

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE

The meeting was called to order by Chairman Arlen Siegfroid at 1:30 P.M. on February 18, 2008, in Room 313-S of the Capitol.

All members were present except:

Representative Mike Peterson - Excused
Representative Owen Donohoe - Excused

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Mike Heim, Revisor of Statutes Office
Jason Long, Revisor of Statutes Office
Jeannie Dillon, Committee Assistant

Conferees:

Alan Cobb, Americans for Prosperity
Mel Kuhn, City Commissioner, Arkansas City
Kent Cornish, Kansas Association of Broadcasting
Wayne Godsey, KMBC-TV
Wayne Flaherty, Private Citizen
Richard Gannon, Kansas Press Association
John Lewis, Lenexa
Jim Todd, Wichita
Kim Borchers, Topeka
Steve Fitzgerald, Leavenworth School Board
Dr. Dan Harden, Member of Jefferson West School Board
Bud Hentzen, former Sedgwick County Commissioner
Karl Peterjohn
Kim Winn, League of Municipalities
Mike Taylor, Unified Government of Wyandotte, Kansas City, KS
Randall Allen, Executive Director of Counties
Gary George, Olathe School District
Mark Tallman, Kansas Association of School Boards
Eric Sartorius, City of Overland Park

Others attending:

See attached list.

The Chairman opened the meeting for bill introductions. Representative Ruff requested a bill introduction regarding enhancement of the veteran's service delivery program. Moved by Representative Huebert, seconded by Representative Miller, without objection, the bill was accepted.

Chairman Siegfroid recognized Representative O'Neal who requested a bill regarding annexation. Moved by Representative Huebert, seconded by Representative Brunk, without objection, the bill was accepted.

Representative Huebert requested a bill dealing with immigration. Moved by Representative Brunk, seconded by Representative Brown, without objection, the bill was accepted.

Representative Brunk requested a bill on special technical training. Moved by Representative Huebert, seconded by Representative Brown, without objection, the bill was accepted.

Representative Brunk requested a bill concerning the REAL act that has to do with expenditure assessments. Moved by Representative Huebert, seconded by Representative Brown, without objection, the bill was accepted.

With no further bill introductions, the Chairman opened the meeting for hearing on **HB 2775 - Governmental ethics; reporting of lobbying expenses by local units of government.**

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Mike Heim, Revisor of Statutes, briefed the Committee on the bill and answered questions asked by the Committee.

Chairman Siegfried invited Alan Cobb to speak to the Committee. Mr. Cobb, representing 13,000 member's of Americans for Prosperity, spoke as a proponent to **HB 2775**. He stated that having an open system where media, taxpayers and taxpayer watchdog groups have access to what government agencies are paying for lobbying serves the public's good and its right to know. ([Attachment 1](#))

Mel Kuhn, City Commissioner of Ark City, spoke as a proponent to the bill. He stated that it should be a requirement for all tax spending entities to account for the tax money being spent. ([Attachment 2](#))

Kent Cornish, President of Kansas Association of Broadcasters was welcomed by the Chairman. Mr. Cornish spoke as a proponent to **HB 2775**. He stated that in order to inform the listeners and viewers, it is important that government be kept open and officials held accountable. ([Attachment 3](#))

Wayne Godsey, President and General Manager of KMBC-TV spoke in support of **HB 2775**. Mr. Godsey related that we don't know if more disclosure will reduce spending, but we do know that taxpayers deserve to know how much their local governments are paying to influence votes. He concluded by saying that local governments that go to Topeka with their hand out are a big reason that state taxes increase. ([Attachment 4](#))

Wayne Flaherty, gave testimony in favor of **HB 2775**. He believes that the bill continues an effort begun by this legislature last year when it passed the transparency law giving citizens greater access to the workings of their government. ([Attachment 5](#))

Richard Gannon, representing the Kansas Press Association, submitted written testimony from Rudy Taylor, owner of the Taylor Newspapers, Inc. Mr. Taylor's written testimony echos the strong support of the Kansas Press Association. Mr. Gannon said that the poster child of this legislation is most likely Schools For Fair Funding. He stated that by not releasing their financial data, Schools For Fair Funding provided for this type of legislation. ([Attachment 6](#))

John Lewis, citizen of Lenexa, appeared before the Committee to deliver testimony supporting **HB 2775**. In his testimony, Mr. Lewis said that he can think of no greater misuse of taxpayer dollars than their use from one unit of government to lobby another unit of government. ([Attachment 7](#))

John Todd, citizen of Wichita, gave testimony in favor of the bill. He said that the local government in Wichita and Sedgwick County has become "big business" with government spending for the city, county, and local school district at nearly 1.4 billion dollars. ([Attachment 8](#))

Kim Borchers, gave testimony in favor of **HB 2775**. Ms. Borchers reminded the Committee that the discussion today is not about whether there should be taxpayer funded lobbying, but rather about disclosure. She concluded by saying that this is the first step in ridding the negative views that the public has about the arrogance of governmental entities. ([Attachment 9](#))

