

FIRST REGULAR SESSION

SENATE BILL NO. 255

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR KEAVENY.

Read 1st time February 10, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

0994S.02I

AN ACT

To repeal section 130.011, RSMo, and to enact in lieu thereof two new sections relating to campaign finance.

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

Section A. Section 130.011, RSMo, is repealed and two new sections
2 enacted in lieu thereof, to be known as sections 130.011 and 130.032, to read as
3 follows:

130.011. As used in this chapter, unless the context clearly indicates
2 otherwise, the following terms mean:

3 (1) "Appropriate officer" or "appropriate officers", the person or persons
4 designated in section 130.026 to receive certain required statements and reports;

5 (2) "Ballot measure" or "measure", any proposal submitted or intended to
6 be submitted to qualified voters for their approval or rejection, including any
7 proposal submitted by initiative petition, referendum petition, or by the general
8 assembly or any local governmental body having authority to refer proposals to
9 the voter;

10 (3) "Campaign committee", a committee, other than a candidate
11 committee, which shall be formed by an individual or group of individuals to
12 receive contributions or make expenditures and whose sole purpose is to support
13 or oppose the qualification and passage of one or more particular ballot measures
14 in an election or the retention of judges under the nonpartisan court plan, such
15 committee shall be formed no later than thirty days prior to the election for which
16 the committee receives contributions or makes expenditures, and which shall
17 terminate the later of either thirty days after the general election or upon the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 satisfaction of all committee debt after the general election, except that no
19 committee retiring debt shall engage in any other activities in support of a
20 measure for which the committee was formed;

21 (4) "Candidate", an individual who seeks nomination or election to public
22 office. The term "candidate" includes an elected officeholder who is the subject
23 of a recall election, an individual who seeks nomination by the individual's
24 political party for election to public office, an individual standing for retention in
25 an election to an office to which the individual was previously appointed, an
26 individual who seeks nomination or election whether or not the specific elective
27 public office to be sought has been finally determined by such individual at the
28 time the individual meets the conditions described in paragraph (a) or (b) of this
29 subdivision, and an individual who is a write-in candidate as defined in
30 subdivision (28) of this section. A candidate shall be deemed to seek nomination
31 or election when the person first:

32 (a) Receives contributions or makes expenditures or reserves space or
33 facilities with intent to promote the person's candidacy for office; or

34 (b) Knows or has reason to know that contributions are being received or
35 expenditures are being made or space or facilities are being reserved with the
36 intent to promote the person's candidacy for office; except that, such individual
37 shall not be deemed a candidate if the person files a statement with the
38 appropriate officer within five days after learning of the receipt of contributions,
39 the making of expenditures, or the reservation of space or facilities disavowing
40 the candidacy and stating that the person will not accept nomination or take
41 office if elected; provided that, if the election at which such individual is
42 supported as a candidate is to take place within five days after the person's
43 learning of the above-specified activities, the individual shall file the statement
44 disavowing the candidacy within one day; or

45 (c) Announces or files a declaration of candidacy for office;

46 (5) "Candidate committee", a committee which shall be formed by a
47 candidate to receive contributions or make expenditures in behalf of the person's
48 candidacy and which shall continue in existence for use by an elected candidate
49 or which shall terminate the later of either thirty days after the general election
50 for a candidate who was not elected or upon the satisfaction of all committee debt
51 after the election, except that no committee retiring debt shall engage in any
52 other activities in support of the candidate for which the committee was

53 formed. Any candidate for elective office shall have only one candidate committee
54 for the elective office sought, which is controlled directly by the candidate for the
55 purpose of making expenditures. A candidate committee is presumed to be under
56 the control and direction of the candidate unless the candidate files an affidavit
57 with the appropriate officer stating that the committee is acting without control
58 or direction on the candidate's part;

59 (6) "Cash", currency, coin, United States postage stamps, or any
60 negotiable instrument which can be transferred from one person to another
61 person without the signature or endorsement of the transferor;

62 (7) "Check", a check drawn on a state or federal bank, or a draft on a
63 negotiable order of withdrawal account in a savings and loan association or a
64 share draft account in a credit union;

65 (8) "Closing date", the date through which a statement or report is
66 required to be complete;

