

## Joan Wagnon

4036 NE Kimbal Road  
Topeka, KS 66617

To: Members of the House Elections Committee  
Re: Testimony on HB 2312

Chairman Proctor, Members of the Committee,

Thank you for the opportunity to testify on HB 2312, introduced by this committee. I am in full support of this proposed change to the campaign finance act, particularly after some recent experiences where state party treasurers in years past have found themselves in violation of the act, an experience that was both humiliating and potentially very expensive.

I am speaking from my own experience as a former Kansas Democratic Party State Chair (about 2011 to 2014) and as a recent treasurer for the United Democrats of Kansas, a PAC. I have been a treasurer for a state-wide political candidate and have been an elected official (State Representative 1983-94, Mayor of Topeka, 1997-2001.) I have filed a lot of campaign finance reports and am fully supportive of the need to have transparency and complete disclosure in our political system.

I have attached a letter from Matt Watkins who was the treasurer of the KDP while I was state chair. His letter was part of a settlement when he, the Treasurer, was found out of compliance with reporting requirements. I want to highlight one passage:

“I relied on information provided as I believed it was complete and accurate. However, treasurers are legally responsible.”

And that is the situation this bill purports to address. In most situations, regardless of which party you belong to, volunteers, including volunteer treasurers are the lifeblood of the organization. Errors may happen without the treasurer having full knowledge of the accounting system. The problem is compounded by the numerous PACs that parties can have. The rules are similar, but not always the same.

The new language in the bill at the bottom of p. 3 and again, on p. 4 places the responsibility for filing an accurate and complete report on the PARTY committee if they do not hire (employ) a treasurer with a surety bond.

This makes complete sense to me, as I have struggled, as a volunteer, with making sure that QuickBooks was up to date and accurate. Volunteers come and go; employees can be held to a higher standard, and it is more likely that you will get someone with real accounting experience. The surety bond is another protection.

Wagnon testimony, p. 2

Section 3, p. 5 of the bill deals with the civil fines. If you count each error as a violation you are quickly into big money--\$15,000 per violation. Suddenly, the volunteer task you took on because no one else was willing to help is a disaster to your personal finances.

The new language on line 13-17 limits the fine to \$1,000 if the treasury services were provided on a voluntary basis and provides for a due process hearing.

New language on lines 29-39 basically says the PARTY is liable and all civil fines are assessed against the Party. Unlawful conduct is not excused.

**Consequences of these changes if the bill is enacted:**

In those infrequent instances when someone is trying to hide donations, or fail to report activity, the treasurer will not be exempt because that is unlawful conduct intentionally committed by a treasurer.

Without this bill, who would want to take on the responsibility of being a treasurer for a political party, when months and years after the fact, the Governmental Ethics Commission audits and finds irregularities and you, personally would be liable for huge fines that you would personally pay?

As the former treasurer of United Democrats of Kansas, a PAC related to the House Democrat Caucus, I called Rep. Sawyer's aide and resigned in January. I actually prepared those finance reports myself, based on bank records, so I'm pretty sure they were accurate, but it's just not worth the potential exposure to embarrassment or fines if I made a mistake.

Treasurers from both parties need the relief this bill provides.

I urge you to pass it favorably.

A handwritten signature in black ink that reads "Joan Wagnon". The signature is written in a cursive, flowing style.

Joan Wagnon  
Former State Representative District 55

Attachment: letter from Matthew T. Watkins