

SESSION OF 2022

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2579

As Amended by Senate Committee on
Transparency and Ethics

Brief*

HB 2579, as amended, would amend the Campaign Finance Act to require treasurers for candidates for state offices to file reports of contributions, expenditures, and the like electronically with the Secretary of State in a form as prescribed by the Secretary of State. The requirement would apply to reports due on and after December 31, 2023.

The bill would permit any such candidate to request an exemption from the electronic filing requirement. The bill would also permit the Executive Director of the Kansas Governmental Ethics Commission (Ethics Commission) to grant such an exemption for cause.

The bill would amend the deadline for such reports due in January from January 10 to the Tuesday following the second Monday in January.

The bill also would remove obsolete wording and make technical changes.

Background

The bill was introduced by the House Committee on Elections at the request of the Executive Director of the Ethics Commission. [Note: The bill contains provisions similar to those of SB 429 and 2021 HB 2053.]

*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>

House Committee on Elections

In the House Committee hearing, the Executive Director of the Ethics Commission provided **proponent** testimony, stating the the Commission had recommended electronic filing for multiple years as a way to reduce the number of errors on campaign finance reports, because such reports could be analyzed automatically before submission, and to increase agency efficiency. A representative of the Office of the Secretary of State also provided proponent testimony.

No other testimony was provided.

The House Committee amended the bill to clarify the electronically filed reports must be in a form prescribed by the Secretary of State.

Senate Committee on Transparency and Ethics

In the Senate Committee hearing, **proponent** testimony was provided by the Executive Director of the Ethics Commission and a representative of the Office of the Secretary of State. Proponents generally stated that requiring electronic filing of campaign finance reports for candidates for state office would reduce errors and increase agency efficiency.

No other testimony was provided.

The Senate Committee amended the bill to:

- Clarify a continuing requirement that reports for candidates for statewide office must be filed electronically and the new requirement would apply to treasurers for candidates for state office who are not elected on a statewide basis, for all campaign reports due on or after December 31, 2023;

- Change when candidates for state office must file campaign finance reports in a form prescribed by the Secretary of State from January 10 to the Tuesday following the second Monday in January after an election year and for any year in which no election is held; and
- Make technical amendments.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Ethics Commission estimates enactment of the bill would result in cost savings for candidates who file electronically, as the agency would not require paper copies of expenditure reports and would likely require fewer Errors and Omissions Reports. The agency expects savings from enactment of the bill would continue to increase over time, as printing and mailing reports would become largely unnecessary, and the electronic filing system would adjust to catch more errors at the time of filing. The Office of the Secretary of State indicates enactment of the bill would not have a fiscal effect on agency operations.

Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2023 Governor's Budget Report*.

Campaign Finance Act; Governmental Ethics Commission; campaign finance reports; electronic filing