67 (9) "Committee", a person or any combination of persons, who accepts
68 contributions or makes expenditures for the primary or incidental purpose of
69 influencing or attempting to influence the action of voters for or against the
70 nomination or election to public office of one or more candidates or the
71 qualification, passage or defeat of any ballot measure or for the purpose of paying
72 a previously incurred campaign debt or obligation of a candidate or the debts or
73 obligations of a committee or for the purpose of contributing funds to another
74 committee:

75 (a) "Committee", does not include:

76 a. A person or combination of persons, if neither the aggregate of
77 expenditures made nor the aggregate of contributions received during a calendar
78 year exceeds five hundred dollars and if no single contributor has contributed
79 more than two hundred fifty dollars of such aggregate contributions;

80 b. An individual, other than a candidate, who accepts no contributions
81 and who deals only with the individual's own funds or property;

82 c. A corporation, cooperative association, partnership, proprietorship, or
83 joint venture organized or operated for a primary or principal purpose other than
84 that of influencing or attempting to influence the action of voters for or against
85 the nomination or election to public office of one or more candidates or the
86 qualification, passage or defeat of any ballot measure, and it accepts no
87 contributions, and all expenditures it makes are from its own funds or property

88 obtained in the usual course of business or in any commercial or other transaction
89 and which are not contributions as defined by subdivision (11) of this section;

90 d. A labor organization organized or operated for a primary or principal
91 purpose other than that of influencing or attempting to influence the action of
92 voters for or against the nomination or election to public office of one or more
93 candidates, or the qualification, passage, or defeat of any ballot measure, and it
94 accepts no contributions, and expenditures made by the organization are from its
95 own funds or property received from membership dues or membership fees which
96 were given or solicited for the purpose of supporting the normal and usual
97 activities and functions of the organization and which are not contributions as
98 defined by subdivision (11) of this section;

99 e. A person who acts as an authorized agent for a committee in soliciting
100 or receiving contributions or in making expenditures or incurring indebtedness
101 on behalf of the committee if such person renders to the committee treasurer or
102 deputy treasurer or candidate, if applicable, an accurate account of each receipt
103 or other transaction in the detail required by the treasurer to comply with all
104 record-keeping and reporting requirements of this chapter;

105 f. Any department, agency, board, institution or other entity of the state
106 or any of its subdivisions or any officer or employee thereof, acting in the person's
107 official capacity;

108 (b) The term "committee" includes, but is not limited to, each of the
109 following committees: campaign committee, candidate committee, political action
110 committee, exploratory committee, and political party committee;

111 (10) "Connected organization", any organization such as a corporation, a
112 labor organization, a membership organization, a cooperative, or trade or
113 professional association which expends funds or provides services or facilities to
114 establish, administer or maintain a committee or to solicit contributions to a
115 committee from its members, officers, directors, employees or security holders. An
116 organization shall be deemed to be the connected organization if more than fifty
117 percent of the persons making contributions to the committee during the current
118 calendar year are members, officers, directors, employees or security holders of
119 such organization or their spouses;

120 (11) "Contribution", a payment, gift, loan, advance, deposit, or donation
121 of money or anything of value for the purpose of supporting or opposing the
122 nomination or election of any candidate for public office or the qualification,

123 passage or defeat of any ballot measure, or for the support of any committee
124 supporting or opposing candidates or ballot measures or for paying debts or
125 obligations of any candidate or committee previously incurred for the above
126 purposes. A contribution of anything of value shall be deemed to have a money
127 value equivalent to the fair market value. "Contribution" includes, but is not
128 limited to:

129 (a) A candidate's own money or property used in support of the person's
130 candidacy other than expense of the candidate's food, lodging, travel, and
131 payment of any fee necessary to the filing for public office;

132 (b) Payment by any person, other than a candidate or committee, to
133 compensate another person for services rendered to that candidate or committee;

134 (c) Receipts from the sale of goods and services, including the sale of
135 advertising space in a brochure, booklet, program or pamphlet of a candidate or
136 committee and the sale of tickets or political merchandise;

137 (d) Receipts from fund-raising events including testimonial affairs;

138 (e) Any loan, guarantee of a loan, cancellation or forgiveness of a loan or
139 debt or other obligation by a third party, or payment of a loan or debt or other
140 obligation by a third party if the loan or debt or other obligation was contracted,
141 used, or intended, in whole or in part, for use in an election campaign or used or
142 intended for the payment of such debts or obligations of a candidate or committee
143 previously incurred, or which was made or received by a committee;

