

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE NO. 2 FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2203
98TH GENERAL ASSEMBLY

5856H.12T

2016

AN ACT

To repeal section 130.034, RSMo, and section 130.021 as enacted by senate bill no. 485, ninety-fifth general assembly, first regular session, and to enact in lieu thereof five new sections relating to campaign finance.

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

Section A. Section 130.034, RSMo, and section 130.021 as enacted by senate bill no.
2 485, ninety-fifth general assembly, first regular session, are repealed and five new sections
3 enacted in lieu thereof, to be known as sections 105.465, 130.021, 130.034, 130.097, and 1, to
4 read as follows:

**105.465. 1. Any person who registers as a lobbyist shall dissolve his or her
2 candidate committee. In the course of dissolving such committee, such person shall not
3 disburse moneys from such committee, except for the purpose of:**

4 **(1) Returning a contribution made to the candidate committee to the entity
5 responsible for making the contribution to the committee;**

6 **(2) Donating moneys to a nonprofit entity qualified as exempt from federal taxation
7 under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; or**

8 **(3) Transferring moneys to a political party committee.**

9 **2. For purposes of this section, the term "lobbyist" shall have the same meaning
10 given to such term under section 105.470, and the terms "committee", "candidate**

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.

11 **committee", "contribution", and "political party committee" shall have the same meanings**
12 **given to such terms under section 130.011.**

13 130.021. 1. Every committee shall have a treasurer who, except as provided in
14 subsection 10 of this section, shall be a resident of this state and reside in the district or county
15 in which the committee sits. A committee may also have a deputy treasurer who, except as
16 provided in subsection 10 of this section, shall be a resident of this state and reside in the district
17 or county in which the committee sits, to serve in the capacity of committee treasurer in the event
18 the committee treasurer is unable for any reason to perform the treasurer's duties.

19 2. Every candidate for offices listed in subsection 1 of section 130.016 who has not filed
20 a statement of exemption pursuant to that subsection and every candidate for offices listed in
21 subsection 6 of section 130.016 who is not excluded from filing a statement of organization and
22 disclosure reports pursuant to subsection 6 of section 130.016 shall form a candidate committee
23 and appoint a treasurer. Thereafter, all contributions on hand and all further contributions
24 received by such candidate and any of the candidate's own funds to be used in support of the
25 person's candidacy shall be deposited in a candidate committee depository account established
26 pursuant to the provisions of subsection 4 of this section, and all expenditures shall be made
27 through the candidate, treasurer or deputy treasurer of the person's candidate committee.
28 Nothing in this chapter shall prevent a candidate from appointing himself or herself as a
29 committee of one and serving as the person's own treasurer, maintaining the candidate's own
30 records and filing all the reports and statements required to be filed by the treasurer of a
31 candidate committee.

32 3. A candidate who has more than one candidate committee supporting the person's
33 candidacy shall designate one of those candidate committees as the committee responsible for
34 consolidating the aggregate contributions to all such committees under the candidate's control
35 and direction as required by section 130.041.

36 4. (1) Every committee shall have a single official fund depository within this state
37 which shall be a federally or state-chartered bank, a federally or state-chartered savings and loan
38 association, or a federally or state-chartered credit union in which the committee shall open and
39 thereafter maintain at least one official depository account in its own name. An "official
40 depository account" shall be a checking account or some type of negotiable draft or negotiable
41 order of withdrawal account, and the official fund depository shall, regarding an official
42 depository account, be a type of financial institution which provides a record of deposits,
43 cancelled checks or other cancelled instruments of withdrawal evidencing each transaction by
44 maintaining copies within this state of such instruments and other transactions. All contributions
45 which the committee receives in money, checks and other negotiable instruments shall be
46 deposited in a committee's official depository account. Contributions shall not be accepted and
47 expenditures shall not be made by a committee except by or through an official depository

36 account and the committee treasurer, deputy treasurer or candidate. Contributions received by
37 a committee shall not be commingled with any funds of an agent of the committee, a candidate
38 or any other person, except that contributions from a candidate of the candidate's own funds to
39 the person's candidate committee shall be deposited to an official depository account of the
40 person's candidate committee. No expenditure shall be made by a committee when the office
41 of committee treasurer is vacant except that when the office of a candidate committee treasurer
42 is vacant, the candidate shall be the treasurer until the candidate appoints a new treasurer.

