Groups with important issues who expect those issues to be before the legislature would, and do, find it in their best interest to hire individuals with knowledge of the people in the legislative process. What better choice could a special interest group make than a poorly paid legislator, preferably from the majority party who is respected by his colleagues and knows their personal biases and preferences.

For a lobbyist to be effective he has to build a base. He has to know legislators on a personal basis . . . to be friends. It's much more difficult for a legislator to say no to a friend than it is to say no to a special interest lobbyist.

There is a camaraderie among legislators. So when a legislator is hired to be a lobbyist, the friendships are already in place. A rapport exists. In addition, they know the process very, very well.

When a legislator is approached about becoming a spokesman for a special interest group when his term of office is over -- OR he decides to quit mid-term and become a lobbyist -- the question arises: At what point does the legislator let his personal interests overshadow the public interest? When does he IN FACT become a lobbyist? It is quite possible to know for an entire legislative session that the legislator will become the paid lobbyist in July and, consciously or not, work the entire session promoting the issue for which recompense will begin in July.

The one year waiting period is the minimum amount of time one should sit out before becoming a lobbyist. The one-year hiatus allows for any immediate issues to be resolved and provides a clean break from the legislative process.

Date:

March 1-2-96

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'Revolving door' affects ethics issue

TOPEKA — Last spring, in the final days of the 1995 legislative session, Rep. Gary Haulmark began telling his colleagues that a bill to permit credit card sales at liquor stores was doomed. The Lenexa Republican surprised his colleagues by lobbying so vigorously, by insisting that a final vote on this popular reform would be fatal to the idea.

But Haulmark's efforts were dampened by persistent rumors that he planned to become a lobbyist, and that he needed the credit card issue next year — not now — to launch his new career. He wanted the issue put on ice for thawing in 1996, when liquor dealers would pay him to lobby his former colleagues.

The credit card bill passed anyway. Haulmark resigned from the Legislature last summer. Six weeks ago he registered as a lobbyist for a liquor store and a landscaping company in Johnson County.

The Haulmark episode has joined the history of an incessant, rankling issue in government: The well-oiled, "revolving door" at the Statehouse — the fact that many of the state's premier lobbyists are former legislators or people once assigned to influential posts at state agencies.

Any current list of the state's most visible and influential lobbyists includes a profile of impressive titles: Speaker of the House, Secretary of Revenue, Secretary of Administration, chief of staff for the Speaker, lieutenant governor, House Speaker pro-tem, deputy attorney general, press secretary to the governor. The lobbyist ranks also include former government budget and policy analysts, committee staff, and squads of former legislators and their assistants.

The public servant who turns lobbyist can be valuable to clients seeking audience or

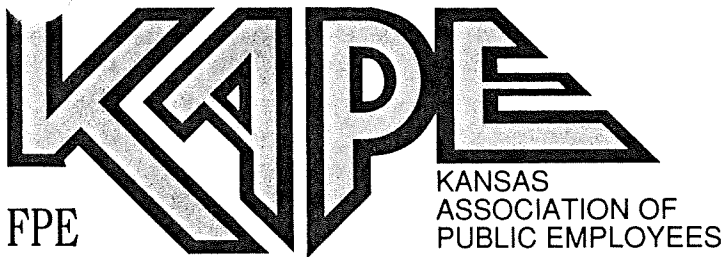
JOHN
MARSHALL

Harris News Service

favor in the complex world of government and its legislative landscape. The more experienced are also wise to intricacies that can mean the difference between success or failure at Topeka — the quirks of people who draft bills, the importance of staff who advise a committee, the motives of committee chairmen, the habits of House and Senate leaders.

For years, reticence has discouraged House and Senate debate of the revolving door issue, for it points to realities that are both corrosive and essential to the system: Many experienced legislators are at once qualified to resist the lobbyists and prepared to join them.

In the issue of ethics at Topeka, the revolving door is a scab that won't heal.



