

FIRST REGULAR SESSION

# HOUSE BILL NO. 627

## 96TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE CURLS.

1445L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 130.031, RSMo, and to enact in lieu thereof one new section relating to contributions to political action committees, with an existing penalty provision.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 130.031, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 130.031, to read as follows:

130.031. 1. No contribution of cash in an amount of more than one hundred dollars shall be made by or accepted from any single contributor for any election by a political action committee, a campaign committee, a political party committee, an exploratory committee or a candidate committee.

2. Except for expenditures from a petty cash fund which is established and maintained by withdrawals of funds from the committee's depository account and with records maintained pursuant to the record-keeping requirements of section 130.036 to account for expenditures made from petty cash, each expenditure of more than fifty dollars, except an in-kind expenditure, shall be made by check drawn on the committee's depository and signed by the committee treasurer, deputy treasurer or candidate. A single expenditure from a petty cash fund shall not exceed fifty dollars, and the aggregate of all expenditures from a petty cash fund during a calendar year shall not exceed the lesser of five thousand dollars or ten percent of all expenditures made by the committee during that calendar year. A check made payable to "cash" shall not be made except to replenish a petty cash fund.

3. No contribution shall be made or accepted and no expenditure shall be made or incurred, directly or indirectly, in a fictitious name, in the name of another person, or by or through another person in such a manner as to conceal the identity of the actual source of the

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 contribution or the actual recipient and purpose of the expenditure. Any person who receives  
19 contributions for a committee shall disclose to that committee's treasurer, deputy treasurer or  
20 candidate the recipient's own name and address and the name and address of the actual source  
21 of each contribution such person has received for that committee. Any person who makes  
22 expenditures for a committee shall disclose to that committee's treasurer, deputy treasurer or  
23 candidate such person's own name and address, the name and address of each person to whom  
24 an expenditure has been made and the amount and purpose of the expenditures the person has  
25 made for that committee.

26 4. No anonymous contribution of more than twenty-five dollars shall be made by any  
27 person, and no anonymous contribution of more than twenty-five dollars shall be accepted by any  
28 candidate or committee. If any anonymous contribution of more than twenty-five dollars is  
29 received, it shall be returned immediately to the contributor, if the contributor's identity can be  
30 ascertained, and if the contributor's identity cannot be ascertained, the candidate, committee  
31 treasurer or deputy treasurer shall immediately transmit that portion of the contribution which  
32 exceeds twenty-five dollars to the state treasurer and it shall escheat to the state.

33 5. The maximum aggregate amount of anonymous contributions which shall be accepted  
34 in any calendar year by any committee shall be the greater of five hundred dollars or one percent  
35 of the aggregate amount of all contributions received by that committee in the same calendar  
36 year. If any anonymous contribution is received which causes the aggregate total of anonymous  
37 contributions to exceed the foregoing limitation, it shall be returned immediately to the  
38 contributor, if the contributor's identity can be ascertained, and, if the contributor's identity  
39 cannot be ascertained, the committee treasurer, deputy treasurer or candidate shall immediately  
40 transmit the anonymous contribution to the state treasurer to escheat to the state.

41 6. Notwithstanding the provisions of subsection 5 of this section, contributions from  
42 individuals whose names and addresses cannot be ascertained which are received from a  
43 fund-raising activity or event, such as defined in section 130.011, shall not be deemed  
44 anonymous contributions, provided the following conditions are met:

45 (1) There are twenty-five or more contributing participants in the activity or event;

46 (2) The candidate, committee treasurer, deputy treasurer or the person responsible for  
47 conducting the activity or event makes an announcement that it is illegal for anyone to make or  
48 receive a contribution in excess of one hundred dollars unless the contribution is accompanied  
49 by the name and address of the contributor;

50 (3) The person responsible for conducting the activity or event does not knowingly  
51 accept payment from any single person of more than one hundred dollars unless the name and  
52 address of the person making such payment is obtained and recorded pursuant to the  
53 record-keeping requirements of section 130.036;

54 (4) A statement describing the event shall be prepared by the candidate or the treasurer  
55 of the committee for whom the funds were raised or by the person responsible for conducting the  
56 activity or event and attached to the disclosure report of contributions and expenditures required  
57 by section 130.041. The following information to be listed in the statement is in addition to, not  
58 in lieu of, the requirements elsewhere in this chapter relating to the recording and reporting of  
59 contributions and expenditures:

60 (a) The name and mailing address of the person or persons responsible for conducting  
61 the event or activity and the name and address of the candidate or committee for whom the funds  
62 were raised;

63 (b) The date on which the event occurred;

64 (c) The name and address of the location where the event occurred and the approximate  
65 number of participants in the event;

66 (d) A brief description of the type of event and the fund-raising methods used;

67 (e) The gross receipts from the event and a listing of the expenditures incident to the  
68 event;

69 (f) The total dollar amount of contributions received from the event from participants  
70 whose names and addresses were not obtained with such contributions and an explanation of  
71 why it was not possible to obtain the names and addresses of such participants;

72 (g) The total dollar amount of contributions received from contributing participants in  
73 the event who are identified by name and address in the records required to be maintained  
74 pursuant to section 130.036.

75 7. No candidate or committee in this state shall accept contributions from any  
76 out-of-state committee unless the out-of-state committee from whom the contributions are  
77 received has filed a statement of organization pursuant to section 130.021 or has filed the reports  
78 required by sections 130.049 and 130.050, whichever is applicable to that committee.