The Leavenworth School Board was represented by Steve Fitzgerald. Mr. Fitzgerald was concerned because taxpayers are paying for someone to ask for more tax dollars. He said that people's confidence in government goes up when they know that the money collected is not excessive and is well used. ([Attachment 10](#))

Dr. Dan Harden, member of Jefferson West School Board of Meriden, Kansas, was welcomed to the Committee. Mr. Harden supports **HB 2775**. He quoted Thomas Jefferson by saying, "To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical". He concluded by saying that this holds true for the funding of lobbyists in our legislature. ([Attachment 11](#))

Bud Hentzen, former Sedgwick County Commissioner, presented testimony in support of **HB 2775**. He questioned the ethics of even allowing local governmental units using taxpayer money to lobby for tax increases and regulations that local taxpayers oppose without a public vote. He stated that it is a right of the citizens to be able to find out what their government is doing. ([Attachment 12](#))

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The Kansas Taxpayers Network was represented by Karl Peterjohn, Executive Director. Mr. Peterjohn opined that the bill is a first step in creating governmental budget clarity for lobbying expenditures as well as additional spending accountability. One concern that KTN has about this statute is placing this provision within the government ethics laws. He stated that it is important to place this statute in a way that it will be considered a uniform state statute. (Attachment 13)

Answering a question asked by the Committee, Mr. Peterjohn stated that there is a significant difference between private and public funded entities and that there is a pretty thick line between the two.

In response to a question asked by the Committee, Mr. Gannon said that the Kansas Press Association has never taken the position on any of the taxpayer government lobbyist bills except for the one today. The reason is because this is about the reporting of taxpayers dollars.

After all questions were answered, Chairman Siegfried welcomed Erik Sartorius representing the City of Overland Park to the Committee. He asked the Committee to think through a few issues with the bill.

- The bill does not utilize the current statutory definition of “lobbying” as found in K.S.A. 46-225.
- The bill broadens the definition of “lobbying” to include “monitoring,” and requires all dues paid to any “associations, groups, or organizations that promote, oppose, or monitor the passage of legislation or regulations.
- The bill is unclear as to whether it applies to only organizations involved with the legislature, as considered in the Kansas Statutory lobbying definition, or if this is to apply to organizations that focus on federal issues.
- The bill defines anyone who “promotes, opposes, or monitors” legislation for 40 hours or more in one year to be engaged in “lobbying.” This is essentially 9 minutes a day.

In conclusion, Mr. Sartorius stated that there is a need for clarification for this bill to move forward and stated his willingness to work toward that goal. (Attachment 14)

Kim Winn, League of Municipalities, gave testimony as an opponent of **HB 2775**. Ms. Winn stated that the League of Municipalities is a strong supporter of openness in government but the bill goes beyond disclosure. She explained that the way the bill is structured, all 3000 municipalities would be required to file. She was also concerned that by separating public interest lobbyists from other lobbyists, it will send a message that it is acceptable for private business to come to the Legislature but not acceptable for one level of government to communicate with another level of government. (Attachment 15)

Mike Taylor, representing Unified Government of Wyandotte, Kansas City, Kansas, was strongly opposed to **HB 2775**. Mr. Taylor stated that the contention by groups like Americans for Prosperity that “publicly funded lobbyists propagate the cycle of more spending and more programs that call for spending” is inaccurate. Most of the work of local governments focused on saving the taxpayers by objecting to unfounded mandates or other measures which will increase property taxes. (Attachment 16)

Randall Allen, Executive Director of Counties, spoke as an opponent to the bill. Mr. Allen is concerned that **HB 2775** as drafted, would place an obligation on counties and other units of local government to report to the Secretary of State all membership dues to state associations, groups, or organizations. (Attachment 17)

Dr. Gary George, Olathe Unified School District, testified opposing the bill on several grounds: one of which was because the bill would add new requirements to anyone who lobbies for a municipality which by definition includes school districts. Mr. George cited other reasons for opposition of **HB 2775**. (Attachment 18)

Kansas Association of School Boards was represented by Mark Tallman who opposes the bill. Mr. Tallman

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related that they see no need to enact additional requirements because they see no justification in imposing additional requirements on municipalities and not on other entities that engage in lobbying. He opined that this bill would create more confusion than clarity in the public's understanding of lobbying. (Attachment 19)

The Chairman asked Eric Sartorius if we were able to address each of the points of the bill that caused him pause, would he be a proponent for the bill. Mr. Sartorius responded by saying that he did not know if he would be a proponent but that he would not oppose the bill. He continued by saying that he thought that it might be able to be worked out.

Written testimony was submitted by Jeff Locke in favor of the bill. (Attachment 20)

Committee members asked questions of the conferees. After all questions were answered, the Chairman closed the hearing.

The meeting was adjourned. The Committee will meet again on February 19th at 1:30 in room 313 S.