

## MINUTES OF THE HOUSE ELECTIONS COMMITTEE

The meeting was called to order by Chairman Steve Huebert at 3:30 p.m. on March 15, 2010, in Room 144-S of the Capitol.

All members were present except:

Representative Bob Bethell- excused  
Representative Deena Horst- excused  
Representative Mike Peterson- excused

Committee staff present:

Ken Wilke, Office of the Revisor of Statutes  
Martha Dorsey, Kansas Legislative Research Department  
Florence Deeter, Committee Assistant

Conferees appearing before the Committee:

Carol Williams, Executive Director, Governmental Ethics Commission

Others attending:

See attached list.

**Hearing On: SB 416 - Sub for S 416 by Committee on Ethics and Elections – Governmental ethics; eliminating conflict of interest filing requirements for certain university faculty.**

Ken Wilke, Office of the Revisor of Statutes, briefed the committee on the changes in **SB 416**, stating that the substitute bill elicits amendments to the governmental ethics act. The first section repeals the statute requiring certain faculty who are employed in state education institutions to provide a statement of substantial interest. He noted that section two would require lobbyists to report the date and expenditure of any gift, entertainment or hospitality provided to legislators with a value totaling \$100.

Carol Williams, Executive Director, Governmental Ethics Commission, spoke in support of **SB 416** (Attachment 1). She noted that the current law requires any faculty member who earns an annual salary of \$50,000 or more to file an annual statement of substantial interest (SSI) with the Secretary of State. Ms. Williams said this law has resulted in 3,700-3,900 additional individuals filing reports. Because of the confusion in filing consecutive SSI's with the employing institution at the time of contract renewal, and with the Secretary of State, a sizable number of faculty members fail to file by the deadline. She indicated the cost of mailing "failure to file notices," if sent by certified mail, would incur mailing expenses totaling \$8,534. Ms. Williams recommended the committee pass **SB 416** favorably.

The Chairman referenced supportive written testimony submitted by Kip Peterson, Director of Governmental Relations and Communications, Kansas Board of Regents (Attachment 2).

The hearing on **SB 416** was closed.

**Hearing On: SB 417 - Requiring campaign contributions reports; to list the occupation, but not industry, of contributors of over \$150.**

Ken Wilke, provided information on amending of reports of contributions over \$150. He said deletion of the word "industry" of the contributor presently required on treasurers' reports would simplify the reporting process.

Carol Williams, speaking in favor of **SB 417** said this is a simple bill designed to return the word "occupation" on receipts and expenditure reports as replacement for "industry" (Attachment 3). She indicated the change would save both staff time and agency resources, and make compliance with the Campaign Finance Act easier for treasurers who often struggle with how to categorize an individual's occupation.

The hearing on **SB 417** was closed.

The meeting was adjourned at 03:55 pm. The next meeting is scheduled for March 17, 2010.

3/15





## GOVERNMENTAL ETHICS COMMISSION

[www.kansas.gov/ethics](http://www.kansas.gov/ethics)

**Testimony before House Committee on Elections  
in Support of Senate Bill 416  
by Carol Williams, Executive Director  
March 15, 2010**

Senate Bill 416 is a recommendation made by the Governmental Ethics Commission in its 2009 Annual Report and Recommendations.

Senate Bill 416 repeals a provision in K.S.A. 46-247 which requires faculty members at State Regent's institutions who receives an annual salary of \$50,000 or more, other than an adjunct faculty members, to file a Statement of Substantial Interests with the Secretary of State's office between April 1 and April 30 of each year.

Under Current law, any employee of a Regent's institution who holds a major policy making position, is responsible for contracting, purchasing, or procurement, is responsible for writing or drafting specifications for contracts, has been required to file a SSI and will continue to do so whether or not SB 416 passes. Since 2005, any faculty member who earns an annual salary of \$50,000 or more at any State educational institution has been required to file an annual SSI with the Secretary of State. The 2005 law change has resulted in an additional 3,700-3,900 individuals being required to file a SSI. In 2009, 9,673 state officers and employees were required to file a SSI. Staff believes approximately 3,887 of those required to file were faculty members required to file due to the passage of the 2005 legislation.

Faculty members at state educational institutions are currently required to file a SSI each year with their employing institution when their contracts are renewed. These SSIs are required to be filed at approximately the same time the state level SSIs are required to be filed with the Secretary of State. As a result, many faculty members claim they have been confused with these two consecutive filings each year.

In 2009, it took 180 hours of staff time to obtain compliance from these faculty members. On May 1, 2009, the day after the filing deadline, there were still 1,315 faculty members who

had not filed their SSI's. The statute requires when Failure to File Notices are mailed, the notices be sent by certified mail. Had the Commission sent these notices in May of last year, the Commission would have incurred mailing expenses of \$8,534. To save agency funds, staff has sent past due notices by first class mail before sending the certified notices. Deleting these additional filings will save the Commission agency resources and funds.