144 (f) Funds received by a committee which are transferred to such
145 committee from another committee or other source, except funds received by a
146 candidate committee as a transfer of funds from another candidate committee
147 controlled by the same candidate but such transfer shall be included in the
148 disclosure reports;

149 (g) Facilities, office space or equipment supplied by any person to a
150 candidate or committee without charge or at reduced charges, except gratuitous
151 space for meeting purposes which is made available regularly to the public,
152 including other candidates or committees, on an equal basis for similar purposes
153 on the same conditions;

154 (h) The direct or indirect payment by any person, other than a connected
155 organization, of the costs of establishing, administering, or maintaining a
156 committee, including legal, accounting and computer services, fund raising and
157 solicitation of contributions for a committee;

158 (i) "Contribution" does not include:

159 a. Ordinary home hospitality or services provided without compensation
160 by individuals volunteering their time in support of or in opposition to a
161 candidate, committee or ballot measure, nor the necessary and ordinary personal
162 expenses of such volunteers incidental to the performance of voluntary activities,
163 so long as no compensation is directly or indirectly asked or given;

164 b. An offer or tender of a contribution which is expressly and
165 unconditionally rejected and returned to the donor within ten business days after
166 receipt or transmitted to the state treasurer;

167 c. Interest earned on deposit of committee funds;

168 d. The costs incurred by any connected organization listed pursuant to
169 subdivision (4) of subsection 5 of section 130.021 for establishing, administering
170 or maintaining a committee, or for the solicitation of contributions to a committee
171 which solicitation is solely directed or related to the members, officers, directors,
172 employees or security holders of the connected organization;

173 (12) "County", any one of the several counties of this state or the city of
174 St. Louis;

175 (13) "Disclosure report", an itemized report of receipts, expenditures and
176 incurred indebtedness which is prepared on forms approved by the Missouri
177 ethics commission and filed at the times and places prescribed;

178 (14) "Election", any primary, general or special election held to nominate
179 or elect an individual to public office, to retain or recall an elected officeholder or
180 to submit a ballot measure to the voters, and any caucus or other meeting of a
181 political party or a political party committee at which that party's candidate or
182 candidates for public office are officially selected. A primary election and the
183 succeeding general election shall be considered separate elections;

184 (15) "Expenditure", a payment, advance, conveyance, deposit, donation or
185 contribution of money or anything of value for the purpose of supporting or
186 opposing the nomination or election of any candidate for public office or the
187 qualification or passage of any ballot measure or for the support of any committee
188 which in turn supports or opposes any candidate or ballot measure or for the
189 purpose of paying a previously incurred campaign debt or obligation of a
190 candidate or the debts or obligations of a committee; a payment, or an agreement
191 or promise to pay, money or anything of value, including a candidate's own money
192 or property, for the purchase of goods, services, property, facilities or anything of

193 value for the purpose of supporting or opposing the nomination or election of any
194 candidate for public office or the qualification or passage of any ballot measure
195 or for the support of any committee which in turn supports or opposes any
196 candidate or ballot measure or for the purpose of paying a previously incurred
197 campaign debt or obligation of a candidate or the debts or obligations of a
198 committee. An expenditure of anything of value shall be deemed to have a money
199 value equivalent to the fair market value. "Expenditure" includes, but is not
200 limited to:

201 (a) Payment by anyone other than a committee for services of another
202 person rendered to such committee;

203 (b) The purchase of tickets, goods, services or political merchandise in
204 connection with any testimonial affair or fund-raising event of or for candidates
205 or committees, or the purchase of advertising in a brochure, booklet, program or
206 pamphlet of a candidate or committee;

207 (c) The transfer of funds by one committee to another committee;

208 (d) The direct or indirect payment by any person, other than a connected
209 organization for a committee, of the costs of establishing, administering or
210 maintaining a committee, including legal, accounting and computer services, fund
211 raising and solicitation of contributions for a committee; but

212 (e) "Expenditure" does not include:

213 a. Any news story, commentary or editorial which is broadcast or
214 published by any broadcasting station, newspaper, magazine or other periodical
215 without charge to the candidate or to any person supporting or opposing a
216 candidate or ballot measure;

217 b. The internal dissemination by any membership organization,
218 proprietorship, labor organization, corporation, association or other entity of
219 information advocating the election or defeat of a candidate or candidates or the
220 passage or defeat of a ballot measure or measures to its directors, officers,
221 members, employees or security holders, provided that the cost incurred is
222 reported pursuant to subsection 2 of section 130.051;

