

MINUTES OF THE SENATE ELECTIONS AND LOCAL GOVERNMENT COMMITTEE

The meeting was called to order by Chairman Tim Huelskamp at 1:30 P.M. on February 1, 2006 in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Martha Dorsey, Kansas Legislative Research Department
Mike Heim, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes
Zoie Kern, Committee Secretary

Conferees appearing before the committee:

Kathy Porter - Judicial Branch
Carol G. Green - Judicial Branch

Others attending:

See attached list.

Ken Wilke of the Revisor of Statutes Office read through sections of **SB 419** to explain what part of the bill would be affected in a revision. This bill would require the Judicial Branch of the government to come under the same ethics as other Legislative members. This would give a standard to judge from in the event of conflict.

Senator Huelskamp gave testimony in support of **SB 419**.

Kathy Porter gave testimony on **SB 419** supporting parts of the bill and opposing other parts.
(Attachment 1)

Discussion closed.

There were no more questions. Senator Huelskamp closed discussion on **SB 419**.

Senator Pyle requested introduction of a bill on annexation. Senator O'Connor seconded.
Motioned carried.

Meeting adjourned.

Respectfully submitted,

Zoie C. Kern, Committee secretary

Senate Elections & Local Government Committee
 Daily, 1:30 - 2:30 p.m. Room 423-S
 Senator Tim Huelskamp, Chair

Guest List for Feb. 1, 2006

Please sign in with **BLACK Ink.**

Name	Representing
Kathy Porter	Judicial Branch
Carol G. Green	Judicial Branch
Carol Williams	Gov Ethics Comm
Donna York	u u 4
BRYAN A. CASKEY	SECRETARY OF STATE
Tim Carpenter	Capital-Jurist
Shannon Bell	Stuart Little
David Rowe	Intern - San Francisco



State of Kansas

Office of Judicial Administration

Kansas Judicial Center

301 SW 10th

Topeka, Kansas 66612-1507

(785) 296-2256

Senate Elections and Local Government Committee

Wednesday, February 1, 2006

Testimony on 2006 SB 419

Thank you for the opportunity to testify on this bill. I am Kathy Porter, the Assistant to the Judicial Administrator, and with me is Carol Green, the Clerk of the Appellate Courts, who heads the office with which judges currently file Judicial Financial Disclosure Reports.

Since 1974, Kansas judges, including Supreme Court justices, Court of Appeals judges, district judges, and district magistrate judges, have been required to file Judicial Financial Disclosure Reports. Since 2002, senior judges, full-time municipal judges, and any other persons earning \$15,000 or more per year from the performance of judicial duties have been required to file a report. Reports are readily available to the public in the Office of the Clerk of the Appellate Courts. A copy of the judicial reporting form, together with filing instructions, is attached for your review, as is a copy of the Kansas Governmental Ethics Commission Statement of Substantial Interests (SSI) form, together with its definitions and guide.

The Governmental Ethics Commission SSI form and Judicial Financial Disclosure Report forms are substantially similar in the categories of information to be disclosed. This is not surprising given the fact that, in adopting the 2002 revisions to the judicial reporting requirement, the Judicial Branch closely examined judicial reporting requirements from other states, federal judicial reporting requirements, and the Kansas Governmental ethics requirements. However, the Kansas Judicial Disclosure Report differs significantly from the SSI form in that it requires an additional category of information for liabilities of the reporting individual, the individual's spouse, and the individual's dependent children or step children. This reporting category was considered relevant for judges because a major purpose of judicial reporting is to provide information about potential conflicts of interest. Including the liabilities of spouses and children was considered relevant for that same reason.

Information required in other reporting categories on the SSI form and the judicial form is substantially similar. The first reporting category on the SSI form, "Ownership Interests," requires the reporting individual and the individual's spouse to report legal or equitable interests in excess of \$5,000 or 5%, whichever is less. The judicial form requires the reporting of legal or equitable interests in excess of \$5,000 for the individual reporting, the individual's spouse, and the individual's dependent children or step children.

Elections and Local Government
2-01-06
Attachment 1

The second reporting category on the SSI form, “Gifts or Honoraria,” requires a report of gifts or honoraria having an aggregate value of \$500 or more, received by the reporting individual or the individual’s spouse. The judicial form requires the reporting of gifts, bequests, or favors received by the reporting individual and the individual’s spouse, dependent children, and dependent step children for which the value exceeds \$150.

