

MINUTES OF THE HOUSE GOVERNMENTAL ORGANIZATION AND ELECTIONS.

The meeting was called to order by Chairperson Lisa Benlon at 3:35 p.m. on March 8, 2000 in Room 521-S of the Capitol.

All members were present except: Gwen Welshimer (E)

Committee staff present: Dennis Hodgins, Research
Mary Galligan, Research
Theresa Kiernan, Revisor
Dee Woodson, Committee Secretary

Conferees appearing before the committee: Dan Hermes, Director of Governmental Affairs,
Governor's Office
Brad Bryant, Secretary of State's Office
Carol Williams, Governmental Ethics Commission

Others attending: See attached list.

SB 462 -Campaign finance; limitation on contributions during legislative session

Chairperson Benlon opened the hearings on **SB 462**, and called Dan Hermes, proponent, representing the Governor's Office. He explained that the two bills being heard today were the Governor's proposals for a continued effort of his administration to make incremental changes to campaign finance designed to provide more complete disclosure of funds used to finance campaigns and reduce potential conflicts of interest that exist in current law.

Mr. Hermes testified that this **SB 462** passed the Senate with only one amendment which was to make the bill effective at the time it is published in the Kansas register. He said the bill broadens the ban on solicitation of campaign contributions during the legislative session. He explained that currently contributions to statewide elected officials and candidates, as well as legislators or candidates for the legislature are prohibited between January 1 and sine die except for contributions from individuals. He went on to say that the bill extends the ban to recognized party committees of the House and Senate and individual leadership political committees. He further stated that the current law in place is to prevent solicitation of contributions while the legislature is considering changes in law. Mr. Hermes said that this bill is an effort to make sure solicitations do not take place at a time where special interests have matters being voted on by the legislature. (Attachment 1)

General discussion and questions followed regarding: what groups would be left that could solicit money during the legislative session, concern that someone could set up PACs under different names, and inquiry as to whether or not a legislator could still be a member of a PAC that raises money during the session as long as he/she did not solicit funding.

Technical clarification of the terminology "political committee" in subsection (c) was addressed by the Revisor, and she recommended that the subsection be eliminated due to the confusion it causes.

Carol Williams, Governmental Ethics Commission, appeared before the Committee as a neutral party and was present to help clarify existing law. She had handed out for the Committee's review statistical information concerning the number and amount of political contributions that were received the last eleven days before the 1998 primary and general elections by statewide candidates. She said that the solicitations for that money are not being done here in this building, and that's the premise behind this bill to ban solicitations of legislators during the time period when they are considering and voting on legislation. She further stated that this bill would remove that final element where the legislator in turn would not be soliciting from lobbyists and other organizations during session to give money, or provide food and beverage for their fund raising functions that occur during session. (Attachment 2)

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Committee members questioned Ms. Williams about the legality of inviting members of lobbying groups to a fund raiser but not asking them for a contribution, and she said that referred to members of a certain group and they would not be precluded. Ms. Williams was asked if the regular payroll deductions to a PAC for KNEA members, which could include a legislator as a member of KNEA, would be permitted under this legislation. Ms. Williams replied in the affirmative, and related it to the medical society which has a PAC, and during the year physicians can make contributions whenever they choose due to their membership within that PAC. She stated that these are PACs that raise their money only from people involved in the process, and is totally outside the realm of this building and the solicitations made by legislators to a PAC.

General discussion continued regarding possible penalties for violations, potential checklist of do's and don'ts for fund raising and campaigning explaining the existing governing laws, and the current bullet sheets that set out the guidelines which are mailed out to candidates and campaign treasurers.

There were no opponents present to testify, and the Chair closed the hearings on **SB 462**.

SB 464 - Elections; establishing requirements for electronic reporting of campaign contributions

Chairperson Benlon opened the hearings on **SB 464**. Dan Hermes representing the Governor's Office spoke in favor of this bill which proposes to close the campaign reporting windows that exist eleven days prior to the primary and general elections for statewide races, and will require the candidates to disclose contributions of over \$250 on a daily basis to the Secretary of State. He said that current law has the campaign finance reports filed 12 days prior to the primary and general elections, and opposing candidates, voters and the media do not know where the money is coming from to finance campaigns during this time frame.(See Attachment 1)

Committee members questioned what the daily report would consist of, and Mr. Hermes explained that it would not be a complete report but a list of the various sources that the candidate is receiving donations from and includes totals from one donor in aggregated amounts who has made one or more contributions.

Brad Bryant, Deputy Assistant Secretary of State for Elections and Legislative Matters, testified in support of **SB 464**. He explained that this legislation would move Kansas a step closer to a paperless system of electronic filing. He said that his comments are mostly addressed to the electronic filing aspect of the bill, and not the policy question regarding whether candidates should be required to report campaign contributions received during the last few days before an election. He stated that the Secretary of State strongly supports electronic filing in principle, and supports faster and more open public access to accurate and up-to-date information. (Attachment 3)

General discussion and questions by Committee members followed regarding acceptance of reporting currently by fax, the effective date being the election of 2002 for implementing the electronic filing, and the possibility of a Class A misdemeanor which would be determined by the Governmental Ethics Commission.

Carol Williams, Governmental Ethics Commission, submitted written testimony and statistical information concerning the number and amount of political contributions that were received the last eleven days by statewide candidates before the primary and general elections in 1998. (Attachment 4)

There were no opponents present to testify, and the Chair closed the hearings on **SB 464**.

Representative O'Connor requested that the Committee receive copies of the latest version of HB 2627 that the Committee passed out of Committee and several amendments were added on the Floor. The Chair agreed that each Committee member would receive a copy of the latest version with all the amendments that were added.

Chairperson Benlon called for discussion and final action of **SB 464**.

Representative Jenkins made the motion to pass this bill out favorable, and the motion was seconded by Representative Powers.

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Representative Long made a substitute motion to increase the amount from \$250 to \$500. The motion was seconded by Representative Barnes.

Representative Johnston asked for verification that this is just for statewide candidates and does not affect any of the state legislators. The Chair confirmed that it only involved the statewide candidates.

The Chair called for a vote on the substitute motion by Representative Long, and the substitute motion failed by voice vote.

Representative Horst made a substitute motion to insert on Line 19 of the bill after the \$250.00, the wording “or a total aggregate of \$3,000 per day commencing eleven days before a primary or general election....”. Representative O’Connor seconded the substitute motion and then asked for an explanation. Representative Horst explained the reason she wanted that wording is because a candidate could literally have people giving them money who are members of an organization and they get \$200 from a number of people who had the same idea. She felt that we still would not know if the group is supporting that candidate, and they could literally be underneath that amount deliberately.

General discussion continued regarding the following: large amounts of money are donated to the statewide candidates on a daily basis, review of the statistics provided by the Governmental Ethics Commission, inquiring as to staffing in the Commission’s office required to handle the daily gathering and reporting of dollars, internet publication of the dollar amounts donated to the candidates, and clarification of when the report on contributions would be due.

The Chair called for a voice vote on the substitute motion before the Committee, and the motion failed.

The Chair asked the Committee to reconsider the original motion made by Representative Jenkins and seconded by Representative Powers, and called for a vote by the Committee. The motion carried.

Chairman Benlon adjourned the meeting at 4:55 p.m. The next meeting of the Governmental Organization and Elections Committee will be Monday, March 13, 2000, 3:30 p.m., Room 521-S.