(Corrected) As Amended by House Committee

{As Amended by Senate Committee of the Whole}

As Amended by Senate Committee

Session of 2011

SENATE BILL No. 102

By Committee on Ethics and Elections

2-4

| 1 | AN ACT concerning the governmental ethics eommission; amending |
|----|---|
| 2 | K.S.A. 46-268 and 46-269 and K.S.A. 20102011 Supp. 25-4119f, 25- |
| 3 | 4145, 25-4148 and $46-265$ 46-237a and repealing the existing sections. |
| 4 | |
| 5 | Be it enacted by the Legislature of the State of Kansas: |
| 6 | Section 1. K.S.A. 2010 2011 Supp. 25-4119f is hereby amended to |
| 7 | read as follows: 25-4119f. (a) In addition to any other fee required by law, |
| 8 | every person becoming a candidate for the following offices shall pay a fee |
| 9 | at the time of filing for such office in the amount prescribed by this |
| 10 | section: |
| 11 | (1) Governor and lieutenant governor\$480\$500\$1,000; |
| 12 | (2) state offices elected by statewide election, other than the governor |
| 13 | and lieutenant governor\$480\$500 \$1,000 ; |
| 14 | (3) state senator, state representative, state board of education, district |
| 15 | attorney, board of public utilities of the city of Kansas City and |
| 16 | elected county offices\$35\$50 \$75 ; |
| 17 | and |
| 18 | (4) members of boards of education of unified school districts having |
| 19 | 35,000 or more pupils regularly enrolled in the preceding school year, |
| 20 | members of governing bodies of cities of the first class and judges of |
| 21 | the district court in judicial districts in which judges are elected |
| 22 | \$35\$50 \$75 . |
| 23 | (b) The secretary of state shall remit all fees received by that office to |
| 24 | the state treasurer in accordance with the provisions of K.S.A. 75-4215, |
| 25 | and amendments thereto. County election officers receiving fees in |
| 26 | accordance with this section shall remit such fees to the county treasurer of |
| 27 | the county who shall quarterly remit the same to the state treasurer. Upon |
| 28 | receipt of each such remittance, the state treasurer shall deposit the entire |
| 29 | amount in the state treasury to the credit of the governmental ethics |
| 30 | commission fee fund. |
| 31 | Sec. 2. K.S.A. 2010 2011 Supp. 25-4145 is hereby amended to read |
| | |

as follows: 25-4145. (a) Each party committee and each political committee which anticipates receiving contributions or making expenditures shall appoint a chairperson and a treasurer. The chairperson of each party committee and each political committee which anticipates receiving contributions or making expenditures for a candidate for state office shall make a statement of organization and file it with the secretary of state not later than 10 days after establishment of such committee. The chairperson of each political committee which anticipates receiving contributions or making expenditures for any candidate for local office, shall make a statement of organization and file it with the county election officer not later than 10 days after establishment of such committee.

- (b) Every statement of organization shall include:
- (1) The name and address of the committee. The name of the committee shall reflect the full name of the organization with which the committee is connected or affiliated or sufficiently describe such affiliation. If the political committee is not connected or affiliated with any one organization, the name shall reflect the trade, profession or primary interest of the committee as reflected by the statement of purpose of such organization;
- (2) the names and addresses of the chairperson and treasurer of the committee;
- (3) the names and addresses of affiliated or connected organizations; and
- (4) in the case of a political committee, the full name of the organization with which the committee is connected or affiliated or, name or description sufficiently describing the affiliation or, if the committee is not connected or affiliated with any one organization, the trade, profession or primary interest of the political committee as reflected by the statement of purpose of such organization.
- (e) Any change in information previously reported in a statement of organization shall be reported on a supplemental statement of organization and filed not later than 10 days following the change.
- (d) (1) Each political committee which anticipates receiving contributions shall register annually with the commission on or before July 1 of each year. Each political committee registration shall be in the form and contain such information as may be required by the commission.
- (2) Each registration by a political committee anticipating the receipt of \$2,501 or more in any calendar year shall be accompanied by an annual registration fee of \$240\$720\$400.
- (3) Each registration by a political committee anticipating the receipt of more than \$500 but less than \$2,501 in any calendar year shall be accompanied by an annual registration fee of \$35\$105\$70.
 - (4) Each registration by a political committee anticipating the receipt

2

3

4

5

6

7

8

9

10

11

12

13

14 15

16

17

18

19

of \$500 or less in any calendar year shall be accompanied by an annual registration fee of \$20\$60**\$40**.

