SESSION OF 2023

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2312

As Amended by House Committee on Elections

Brief*

HB 2312, as amended, would exempt treasurers of certain party committees from liability for violations of the Campaign Finance Act (Act) committed by such party committee and limit the amount of civil fines that can be assessed for violations of the Act.

Party Committee Treasurers

The bill would provide that any state party committee that does not employ a treasurer and require its treasurer to file a surety bond would be liable for all reporting requirements of such party committee and exempt a treasurer of a party committee from liability for violations of the Act committed by the party committee of which the treasurer is an officer.

This exemption would not apply to individual liability for any unlawful conduct that is intentionally committed by the treasurer of a party committee or to a treasurer of a party committee who is employed by the party committee and who has filed a surety bond.

The bill would define party committee to mean the state committee of a political party regulated by Article 3 of Chapter 25 of the *Kansas Statutes Annotated*. [*Note*: The definition in the Act for party committee, in KSA 25-4143(i)(1), would apply.]

^{*}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

Limits on Civil Fines

The bill would limit the amount of civil fines that could be assessed for a violation of the Act committed by a treasurer of a party committee serving on a voluntary basis to \$1,000.

The bill would also limit the amount of civil fines that could be assessed for violations of the Act to:

- \$5,000 for each violation if the person has not previously been found to have violated the Act;
- \$10,000 for each violation if the person has previously been found to have violated the Act; and
- \$15,000 for each violation if the person has been found to have violated the Act on two or more occasions.

Current law does not define a second or subsequent violation as taking place after a finding of violation.

The bill would require civil fines to be assessed against the party committee that committed the violation.

Background

The bill was introduced in the House Committee on Elections at the request of Representative Schlingensiepen.

House Committee on Elections

In the House Committee hearing on February 21, 2023, **proponent** testimony was provided by Representative Schlingensiepen, who stated the bill would exempt political party treasurers from certain violations of the Act if the treasurer serves on a voluntary basis and place the responsibility on the party committee.

2-2312

Neutral testimony was provided by the Executive Director of the Kansas Governmental Ethics Commission.

No other testimony was provided.

On February 22, 2023, the bill was withdrawn from the House Committee on Elections and referred to the House Committee on Appropriations. On March 1, 2023, the bill was withdrawn from the House Committee on Appropriations and referred to the House Committee on Elections.

In the House Committee hearing on March 16, 2023, additional proponent testimony was provided by a private citizen who has held political and party positions, who stated the bill would provide protection to volunteer treasurers and place responsibility for filing accurate campaign finance reports on the party committee.

No other testimony was provided.

On March 21, 2023, the House Committee amended the bill to specify the exemption from individual liability for a treasurer of a party committee applies only to a treasurer of a state committee of a political party and clarify the definition of a subsequent violation and the amount of civil fines that can be assessed for a violation of the Act.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Kansas Governmental Ethics Commission states enactment of the bill would have a fiscal effect on the operations of the Commission but it cannot estimate the fiscal effect.

Any fiscal effected associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Elections; Campaign Finance Act; state political party committee; party committee; treasurer; violations; civil fines; Kansas Governmental Ethics Commission