

SESSION OF 2015

SUPPLEMENTAL NOTE ON SENATE BILL NO. 42

As Amended by Senate Committee of the Whole

Brief*

SB 42 would address the reporting of public funds used for lobbying. The bill would require reporting by both lobbyists and governmental entities.

Reporting by Lobbyists

Every registered lobbyist would be required to provide a detailed report of all public funds received by the lobbyist from (a) a governmental entity, or (b) any association or organization that receives public funds. The report would be submitted to the Secretary of State and must include a listing of the amount of public funds paid to hire or contract for the lobbying services of the lobbyist and the association or organization receiving public funds hired the lobbyist. The bill would require the following with respect to this report:

- The report form would be prescribed by the Kansas Governmental Ethics Commission;
- The report would be a public record, open to public inspection upon request;
- The deadline for filing the report would be January 10 for the previous calendar year; and
- All such reports filed with the Secretary of State would be required to be made available on a publicly searchable website by the Secretary of State.

*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>

Publication of Information by Governmental Entities

The bill would require any governmental entity that must publish any appropriation or budget, which was approved by the entity's governing body as required in KSA 79-2925b(c), to publish the following information in the same manner:

- An itemized listing of all public funds used by the governmental entity for the purpose of (a) employing or contracting for the services of a lobbyist; (b) paying membership dues or other financial support to an association that employs a lobbyist; or (c) paying membership dues or other financial support to an association that has an affiliated organization; and
- An itemized list of all lobbyists who received public funds from the governmental entity, all lobbyists hired by any association receiving public funds from the entity, and an itemized list of all lobbyists hired by associations and affiliated organizations that receive public funds from the governmental entity.

Definitions

The bill would define the following terms:

- "Governmental entity" would have the same meaning as contained in the Kansas Tort Claims Act: the state or any county, township, city, school district, or other political subdivision of the state, or any related agency, authority, institution, or other instrumentality;
- "Lobbying" would have the same meaning as the term has in the Kansas Governmental Ethics Act, as follows: (a) promoting or opposing action or nonaction by the Legislature on any legislative

matter or adoption or nonadoption of any rule or regulation; or (b) entertaining any state officer or employee or giving any gift or payment to a state officer or employee which is valued in aggregate at \$40 or more in a calendar year, if the giver has a financial interest in a contract with, or action or other matter before, the state agency in which the state officer or employee serves, or if the giver is the representative of someone having a financial interest;

The Kansas Governmental Ethics Act's definition also excludes several items, such as any expenditure from amounts appropriated by the Legislature for official hospitality.

- "Public funds" would mean money appropriated by the state or any of its subdivisions.

Background

The bill was introduced by the Senate Committee on Assessment and Taxation. Proponents of the bill before the Senate Committee on Ethics and Elections were representatives of Americans for Prosperity-Kansas and Kansas Policy Institute. The proponents indicated concern about the funding going to governmental entities that engage in lobbying, and concern that information regarding how much public money is spent on lobbying is not readily available for taxpayers to access.

A representative of the Kansas Association of Counties (KAC) testified neutrally on the bill as introduced, saying this bill was created as a compromise after the KAC strongly opposed the bill from last year, 2014 SB 343, and the KAC supports open government. That bill would have required governmental entities to submit detailed reports to the Secretary of State regarding publicly funded lobbying. A representative of the League of Kansas Municipalities also

testified neutrally, saying the information referred to in the bill already is available *via* open records requests.

The Senate Committee on Ethics and Elections amended the bill to clarify the intent of the bill.

Further, informational meetings were held in the Senate Committee on Local Government on March 9, 10, and 16, 2015, on the topic of lobbying in any way supported by public funds. (The discussion during Senate Committee of the Whole debate on the bill referenced these informational meetings.)

The Senate Committee of the Whole adopted amendments to do the following:

- Clarify that lobbyists are to report all information to the Secretary of State;
- Add to lobbyists' reporting requirements that they report all public funds received from any association or organization receiving public funds; and
- Add requirements that local governments publish information on publicly funded lobbying *via* the municipal budget publication law.

According to the fiscal note prepared by the Division of the Budget, the bill, as introduced, would have no fiscal effect on the Kansas Governmental Ethics Commission. The Secretary of State reported similarly.