

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 108

96TH GENERAL ASSEMBLY

0650L.02P

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 130.031 and 130.036, RSMo, and to enact in lieu thereof two new sections relating to campaign finance, with an existing penalty provision.

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

Section A. Sections 130.031 and 130.036, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 130.031 and 130.036, to read as follows:

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

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

15 3. No contribution shall be made or accepted and no expenditure shall be made or
16 incurred, directly or indirectly, in a fictitious name, in the name of another person, or by or
17 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] **may** receive contributions from individuals;
135 unions; federal political action committees; and corporations, associations, and partnerships
136 [formed under chapters 347 to 360, and] . **Political action committees** shall be prohibited from
137 receiving contributions from other political action committees, candidate committees, political
138 party committees, campaign committees, exploratory committees, or debt service committees.
139 However, candidate committees, political party committees, campaign committees, exploratory
140 committees, and debt service committees shall be allowed to return contributions to a donor
141 political action committee that is the origin of the contribution. **This subsection shall not**
142 **prohibit any candidate committee from purchasing tickets, membership dues, meals,**
143 **advertising, and other similar items from a political action committee, or prohibit any**
144 **elected official from incurring expenses from a political action committee, if such purchases**
145 **or expenses incurred are 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.

130.036. 1. The candidate, treasurer or deputy treasurer of a committee shall maintain
2 accurate records and accounts on a current basis. The records and accounts shall be maintained
3 in accordance with accepted normal bookkeeping procedures and shall contain the bills, receipts,
4 deposit records, canceled checks and other detailed information necessary to prepare and
5 substantiate any statement or report required to be filed pursuant to this chapter. Every person
6 who acts as an agent for a committee in receiving contributions, making expenditures or
7 incurring indebtedness for the committee shall, [on request of that committee's treasurer, deputy
8 treasurer or candidate, but in any event] within [five] **thirty** days after any such action, render
9 to the candidate, committee treasurer or deputy treasurer a detailed account thereof, including
10 names, addresses, dates, exact amounts and any other details required by the candidate, treasurer
11 or deputy treasurer to comply with this chapter. Notwithstanding the provisions of subsection
12 4 of section 130.021 prohibiting commingling of funds, an individual, trade or professional
13 association, business entity, or labor organization which acts as an agent for a committee in
14 receiving contributions may deposit contributions received on behalf of the committee to the
15 agent's account within a financial institution within this state, for purposes of facilitating
16 transmittal of the contributions to the candidate, committee treasurer or deputy treasurer. Such
17 contributions shall not be held in the agent's account for more than [five] **thirty** days after the
18 date the contribution was received by the agent, and shall not be transferred to the account of any
19 other agent or person, other than the committee treasurer.

20 2. Unless a contribution is rejected by the candidate or committee and returned to the
21 donor or transmitted to the state treasurer within ten business days after its receipt, it shall be
22 considered received and accepted on the date received, notwithstanding the fact that it was not
23 deposited by the closing date of a reporting period.

24 3. Notwithstanding the provisions of section 130.041 that only contributors of more than
25 one hundred dollars shall be reported by name and address for all committees, the committee's
26 records shall contain a listing of each contribution received by the committee, including those
27 accepted and those which are rejected and either returned to the donor or transmitted to the state
28 treasurer. Each contribution, regardless of the amount, shall be recorded by date received, name
29 and address of the contributor and the amount of the contribution, except that any contributions

30 from unidentifiable persons which are received through fund-raising activities and events as
31 permitted in subsection 6 of section 130.031 shall be recorded to show the dates and amounts
32 of all such contributions received together with information contained in statements required by
33 subsection 6 of section 130.031. The procedure for recording contributions shall be of a type
34 which enables the candidate, committee treasurer or deputy treasurer to maintain a continuing
35 total of all contributions received from any one contributor.

36 4. Notwithstanding the provisions of section 130.041 that certain expenditures need not
37 be identified in reports by name and address of the payee, the committee's records shall include
38 a listing of each expenditure made and each contract, promise or agreement to make an
39 expenditure, showing the date and amount of each transaction, the name and address of the
40 person to whom the expenditure was made or promised, and the purpose of each expenditure
41 made or promised.

42 5. In the case of a committee which makes expenditures for both the support or
43 opposition of any candidate and the passage or defeat of a ballot measure, the committee
44 treasurer shall maintain records segregated according to each candidate or measure for which the
45 expenditures were made.

46 6. Records shall indicate which transactions, either contributions received or
47 expenditures made, were cash transactions or in-kind transactions.

48 7. Any candidate who, pursuant to section 130.016, is exempt from the requirements to
49 form a committee shall maintain records of each contribution received or expenditure made in
50 support of his candidacy. Any other person or combination of persons who, although not deemed
51 to be a committee according to the definition of the term "committee" in section 130.011, accepts
52 contributions or makes expenditures, other than direct contributions from the person's own funds,
53 for the purpose of supporting or opposing the election or defeat of any candidate or for the
54 purpose of supporting or opposing the qualifications, passage or defeat of any ballot measure
55 shall maintain records of each contribution received or expenditure made. The records shall
56 include name, address and amount pertaining to each contribution received or expenditure made
57 and any bills, receipts, canceled checks or other documents relating to each transaction.

58 8. All records and accounts of receipts and expenditures shall be preserved for at least
59 three years after the date of the election to which the records pertain. Records and accounts
60 regarding supplemental disclosure reports or reports not required pursuant to an election shall
61 be preserved for at least three years after the date of the report to which the records pertain. Such
62 records shall be available for inspection by the campaign finance review board and its duly
63 authorized representatives.