

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT

The meeting was called to order by Chairman Tim Huelskamp at 1:34 P.M. on January 25, 2005 in Room 423-S of the Capitol.

Committee members absent: Dennis Pyle- excused

Committee staff present: Martha Dorsey, Kansas Legislative Research Department
Mike Heim, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes
Janet Engel, Committee Secretary

Conferees appearing before the committee: Carol Williams
Shelby Smith

Others attending: See attached list.

Bill Introductions

Senator O'Connor suggested a bill related to the timing overlap for voter registration and advance voting. It is drafted to permit the start of advance voting 14 days before the election. She noted that the current process permits one week of registering and voting on the same day. Senator O'Connor moved to introduce this legislation, seconded by Senator Reitz. The motion carried.

Hearing on SB 65 - an act concerning campaign finance; pertaining to certain daily reports of contributions.

Mike Heim, committee staff, described this bill. It establishes a new provision in the state campaign act requiring candidates to report contributions received during the last 11 days of the campaign and totaling \$300 per person by the end of the next business day. This bill corresponds to the second recommendation from the Ethics Commission. Mr. Heim fielded questions from Senators.

Proponents:

Carol Williams testified on behalf of the Governmental Ethics Commission. (Attachment 1 was her testimony and Attachment 2, item 2 recaps the Commission's recommendation.) She added that the new reports will be scanned and placed on-line for public access the same day they are received. There will be no fiscal impact whatsoever to implement this bill. Ms. Williams fielded questions and comments from the Senators.

Proponent Shelby Smith provided testimony on SB 64, SB 65, SB 66, and SB 67 (Attachment 3).

Senator Huelskamp closed the hearing.

Discussion on SB 65 among the Senators was started but there was not time for complete debate. Discussion will continue at a future meeting.

Closing

SB 67 will be heard and worked tomorrow. Thursday will be an informational session on ballot security and electronic voting.

There being no further business, the meeting was adjourned at 2:15 p.m.



GOVERNMENTAL ETHICS COMMISSION

www.accesskansas.org/ethics

**Testimony before Senate Committee On
Elections and Local Government
in Support of Senate Bill 65**

by Carol Williams, Executive Director

January 25, 2005

Senate Bill 65 is a recommendation made by the Governmental Ethics Commission in its 2005 Annual Report and Recommendations.

Under current law, any contribution a state or local candidate receives during the time period from eleven days before the primary election through the date of the primary election is not disclosed on a receipts and expenditures report until eight days before the general election. Any contribution received during the time period from eleven days before the general election through the date of the general election is not disclosed until the January 10 Receipts and Expenditures Report is filed. This post election reporting of last minute contributions does not provide the citizens of Kansas the opportunity to view these contributions in a timely fashion.

In the 2004 primary, candidates for Senate received 304 contributions in the amount of \$300 or more the last eleven days before the primary totaling \$236,285.00. In the 2002 election, statewide candidates received a total of 825 last minute contributions totaling \$932,520 which went unreported until after the primary and general elections.

Senate Bill 65 would require treasurers for state and local candidates to file a report of any contributions received by the campaign in the amount of \$300 or more before close of the next business day with the Secretary of State and/or county election officer by e-mail, facsimile transmission, telegram, or express delivery service. There are currently 35 states that require the

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Attachment 1

reporting of last minute contributions, as well as the Federal Election Commission.

I have attached for your review statistical information concerning the number and amount of political contributions \$300 and over that were received by members of this committee the last eleven days before the primary and general elections in 2004.

The mission of the Kansas Governmental Ethics Commission is to provide the public with timely and accurate information they need for knowledgeable participation in government and the electoral process. In fulfilling its mission, the Commission believes that contributions received in the final days before an election should be reported and made available to the public prior to an election. The Commission urges your support for passage of Senate Bill 65.

**NUMBER OF CONTRIBUTIONS PLUS TOTAL DOLLAR AMOUNT
ELEVEN DAYS PRIOR TO ELECTION**

FROM JULY 23, 2004 THROUGH MIDNIGHT OF AUGUST 3, 2004

SENATOR	NUMBER OF CONTRIBUTIONS	TOTAL DOLLAR AMOUNT OF CONTRIBUTIONS
HUELSKAMP	8	\$4,950
O'CONNOR	17	\$9,300
BETTS	9	\$4,400
DONOVAN	4	\$2,300
PETERSON	1	\$1,000
PYLE	1	\$500
REITZ	5	\$10,300
WILSON	6	\$3,650
FRANCISCO	1	\$300

FROM OCTOBER 22, 2004 THROUGH MIDNIGHT OF NOVEMBER 2, 2004

SENATOR	NUMBER OF CONTRIBUTIONS	TOTAL DOLLAR AMOUNT OF CONTRIBUTIONS
HUELSKAMP	-0-	-0-
O'CONNOR	3	\$2,050
BETTS	4	\$1,800
DONOVAN	4	\$3,250
PETERSON	3	\$9,500
PYLE	4	\$2,400
REITZ	2	\$800
WILSON	7	\$4,550
FRANCISCO	4	\$4,800

GOVERNMENTAL ETHICS COMMISSION

Commission Recommendations

The Commission is directed by statute to make recommendations to the Governor and Legislature. It recognizes that any major piece of legislation periodically needs revision, modification, and in some cases, major changes. To that end, the Commission makes the following recommendations in the area of campaign finance:

1) Under current law, political action committees and party committees do not have to report the names of any candidates they make expenditures on behalf of when filing a receipts and expenditures report. The committee's responsibility is to list the vendor to whom the expenditure is made, not the name of the candidate the committee is advocating the election or defeat of, or the amount expended to support or oppose a candidate. For example, if a political committee pays the postmaster \$2000 and the XYZ Printers \$4000 for a flyer that expressly advocates the election or defeat of Candidates Brown and Smith, the committee is only required to show that expenditures were made to the postmaster for stamps and the printer for campaign flyers. The public has no idea, in reviewing a political committee report, which candidates are the recipient of either in-kind contributions or independent expenditures made by the committee that advocated the election or defeat of state or local candidates. The Commission believes that full disclosure of the expenditures made by political committees should be made by detailing which candidates are supported or opposed and the amount of money spent on that effort.

