

Approved: 1-29-98
Date

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE.

The meeting was called to order by Chairman Janice Hardenburger at 1:30 p.m. on January 27, 1998 in Room 529-S of the Capitol.

All members were present except: Senator Ben Vidricksen

Committee staff present: Dennis Hodgins, Legislative Research Department
Mike Heim, Legislative Research Department
Theresa Kiernan, Revisor of Statutes
Graceanna Wood, Committee Secretary

Conferees appearing before the committee: Dan Hermes, Director of Governmental Affairs

Others attending: See attached list

Chairman Hardenburger continued hearings on SB 410. An amended form of the bill was distributed to the Committee. (Attachment #1)

Amendments concerned prosecution and criminal penalties for campaign finance and ethics law violations.

Senator Becker moved that SB 410 be passed as amended. Seconded by Senator Steineger. Motion carried.

Dan Hermes, Director of Governmental Affairs testified in support of SB 430 which would require political committees and party committees to disclose information on in-kind contributions or independent expenditures. (Attachment #2)

Committee discussions centered around the definitions of in-kind contributions and independent expenditures. Chairman Hardenburger informed the Committee that hearings would be continued on SB 430 tomorrow, January 28, 1998.

Meeting was adjourned at 2:30 p.m.

Next meeting will be at 1:30 p.m. January 28, 1998.

SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE COMMITTEE GUEST LIST

DATE: JANUARY 27, 1998

NAME	REPRESENTING
Oan Hennes	Gov's Office
Craig Grant	HNFA
Keith Haxton	S.E.A.K
Judy Wolff	SRS
Jean Moore	Public Intern
Brad Bryant	Sec. of State
Bruce Dimmitt	Independent
Jim Edwards	KCAT
Andrew DeCoursey	Ks Insurance Dept
Harriet Lange	Ks Assn of Broadcasters
Natalie Haag	Gov's Office
Martin Haever	Hawver's Capital Report
Ron Seebert	Dept of Admin
B. Mariani	Dept. of Adm.
Donny Wong	Intern for Sen. Salisbury
John Schwartz	Sen. Dem. Leader's Office

SENATE BILL No. 410

By Senators Hardenburger, Bond, Emert, Brownlee, Donovan, Harrington, Jordan, Kerr, Morris, Praeger, Ranson, Salisbury, Tyson and Umbarger

11 AN ACT concerning the commission on governmental standards and con-
12 duct; relating to powers and duties thereof; amending K.S.A. 25-4158
13 and 46-260 and repealing the existing sections.
14

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

16 Section 1. K.S.A. 25-4158 is hereby amended to read as follows:
17 25-4158. (a) The secretary of state shall: (1) Furnish forms prescribed
18 and provided by the commission for making reports and statements re-
19 quired to be filed in the office of the secretary of state by the campaign
20 finance act; and

21 (2) make such reports and statements available for public inspection
22 and copying during regular office hours.

23 (b) The county election officer shall: (1) Furnish forms prescribed
24 and provided by the commission for making reports and statements re-
25 quired to be filed in the office of the county election officer by the cam-
26 paign finance act; and

27 (2) make such reports and statements available for public inspection
28 and copying during regular office hours.

29 (c) The commission may investigate, or cause to be investigated, any
30 matter required to be reported upon by any person under the provisions
31 of the campaign finance act, or any matter to which the campaign finance
32 act applies irrespective of whether a complaint has been filed in relation
33 thereto.

34 ~~(d) (1) For the purpose of any investigation or proceeding under this~~
35 ~~act, the commission or any officer designated by the commission may,~~
36 ~~after having complied with the requirements of part (2) of this subsection,~~
37 ~~administer oaths and affirmations, subpoena witnesses, compel their at-~~
38 ~~tendance, take evidence, and require the production of any books, papers,~~
39 ~~correspondence, memoranda, agreements, or other documents or records~~
40 ~~which the commission deems relevant or material to the inquiry investi-~~
41 ~~gation. The commission shall reimburse the reasonable costs of produc-~~
42 ~~tion of documents subject to subpoena. All subpoenas and subpoenas~~
43 ~~duces tecum issued under this section shall be authorized by the affir-~~

