## SENATE BILL No. 136

## By Senator Holscher

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AN ACT concerning campaign finance; limiting contributions to \$5,000 per year to political committees that are made for the purpose of independent expenditures; requiring accounting, reporting and auditing of such contributions; amending K.S.A. 25-4147, 25-4148 and 25-4153 and repealing the existing sections.

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

Section 1. K.S.A. 25-4147 is hereby amended to read as follows: 25-4147. (a) (1) Every treasurer shall keep detailed accounts of all contributions and other receipts received and all expenditures made by or on behalf of the treasurer's candidate or committee.

- (2) In addition to any other accounts or records required by law, every treasurer of a political committee that receives one or more contributions for the purpose of making independent expenditures, as defined in K.S.A. 25-4148c, and amendments thereto, shall keep an account of any contribution received for the purpose of making such expenditures. In addition to any other requirements, such account shall contain the name of the contributor and the total contributions from each contributor.
- (b) (1) Accounts of any treasurer may be inspected under conditions determined by the commission, and shall be preserved for a period to be designated by the commission.
- (2) In addition to inspections pursuant to paragraph (1), accounts of any treasurer of any political committee that receives one or more contributions for the purpose of making independent expenditures shall be subject to an annual audit at a time to be determined by the commission. The audit shall be conducted by a Kansas auditor approved by the commission at the political committee's expense. The scope and method of the audit shall be approved by the commission and shall include, but not be limited to, the compliance by the political committee with the provisions of K.S.A. 25-4153(j), and amendments thereto.
- (c) An individual may serve as treasurer for a candidate, candidate committee, party committee or political committee or of any two or more such committees or candidates.
- (d) Every person who receives a contribution for a candidate, candidate committee, party committee or political committee more than

five days prior to the ending date of any period for which a report is required by K.S.A. 25-4148, and amendments thereto, on demand of the treasurer, or in any event on or before the ending date of the reporting period, shall remit the same and render to the treasurer an account thereof, including the amount, the name and address of the person, if known, making the contribution and the date received.

- (e) No contribution or other receipt received by a candidate, candidate committee, party committee or political committee shall be commingled with personal funds of the candidate or the treasurer or other officers or members of such committee.
- (f) No candidate, candidate committee, party committee or political committee shall receive any contribution or other receipt from a political committee unless accompanied by the full name of the organization with which the political committee is connected or affiliated or, name or description sufficiently describing the affiliation or, if the political committee is not connected or affiliated with any one organization, the trade, profession or primary interest of the political committee as reflected by the statement of purpose of such organization.
- Sec. 2. K.S.A. 25-4148 is hereby amended to read as follows: 25-4148. (a) Every treasurer shall file a report prescribed by this section. Reports filed by treasurers for candidates for state office, other than officers elected on a state-wide basis, shall be filed-in both with the office of the secretary of state. Reports filed by treasurers for candidates for state-wide office shall be filed electronically and only with the secretary of state. Reports filed by treasurers for candidates for local office shall be filed in the office of the county election officer of the county in which the name of the candidate is on the ballot. Except as otherwise provided by subsection (h), all such reports shall be filed in time to be received in the offices required on or before each of the following days:
- (1) The eighth day preceding the primary election, which report shall be for the period beginning on January 1 of the election year for the office the candidate is seeking and ending 12 days before the primary election, inclusive:
- (2) the eighth day preceding a general election, which report shall be for the period beginning 11 days before the primary election and ending 12 days before the general election, inclusive;
- (3) January 10 of the year after an election year, which report shall be for the period beginning 11 days before the general election and ending on December 31, inclusive;
- (4) for any calendar year when no election is held, a report shall be filed on the next January 10 for the preceding calendar year;
- (5) a treasurer shall file only the annual report required by subsection (4) for those years when the candidate is not participating in a primary or

general election.