2) All state and local candidates file receipts and expenditures reports eight days prior to both the primary and general elections. The cut-off for reporting purposes for each of these reports is eleven days prior to each election. The last minute contributions received after this reporting period deadline go unreported until three months after the primary election and two and one-half months after the general election. The Commission recommends that the law be changed to require any contribution in excess of \$50 that is that are received the last eleven days before an election be reported within 24 hours of receipt by either e-mail, facsimile transmission, telegram, or express delivery service. The reporting of these late contributions will provide the public with more complete and accurate information concerning the total contributions received by a campaign. The Commission recommends the recipient of the late contribution should report his or her name, address, and the date, amount of the late contribution, and the name and address of the contributor. This information would then be included on the next report filed by the candidate.

3) The Commission recommends that any political action committee or party committee that makes independent expenditures of more than \$50 during the last eleven days before the primary or general election be required to report the expenditure within twenty-four hours of making the expenditure. The reporting of the expenditure can be made by e-mail, facsimile transmission, telegram, or express delivery service. The expenditure should be itemized by name and address, the purpose, the name of the candidate supported or opposed, and the amount of the expenditure. This information would then be included on the next report filed by the political action or party committee.

4) The past several state elections have seen a dramatic increase in the use of recorded phone bank campaign messages that either support or oppose specific candidates. There is no requirement under

current law for these messages to include information as to who is sponsoring or paying for the message. The Commission recommends that recorded telephone campaign messages be required to identify who is paying for or sponsoring these mass communication messages at the end of the message.

5) Issue ads during elections are becoming more prevalent. The Commission believes if expenditures for issue ads are not disclosed, campaign disclosure could be undermined. The Commission recommends that any person who makes a payment of \$100 or more for a communication that clearly identifies a candidate, but does not expressly advocate the election or defeat of the candidate, be required to file a statement detailing such communication. This would include any communication that is disseminated, broadcast, or otherwise published within thirty days prior to an election. The statement should disclose the name and address of such person along with the recipient's name and address, description and amount of the payment, the name of the candidate mentioned, and how much was spent on each candidate mentioned. The report should be filed within twenty-four hours of making the payment or promise to make the payment.

TESTIMONY – CAMPAIGN FINANCE

Shelby Smith

SENATE ELECTIONS COMMITTEE

January 25, 2005

I'm testifying on behalf of an Ad Hoc Lobbyist Campaign Finance Committee (John Bottenberg, Dina Fisk, Jim Maag, John Pinegar) in support for the recommendations of the Governmental Ethics Commission (GEC). We're here as private citizens representing only our individual concerns and no one else.

Our singular interest is disclosure.

Kansans enjoys a clean and otherwise open culture of responsible and responsive government. A big window of opportunity is now open to protect that integrity and to correct a glaring failure in our campaign finance laws. We received a failing grade from the Center for Governmental Studies. The fact is, current Kansas law is a bit of a joke. We owe Kansas taxpayers timely and accurate information about the election process, the basic exercise of our democracy.

We're especially emphatic in our support of SB65 (Recommendation 2) and SB68 (Rec. 3) which will at last plug the black hole of non-disclosure in the eleven days before primary elections and the eleven days preceding the general election. Under current Kansas law, contributions and expenditure made during the critical all important campaign advertising days are not made public until 90 days after the primary or 75 days after the general election. Disclosure on this schedule is worthless.

We lobbyist are also strong in our support of SB64 (Rec. 5) which should remove the shadowy cash from Issue Ads which hide the identity of groups and individuals who seek to influence, anonymously, the election or defeat of a candidate. This reform requires the sponsors of Issue Ads which identifies a candidate by name, or picture or position to file a report as must all PACs. The intent here is not to restrict or eliminate 527s, but rather full disclosure of their politics and money.

Our support of the Commission's recommendations arises again and again from the fundamental need for disclosure, to wit: SB66 (Rec. 1) requires money spent on behalf of a candidate be identified in the Receipts and Expenditure Report. Then SB67 (Rec. 4) demands the disclosure of funding sources for recorded telephone bank messages in the same way that the sponsors for television, radio, and print messages must be identified.

Additionally, we recommend mandatory campaign electronic filing. The Secretary of State and the Governmental Ethics Commission are encouraged to come forward with a Joint Proposal to accept these filings and to make them accessible with posting on the Secretary of State's website.

Governor Sebelius' State of the State address, January 10, 2005, clearly shows her solid support for an overhaul of our campaign finance laws. We commend her leadership on this issue. We also recognize the fact the diverse nine member Commission brought forth all five recommendations on unanimous votes. The time is now.

Senate Elections & Local Govt.

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Attachment 3