After a preliminary investigation of any matter reported to the commission pursuant to subsection (c), and upon written findings by the commission that there is a reasonable suspicion that a violation of the campaign finance act has occurred

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3 native vote of not less than ¾ of the members of the commission. *Sub-*
 4 *poenas duces tecum shall be limited to items reasonably relevant to such*
 5 *alleged violations.*

6 (3) If the commission finds there is reasonable suspicion that a vio-
 7 lation of the act has occurred, the commission shall communicate, by a
 8 signed writing specifically stating such alleged violations, with the persons
 9 being investigated and allow them 30 days to respond. After reviewing
 10 the information from such respondent, and a determination is made that
 11 further investigation is required, the commission may issue a subpoena
 12 by a ¾ vote of the commission members. Subpoenas duces tecum shall
 13 be limited to items reasonably relevant to such alleged violations.

14 (3)(2) In case of contumacy by, or refusal to obey a subpoena issued
 15 to any person, the district court of Shawnee county, upon application by
 16 the commission, or any officer designated by the commission, may issue
 17 to that person an order requiring the person to appear before the com-
 18 mission or any officer designated by the commission, there to produce
 19 documentary evidence if so ordered or to give evidence touching the
 20 matter under investigation or in question. Any failure to obey the order
 21 of the court may be punished by the court as a contempt of court.

22 (4) No person is excused from attending or testifying or from pro-
 23 ducing any document or record before the commission, or obedience to
 24 the subpoena of the commission or any officer designated by the com-
 25 mission, or in any proceeding instituted by the commission, on the ground
 26 that the testimony or evidence (documentary or otherwise) required of
 27 the person may tend to incriminate the person or subject the person to
 28 a penalty or forfeiture. No individual may be prosecuted or subjected to
 29 any penalty or forfeiture for or on account of any transaction, matter or
 30 thing concerning which such person is compelled, after claiming privilege
 31 against self-incrimination, to testify or produce evidence (documentary
 32 or otherwise), except that the individual so testifying shall not be exempt
 33 from prosecution and punishment for perjury committed in so testifying.

34 Sec. 2. K.S.A. 46-260 is hereby amended to read as follows: 46-260.

35 (a) The commission may investigate, or cause to be investigated, any mat-
 36 ter required to be reported upon by any person under the provisions of
 37 this act, or any matter to which this act applies, irrespective of whether
 38 a complaint has been filed in relation thereto.

39 (b) (1) For the purpose of any investigation or proceeding under this
 40 act, the commission or any officer designated by the commission may,
 41 after having complied with the requirements of part (2) of this subsection,
 42 administer oaths and affirmations, subpoena witnesses, compel their at-
 43 tendance, take evidence, and require the production of any books, papers,
 44 correspondence, memoranda, agreements, or other documents or records
 45 which the commission deems relevant or material to the issues investi-

Any vote authorizing the issuance of a subpoena or subpoena duces tecum shall be taken at a meeting where the commissioners are in physical presence.

(3) No person is excused from attending or testifying or from producing any document or record before the commission, or obedience to the subpoena of the commission or any officer designated by the commission, or in any proceeding instituted by the commission, on the ground that the testimony or evidence (documentary or otherwise) required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture. No individual may be prosecuted or subjected to any criminal penalty or forfeiture for or on account of any transaction, matter or thing concerning which such person is compelled, after claiming privilege against self-incrimination, to testify or produce evidence (documentary or otherwise), except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

the state governmental ethics

After a preliminary investigation of any matter reported to the commission pursuant to subsection (a), and upon written findings by the commission that there is a reasonable suspicion that a violation of the state governmental ethics act has occurred

1-3

1 gation. The commission shall reimburse the reasonable costs of produc-
2 tion of documents subject to subpoena. All subpoenas and subpoenas
3 duces tecum issued under this section shall be authorized by the affir-
4 mative vote of not less than 3/4 of the members of the commission. Sub-
5 poenas duces tecum shall be limited to items reasonably relevant to such
6 alleged violations.