The third reporting category on the SSI form asks for compensation from all places of employment and any other business from which the reporting individual and the individual’s spouse received \$2,000 or more in compensation which was reported as taxable income on the individual’s federal income tax returns. The judicial form requires the reporting of the individual’s income exceeding \$500 from any single payor or in excess of \$3,000 from all payors, and the income of the individual’s spouse exceeding \$3,000 from a single source during the reporting period.

The SSI form next requires the reporting individual to list organizations or businesses in which the individual and the individual’s spouse hold a position of officer, director, associate, partner, or proprietor at the time of filing. The judicial form requires the individual to report businesses, organizations, labor organizations, educational, or other institutions or entities in which the individual holds or has held a position of officer, director, associate, partner, proprietor, trustee, guardian, custodian, or similar fiduciary, representative, employee, or consultant at the time of filing the report or during the reporting period. Positions in both for-profit and not-for-profit organizations are reportable.

The final reporting category on the SSI form, “Receipt of Fees and Commissions,” requires the reporting of any client or customer who pays fees or commissions to a business or a combination of businesses from which the reporting individual or the individual’s spouse received an aggregate of \$2,000 or more in the preceding calendar year. The judicial reporting form requires the individual to report each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions the judge or the judge’s spouse received an aggregate in excess of \$3,000 during the reporting period.

It is unclear what would be accomplished, or how the public would be better served, if SB 419 were enacted into law. It is clear that both the SSI form and the judicial reporting form require similar information from those required to report, and that each is designed to provide the public with relevant information about the person required to report. With the exception of the additional “liabilities” reporting category required of judges, the additional requirement that judges report financial information regarding children and step children in some reporting categories, and the differences in threshold reporting amounts in some categories, the information required on both forms is similar. No judge has ever failed to file the required statement, and the Judicial Branch is unaware of any accusations of false statements.

A recent newspaper article cited as a possible reason for this legislation some concern that the Judicial Branch would change its reporting requirements. It is likely that what was meant is that the Judicial Branch could simply cease its reporting requirement unless it is embedded in statute. As stated previously, the Judicial Branch has had a reporting requirement

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without legislative involvement since 1974, and has required the disclosure of relevant financial information in a responsible manner for approximately 32 years. The judicial duty to report is rooted in Canon 4 of the Code of Judicial Conduct, and that duty to report will continue regardless of the outcome of this bill. What would likely result from enactment of this bill would be a requirement that judges, or at least appellate judges, file both the SSI and the Judicial Financial Disclosure Report. The more stringent reporting requirements of the judicial form are tailored to judges and the Canon 4(H) requirement that payments to judges “not give the appearance of influencing the judge or otherwise give the appearance of impropriety.” The Canon 4(H) reporting requirement will remain in place regardless of any action the Legislature might take.

Thank you for the opportunity to testify, and I would be happy to stand for any questions.

**JUDICIAL FINANCIAL DISCLOSURE REPORT
FOR CALENDAR YEAR 2005**

Report required by Supreme Court Rule 601A Relating to Judicial Conduct
Canon 4, Subsections D, E, and H (2005 Kan. Ct. R. Annot. 571 - 578)

Return on or before April 15, 2006, to:

Commission on Judicial Qualifications
Attn: Financial Disclosure Reporting
301 SW Tenth Avenue, Room 374
Topeka, Kansas 66612

The instructions accompanying this form are a guide to be followed in preparing your annual financial disclosure report. Please read the instructions before completing the form. Complete all parts, checking "NONE" wherever you have no reportable information. **This report must be typed** but may be completed online at www.kscourts.org, printed and mailed. Sign on the last page.

1. Person Reporting (Last name, first, middle initial)

2. Title (Indicate active or senior status; full or part-time) _____

3. Court _____

4. Judicial Office Address _____

5. Date of Report _____

I. COMPENSATION [reporting individual (I) and spouse (S); for Honoraria, reporting individual (I) only; see Section I of Instructions and Canon 4H(1)]

_____ NONE (*No reportable Compensation*)

<u>Date</u>	<u>Name of Payor</u>	<u>Payee (I or S)</u>	<u>Nature of Activity</u>
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II. FEES AND COMMISSIONS [reporting individual (I) and spouse (S); see Section II of Instructions and Canon 4H(2)]

_____ NONE (*No reportable Fees and Commissions*)

<u>Name of Client or Customer</u>	<u>Address</u>	<u>Payee (I or S)</u>
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III. OWNERSHIP INTERESTS [reporting individual (I), spouse (S), dependent child or dependent step child (DC); see Section III of Instructions and Canon 4D(1), (2), (4); 4H(3)]