43 (2) A committee treasurer, deputy treasurer or candidate may withdraw funds from a
44 committee's official depository account and deposit such funds in one or more savings accounts
45 in the committee's name in any bank, savings and loan association or credit union within this
46 state, and may also withdraw funds from an official depository account for investment in the
47 committee's name in any certificate of deposit, bond or security. Proceeds from interest or
48 dividends from a savings account or other investment or proceeds from withdrawals from a
49 savings account or from the sale of an investment shall not be expended or reinvested, except
50 in the case of renewals of certificates of deposit, without first redepositing such proceeds in an
51 official depository account. Investments, other than savings accounts, held outside the
52 committee's official depository account at any time during a reporting period shall be disclosed
53 by description, amount, any identifying numbers and the name and address of any institution or
54 person in which or through which it is held in an attachment to disclosure reports the committee
55 is required to file. Proceeds from an investment such as interest or dividends or proceeds from
56 its sale, shall be reported by date and amount. In the case of the sale of an investment, the
57 names and addresses of the persons involved in the transaction shall also be stated. Funds held
58 in savings accounts and investments, including interest earned, shall be included in the report
59 of money on hand as required by section 130.041.

60 **(3) Notwithstanding any other provision of law to the contrary, funds held in**
61 **candidate committees, campaign committees, debt service committees, and exploratory**
62 **committees shall be liquid such that these funds shall be readily available for the specific**
63 **and limited purposes allowed by law. These funds may be invested only in short-term**
64 **treasury instruments or short-term bank certificates with durations of one year or less, or**
65 **that allow the removal of funds at any time without any additional financial penalty other**
66 **than the loss of interest income. Continuing committees, political party committees, and**
67 **other committees such as out-of-state committees not formed for the benefit of any single**
68 **candidate or ballot issue shall not be subject to the provisions of this subdivision. This**
69 **subdivision shall not be interpreted to restrict the placement of funds in an interest-bearing**
70 **checking account.**

71 5. The treasurer or deputy treasurer acting on behalf of any person or organization or
72 group of persons which is a committee by virtue of the definitions of committee in section

73 130.011 and any candidate who is not excluded from forming a committee in accordance with
74 the provisions of section 130.016 shall file a statement of organization with the appropriate
75 officer within twenty days after the person or organization becomes a committee but no later than
76 the date for filing the first report required pursuant to the provisions of section 130.046. The
77 statement of organization shall contain the following information:

78 (1) The name, mailing address and telephone number, if any, of the committee filing the
79 statement of organization. If the committee is deemed to be affiliated with a connected
80 organization as provided in subdivision (11) of section 130.011, the name of the connected
81 organization, or a legally registered fictitious name which reasonably identifies the connected
82 organization, shall appear in the name of the committee. If the committee is a candidate
83 committee, the name of the candidate shall be a part of the committee's name;

84 (2) The name, mailing address and telephone number of the candidate;

85 (3) The name, mailing address and telephone number of the committee treasurer, and the
86 name, mailing address and telephone number of its deputy treasurer if the committee has named
87 a deputy treasurer;

88 (4) The names, mailing addresses and titles of its officers, if any;

89 (5) The name and mailing address of any connected organizations with which the
90 committee is affiliated;

91 (6) The name and mailing address of its depository, and the name and account number
92 of each account the committee has in the depository. The account number of each account shall
93 be redacted prior to disclosing the statement to the public;

94 (7) Identification of the major nature of the committee such as a candidate committee,
95 campaign committee, continuing committee, political party committee, incumbent committee,
96 or any other committee according to the definition of committee in section 130.011;

97 (8) In the case of the candidate committee designated in subsection 3 of this section, the
98 full name and address of each other candidate committee which is under the control and direction
99 of the same candidate, together with the name, address and telephone number of the treasurer of
100 each such other committee;

101 (9) The name and office sought of each candidate supported or opposed by the
102 committee;

103 (10) The ballot measure concerned, if any, and whether the committee is in favor of or
104 opposed to such measure.

105 6. A committee may omit the information required in subdivisions (9) and (10) of
106 subsection 5 of this section if, on the date on which it is required to file a statement of
107 organization, the committee has not yet determined the particular candidates or particular ballot
108 measures it will support or oppose.

109 7. A committee which has filed a statement of organization and has not terminated shall
110 not be required to file another statement of organization, except that when there is a change in
111 any of the information previously reported as required by subdivisions (1) to (8) of subsection
112 5 of this section an amended statement of organization shall be filed within twenty days after the
113 change occurs, but no later than the date of the filing of the next report required to be filed by
114 that committee by section 130.046.

115 8. Upon termination of a committee, a termination statement indicating dissolution shall
116 be filed not later than ten days after the date of dissolution with the appropriate officer or officers
117 with whom the committee's statement of organization was filed. The termination statement shall
118 include: the distribution made of any remaining surplus funds and the disposition of any deficits;
119 and the name, mailing address and telephone number of the individual responsible for preserving
120 the committee's records and accounts as required in section 130.036.

121 9. Any statement required by this section shall be signed and attested by the committee
122 treasurer or deputy treasurer, and by the candidate in the case of a candidate committee.

123 10. A committee domiciled outside this state shall be required to file a statement of
124 organization and appoint a treasurer residing in this state and open an account in a depository
125 within this state; provided that either of the following conditions prevails:

126 (1) The aggregate of all contributions received from persons domiciled in this state
127 exceeds twenty percent in total dollar amount of all funds received by the committee in the
128 preceding twelve months; or

129 (2) The aggregate of all contributions and expenditures made to support or oppose
130 candidates and ballot measures in this state exceeds one thousand five hundred dollars in the
131 current calendar year.

