

SESSION OF 2010

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 423**

As Recommended by Senate Committee on  
Ethics and Elections

**Brief\***

SB 423 would authorize the transfer of campaign funds in certain circumstances. Details of the bill follow:

- The bill would permit a candidate or candidate committee to transfer campaign funds to a *bona fide* successor committee or candidacy established by the candidate.
- Upon transferring money to the new committee or candidacy, the candidate would be permitted to accept contributions to the original candidacy sufficient to retire the debt.
- If the original candidacy is terminated and money is transferred to the new (*i.e., bona fide* successor) committee or candidacy, all money remaining in the original candidacy which is not otherwise obligated must be transferred to the new candidacy.
- Contributions used to retire debt in the original candidacy would be subject to the statutorily prescribed contribution limits for the original office. However, campaign funds transferred to the new (*i.e., bona fide* successor) committee or candidacy would not fall under the definition of "contribution" and as such would not be subject to the contribution limits.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- The bill would deem all campaign transfers occurring between January 1, 1976 and the day before the effective date of this act to be in compliance with the Campaign Finance Act in existence at the time of the transfer, regardless of when the original campaign fund was closed after the transfer was made.

## **Background**

Various iterations of this bill have been considered by the Legislature since 2004. SB 423 (as well as its predecessors) was introduced to address the Kansas Supreme Court decision in *Cole v Mayans and Kenton, Kansas Supreme Court Case No. 89,715*, which was rendered in December 2003. The Supreme Court ruled that the Campaign Finance Act prohibited former State Representative Carlos Mayans from transferring unused legislative campaign funds to his campaign for mayor of Wichita. This ruling came after the Kansas Governmental Ethics Commission (KGEC) had issued several opinions, over a number of years, stating that such transfers were permitted under the Act. Former Representative Mayans had sought and received such an opinion on two occasions. He also received an opinion from the Wichita city attorney that the transfer would not violate a Wichita ordinance dealing with campaign finance.

A KGEC representative testified neutrally regarding the bill. No other testimony was received.

According to the fiscal note, SB 423 would have no fiscal effect.