_____ NONE (*No reportable Ownership Interest*)

<u>Business Name and Address</u> (List address only if not publicly traded)	<u>Type of Business</u>	<u>Description of Interests Held</u>	<u>Held by Whom</u> (I, S, DC)
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IV. GIFTS, BEQUESTS, OR FAVORS [reporting individual (I), spouse (S), dependent child or dependent step child (DC); see Section IV of Instructions and Canons 4D(5)(a-h) and 4H(4)]

_____ NONE (*No reportable Gifts, Bequests, or Favors*)

<u>Date</u>	<u>Donor</u>	<u>Recipient (I, S, DC)</u>	<u>Description</u>
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V. POSITIONS [reporting individual (I) only; see Section V of Instructions and Canon 4D(3)(a)(b); 4H(5)]

_____ NONE (*Nothing to report*)

<u>Name of Business/Organization/Entity</u>	<u>Address</u>	<u>Position Held</u>
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VI. LIABILITIES [reporting individual (I), spouse (S), dependent child or dependent step child (DC); see Section VI of Instructions and Canon 4H(6)]

_____ NONE (*No reportable liabilities*)

<u>Creditor</u>	<u>Person Responsible for Liability (I, S, DC)</u>	<u>Description</u>
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VII. ADDITIONAL INFORMATION OR EXPLANATIONS *(Indicate section of Report)*

_____ **Date**

_____ **Signature of Reporting Judge**

FILING INSTRUCTIONS FOR JUDICIAL FINANCIAL DISCLOSURE REPORT

WHO MUST FILE: All active and senior status judges, as well as all part-time and pro tempore part-time judges who derive at least \$15,000 of their annual income from the performance of judicial duties.

SECURITY ISSUES:

Every person reporting should be aware that this Financial Disclosure Report is a public document. To satisfy security concerns, please comply with the following recommendations:

- When filing, do **not** list your residential address. Enter your Judicial Office address **only**.
- Do **not** provide more financial detail than is required by these instructions. For example, specific dollar amounts are **not** to be included.
- Do **not** report your personal residence or residences in Part III.
- Do **not** report any mortgage, equity loan, or line of credit secured by a personal residence, vehicle, boat, or motor home in Part VI.
- Do **not** provide your federal income tax return with this Report.

This Report will be on file in the Office of the Clerk of the Appellate Courts in Topeka, Kansas, as a public document pursuant to Canon 4H(7). Requests for its release must be in writing, must be signed, and must include the name, occupation, and address of the requester and of the individual or organization on whose behalf it is requested. If you have any concerns or questions about the release of your report, please call the Office of the Clerk of the Appellate Courts.

I. COMPENSATION: Compensation means income received for the personal services of the judge or judge's spouse and income derived from business; royalties, including ownership of mineral rights; annuities; and life insurance and contract payments.

Do **not** disclose the following compensation:

- Compensation for your current employment as a judge by the State of Kansas
- Your other income that did not exceed \$500 from any single payor or in excess of \$3,000 from all payors during the reporting period
- Your spouse's income that did not exceed \$3,000 from a single source during the reporting period
- Any specific monetary amounts
- Political campaign receipts
- Income derived from the Kansas Public Employees Retirement Fund (KPERS)
- Income derived from deferred judicial compensation plans
- Income derived from retirement plans, including individual retirement account income
- Social Security benefits
- Death benefits under insurance policies, gifts, inheritance, tort recoveries
- Other compensation for injuries and sickness
- Disability compensation
- Veteran's benefits
- Fees and commissions (to be reported in Part II)

Honoraria received for the performance of marriage ceremonies should be treated as compensation and reported if the total amount from all payors exceeds \$3,000 during the reporting period or if the amount received from an individual payor exceeds \$500.

Judges may accept honoraria or speaking fees generally, provided that the compensation is reported if in excess of the monetary limits, is reasonable and commensurate with the task performed, and no conflicts or questions arise of undue influence or partiality. Actual and necessary travel expenses incurred for the judge and one traveling companion are not honoraria.

II. FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions the judge or the judge's spouse received an aggregate in excess of \$3,000 during the reporting period. *The phrase "client or customer" relates only to businesses or combination of businesses.*

Do **not** list fees and commissions paid by clients or customers **who are individuals** and not businesses or combination of businesses.