132 11. If a committee domiciled in this state receives a contribution of one thousand five
133 hundred dollars or more from any committee domiciled outside of this state, the committee
134 domiciled in this state shall file a disclosure report with the commission. The report shall
135 disclose the full name, mailing address, telephone numbers and domicile of the contributing
136 committee and the date and amount of the contribution. The report shall be filed within
137 forty-eight hours of the receipt of such contribution if the contribution is received after the last
138 reporting date before the election.

139 12. Each legislative and senatorial district committee shall retain only one address in the
140 district it sits for the purpose of receiving contributions.

130.034. 1. Contributions as defined in section 130.011, received by any committee
2 shall not be converted to any personal use.

3 2. Contributions may be used for any purpose allowed by law including, but not limited
4 to:

5 (1) Any ordinary expenses incurred relating to a campaign;

6 (2) Any ordinary and necessary expenses incurred in connection with the duties of a
7 holder of elective office;

8 (3) Any expenses associated with the duties of candidacy or of elective office pertaining
9 to the entertaining of or providing social courtesies to constituents, professional associations, or
10 other holders of elective office;

11 (4) The return of any contribution to the person who made the contribution to the
12 candidate or holder of elective office;

13 (5) To contribute to a political organization or candidate committee as allowed by law;

14 (6) To establish a new committee as defined by this chapter;

15 (7) To make an unconditional gift which is fully vested to any charitable, fraternal or
16 civic organizations or other associations formed to provide for some good in the order of
17 benevolence, if such candidate, former candidate or holder of elective office or such person's
18 immediate family gain no direct financial benefit from the unconditional gift;

19 (8) Except when such candidate, former candidate or holder of elective office dies while
20 the committee remains in existence, the committee may make an unconditional gift to a fund
21 established for the benefit of the spouse and children of the candidate, former candidate or holder
22 of elective office. The provisions of this subdivision shall expire October 1, 1997.

23 3. Upon the death of the candidate, former candidate or holder of elective office who
24 received such contributions, all contributions shall be disposed of according to this section and
25 any funds remaining after final settlement of the candidate's decedent's estate, or if no estate is
26 opened, then twelve months after the candidate's death, will escheat to the state of Missouri to
27 be deposited in the general revenue fund.

28 4. No contributions, as defined in section 130.011, received by a candidate, former
29 candidate or holder of elective office shall be used to make restitution payments ordered of such
30 individual by a court of law or for the payment of any fine resulting from conviction of a
31 violation of any local, state or federal law.

32 5. Committees described in subdivision (17) of section 130.011 shall make expenditures
33 only for the purpose of determining whether an individual will be a candidate. Such
34 expenditures include polling information, mailings, personal appearances, telephone expenses,
35 office and travel expenses but may not include contributions to other candidate committees.

36 6. Any moneys in the exploratory committee fund may be transferred to the candidate
37 committee upon declaration of candidacy for the position being explored. Such funds shall be
38 included for the purposes of reporting and limitation. In the event that candidacy is not declared
39 for the position being explored, the remaining exploratory committee funds shall be returned to
40 the contributors on a pro rata basis. In no event shall the amount returned exceed the amount
41 given by each contributor nor be less than ten dollars.

42 **7. Funds held in candidate committees, campaign committees, debt service**
43 **committees, and exploratory committees shall be liquid such that these funds shall be**
44 **readily available for the specific and limited purposes allowed by law. These funds may**
45 **be invested only in short-term treasury instruments or short-term bank certificates with**
46 **durations of one year or less, or that allow the removal of funds at any time without any**
47 **additional financial penalty other than the loss of interest income. Continuing committees,**
48 **political party committees, and other committees such as out-of-state committees not**
49 **formed for the benefit of any single candidate or ballot issue shall not be subject to the**
50 **provisions of this subsection. This subsection shall not be interpreted to restrict the**
51 **placement of funds in an interest-bearing checking account.**

130.097. 1. No person who transfers funds from:

2 **(1) His or her candidate committee; or**

3 **(2) Any committee over which such person exerts control over the expenditures of**
4 **such committee**

5

6 **to any other committee shall thereafter be compensated, for any purpose, by the committee**
7 **that received such funds.**

8 **2. No person who registers as a lobbyist, as defined under section 105.470, shall**
9 **transfer funds from any candidate committee, exploratory committee, debt service**
10 **committee, or continuing committee under his or her control to any such committee**
11 **controlled by a candidate or public official, as defined under section 105.470.**

Section 1. If any provision of this act or the application thereof to anyone or to any
2 **circumstance is held invalid, the remainder of those sections and the application of such**
3 **provisions to others or other circumstances shall not be affected thereby.**

✓