7 (2) If the commission finds there is reasonable suspicion that a vio-
8 lation of the act has occurred, the commission shall communicate, by a
9 signed writing specifically stating such alleged violations, with the persons
10 being investigated and allow them 30 days to respond. After reviewing
11 the information from such respondent, and a determination is made that
12 further investigation is required, the commission may issue a subpoena
13 by a 3/4 vote of the commission members. Subpoenas duces tecum shall
14 be limited to items reasonably relevant to such alleged violations.

15 (3) (2) In case of contumacy by, or refusal to obey a subpoena issued
16 to any person, the district court of Shawnee county, upon application by
17 the commission, or any officer designated by the commission, may issue
18 to that person an order requiring the person to appear before the com-
19 mission or any officer designated by the commission, there to produce
20 documentary evidence if so ordered or to give evidence touching the
21 matter under investigation or in question. Any failure to obey the order
22 of the court may be punished by the court as a contempt of court.

23 (4) No person is excused from attending or testifying or from pro-
24 ducing any document or record before the commission, or obedience to
25 the subpoena of the commission or any officer designated by the com-
26 mission, or in any proceeding instituted by the commission, on the ground
27 that the testimony or evidence (documentary or otherwise) required of
28 the person may tend to incriminate the person or subject the person to
29 a penalty or forfeiture. No individual may be prosecuted or subjected to
30 any penalty or forfeiture for or on account of any transaction, matter or
31 thing concerning which such person is compelled, after claiming privilege
32 against self-incrimination, to testify or produce evidence (documentary
33 or otherwise), except that the individual so testifying shall not be exempt
34 from prosecution and punishment for perjury committed in so testifying.

35 Sec. 3.4 K.S.A. 25-4158 and 46-260 are hereby repealed.

36 Sec. 4.5 This act shall take effect and be in force from and after its
37 publication in the statute book.

Any vote authorizing the issuance of a subpoena or subpoena duces tecum shall be taken at a meeting where the commissioners are in physical presence.

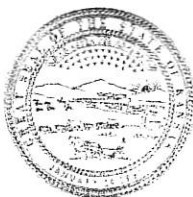
1-2

(3) No person is excused from attending or testifying or from producing any document or record before the commission, or obedience to the subpoena of the commission or any officer designated by the commission, or in any proceeding instituted by the commission, on the ground that the testimony or evidence (documentary or otherwise) required of the person may tend to incriminate the person or subject the person to a penalty or forfeiture. No individual may be prosecuted or subjected to any criminal penalty or forfeiture for or on account of any transaction, matter or thing concerning which such person is compelled, after claiming privilege against self-incrimination, to testify or produce evidence (documentary or otherwise), except that the individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

New Sec. 3. K.S.A. 46-215 through 46-293 and K.S.A. 1997 Supp. 46-237a, and amendments thereto, shall be known and may be cited as the state governmental ethics act.

STATE OF KANSAS

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OFFICE OF THE GOVERNOR

LEGISLATIVE TESTIMONY

TO: Chairperson Janice Hardenburger and Members of the Senate Committee on Elections and Local Government

FROM: Dan Hermes, ^{Dan} Director of Governmental Affairs

DATE: January 27, 1998

SUBJECTS: SB 430 — Itemization of In-Kind Contributions

Madam Chairman and members of the committee, thank you for the opportunity to appear in support of this portion of the Governor's recommendation for ethics and campaign finance reform for the 1998 Legislative Session.

This bill is relatively simple. It requires political and party committees to itemize in-kind contributions or independent expenditures of \$50 or more that are made on the behalf of candidates for state or local office.

This bill is important to those that contribute to these organizations. It allows for contributors to accurately assess who the organization is assisting to assure that the committee is acting in a manner that would warrant further support. Mailings and advertising done on behalf of a candidate are equally important to cash contributions and their reporting is essential to give donors an accurate picture of the activities of the organization that they support.

On behalf of the Governor, I urge favorable consideration of this measure by the committee. Thank you for the opportunity to appear before you today in support of this measure. I would be happy to answer any questions you may have on the provisions of this bill.

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