- (5) Any political committee which is currently registered undersubsection (d)(3) or (d)(4) and which receives contributions in excess of \$2,500 for a calendar year, shall file, within three days of the date when contributions exceed such amount, an amended registration form which shall be accompanied by an additional fee for such year equal to the difference between \$240\$720\$330 {\$400} and the amount of the fee that accompanied the current registration.
- (6) Any political committee which is currently registered undersubsection (d)(4) and which receives contributions in excess of \$500 but which are less than \$2,501, shall file, within three days of the date when contributions exceed \$500, an amended registration form which shall be accompanied by an additional fee of \$20\$45\$80 {\$30} for such year.
- (e) All such fees received by or for the commission shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215. and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the governmental ethics commission fee fund.
- 20 Sec. 3. K.S.A. 20102011 Supp. 46-265 is hereby amended to read as 21 follows: 46-265. (a) Every lobbyist shall register with the secretary of state 22 by completing and signing a registration form prescribed and provided by 23 the commission. Such registration shall show the name and address of the 24 lobbyist, the name and address of the person compensating the lobbyist for 25 lobbying, the purpose of the employment and the method of determining 26 and computing the compensation of the lobbyist. If the lobbyist is 27 compensated or to be compensated for lobbying by more than one-28 employer or is to be engaged in more than one employment, the relevant 29 facts listed above shall be stated separately for each employer and each 30 employment. Whenever any new lobbying employment or lobbying 31 position is accepted by a lobbyist already registered as provided in this-32 section, such lobbyist shall report the same on forms prescribed and 33 provided by the commission before engaging in any lobbying activity-34 related to such new employment or position, and such report shall be filed 35 with the secretary of state. When a lobbyist is an employee of a lobbying 36 group or firm which contracts to lobby and not an owner or partner of such 37 entity, the lobbyist shall report each client of the group, firm or entity-38 whose interest the lobbyist represents. Whenever the lobbying of a 39 lobbyist concerns a legislative matter, the secretary of state promptly shall 40 transmit copies of each registration and each report filed under this act to the secretary of the senate and the chief clerk of the house of 41 42 representatives. 43
 - (b) On or after October 1, in any year any person may register as a

29

30 31

32

33

34

35

36

37

38

39

40 41

42 43

1 lobbyist under this section for the succeeding calendar year. Such 2 registration shall expire annually on December 31, of the year for which 3 the lobbyist is registered. In any calendar year, before engaging in-4 lobbying, persons to whom this section applies shall register or renew their 5 registration as provided in this section. Except for employees of lobbying 6 groups or firms, every person registering or renewing registration who 7 anticipates spending \$1,000 or less for lobbying in such registration year 8 on behalf of any one employer shall pay to the secretary of state a fee of \$35\$105\$50 for lobbying for each such employer. Except for employees of 9 10 lobbying groups or firms, every person registering or renewing registration who anticipates spending more than \$1,000 for lobbying in such 11 12 registration year on behalf of any one employer shall pay to the secretary 13 of state a fee of \$300\$900\$400 for lobbying for such employer. Any lobbyist who at the time of initial registration anticipated spending less 14 than \$1,000, on behalf of any one employer, but at a later date spends in 15 16 excess of such amount, within three days of the date when expenditures 17 exceed such amount, shall file an amended registration form which shall 18 be accompanied by an additional fee of \$220\$795\$350 for such year. 19 Every person registering or renewing registration as a lobbyist who is an 20 employee of a lobbying group or firm and not an owner or partner of such 21 entity shall pay an annual fee of \$360\$1,080\$450. The secretary of state 22 shall remit all moneys received under this section to the state treasurer in 23 accordance with the provisions of K.S.A. 75-4215, and amendments 24 thereto. Upon receipt of each such remittance, the state treasurer shall-25 deposit the entire amount in the state treasury to the eredit of the 26 governmental ethics commission fee fund. 27

(e) Any person who has registered as a lobbyist pursuant to this act may file, upon termination of such person's lobbying activities, a statement terminating such person's registration as a lobbyist. Such statement shall be on a form prescribed by the commission and shall state the name and address of the lobbyist, the name and address of the person compensating the lobbyist for lobbying and the date of the termination of the lobbyist's lobbying activities.