The term "business" means any corporation, association, partnership, proprietorship, trust, joint venture, or a governmental agency unit, or a governmental subdivision, and every other business interest, including ownership or use of land for income. The term "combination of businesses" means any two or more businesses owned or controlled directly by the same interests. The term "other business interest" means any endeavor which produces income, including appraisals, consulting, authorships, inventing or the sale of goods and services. It is unnecessary, for the purposes of this definition, that the interest have a formal business name or structure. In the case of a partnership, it is a partner's proportionate share of the business, and hence of the fee, which is reportable, without regard to expenses of the partnership.

III. OWNERSHIP INTERESTS: List any corporation; partnership; proprietorship; trust; retirement plan, including individual retirement accounts; joint venture; and every other business interest, including land used for income, in which either you or your spouse or dependent children or dependent step children have owned a legal or equitable interest exceeding \$5,000 during the reporting period.

The individual holdings of a trust which exceed \$5,000 must be listed if the individual has control over the assets of the trust.

For a retirement plan, disclose only the name of the plan unless the holdings are held in the individual's name and subject to his or her control.

The value of a business interest is to be determined as of December 31 of the reporting period or, if disposed of during the reporting period, the valuation as of the date of disposition. The value assigned to a holding is the fair market value.

Do **not** disclose the following under this section:

- Certificates of deposit
- Bank savings or checking accounts
- Shares in a credit union
- Life insurance policies
- Annuities
- Notes
- Bonds
- Mortgage on a personal residence
- KPERS
- Interests in deferred judicial compensation plans

Ownership of other stocks and shares in mutual funds must be disclosed. For an interest in a mutual fund or pooled or common trust fund administered by an independent financial or brokerage institution (such as XYZ Mutual Fund), disclose only the name of the fund. Business interests include, among other things, property held for rental, farming, and commercial purposes, and businesses operated out of your home. For each real estate interest, indicate the general geographic location, such as city or county and state. If more than one parcel of real estate is owned in the same geographic area, identify each parcel by number (Parcel 1, 2, 3, etc.)

IV. GIFTS, BEQUESTS, OR FAVORS: A gift is a payment, advance, forbearance, rendering, or deposit of money, or anything of value, unless consideration of equal or greater value is received by the donor.

Do **not** report the following:

- Gifts received from a spouse or relative
- Bequests and other forms of inheritance received as the result of the death of the donor
- Gifts received as a trustee of a trust for the benefit of another
- Scholarships received from an educational institution
- Communications to your office, such as subscriptions to newspapers and periodicals
- Student loans or loans from a lending institution in its regular course of business on the same terms generally available to persons who are not judges
- Suitable mementos of a function honoring you

List all other gifts, bequests, favors, and loans received by you, your spouse or dependent children or dependent step children, during the reporting period for which the value exceeds \$150. This includes the value of continuing education programs, the costs of which are paid by others, that are attended by the judge. Continuing education program expenses paid by the judge's employer are not reportable.

V. POSITIONS: List any business, organization, labor organization, educational or other institution or entity in which you now hold or have held a position of officer, director, associate, partner, proprietor, trustee, guardian, custodian, or similar fiduciary, representative, employee, or consultant at the time of filing this report or during the reporting period. Positions in for-profit and not-for-profit organizations and businesses are reportable. Report positions even if you are not compensated and if neither you nor any member of your family has a financial interest in the entity.

Do **not** report:

- Positions held in a judicial organization, such as the Kansas District Magistrate Judges Association
- Positions held by virtue of a Kansas Supreme Court appointment, *e.g.*, the Kansas Lawyers' Fund for Client Protection

VI. LIABILITIES: List all of your liabilities and those of your spouse, your dependent children or dependent step children to any creditor which exceeded \$10,000 at any time during the reporting period.

Do **not** report as a liability in this section:

- Any liability owed to a spouse, parent, brother, sister, or child
- Any mortgage secured by real property which is a personal residence of you or your spouse
- Any loan secured by a personal motor vehicle, household furniture, or appliances that does not exceed the purchase price of the item securing the liability
- Any revolving charge account whose balance did not exceed \$10,000 on December 31 of the reporting period
- Political campaign funds.



KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION: PLEASE TYPE OR PRINT

Last Name First Name MI

Spouse's Name

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

City, State, Zip Code

Home Phone Number (include area code) Business Phone Number (include area code)

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:

(check one or more of the following)

- 1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
- 2. Appointed Member of a State Board, Council, Commission or Authority;
- 3. Appointed State Position is Subject to Senate Confirmation;
- 4. Employee of a State Agency or University;
- 5. General Counsel for a State Agency;
- 6. Candidate for State Office.
- 7. Other (Contractor / Member of Compact)

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Division if applicable (May use acronyms)

Position

* *The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.*

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C. **OWNERSHIP INTERESTS:** List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here ____.

BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSHIP INTERESTS	HELD BY WHOM
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

D. **GIFTS OR HONORARIA:** List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here ____.

NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.		
2.		
3.		

E. RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.
If you have nothing to report in Section "E"1; check here ____.

	NAME OF BUSINESS		ADDRESS	TYPE OF BUSINESS
1.				
2.				

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS		ADDRESS	TYPE OF BUSINESS
1.				
2.				

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

	BUSINESS NAME AND ADDRESS		POSITION HELD	HELD BY WHOM
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

G. RECEIPT OF FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here ____.

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

H. DECLARATION:

I, _____, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

Date

Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES ____.

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

DEFINITIONS

"Blind Trust" means a trust established by a state officer or state employee or the individual's spouse for the purpose of divestiture of all control and knowledge of assets. K.A.R. 19-41-1.

"Business" means any corporation, association, partnership, proprietorship, trust, joint venture, or a governmental agency unit, or a governmental subdivision and every other business interest, including ownership or use of land for income. K.S.A. 46-230.

"Combination of businesses" means any two or more businesses owned or controlled directly by the same interests. K.A.R. 19-41-1.

"Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by such person or another. K.S.A. 46-215.

"Description of interests" means the type of ownership interest held, including common stock, preferred stock, stock option and limited partnership. K.A.R. 19-41-1.

"Equitable interest" means an actual beneficial ownership, though legal title may not be shown on public, partnership or corporate records. K.A.R. 19-41-1.

"Gift" means the transfer of money or anything of value unless legal consideration of a reasonably equal or greater value is received in return. K.A.R. 19-40-3a(b).

"Other business interest" means any endeavor which produces income, including appraisals, consulting, authorships, inventing or the sale of goods and services. It is unnecessary, for the purposes of this definition, that the interest have a formal business name or formal business structure. K.A.R. 19-41-1.

"Ownership interest" means a legal or equitable interest in any business or combination of businesses. K.A.R. 19-41-1.

"Person" means an individual, proprietorship, partnership, limited partnership, association, trust, estate, business trust, group, or corporation, whether or not operated for profit, or a governmental agency unit, or subdivision. K.S.A. 46-223.

"Trust" means a trust in which any state officer or employee or the individual's spouse has a present or future interest which exceeds five per cent of the value of the trust or exceeds five thousand dollars, whichever is less, but does not include blind trusts. K.A.R. 19-41-1.

"Type of business" means the nature of the business activity in which the entity engages, including construction, retailing and manufacturing. K.A.R. 19-41-1.

GUIDE

- A-B. NAME & POSITION: Self explanatory. See K.A.R. 19-41-3(a).
- C. OWNERSHIP INTERESTS: The value or percentage of a business interest is to be determined at the time of the required filing. The value assigned to a holding is the fair market value. Ownership of other stocks and shares, including traded and closely held stocks shall constitute legal or equitable interest for the purpose of this section. In addition all retirement accounts and mutual funds must be listed. In reporting retirement accounts and mutual funds include the name of the entity that holds the retirement plan assets or mutual funds and not the specific holdings of that plan, unless the holdings are specifically owned in the individual's name. Business interests include, among other things, property held for rental, farming, commercial purposes and ownership of mineral rights. Also included are businesses operated out of your home which require a tax identification number. The address reported for land without a street address should include the rural route, town and state or township, county and state. **For the purpose of this section, certificates of deposit, bank savings or checking accounts in a savings and loan, shares in a credit union, life insurance policies, annuities, notes, bonds, debentures and mortgages need not be disclosed under this provision.** See K.A.R. 19-41-3(b) and Governmental Ethics Commission Opinion 2000-52.
- D. GIFTS OR HONORARIA: If a gift is received for which the value is unknown, you are required to list the donor. You are not required to list the donor of a gift (1) if the gift or bequest was received as the result of the death of the donor; (2) if the gift was from a spouse, parent, grandparent, sibling, aunt or uncle; or (3) if acting as a trustee of a trust for the benefit of another. See K.S.A. 46-229(c).
- E. COMPENSATION: The disclosure required under this section shall include the name and address of the business or combination of businesses, the type of business and a description of whether the compensation was received by the individual, the individual's spouse, or both. The receipt of interest, dividends and mineral royalties does not constitute "compensation" as the term is defined, and those matters need not be reported under this provision; however, ownership interest concerning these items may need to be reported under section "C". See K.A.R. 19-41-3(c).
- F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: The disclosure under this section shall include the name and address of the business and the position held. Holding the position of administrator or executor of an estate shall not be considered reportable under this section. See K.A.R. 19-41-3(e). The holding of a position of officer or director of an organization or business includes for profit and nonprofit organizations.
- G. RECEIPT OF FEES AND COMMISSIONS: The disclosure under this section shall include the name and address of the client or customer and a description of whether the fees or commissions were received by the individual, the individual's spouse, or both. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. See K.A.R. 19-41-3(d). An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision.