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TESTIMONY OF SCOTT A. STONE
Executive Director and Chief Counsel,
Kansas Association of Public Employees (KAPE)

Before the Senate Committee on Elections, Congressional and Legislative
Apportionment and Governmental Standards.

February 21, 1996, 1:30 p.m.
State Capitol, Room 529-S

In support of Senate Bill 610.

My name is Scott A. Stone and I am the Executive Director and Chief Counsel for the Kansas Association of Public Employees (KAPE). Members of the committee, I appreciate the opportunity to appear before you today in support of Senate Bill 610.

The Bill is a relatively simple bill and has no fiscal note to the state. Currently, state employees are prohibited from accepting employment from any private sector employer if the employee participated in making any contract between the state and the prospective employer. The prohibition covers contracts made within the last two years and applies to the employee for one year after separation of service.

This Bill will waive that prohibition for any employee laid off because of hospital closure. Hundreds of state workers now face lay-offs and except for bills like Senate Bill 610, they have little hope of receiving help from the state they have so faithfully served. Since these employees are losing their jobs through no fault of their own, it would be unreasonable to maintain prohibitions against these persons finding outside employment.



This Bill will remove one obstacle to the reemployment of the workers displaced by the closure of Topeka and Winfield State Hospitals.

I would again urge your support for Senate Bill 610. I would like to thank the members of this committee for their time and consideration on this matter. I will gladly stand for any questions the committee-persons may have. Thank you.



KANSAS COMMISSION ON GOVERNMENTAL STANDARDS AND CONDUCT

Testimony before Senate Elections, Congressional & Legislative Apportionment and Governmental Standards

Senate Bill 610
February 21, 1996
by Carol Williams

Senate Bill 610, which is before you this afternoon, would amend K.S.A. 46-233, a provision in the Kansas Governmental Ethics Laws. This bill is a recommendation made by the Commission in its 1995 Annual Report and Recommendations.

Current law prohibits a state employee from accepting employment from a person or business for one year when the state employee has participated in the making of a contract with that person or business within the preceding two years.

The impending closure of two state hospitals, as well as the layoff of state employees due to budget cuts, is the basis for the Commission recommending K.S.A. 46-233 be amended. Lines 37 through 43 on page one and lines 1 through 9 on page two of the bill will permit a state employee who participated in making a contract while employed by a state institution or agency that is subsequently closed or abolished or who is laid off, to accept employment with a person or business he or she participated in a contract with. Due to their educational and/or work background, many of these state employees will be working in the same profession, whether they work for the state or in the private sector. Since circumstances beyond the state employee's control will cause the termination of his or her employment with the state, the Commission does not believe a state employee should be further penalized by not being permitted to accept employment with any person or business because the employee may have participated in the making of a contract with that entity within the preceding two years. The Commission believes the amendatory language to K.S.A. 46-233 is reasonable and fair.

The Commission urges your support and passage of HB 2784.

SENATE ELECTIONS
2-21-96
ATTACHMENT 3

Testimony To The
**SENATE ELECTIONS, CONGRESSIONAL & LEGISLATIVE
APPORTIONMENT AND GOVERNMENTAL STANDARDS COMMITTEE**

By
**Bobbi Mariani, Assistant Director
Division of Personnel Services**

**Wednesday, February 21, 1996
RE: Institution Closure Bill SB 610**

Mr. Chairperson and members of the committee, thank you for the opportunity to appear before you today in support of Senate Bill 610. I would like to brief you on the criteria that the Governor's Cabinet Closure Commission has developed to evaluate proposals intended to assist employees affected by the institution closures. I will briefly overview the criteria and the rationale behind the criteria and then discuss how SB 610 compares favorably to the established criteria.

First, the Department of Administration, along with the Department of Social and Rehabilitation Services, is committed to assisting employees who will be displaced as a result of an institution closing. In addition, the Governor has strongly encouraged all agencies to give due consideration to hiring qualified employees who will be laid off. The Governor and his Cabinet have developed the following criteria to aid us in evaluating legislative proposals, as well as designing administrative procedures, for assisting state hospital employees affected by the closure. Key to these criteria, is the need for fiscal responsibility in the management of state government.