(d) No person who has failed or refused to pay any civil penalty imposed pursuant to K.S.A. 46-280, and amendments thereto, shall be authorized or permitted to register as a lobbyist in accordance with this section until such penalty has been paid in full.

Sec. 4 Section 1. K.S.A. 2011 Supp. 25-4148 is hereby amended to read as follows: 25-4148. (a) Every treasurer shall file a report prescribed by this section. Reports filed by treasurers for candidates for state office, other than officers elected on a state-wide basis, shall be filed in both with the office of the secretary of state. Reports filed by treasurers for candidates for state-wide office shall be filed

 electronically and only with the secretary of state. Reports filed by treasurers for candidates for local office shall be filed in the office of the county election officer of the county in which the name of the candidate is on the ballot. Except as otherwise provided by subsection (h), all such reports shall be filed in time to be received in the offices required on or before each of the following days:

- (1) The eighth day preceding the primary election, which report shall be for the period beginning on January 1 of the election year for the office the candidate is seeking and ending 12 days before the primary election, inclusive;
- (2) the eighth day preceding a general election, which report shall be for the period beginning 11 days before the primary election and ending 12 days before the general election, inclusive;
- (3) January 10 of the year after an election year, which report shall be for the period beginning 11 days before the general election and ending on December 31, inclusive;
- (4) for any calendar year when no election is held, a report shall be filed on the next January 10 for the preceding calendar year;
- (5) a treasurer shall file only the annual report required by subsection (4) for those years when the candidate is not participating in a primary or general election.
 - (b) Each report required by this section shall state:
 - (1) Cash on hand on the first day of the reporting period;
- (2) the name and address of each person who has made one or more contributions in an aggregate amount or value in excess of \$50 \$100 during the election period together with the amount and date of such contributions, including the name and address of every lender, guarantor and endorser when a contribution is in the form of an advance or loan:
- (3) the aggregate amount of all proceeds from bona fide sales of political materials such as, but not limited to, political campaign pins, buttons, badges, flags, emblems, hats, banners and literature;
- (4) the aggregate amount of contributions for which the name and address of the contributor is not known;
- (5) each contribution, rebate, refund or other receipt not otherwise listed;
 - (6) the total of all receipts;
- (7) the name and address of each person to whom expenditures have been made in an aggregate amount or value in excess of \$50, with the amount, date, and purpose of each; the names and addresses of all persons to whom any loan or advance has been made; when an expenditure is made by payment to an advertising agency, public relations firm or political consultants for disbursement to vendors, the

 report of such expenditure shall show in detail the name of each such vendor and the amount, date and purpose of the payments to each;