223 c. Repayment of a loan, but such repayment shall be indicated in required
224 reports;

225 d. The rendering of voluntary personal services by an individual of the
226 sort commonly performed by volunteer campaign workers and the payment by
227 such individual of the individual's necessary and ordinary personal expenses

228 incidental to such volunteer activity, provided no compensation is, directly or
229 indirectly, asked or given;

230 e. The costs incurred by any connected organization listed pursuant to
231 subdivision (4) of subsection 5 of section 130.021 for establishing, administering
232 or maintaining a committee, or for the solicitation of contributions to a committee
233 which solicitation is solely directed or related to the members, officers, directors,
234 employees or security holders of the connected organization;

235 f. The use of a candidate's own money or property for expense of the
236 candidate's personal food, lodging, travel, and payment of any fee necessary to the
237 filing for public office, if such expense is not reimbursed to the candidate from
238 any source;

239 (16) "Exploratory committees", a committee which shall be formed by an
240 individual to receive contributions and make expenditures on behalf of this
241 individual in determining whether or not the individual seeks elective
242 office. Such committee shall terminate no later than December thirty-first of the
243 year prior to the general election for the possible office;

244 (17) "Fund-raising event", an event such as a dinner, luncheon, reception,
245 coffee, testimonial, rally, auction or similar affair through which contributions are
246 solicited or received by such means as the purchase of tickets, payment of
247 attendance fees, donations for prizes or through the purchase of goods, services
248 or political merchandise;

249 (18) "In-kind contribution" or "in-kind expenditure", a contribution or
250 expenditure in a form other than money;

251 (19) "Labor organization", any organization of any kind, or any agency or
252 employee representation committee or plan, in which employees participate and
253 which exists for the purpose, in whole or in part, of dealing with employers
254 concerning grievances, labor disputes, wages, rates of pay, hours of employment,
255 or conditions of work;

256 (20) "Loan", a transfer of money, property or anything of ascertainable
257 monetary value in exchange for an obligation, conditional or not, to repay in
258 whole or in part and which was contracted, used, or intended for use in an
259 election campaign, or which was made or received by a committee or which was
260 contracted, used, or intended to pay previously incurred campaign debts or
261 obligations of a candidate or the debts or obligations of a committee;

262 (21) "Person", an individual, group of individuals, corporation,

263 partnership, committee, proprietorship, joint venture, any department, agency,
264 board, institution or other entity of the state or any of its political subdivisions,
265 union, labor organization, trade or professional or business association,
266 association, political party or any executive committee thereof, or any other club
267 or organization however constituted or any officer or employee of such entity
268 acting in the person's official capacity;

269 (22) "Political action committee", a committee of continuing existence
270 which is not formed, controlled or directed by a candidate, and is a committee
271 other than a candidate committee, political party committee, campaign committee,
272 exploratory committee, or debt service committee, whose primary or incidental
273 purpose is to receive contributions or make expenditures to influence or attempt
274 to influence the action of voters whether or not a particular candidate or
275 candidates or a particular ballot measure or measures to be supported or opposed
276 has been determined at the time the committee is required to file any statement
277 or report pursuant to the provisions of this chapter. Such a committee includes,
278 but is not limited to, any committee organized or sponsored by a business entity,
279 a labor organization, a professional association, a trade or business association,
280 a club or other organization and whose primary purpose is to solicit, accept and
281 use contributions from the members, employees or stockholders of such entity and
282 any individual or group of individuals who accept and use contributions to
283 influence or attempt to influence the action of voters. Such committee shall be
284 formed no later than sixty days prior to the election for which the committee
285 receives contributions or makes expenditures;

286 (23) "Political merchandise", goods such as bumper stickers, pins, hats,
287 ties, jewelry, literature, or other items sold or distributed at a fund-raising event
288 or to the general public for publicity or for the purpose of raising funds to be used
289 in supporting or opposing a candidate for nomination or election or in supporting
290 or opposing the qualification, passage or defeat of a ballot measure;

291 (24) "Political party", a political party which has the right under law to
292 have the names of its candidates listed on the ballot in a general election;

293 (25) "Political party committee", a committee of a political party which
294 may be organized as a not-for-profit corporation under Missouri law and has the
295 primary or incidental purpose of receiving contributions and making expenditures
296 to influence or attempt to influence the action of voters on behalf of the political
297 party. Political party committees shall only take the following forms:

298 (a) One congressional district committee per political party for each
299 congressional district in the state; [and]

300 (b) One state party committee per political party;

301 (c) **One county party committee per county per political party;**
302 **and**

303 (d) **One city party committee per city per political party;**

304 (26) "Public office" or "office", any state, judicial, county, municipal, school
305 or other district, ward, township, or other political subdivision office or any
306 political party office which is filled by a vote of registered voters;

307 (27) "Regular session", includes that period beginning on the first
308 Wednesday after the first Monday in January and ending following the first
309 Friday after the second Monday in May;

310 (28) "Write-in candidate", an individual whose name is not printed on the
311 ballot but who otherwise meets the definition of candidate in subdivision (4) of
312 this section.

130.032. 1. In addition to the limitations imposed under section
2 **130.031, the amount of contributions made by or accepted from any**
3 **person other than the candidate in any one election shall not exceed**
4 **the following:**

5 (1) **To elect an individual to the office of governor, lieutenant**
6 **governor, secretary of state, state treasurer, state auditor, or attorney**
7 **general, two thousand dollars;**

8 (2) **To elect an individual to the office of state senator, one**
9 **thousand dollars;**

10 (3) **To elect an individual to the office of state representative,**
11 **five hundred dollars;**

12 (4) **To elect an individual to any other office, including judicial**
13 **office, if the population of the electoral district, ward, or other unit**
14 **according to the latest decennial census is under one hundred**
15 **thousand, five hundred dollars;**

16 (5) **To elect an individual to any other office, including judicial**
17 **office, if the population of the electoral district, ward, or other unit**
18 **according to the latest decennial census is at least one hundred**
19 **thousand but less than two hundred fifty thousand, one thousand**
20 **dollars; and**

21 **(6) To elect an individual to any other office, including judicial**
22 **office, if the population of the electoral district, ward, or other unit**
23 **according to the latest decennial census is at least two hundred fifty**
24 **thousand, two thousand dollars.**

25 **2. For purposes of this subsection, "base year amount" shall be**
26 **the contribution limits prescribed in this section on January 1,**
27 **2012. Such limits shall be increased on the first day of January in each**
28 **even-numbered year by multiplying the base year amount by the**
29 **cumulative consumer price index, as defined in section 104.010 and**
30 **rounded to the nearest twenty-five-dollar amount, for all years since**
31 **January 1, 2012.**

32 **3. Every committee established under this chapter shall be**
33 **subject to the limits prescribed in subsection 1 of this section. The**
34 **provisions of this subsection shall not limit the amount of contributions**
35 **that may be accumulated by a candidate committee and used for**
36 **expenditures to further the nomination or election of the candidate**
37 **who controls such candidate committee.**

38 **4. Contributions from persons under fourteen years of age shall**
39 **be considered made by the parents or guardians of such person and**
40 **shall be attributed toward any contribution limits prescribed in this**
41 **chapter. Where the contributor under fourteen years of age has two**
42 **custodial parents or guardians, fifty percent of the contribution shall**
43 **be attributed to each parent or guardian, and where such contributor**
44 **has one custodial parent or guardian, all such contributions shall be**
45 **attributed to the custodial parent or guardian.**

46 **5. Contributions received and expenditures made before August**
47 **28, 2011, shall be reported as a separate account and under the laws in**
48 **effect at the time such contributions are received or expenditures**
49 **made. Contributions received and expenditures made after August 28,**
50 **2011, shall be reported under the provisions of this chapter as a**
51 **separate account from the other separate account described in this**
52 **subsection. The account reported under the prior law shall be retained**
53 **as a separate account and any remaining funds in such account may be**
54 **used under this chapter.**

55 **6. Any committee that accepts or gives contributions other than**
56 **those allowed shall be subject to a surcharge of one thousand dollars**

57 plus an amount equal to the contribution per nonallowable
58 contribution, to be paid to the ethics commission and which shall be
59 transferred to the director of revenue, upon notification of such
60 nonallowable contribution by the ethics commission, and after the
61 candidate has had ten business days after receipt of notice to return
62 the contribution to the contributor. The candidate and the candidate
63 committee treasurer or deputy treasurer owing a surcharge shall be
64 personally liable for the payment of the surcharge or may pay such
65 surcharge only from campaign funds existing on the date of the receipt
66 of notice. Such surcharge shall constitute a debt to the state
67 enforceable under, but not limited to, the provisions of chapter 143.

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Bill

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