79 8. Any person publishing, circulating, or distributing any printed matter relative to any  
80 candidate for public office or any ballot measure shall on the face of the printed matter identify  
81 in a clear and conspicuous manner the person who paid for the printed matter with the words  
82 "Paid for by" followed by the proper identification of the sponsor pursuant to this section. For  
83 the purposes of this section, "printed matter" shall be defined to include any pamphlet, circular,  
84 handbill, sample ballot, advertisement, including advertisements in any newspaper or other  
85 periodical, sign, including signs for display on motor vehicles, or other imprinted or lettered  
86 material; but "printed matter" is defined to exclude materials printed and purchased prior to May  
87 20, 1982, if the candidate or committee can document that delivery took place prior to May 20,  
88 1982; any sign personally printed and constructed by an individual without compensation from  
89 any other person and displayed at that individual's place of residence or on that individual's

90 personal motor vehicle; any items of personal use given away or sold, such as campaign buttons,  
91 pins, pens, pencils, book matches, campaign jewelry, or clothing, which is paid for by a  
92 candidate or committee which supports a candidate or supports or opposes a ballot measure and  
93 which is obvious in its identification with a specific candidate or committee and is reported as  
94 required by this chapter; and any news story, commentary, or editorial printed by a regularly  
95 published newspaper or other periodical without charge to a candidate, committee or any other  
96 person.

97 (1) In regard to any printed matter paid for by a candidate from the candidate's personal  
98 funds, it shall be sufficient identification to print the first and last name by which the candidate  
99 is known.

100 (2) In regard to any printed matter paid for by a committee, it shall be sufficient  
101 identification to print the name of the committee as required to be registered by subsection 5 of  
102 section 130.021 and the name and title of the committee treasurer who was serving when the  
103 printed matter was paid for.

104 (3) In regard to any printed matter paid for by a corporation or other business entity,  
105 labor organization, or any other organization not defined to be a committee by subdivision (9)  
106 of section 130.011 and not organized especially for influencing one or more elections, it shall  
107 be sufficient identification to print the name of the entity, the name of the principal officer of the  
108 entity, by whatever title known, and the mailing address of the entity, or if the entity has no  
109 mailing address, the mailing address of the principal officer.

110 (4) In regard to any printed matter paid for by an individual or individuals, it shall be  
111 sufficient identification to print the name of the individual or individuals and the respective  
112 mailing address or addresses, except that if more than five individuals join in paying for printed  
113 matter it shall be sufficient identification to print the words "For a list of other sponsors contact:"  
114 followed by the name and address of one such individual responsible for causing the matter to  
115 be printed, and the individual identified shall maintain a record of the names and amounts paid  
116 by other individuals and shall make such record available for review upon the request of any  
117 person. No person shall accept for publication or printing nor shall such work be completed until  
118 the printed matter is properly identified as required by this subsection.

119 9. Any broadcast station transmitting any matter relative to any candidate for public  
120 office or ballot measure as defined by this chapter shall identify the sponsor of such matter as  
121 required by federal law.

122 10. The provisions of subsection 8 or 9 of this section shall not apply to candidates for  
123 elective federal office, provided that persons causing matter to be printed or broadcast  
124 concerning such candidacies shall comply with the requirements of federal law for identification  
125 of the sponsor or sponsors.

126           11. It shall be a violation of this chapter for any person required to be identified as  
127 paying for printed matter pursuant to subsection 8 of this section or paying for broadcast matter  
128 pursuant to subsection 9 of this section to refuse to provide the information required or to  
129 purposely provide false, misleading, or incomplete information.

130           12. It shall be a violation of this chapter for any committee to offer chances to win prizes  
131 or money to persons to encourage such persons to endorse, send election material by mail,  
132 deliver election material in person or contact persons at their homes; except that, the provisions  
133 of this subsection shall not be construed to prohibit hiring and paying a campaign staff.

134           13. Political action committees shall only receive contributions from individuals; unions;  
135 federal political action committees; and corporations, associations, and partnerships formed  
136 under chapters 347 to 360, and shall be prohibited from receiving contributions from other  
137 political action committees, candidate committees, political party committees, campaign  
138 committees, exploratory committees, or debt service committees. However, candidate  
139 committees, political party committees, campaign committees, exploratory committees, and debt  
140 service committees shall be allowed to return contributions to a donor political action committee  
141 that is the origin of the contribution. **This subsection shall not prohibit any candidate**  
142 **committee from purchasing tickets, membership dues, meals, advertising, and other similar**  
143 **items from a political action committee, or prohibit any elected official from incurring**  
144 **expenses from a political action committee, if such purchases or expenses incurred are**  
145 **related to education or service in office.**

146           14. The prohibited committee transfers described in subsection 13 of this section shall  
147 not apply to the following committees:

148           (1) The state house committee per political party designated by the respective majority  
149 or minority floor leader of the house of representatives or the chair of the state party if the party  
150 does not have majority or minority party status;

151           (2) The state senate committee per political party designated by the respective majority  
152 or minority floor leader of the senate or the chair of the state party if the party does not have  
153 majority or minority party status.

154           15. No person shall transfer anything of value to any committee with the intent to  
155 conceal, from the ethics commission, the identity of the actual source. Any violation of this  
156 subsection shall be punishable as follows:

157           (1) For the first violation, the ethics commission shall notify such person that the transfer  
158 to the committee is prohibited under this section within five days of determining that the transfer  
159 is prohibited, and that such person shall notify the committee to which the funds were transferred  
160 that the funds must be returned within ten days of such notification;

161           (2) For the second violation, the person transferring the funds shall be guilty of a class  
162 C misdemeanor;

163           (3) For the third and subsequent violations, the person transferring the funds shall be  
164 guilty of a class D felony.

165           16. Beginning January 1, 2011, all committees required to file campaign financial  
166 disclosure reports with the Missouri ethics commission shall file any required disclosure report  
167 in an electronic format as prescribed by the ethics commission.

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