- (8) the name and address of each person from whom an in-kind contribution was received or who has paid for personal services provided without charge to or for any candidate, candidate committee, party committee or political committee, if the contribution is in excess of \$100 and is not otherwise reported under subsection (b)(7), and the amount, date and purpose of the contribution;
- (9) the aggregate of all expenditures not otherwise reported under this section; and
 - (10) the total of expenditures.
- (c) In addition to the requirements of subsection (b), every treasurer for any political committee and party committee shall report the following:
- (1) (A) The name and address of each candidate for state or local office for whom an expenditure in the form of an in-kind contribution has been made in an aggregate amount or having a fair market value in excess of \$300, with the amount, date and purpose of each. The report shall show in detail the specific service or product provided; and
- (B) the name and address of each candidate for state or local office who is the subject of an expenditure which:
- (i) Is made without the cooperation or consent of a candidate or candidate committee;
- (ii) expressly advocates the nomination, election or defeat of such candidate; and
- (iii) is an aggregate amount or having a fair market value in excess of \$300.
- (2) The report shall state the amount, date and purpose of the expenditure in the form of an in-kind contribution. The report shall show in detail the specific service or product provided. The reporting requirements imposed by this subsection shall be in addition to all other requirements required by this section.
- (d) Treasurers of candidates and of candidate committees shall itemize the purchase of tickets or admissions to testimonial events by a person who purchases such tickets or admissions in an aggregate amount or value in excess of \$50 per event, or who purchases such a ticket or admission at a cost exceeding \$25 per ticket or admission. All other purchases of tickets or admissions to testimonial events shall be reported in an aggregate amount and shall not be subject to the limitations specified in K.S.A. 25-4154, and amendments thereto.
- (e) If a contribution or other receipt from a political committee is required to be reported under subsection (b), the report shall include the full name of the organization with which the political committee is

 connected or affiliated or, a description of the connection to or affiliation with such organization. If, the committee is not connected or affiliated with any one organization, the report shall state the trade, profession or primary interest of the political committee as reflected by the statement of purpose of such organization.

- (f) The commission may require any treasurer to file an amended report for any period for which the original report filed by such treasurer contains material errors or omissions. The notice of the errors or omissions shall be part of the public record. The amended report shall be filed within 30 days after notice by the commission.
- (g) The commission may require any treasurer to file a report for any period for which the required report is not on file. The notice of the failure to file shall be part of the public record. Such report shall be filed within five days after notice by the commission.
- (h) For the purpose of any report required to be filed pursuant to subsection (a) by the treasurer of any candidate seeking nomination by convention or caucus or by the treasurer of the candidate's committee or by the treasurer of any party committee or political committee, the date of the convention or caucus shall be considered the date of the primary election.
- (i) If a report is sent by certified or registered mail on or before the day it is due, the mailing shall constitute receipt by that office.
- (j) Any report required by this section may be signed by the candidate in lieu of the candidate's treasurer or the treasurer of the candidate's committee.
- Sec. 2. K.S.A. 2011 Supp. 46-237a is hereby amended to read as follows: 46-237a. (a) The provisions of this section shall apply to:
 - (1) The governor;
 - (2) the lieutenant governor;
 - (3) the governor's spouse;
- (4) all officers and employees of the executive branch of state government; and
- (5) all members of boards, commissions and authorities of the executive branch of state government.
- (b) No person subject to the provisions of this section shall solicit or accept any gift, economic opportunity, loan, gratuity, special discount or service provided because of such person's official position, except:
- (1) A gift having an aggregate value of less than \$40 given at a ceremony or public function where the person is accepting the gift in such person's official capacity; \underline{or}
- (2) gifts from relatives or gifts from personal friends when it is obvious to the person that the gift is not being given because of the

 person's official position; of

- (3) anything of value received by the person on behalf of the state that inures to the benefit of the state or that becomes the property of the state; $\frac{\partial}{\partial t}$
- (4) contributions solicited on behalf of a nonprofit organization which is exempt from taxation under paragraph (3) of subsection (c) of section 501 of the internal revenue code of 1986, as amended; or
 - (5) health-related services or materials if:
- (A) The aggregate amount or value of the expenditures made for such health-related services or materials does not exceed \$10 per recipient; and
- (B) such services or materials are permitted or not prohibited by law or regulation.
- (c) No person subject to the provisions of this section shall solicit or accept free or special discount meals from a source outside of state government, except:
- (1) Meals, the provision of which is motivated by a personal or family relationship or provided at events that are widely attended. An occasion is "widely attended" when it is obvious to the person accepting the meal that the reason for providing the meal is not a pretext for exclusive or nearly exclusive access to the person;
- (2) meals provided at public events in which the person is attending in an official capacity;
- (3) meals provided to a person subject to this act when it is obvious such meals are not being provided because of the person's official position;
- (4) food such as soft drinks, coffee or snack foods not offered as part of a meal;
 - (5) any meal the value of which is \$25 or less;
- (6) meals provided to a person when the person's presence at the event or meeting at which the meal is provided serves a legitimate state purpose or interest and the agency of which such person is an officer or employee authorizes such person's attendance at such event or meeting; and
- (7) meals provided to the governor's spouse and members of the governor's immediate family at the event or meeting at which the meal is provided serve a legitimate state purpose or interest.
- (d) No person subject to the provisions of this section shall solicit or accept free or special discount travel or related expenses from a source outside state government, except:
- (1) When it is obvious to the person accepting the same that the free or special discount travel and related expenses are not being provided because of the person's official position; or

