

February 26, 2016

The Honorable Mitch Holmes, Chairperson
Senate Committee on Ethics and Elections
Statehouse, Room 237-E
Topeka, Kansas 66612

Dear Senator Holmes:

SUBJECT: Fiscal Note for SB 414 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 414 is respectfully submitted to your committee.

SB 414 would prohibit the state or any municipality from entering into an agreement or contract valued at \$10,000 or more with a business entity if that business has made a monetary or in-kind contribution to any state or municipal candidate or office holder within 18 months immediately preceding the commencement of negotiations, during the term of office of the elected, or within 18 months immediately preceding the last day of the term of the elected. Prior to awarding of a contract, a business would be required to report all political contributions during the four preceding years to the Kansas Governmental Ethics Commission for review by the agency. The bill would define a business entity to include organizations as well as certain individuals.

The Kansas Association of Counties indicates that SB 414 would have a fiscal effect on counties, as counties would need to ensure contracts valued at \$10,000 or more would not violate provisions of SB 414. Additional staff time would be required to review these contracts to ensure compliance with the bill.

The Kansas Governmental Ethics Commission indicates that it cannot estimate the number of business entities and contracts that would be affected by SB 414, and cannot estimate a fiscal effect. Any fiscal effect associated with SB 414 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Larry Baer, League of Municipalities
Melissa Wangemann, Association of Counties
Carol Williams, Governmental Ethics