- (b) Each report required by this section shall state:
- (1) Cash on hand on the first day of the reporting period;
- (2) the name and address of each person who has made one or more contributions in an aggregate amount or value in excess of \$50 during the election period together with the amount and date of such contributions, including the name and address of every lender, guarantor and endorser when a contribution is in the form of an advance or loan and, in the case of political committees that receive one or more contributions for the purpose of independent expenditures, as defined in K.S.A. 25-4148c, and amendments thereto, the aggregate amount contributed by each contributor;
- (3) the aggregate amount of all proceeds from bona fide sales of political materials such as, but not limited to, political campaign pins, buttons, badges, flags, emblems, hats, banners and literature;
- (4) the aggregate amount of contributions for which the name and address of the contributor is not known;
- (5) each contribution, rebate, refund or other receipt not otherwise listed;
  - (6) the total of all receipts;
- (7) the name and address of each person to whom expenditures have been made in an aggregate amount or value in excess of \$50, with the amount, date; and purpose of each; the names and addresses of all persons to whom any loan or advance has been made; and when an expenditure is made by payment to an advertising agency, public relations firm or political consultants for disbursement to vendors, the report of such expenditure shall show in detail the name of each such vendor and the amount, date and purpose of the payments to each;
- (8) the name and address of each person from whom an in-kind contribution was received or who has paid for personal services provided without charge to or for any candidate, candidate committee, party committee or political committee, if the contribution is in excess of \$100 and is not otherwise reported under subsection (b)(7), and the amount, date and purpose of the contribution;
- (9) the aggregate of all expenditures not otherwise reported under this section; and
  - (10) the total of expenditures.
- (c) In addition to the requirements of subsection (b), every treasurer for any political committee and party committee shall report the following:
- (1) (A) The name and address of each candidate for state or local office for whom an expenditure in the form of an in-kind contribution has been made in an aggregate amount or having a fair market value in excess of \$300, with the amount, date and purpose of each. The report shall show

 in detail the specific service or product provided; and

- (B) the name and address of each candidate for state or local office who is the subject of an expenditure which that:
- (i) Is made without the cooperation or consent of a candidate or candidate committee:
- (ii) expressly advocates the nomination, election or defeat of such candidate; and
- (iii) is an aggregate amount or having a fair market value in excess of \$300.
- (2) The report shall state the amount, date and purpose of the expenditure in the form of an in-kind contribution. The report shall show in detail the specific service or product provided. The reporting requirements imposed by this subsection shall be in addition to all other requirements required by this section.
- (d) Treasurers of candidates and of candidate committees shall itemize the purchase of tickets or admissions to testimonial events by a person who purchases such tickets or admissions in an aggregate amount or value in excess of \$50 per event, or who purchases such a ticket or admission at a cost exceeding \$25 per ticket or admission. All other purchases of tickets or admissions to testimonial events shall be reported in an aggregate amount and shall not be subject to the limitations specified in K.S.A. 25-4154, and amendments thereto.
- (e) If a contribution or other receipt from a political committee is required to be reported under subsection (b), the report shall include the full name of the organization with which the political committee is connected or affiliated or, a description of the connection to or affiliation with such organization. If, the committee is not connected or affiliated with any one organization, the report shall state the trade, profession or primary interest of the political committee as reflected by the statement of purpose of such organization.
- (f) The commission may require any treasurer to file an amended report for any period for which the original report filed by such treasurer contains material errors or omissions. The notice of the errors or omissions shall be part of the public record. The amended report shall be filed within 30 days after notice by the commission.
- (g) The commission may require any treasurer to file a report for any period for which the required report is not on file. The notice of the failure to file shall be part of the public record. Such report shall be filed within five days after notice by the commission.
- (h) For the purpose of any report required to be filed pursuant to subsection (a) by the treasurer of any candidate seeking nomination by convention or caucus or by the treasurer of the candidate's committee or by the treasurer of any party committee or political committee, the date of the

convention or caucus shall be considered the date of the primary election.