Criteria and Comparison

1. **Proposals should focus on short-term, transitional issues aimed at helping employees find new employment, rather than making long-term financial commitments.**

Proposing financial assistance to laid off employees is very costly to the state and the long-term benefits to employees is negligible. It is more cost effective and beneficial to employees to invest in training and retraining opportunities which will more likely result in these employees remaining in the workforce. SB 610 focuses on transition of employees to jobs in the community without the need for any long-term financial commitment by the state.

2. **Proposals will not result in disruption to other state agencies or state government operations.**

State government must continue to be responsive to the taxpayers and to provide services to our customers. The exception provided by this bill applies only to employees affected by hospital closure, and will exist for a relatively short time.

3. The proposal is applied consistently to all laid off or displaced state employees, regardless of the agency or institution where they were employed.

The overall trend of state government is downsizing. All state agencies are exploring ways to reduce spending and decrease counts. The impact on individual employees wherever reductions occur is the same, so it follows that the assistance we provide to laid off employees should also be the same. Is it appropriate for one set of laid off employees to have fewer employment restrictions than other laid off employees? SB 610 only applies to institutions or agencies that are abolished or closed, and does not address issues for other employees who have already been or may be laid off or displaced in the near future, because of an agency reduction.

4. The benefits of the proposal to the state and the employee should justify the cost.

Many of the proposals we have seen have a high price tag that provide some tangible short-term benefits to the employee, but little, if any, tangible benefits to the state. SB 610 however creates no direct cost to the state. SB 610 does benefit the displaced employees directly by opening up their opportunities for employment. The state benefits indirectly by having experienced employees transfer to jobs in the community to provide needed services. A win-win proposition.

5. The proposal will not result in disincentives for laid off employees to become gainfully employed.

The primary goal in providing assistance to laid off employees is to help them secure other meaningful employment. Proposals for assistance to these employees should not defeat that purpose. Rather, the opposite occurs with SB 610 as it removes restrictions that prohibit the employee from becoming gainfully employed elsewhere. This proposal supports them in seeking jobs with the community based programs with which they now do business.

6. The proposal does not increase the unfunded liability in the KPERS system.

This bill has no impact on KPERS.

It is crucial that we are not short-sighted in our plans to assist employees facing layoff due to the closing of institutions. We must consider what is in the best interest of state government now and in the future when we develop plans to assist laid off employees. Focusing our efforts with these criteria in mind should result in plans that provide long-range benefits that meet immediate needs. With this evaluation, we believe SB 610 stacks up favorably when compared to the criteria except for its application to a select group of employees. Consideration should be given to expanding the focus of this bill to any employee who is laid off or displaced in the future even if the agency does not close.

The Division of Personnel Services appreciates your concern in this matter. I would be happy to respond to any questions you may have.



KANSAS COMMISSION ON GOVERNMENTAL STANDARDS AND CONDUCT

Testimony before Senate Elections, Congressional & Legislative Apportionment and Governmental Standards Senate Bill 633 by Carol Williams

Senate Bill 633 amends K.S.A. 46-235, which is a provision of the Kansas Governmental Ethics Laws. This bill was recommended by the Commission on Governmental Standards and Conduct.

The Commission does not view the amendment made to K.S.A. 46-235 to be substantive. It believes the amendment would make this provision easier to understand by state employees.

Currently, K.S.A. 46-235 states "No state officer or employee shall accept compensation for performance of official duties, other than that to which such person is entitled for such performance..." The Commission interprets this statute to mean a state employee cannot contract to perform or be paid to perform official duties on off-duty time from any person other than the state. The current language, though, makes it difficult to discern what type of conduct is prohibited. The Commission would recommend amending K.S.A. 46-235 starting on line 16 to state "no state officer or employee shall accept compensation for providing information or services that he or she is required to provide in carrying out his or her state job responsibilities from anyone other than a state payroll officer or employee who pays that state officer or employee for performance of official duties."

The Commission urges your support and passage of SB 633.