

Approved: 2-11-98
Date

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION & ELECTIONS.

The meeting was called to order by Chairperson Kent Glasscock at 9:00 a.m. on February 9, 1998, in Room 521-S of the Capitol.

All members were present except: Representative Haley, Excused

Committee staff present: Mary Galligan, Legislative Research Department
Mike Heim, Legislative Research Department
Dennis Hodgins, Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Fulva Seufert, Committee Secretary

Conferees appearing before the committee: Ms. Carol Williams, Kansas Commission on Governmental Standards and Conduct

Others attending: See attached list

Chairperson Glasscock called the Committee's attention to the following fiscal notes: HB 2657, HB 2666, HB 2769, and HB 2776.

Representative Gilbert made a motion to approve the February 2, 1998, minutes, and Representative Horst seconded. Motion passed.

Chairperson Glasscock opened the Public Hearing on HB 2730.

HB 2730 - Campaign Finance; treasurer's reports

The Chair welcomed Ms. Carol Williams, Kansas Commission on Governmental Standards and Conduct, who spoke as a proponent for HB 2730. Ms. Williams said that HB 2730 amends K.S.A. Supp. 1997 Supp. 4148 which is a provision of the Campaign Finance Act. She said that this amendment "would require candidates for first class city office, for the Wichita School Board, and the Board of Public Utilities to file an additional receipts and expenditures report which would be due June 10 following the April general election." (Attachment 1.)

Representative Cox made a motion to pass out HB 2730 favorably, and Representative Sharp seconded.

Representative Horst suggested that the committee might want to wait until assurance that there are no opponents. She also said that there were some individuals who were concerned about the fiscal note, and she stated that it was only \$266.00 which was very minimal.

The Chair asked if anyone had ever said anything negative about this bill, and Ms. Williams assured him that no one has objected to it. She also said that the public thinks it is criminal for people to hold office for nine months before disclosing expenditures.

The Chair expressed some concern about sending this bill to the Floor before any of the other campaign finance issues are resolved. He asked Representative Welshimer if she would mind visiting with the Democratic Caucus about this bill and asked Representative Horst if she would discuss it with the Republican Caucus and visit with Representative Jennison. The Chair said that hopefully HB 2730 could ultimately be put on the Consent Calendar if there was no opposition from either Caucus.

After this discussion, Representative Sharp agreed to withdraw her second of the motion on HB 2730.

Chairperson Glasscock closed the Public Hearing on HB 2730.

Chairperson Glasscock opened the Public Hearing for HB 2653.

HB 2653 - Campaign finance; relating to treasurers' reports

Chairperson Glasscock recognized Representative Campbell who has been chairing the Subcommittee on Campaign/Finance while Representative Benlon has been home caring for her injured son. Representative Campbell reported they had a hearing on HB 2653 on January 30, and he spoke about one technical

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON GOVERNMENTAL ORGANIZATION & ELECTIONS, Room 521-S Statehouse, at 9:00 a.m. on February 9, 1998.

amendment on page 1, line 23, and then on page 2, lines 21-27, in which PACs and party committees would be required to list the name and address of each candidate for in-kind contributions in excess of \$50.00. He then said that Ms. Carol Williams, Kansas Commission on Governmental Standards and Conduct, could provide more details and examples.

The Chair welcomed Ms. Williams who provided testimony in support of **HB 2653**. She said that the Commission recommended introduction of this bill and supports its passage. She explained that **HB 2653** would require political action committees to use names that reflect the full name of the organization with which the committee is connected or affiliated. Since many PACs use acronyms now, the public has no idea of their vested interests. Attached to her testimony is Schedule C which shows expenditures and other disbursements. (Attachment 2.)

The Chair inquired as to how this bill is different from other bills the committee has had. Ms. Williams answered that the independent expenditure/disclosure is for anybody in the whole world. She used the following example. If a candidate's mother over coffee encouraged a group of her friends to contribute to her son or daughter's campaign, this would not apply to this law because it would be independent and not a political action committee. She further stated that the changes in this bill would only apply to those who are currently registered as PACs.

Representative Sharp used a hypothetical example to clarify her understanding. She wondered what her responsibility would be if an organization or Political Action Committee used her name on an independent mailing without her knowledge, and Ms. Williams said that she would not be responsible if she knew nothing about it.

Representative Wells asked what would happen if he would call an organization and solicit them to do something for him as an in-kind contribution. Ms. Williams replied that the limitation would be \$500.00.

The Chair closed the Public Hearing on **HB 2653**.