Section 2 of SB 416 was amended into the bill on the Senate floor. The new language added to K.S.A. 46-269 can be found on page 3 line 14. This new section would require any lobbyists who is required to file an itemized Lobbyist Employment and Expenditures Report to list the date such lobbyist expends funds for gifts, entertainment or hospitality. Under current law, the date of such activity is not required.

The Commission urges your passage of SB 416 favorably.



# KANSAS BOARD OF REGENTS

1000 SW JACKSON • SUITE 520 • TOPEKA, KS 66612-1368

TELEPHONE – 785-296-3421  
FAX – 785-296-0983  
www.kansasregents.org

March 15, 2010

Rep. Steve Huebert, Chairman  
House Elections Committee  
Statehouse, Room 149-S  
Topeka, KS 66612

Rep. Melany Barnes, Ranking Member  
House Elections Committee  
Docking State Office Building  
Topeka, KS 66612

Dear Chairman Huebert and Ranking Member Barnes:

On behalf of the Kansas Board of Regents and the six state universities, I write to you in support of Section 1 of Substitute for Senate Bill 416, which would eliminate the requirement for faculty members with an annual salary of \$50,000 or more to file statements of substantial interest with the Secretary of State.

Last year the Governmental Ethics Commission had sought to repeal the provision in K.S.A. 46-247 that requires faculty of state universities who receive \$50,000 or more in annual salary to file statements of substantial interest (SSIs) because enforcement of the provision had become burdensome for the Commission. State universities supported the proposal to repeal the filing requirement for this group of individuals for two reasons. First, this is the only group of state employees required to file SSIs based solely on their salary level, all others being either policymakers or consultants for entities other than their employer. Second, elimination of the filing requirement would have relieved these faculty members from having to file both an SSI with the State and a Conflict of Interest, Commitment of Time statement (COI/COT) with the university.

When policymakers learned that the university COI/COT statements are filed in the employees' personnel files and thus not subject to open records requirements, K.S.A. 46-247a was crafted as a substitute for the repeal of the special SSI filing requirement that the Ethics Commission and the universities supported. Our sense is that proponents of this approach believed it would address the second reason stated above for the state universities' and their faculties' support of the original proposal to repeal the SSI filing requirement. However, because any state university that opts to require filing of SSIs with the university rather than the Commission will have to make those SSIs open records, there will continue to be a need for two filings (one containing just the SSI required information which will be an open record, and the other containing potentially more information and treated as a personnel record). Thus, under this compromise legislation, faculty would continue to have to file two statements, and, if any university CEO chose the option of requiring the filing of SSIs with the university, the university's administrative costs related to the collection of this information would double.

Ms. Elections  
3-15-10 Attachment #2

Repeal of the requirement for faculty who receive an annual salary of \$50,000 or more to file an SSI will put those state employees back on the same footing as all other state employees: If they are designated by the university pursuant to subsection 1(c), they will have to file; if they are general counsel for the university, they will have to file; if they hold an elected office or an appointment subject to confirmation, they will have to file; etc. Additionally, if they are faculty members who provide consulting services and, on behalf of or for the benefit of the person for which consulting services are provided, promote or oppose action or nonaction by any federal agency, any state agency, or any political subdivision of the state; or promote or oppose action or nonaction relating to the expenditure of public funds of the federal government, the state or political subdivision of the state or agency of the federal government, state or political subdivision of the state, they will have to file. Section 1 of this bill would simply remove the requirement that all other faculty who earn \$50,000 or more annually would have to file as well. The Board of Regents supports the repeal of this requirement.

Finally, the Board of Regents does not favor legislation that would merely shift the responsibility and burden for administering the State's ethics law from the Governmental Ethics Commission to the state universities.

Thank you for your consideration of the Board's support of Substitute for Senate Bill 416.

Sincerely,



Reginald L. Robinson  
President & CEO



**GOVERNMENTAL ETHICS COMMISSION**

[www.kansas.gov/ethics](http://www.kansas.gov/ethics)

**Testimony before House Committee on Elections  
in Support of Senate Bill 417  
by Carol Williams, Executive Director  
March 15, 2010**

Senate Bill 417 would eliminate the requirement that treasurers for candidates, political action committees, and party committee list the industry of individual contributors who donate more than \$150 on receipts and expenditures reports.

In 2008, the Governmental Ethics Commission recommended treasurers be required to list the occupation and employer of individual donors who contribute more than \$150 on their receipts and expenditures reports. The Legislature chose to require the industry of a donor be listed rather than the donor's employer.

Staff's comprehensive desk review of all 2008 campaign finance reports reflected close to half of all state and local candidates did not correctly list the industry of individuals donating more than \$150. Staff does not believe it was intentional on the part of treasurers to incorrectly list or omit the industry of donors, but more that the treasurers did not know how to categorize the donor's industry as it relates to the individual's occupation. As a result of these omissions, many candidates received Notifications of Material Error or Omission letters requiring the treasurer to correctly list the industry.

The Governmental Ethics Commission and its staff support passage of SB 417. Deleting the requirement that "industry" be listed in addition to "occupation" on receipts and expenditures reports will save staff time, agency resources, and make it easier for treasurers to comply with the Campaign Finance Act.