WHO FILES

Individuals required to file written Statements of Substantial Interests (SSI) forms, include:

1. Persons holding an elected state office (K.S.A. 46-247(a) and (b));
2. Candidates for an elected state office (K.S.A. 46-247(a) and (b));
3. Persons whose state position is subject to senate confirmation (K.S.A. 46-247(d));
4. General counsels for state agencies (K.S.A. 46-247(e));
5. State officers, employees and members of boards, councils and commissions who are listed as designees (K.S.A. 46-247(c)). Pursuant to K.S.A. 46-282, designee means:
 - (a) Any state officer, employee or member of any agency, department, division, bureau or other unit of state government who holds a position: (1) Defined as a major policy making position; (2) responsible for contracting, purchasing or procurement, except persons whose sole responsibility is the purchasing of gasoline or emergency repair for a state vehicle assigned to them for their use or persons whose sole responsibility relating to purchasing or procurement includes only transactions pursuant to pre-existing state contracts; (3) responsible for writing or drafting specifications for contracts; (4) responsible for awarding grants, benefits or subsidies; or (5) responsible for inspecting or regulating any person or entity.
 - (b) Designee does not include any drivers license examiner of the department of revenue or any person performing ministerial functions.
6. Administrator or executive director of the:
 - a. Education Commission of the States;
 - b. Interstate Compact on Agricultural Grain Marketing;
 - c. Mo-Kan Metropolitan Development District and Authority Compact;
 - d. Mid-West Nuclear Compact;
 - e. Central Interstate Low-Level Radioactive Waste Compact;
 - f. Multistate Tax Compact;
 - g. Kansas-Oklahoma Arkansas River Basin Compact;
 - h. Kansas-Nebraska Big Blue River Compact; and
 - i. Multistate lottery (K.S.A. 46-247(f));
7. Private consultants for any state agency who are under contract to evaluate bids for public contracts or to award public contracts (K.S.A. 46-247(g));
8. Faculty members or other employees of a postsecondary educational institution who provide consulting services and who, on behalf of the person for which consulting services are provided:
 - a. Promotes or opposes action or nonaction by any federal agency, any state agency, or any political subdivision of the state or any agency of such political subdivision or a representative of such state agency, political subdivision or agency; or
 - b. Promotes or opposes action or nonaction relating to the expenditure of public funds of the federal government, the state or political subdivision of the state or agency of the federal government, state or political subdivision of the state (K.S.A. 46-247(h));
9. High School Activities Association's Executive Director and all other personnel, except custodial, clerical or maintenance personnel employed by the executive board (K.S.A. 72-130).

WHEN

In accordance with K.S.A. 46-248, the Statement of Substantial Interests shall be filed at the following times:

- (1) annually between April 15 and April 30, for an individual, other than a candidate who is appointed or takes office on or before April 30 in any year;
- (2) within 15 days after the appointment and annually thereafter between April 15 and April 30 for an individual, other than a candidate, who is appointed after April 30 in any year;
- (3) on the date of the filing deadline or within 10 days thereafter, for an individual who becomes a candidate on or before the date of the filing deadline for that office, unless within that period the candidacy is officially declined or rejected; or
- (4) within five days of becoming a candidate, for an individual who becomes a candidate after the date of the filing deadline for that office, unless within that period the candidacy is officially declined or rejected .

Please Note: Individuals who have on file a Statement of Substantial Interests for the current year are not required to file any additional statements for that period. Also, if an individual serves in more than one capacity for which a Statement is required to be filed, the individual shall be required to file only a single Statement of Substantial Interests for all capacities for which a Statement is required to be filed.

WHERE

In all cases, the Statements of Substantial Interests are filed with the Kansas Secretary of State, Elections Division, 120 SW 10th, 1st Floor, Memorial Hall, Topeka, KS 66612.