Chairperson Glasscock opened the Public Hearing on **HB 2662**.

HB 2662 - Elections; relating to campaign finance; relating to party committees and political committees

Representative Campbell reported that **HB 2662** had passed out of the Subcommittee favorably.

The Chair recognized Ms. Carol Williams who spoke as a proponent for **HB 2662**. Ms. Williams said that the bill amends K.S.A. 1997 Supp. 25-4145 which is a provision of the Campaign Finance Act. and was recommended by the Commission. She said that the bill would require political action committees to use names that reflect the full name of the organization with which committees are connected or affiliated. She said the public has a right to adequate disclosure and that PAC names should be identifiable. (Attachment 3.)

Representative Welshimer asked about those organizations who have more than one PAC. Ms. Williams replied that each one would have to have an identifiable name.

Representative Powers inquired as to what the 165 Club was, and Ms. Williams said it was the Kansas Oil Marketers Association.

Representative Ray asked about those organizations which have many different PACs if each one can give a candidate the maximum, and the answer was "yes."

Chairperson Glasscock inquired if she was aware of anyone who was against the bill. Ms. Williams responded, "No."

The Chair closed the Public Hearing on **HB 2662**,

The Chair announced that action would be held on these bills until all the Subcommittees' bills leave the Subcommittees.

Representative Campbell announced that the Campaign/Finance Subcommittee was scheduled for 8:00 a.m. on Tuesday, February 10, 1998.

The meeting adjourned at 9:35 a.m.
The next meeting is scheduled for February 11, 1998.



KANSAS COMMISSION ON GOVERNMENTAL STANDARDS AND CONDUCT

Testimony before House Committee on Governmental Organization and Elections in Support of House Bill 2730 by Carol Williams

House Bill 2730 amends K.S.A. Supp. 1997 Supp. 4148 which is a provision of the Campaign Finance Act. This bill has been recommended by the Commission in its 1997 Annual Report.

The provisions of this bill would require candidates for first class city office, for the Wichita School Board, and the Board of Public Utilities to file an additional receipts and expenditures report which would be due June 10 following the April general election. This post-general election report would cover the period beginning 11 days before the general election and ending on June 6 of that same year. Candidates would still be required to file a January 10 report like all candidates for state and local office.

Under current law, these local candidates do not file a post-general election, or wrap-up report until January 10 of the following year. Therefore, information concerning the contributions and expenditures a local candidate receives the last twelve days of the general election are not disclosed for nine months after the general election.

The Commission believes that the "wrap-up" report for these local candidates should be filed closer to the general election, like reports filed by state and county candidates. State and county candidates file their "wrap-up" report approximately 60 days after their general election.

The Commission urges passage of HB 2730.

House Gov. Org. and E.
2-9-98
Attachment 1



KANSAS COMMISSION ON GOVERNMENTAL STANDARDS AND CONDUCT

Testimony before House Committee on Governmental Organization and Elections in Support of House Bill 2653 by Carol Williams

House Bill 2653 amends K.S.A. 1997 25-4148 which is a provision of the Campaign Finance Act. This bill is a recommendation made by the Kansas Commission on Governmental Standards and Conduct in its 1997 Annual Report.

The new language amending K.S.A. 1997 25-4148 is found on page 2 lines 21 through 27. Political action committees and party committees would be required to report the name and address of each candidate for state or local office that receives an in-kind contribution or benefits from an independent expenditure made by the committee. The amount, date and a detailed description of the service would also be required to be disclosed.

Under current law, political and party committees do not have to report the name of any candidate they make expenditures on behalf of when filing a receipts and expenditures report. The committee's current responsibility is to list the vendor to whom the expenditure is directly made, not the candidate on whose behalf the expenditure was made. For example, if a political committee pays the postmaster \$200 and the XYZ Printers \$300 for a mailing for candidate A, the committee is only required to show the expenditure to the postmaster and the printer. The public has no idea, from viewing the political actions committee's report, that candidate A was the recipient of an in-kind contribution in the amount of \$500 or an independent mailing.

The Commission believes that full disclosure should be made as to which candidates are being assisted by political and party committee in-kind contributions and/or independent expenditures. The Commission, therefore, urges your support of House Bill 2653.