- (i) If a report is sent by certified or registered mail on or before the day it is due, the mailing shall constitute receipt by that office.
- (j) Any report required by this section may be signed by the candidate in lieu of the candidate's treasurer or the treasurer of the candidate's committee.
- Sec. 3. K.S.A. 25-4153 is hereby amended to read as follows: 25-4153. (a) The aggregate amount contributed to a candidate and such candidate's candidate committee and to all party committees and political committees and dedicated to such candidate's campaign, by any political committee or any person except a party committee, the candidate or the candidate's spouse, shall not exceed the following:
- (1) For the pair of offices of governor and lieutenant governor or for other state officers elected from the state as a whole, \$2,000 for each primary election (or, in lieu thereof, a caucus or convention of a political party) and an equal amount for each general election.
- (2) For the office of member of the house of representatives, district judge, district magistrate judge, district attorney or a candidate for local office, \$500 for each primary election (or, in lieu thereof, a caucus or convention of a political party) and an equal amount for each general election.
- (3) For the office of state senator or member of the state board of education, \$1,000 for each primary election (or, in lieu thereof, a caucus or convention of a political party) and an equal amount for each general election.
- (b) For the purposes of this section, the face value of a loan at the end of the period of time allocable to the primary or general election is the amount subject to the limitations of this section. A loan in excess of the limits herein provided may be made during the allocable period if such loan is reduced to the permissible level, when combined with all other contributions from the person making such loan, at the end of such allocable period.
- (c) For the purposes of this section, all contributions made by unemancipated children under 18 years of age shall be considered to be contributions made by the parent or parents of such children. The total amount of such contribution shall be attributed to a single custodial parent and 50% of such contribution to each of two parents.
- (d) The aggregate amount contributed to a state party committee by a person other than a national party committee or a political committee shall not exceed \$15,000 in each calendar year; and the aggregate amount contributed to any other party committee by a person other than a national party committee or a political committee shall not exceed \$5,000 in each calendar year.

The aggregate amount contributed by a national party committee to a state party committee shall not exceed \$25,000 in any calendar year, and the aggregate amount contributed to any other party committee by a national party committee shall not exceed \$10,000 in any calendar year.

The aggregate amount contributed to a party committee by a political committee shall not exceed \$5,000 in any calendar year.

- (e) Any political funds—which that have been collected and were not subject to the reporting requirements of this act shall be deemed a person subject to these contribution limitations.
- (f) Any political funds—which that have been collected and were subject to the reporting requirements of the campaign finance act shall not be used in or for the campaign of a candidate for a federal elective office.
- (g) The amount contributed by each individual party committee of the same political party other than a national party committee to any candidate for office, for any primary election at which two or more candidates are seeking the nomination of such party shall not exceed the following:
- (1) For the pair of offices of governor and lieutenant governor and for each of the other state officers elected from the state as a whole, \$2,000 for each primary election (or, in lieu thereof, a caucus or convention of a political party).
- (2) For the office of member of the house of representatives, district judge, district magistrate judge, district attorney or a candidate for local office, \$500 for each primary election (or, in lieu thereof, a caucus or convention of a political party).
- (3) For the office of state senator or member of the state board of education, \$1,000 for each primary election (or, in lieu thereof, a caucus or convention of a political party).
- (h) When a candidate for a specific cycle does not run for office, the contribution limitations of this section shall apply as though the individual had sought office.
- (i) No person shall make any contribution or contributions to any candidate or the candidate committee of any candidate in the form of money or currency of the United States which in the aggregate exceeds \$100 for any one primary or general election, and no candidate or candidate committee of any candidate shall accept any contribution or contributions in the form of money or currency of the United States which in the aggregate exceeds \$100 from any one person for any one primary or general election.
- (j) (1) (A) An individual shall not make contributions aggregating more than \$5,000 in any calendar year to a political committee for the purpose of making independent expenditures.
- (B) No political committee shall make contributions aggregating more than \$5,000 in any calendar year to another political committee for

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the purpose of making independent expenditures.

- (C) No person shall make contributions aggregating more than \$5,000 in any calendar year to a political committee for the purpose of making independent expenditures.
- (2) A political committee shall use only funds received in compliance with paragraph (1) when making independent expenditures.
- (3) For purposes of this subsection, "independent expenditures" means the same as defined in K.S.A. 25-4148c, and amendments thereto;
  - K.S.A. 25-4147, 25-4148 and 25-4153 are hereby repealed.
- Sec. 5. This act shall take effect and be in force from and after its 10 publication in the statute book.