- (2) when the person's presence at a meeting, seminar or event serves a legitimate state purpose or interest and the person's agency authorizes or would authorize payment for such travel and expenses.
- (e) No person subject to the provisions of this section shall solicit or accept free or special discount tickets or access to entertainment or sporting events or activities such as plays, concerts, games, golf, exclusive swimming, hunting or fishing or other recreational activities when the free or special discount tickets or access are provided because of the person's official position. The provisions of this subsection shall not apply to persons whose official position requires or obliges them to be present at such events or activities.
- (f) (1) Violations of the provisions of this section by any classified employee in the civil service of the state of Kansas shall be considered personal conduct detrimental to the state service and shall be a basis for suspension, demotion or dismissal, subject to applicable state law.
- (2) Violations of the provisions of this section by any unclassified employee shall subject such employee to discipline up to and including termination.
- (3) In addition to the penalty prescribed under paragraphs (1) and (2), the commission may assess a civil fine, after proper notice and an opportunity to be heard, against any person for a violation of this section, in an amount not to exceed \$5,000 for the first violation, not to exceed \$10,000 for the second violation and not to exceed \$15,000 for the third violation and for each subsequent violation. All fines assessed and collected under this section shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the governmental ethics fee fund established by K.S.A. 25-4119e, and amendments thereto.
- Sec. 5 3. K.S.A. 46-268 is hereby amended to read as follows: 46-268. (a) Except as otherwise provided in subsection (b), every lobbyist shall file with the secretary of state a report of employment and expenditures on a form and in the manner prescribed and provided by the commission. A report shall be filed on or before the 10th 15th day of the months of February, March, April, May, September and January. Reports shall include all expenditures which are required to be reported under K.S.A. 46-269, and amendments thereto, or a statement that no expenditures in excess of \$100 were made for such purposes, during the preceding calendar month or months since the period for which the last report was filed.
- (b) For any calendar year in which a lobbyist expects to expend an aggregate amount of less than \$100 for lobbying in each reporting

period, a lobbyist shall file an affidavit of such intent with the secretary of state. Such lobbyist shall not be required to file the reports required under subsection (a) for the year for which such affidavit is filed but shall file a report on or before January 10, which shall include all-expenditures made in the preceding calendar year which are required to be reported under K.S.A. 46-269, and amendments thereto. If in any reporting period a lobbyist filing such affidavit expends in excess of \$100 in reportable expenses, a report shall be filed for such period in the manner prescribed by subsection (a).

- Sec. $\underline{6}$ 4. K.S.A. 46-269 is hereby amended to read as follows: 46-269. Each report required to be filed by K.S.A. 46-268, and amendments thereto, is a public record and shall be open to public inspection upon request. Such report shall disclose the following:
- (a) The full name and address of each person who has paid compensation for lobbying to the lobbyist or has paid for expenses of lobbying by the lobbyist during the period reported.
- (b) The aggregate amount or value of all expenditures made, except for expenses of general office overhead, by the lobbyist or by the lobbyist's employer for or in direct relation to lobbying during the reporting period, if such expenditures exceed \$100. Individual expenditures of less than \$2 shall not be required to be reported under this subsection. Every lobbyist shall keep detailed accounts of all expenditures required to be reported pursuant to K.S.A. 46-268, and amendments thereto. Such expenditures shall be reported according to the following categories of expenditures:
 - (1) Food and beverages provided as hospitality;
 - (2) entertainment, gifts, honoraria or payments;
 - (3) mass media communications;
 - (4) recreation provided as hospitality;
- (5) communications for the purpose of influencing legislative or executive action; and
- (6) all other reportable expenditures made in the performance of services as a lobbyist.

