HOUSE BILL No. 2106

By Committee on Elections

Requested by Representative Waggoner

1-28

AN ACT concerning campaign finance; relating to support for or opposition to proposed amendments to the Kansas constitution; banning contributions from foreign nationals; amending K.S.A. 25-4180 and repealing the existing section.

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

Section 1. K.S.A. 25-4180 is hereby amended to read as follows: 25-4180. (a) (1) Every person who engages in any activity promoting or opposing the adoption or repeal of any provision of the Kansas constitution and who accepts moneys or property for the purpose of engaging in such activity shall make an annual report to the secretary of state of individual contributions or contributions in kind in an aggregate amount or value in excess of \$50 received during the preceding calendar year for such purposes. The report shall show the name and address of each contributor for the activity and the amount or value of the individual contribution made, together with a total value of all contributions received, and also shall account for expenditures in an aggregate amount or value in excess of \$50 from such contributions, by showing the amount or value expended to each payee and the purpose of each such expenditure, together with a total value of all expenditures made. The annual report shall be filed on or before February 15 of each year for the preceding calendar year.

- (2) No contribution may be accepted from a foreign national.
- (3) (A) Every person who accepts moneys or property in excess of \$500 from another person shall require such other person to provide an affidavit that no portion of the money came from a foreign national.
 - (B) "Foreign national" means:
- (i) An individual who is not a citizen or lawful permanent resident of the United States;
- (ii) a government or subdivision of a foreign country or municipality thereof;
 - (iii) a foreign political party;
- (iv) any entity, such as a partnership, association, corporation, organization or other combination of persons, that is organized under the laws of, or has its principal place of business in, a foreign country; or

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(v) any United States entity, such as a partnership, association, corporation or organization, that is wholly or majority-owned by any foreign national, unless: (1) Any contribution or expenditure that such entity makes is derived entirely from funds generated by such United States entity's United States operations; and (2) all decisions concerning the contribution or expenditure are made by individuals who are United States citizens or permanent residents, except for setting overall budget amounts.

- (4) In addition to the annual report, a person engaging in an activity promoting the adoption or repeal of a provision of the Kansas constitution who accepts any contributed moneys for such activity shall make a preliminary report to the secretary of state 15 days prior to each election at which a proposed constitutional amendment is submitted. Such report shall show the name and address of each individual contributor, together with the amount contributed or contributed in kind in an aggregate amount or value in excess of \$50, and the expenditures in an aggregate amount or value in excess of \$50 from such contributions, by showing the amount paid to each payee, and the purpose of the expenditure. A supplemental report in the same format as the preliminary report shall be filed with the secretary of state within 15 days after any election on a constitutional proposition where contributed funds are received and expended in opposing or promoting such proposition.
- (5) Any person who engages in any activity promoting or opposing the adoption or repeal of any provision of the Kansas constitution shall be considered engaged in such activity upon the date *that* the concurrent resolution passes the Kansas house of representatives and *the* senate in its final form. Upon such date, if the person has funds in the constitutional amendment campaign treasury, such person shall be required to report such funds as provided by this section.
- (b) (1) The commission shall send a notice by registered or certified mail to any person failing to file any report required by subsection (a) within the time period prescribed therefor. The notice shall state that the required report has not been filed with the office of the secretary of state. The notice also shall state that such person shall have 15 days from the date *that* such notice is deposited in the mail to comply with the reporting requirements before a civil penalty shall be imposed for each day that the required documents remain unfiled. If such person fails to comply within the prescribed period, such person shall pay to the state a civil penalty of \$10 per day for each day that such report remains unfiled, except that no such civil penalty shall exceed \$300. The commission may waive, for good cause, payment of any civil penalty imposed by this section.
- (2) Civil penalties provided for by this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and

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amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the governmental ethics commission fee fund.

- (3) If a person fails to pay a civil penalty provided for by this section, it shall be the duty of the commission to bring an action to recover such civil penalty in the district court of the county in which such person resides.
- 8 (c) The intentional failure to file any report required by subsection (a) 9 is a class A misdemeanor.
- 10 (d) This section shall be *a* part of and supplemental to the campaign finance act.
 - Sec. 2. K.S.A. 25-4180 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.