*House GO and E
2.9.98
Attachment 2*

**SCHEDULE C
EXPENDITURES AND OTHER DISBURSEMENTS**

ABC POLITICAL ACTION COMMITTEE

(Name of Candidate, Party Committee or Political Committee)

Date	Name and Address	Purpose of Expenditure or Disbursement	Amount
	<u>CURRENT REPORTING</u>		
10-12-98	XYZ PRINTERS MAIN STREET TOPEKA, KS 66612	PRINTING	\$300.00
10-17-98	POSTMASTER TOPEKA, KS 66612	POSTAGE	\$200.00
	<u>PROPOSED REPORTING</u>		
10-12-98	XYZ PRINTERS MAIN STREET TOPEKA, KS 66612	PRINTING IN-KIND MAILING FOR CANDIDATE A	\$300.00
10-17-98	POSTMASTER TOPEKA, KS 66612	POSTAGE IN-KIND MAILING FOR CANDIDATE A	\$200.00
Subtotal This Page			



KANSAS COMMISSION ON GOVERNMENTAL STANDARDS AND CONDUCT

Testimony before House Committee on Governmental Organization and Elections in Support of House Bill 2662 by Carol Williams

House Bill 2662, which is before you this morning, amends K.S.A. 1997 Supp. 25-4145 which is a provision of the Campaign Finance Act. The Commission recommended introduction of this bill and supports its passage.

The provisions in this bill would require political action committees to use names that reflect the full name of the organization with which the committee is connected or affiliated. Under current law, a committee can adopt any name it wishes for its committee. Many PACs use acronyms. The public has no idea of the vested interest of many of the PACs since a PAC name does not have to reflect the organization, association, or affiliation of the committee. Although a candidate is required to report the PAC's affiliation or association on his or her report, this is frequently omitted or reported incorrectly.

To assure adequate disclosure, PAC names should be identifiable. Since the 1994 election, all contributors to state candidates are on the Internet for viewing by the public. Now, more than ever, the Commission believes that a PAC name should reflect the PACs primary interest.

The Commission urges passage of House Bill 2662.

House GO and E
2.9.98
Attachment 3

KS COMMISSION ON GOVERNMENTAL STANDARDS & CONDUCT

PAC NAME	AFFILIATION, TRADE, PRIMARY INTEREST OR CONTRIBUTOR
165 Club	KS Oil Marketers Assn
Agricultural Political Action Council of Kansas	Kansas Livestock Assn
Ark Valley PAC	Ark Valley Uniserv School Dist
Ashland KS-PAC	Ashland, Inc.
BUILD-PAC	Kansas City Home Builders
Campaign Kansas	Restore & protect autonomy of local government
CarePac of Kansas	Blue Cross & Blue Shield of KS, Inc
Club 64	International Assn of Fire Fighters Local #64
Club 83	International Assn of Firefighters Loc 83
Committee for Good Government	Brotherhood Bank & Trust Co. Employees KC, KS
Committee for Responsible Government	Kansas Wine & Spirits Wholesalers
Committee on Political Education of Topeka & Vicin	Various Local Unions
Concerned Educators PAC	NEA of Shawnee Mission
District #70 MNPL Pol Acct	Machinists Non-partisan Local Lodge
DRIVE For Kansas	Teamsters Loc Un 696, Intl Brotherhood of Teamsters
Emporia PAC	NEA
Faculty Assn PAC	Faculty Assn KC KS Community College

KS COMMISSION ON GOVERNMENTAL STANDARDS & CONDUCT

PAC NAME	AFFILIATION, TRADE, PRIMARY INTEREST OR CONTRIBUTOR
FAN PAC	Family Action Network
H-NEA PAC	KNEA
Haysville Local PAC	Haysville Education Assn
Heartland Apartment PAC	Apartment Assoc of KC
Kansans for Thorough Agricultural Political Educat	Associated Milk Producers
Kansas Agents PAC	Kansas Independent Insurance Agents
Kansas Agri Business Council	Kansas Grain & Feed Dealers Assn
Kansas American Family PAC	American Family Insurance Company
Kansas CRNA-PAC	Kansas Assn of Nurse Anesthetists
Kansas Dealers Election Action Committee	Kansas Automobile Dealers Assn
Kansas Economic Education Political Club	Martin Tractor Company
Kansas Environmental Energy Network (KEEN)	Interested in environmental jobs
Kansas HY-PAC	KS Dental Hygienists Assn
Kansas NOW PAC	KS Natl Organization for Women
Kansas Political Action Committee	KNEA
Kansas Political Action for Candidate Election	KS NASW, National Assn of Social Workers, Inc
Kansas State Council PAC	International Assn of Machinists & Aerospace Workers
Konza UNIPAC	KNEA