With regard to expenditures for entertainment or hospitality which is primarily recreation, food and beverages, only amounts expended on a state officer or employee or on such officer or employee's spouse shall be considered to be for or in direct relation to lobbying. Notwithstanding the requirements of this subsection and subsection (d), no lobbyist shall be responsible to report any expenditure by the lobbyist's employer of which such person has no knowledge.

(c) (1) In addition to the information reported pursuant to subsection (b), each lobbyist expending an aggregate amount of \$100 or more for lobbying in any reporting period shall report any gift,

 entertainment or hospitality provided to members of the legislature, members of the judicial branch of government and any employees of the legislature or judicial branch of government. Such report shall disclose the full name of the legislator, member of the judicial branch and employee who received such gift, entertainment or hospitality and the amount expended on such gift, entertainment or hospitality and the date the expenditure was made.

- (2) No report shall be required to be filed pursuant to this subsection (c) for the following:
- (A) Meals, the provision of which is motivated by a personal or family relationship;
- (B) meals provided at public events in which the person is attending in an official capacity;
- (C) meals provided to a person subject to this section when it is obvious such meals are not being provided because of the person's official position;
- (D) food such as soft drinks, coffee or snack foods not offered as part of a meal; and
 - (E) health-related services or materials if:
- (i) The aggregate amount or value of the expenditures made for such health-related services or materials does not exceed \$10 per recipient; and
- (ii) such services or materials are permitted or not prohibited by law or regulation;
- (E) (F) entertainment or hospitality in the form of recreation, food and beverages provided at an event to which the following have been invited:
- (i) All members of the legislature or all members of either house of the legislature; or
- (ii) all members of a political party caucus of the legislature or all members of a political party caucus of either house of the legislature; or
- (iii) all members of the legislature attending a recognized regional or national legislative meeting when the event is sponsored by five or more individual lobbyists.
- (d) If all members of a legislative committee are invited to an event where a meal is provided, the aggregate amount of the event shall be reported.
- (d)(e) Except as provided by subsection (c), whenever an individual lobbyist contributes to a single special event, such lobbyist shall report only the aggregate amount or value of the expenditure contributed by such lobbyist. The primary sponsor or sponsors of the event shall itemize such expenditures.
 - (e)(f) Whenever more than one lobbyist is employed by a single

employer, the reports required by this section relating to such employer shall be made by only one such lobbyist and that lobbyist shall be the lobbyist who is most directly connected with the particular expenditure or gift, honoraria or payment. No expenditure or gift, honoraria or payment required to be reported by this section shall be reported by more than one lobbyist.

- (f)(g) All accounts, records and documents of the lobbyist which relate to every expenditure reported or which should have been reported shall be maintained and preserved by the lobbyist for a period of five years from the date of the filing of such report or statement and may be inspected under conditions determined by the commission.
- New Sec. 5. (a) No person who enters into a contract or who has proposed to enter into a contract with a city shall offer, pay, give or make any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$100 or more in any calendar year or hospitality in the form of recreation having an aggregate value of \$100 or more in any calendar year to a member of the governing body or mayor of any city.
- (b) A member of a city governing body or the mayor of any city shall not accept any offer, pay, give or make economic opportunity, gift, loan, gratuity, special discount, favor, hospitality or service having an aggregate value of \$100 or more in any calendar year or hospitality in the form of recreation having an aggregate value of \$100 or more in any calendar year from any person who has entered into a contract or has proposed to enter into a contract with the city.
- (c) This section shall not apply to a commercially reasonable loan or other commercial transaction in the ordinary course of business.

Sec. 4. K.S.A. 2010 Supp. 25-4119f, 25-4145 and 46-265

Sec. 7 6. K.S.A. 46-268 and 46-269 and K.S.A. 2011 Supp. 25-4119f, 25-4145, 25-4148 and 46-265 46-237a are hereby repealed.

Sec. 5. 8. 7. This act shall take effect and be in force from and after its publication in the statute book.