SECOND REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1983

98TH GENERAL ASSEMBLY

Reported from the Committee on Rules, Joint Rules, Resolutions and Ethics, February 11, 2016, with recommendation that the Senate Committee Substitute do pass.

4197S.04C

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal section 105.450, RSMo, and to enact in lieu thereof two new sections relating to prohibiting elected officials from acting as paid political consultants.

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

Section A. Section 105.450, RSMo, is repealed and two new sections

- 2 enacted in lieu thereof, to be known as sections 105.450 and 105.453, to read as
- 3 follows:
 - 105.450. As used in sections 105.450 to 105.496 and sections 105.955 to
- 2 105.963, unless the context clearly requires otherwise, the following terms mean:
- 3 (1) "Adversary proceeding", any proceeding in which a record of the
- 4 proceedings may be kept and maintained as a public record at the request of
- 5 either party by a court reporter, notary public or other person authorized to keep
- such record by law or by any rule or regulation of the agency conducting the
- 7 hearing; or from which an appeal may be taken directly or indirectly, or any
- 8 proceeding from the decision of which any party must be granted, on request, a
- 9 hearing de novo; or any arbitration proceeding; or a proceeding of a personnel
- 10 review board of a political subdivision; or an investigative proceeding initiated by
- 11 an official, department, division, or agency which pertains to matters which,
- 12 depending on the conclusion of the investigation, could lead to a judicial or
- 13 administrative proceeding being initiated against the party by the official,
- 14 department, division or agency;
- 15 (2) "Business entity", a corporation, association, firm, partnership,
- 16 proprietorship, or business entity of any kind or character;

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- 17 (3) "Business with which a person is associated":
- 18 (a) Any sole proprietorship owned by himself or herself, the person's 19 spouse or any dependent child in the person's custody;
- 20 (b) Any partnership or joint venture in which the person or the person's 21 spouse is a partner, other than as a limited partner of a limited partnership, and 22any corporation or limited partnership in which the person is an officer or 23 director or of which either the person or the person's spouse or dependent child 24 in the person's custody whether singularly or collectively owns in excess of ten 25 percent of the outstanding shares of any class of stock or partnership units; or
- 26 (c) Any trust in which the person is a trustee or settlor or in which the 27 person or the person's spouse or dependent child whether singularly or 28 collectively is a beneficiary or holder of a reversionary interest of ten percent or 29 more of the corpus of the trust;
- 30 (4) "Commission", the Missouri ethics commission established in section 31 105.955;
- (5) "Confidential information", all information whether transmitted orally 33 or in writing which is of such a nature that it is not, at that time, a matter of public record or public knowledge:
- 35 (6) "Decision-making public servant", an official, appointee or employee 36 of the offices or entities delineated in paragraphs (a) through (h) of this 37 subdivision who exercises supervisory authority over the negotiation of contracts, or has the legal authority to adopt or vote on the adoption of rules and 38 39 regulations with the force of law or exercises primary supervisory responsibility 40 over purchasing decisions. The following officials or entities shall be responsible 41 for designating a decision-making public servant:
- 42 (a) The governing body of the political subdivision with a general operating budget in excess of one million dollars; 43
 - (b) A department director;
- (c) A judge vested with judicial power by article V of the Constitution of 45 the state of Missouri; 46
- (d) Any commission empowered by interstate compact; 47
- 48 (e) A statewide elected official;
- 49 (f) The speaker of the house of representatives;
- 50 (g) The president pro tem of the senate;
- 51 (h) The president or chancellor of a state institution of higher education;
- "Dependent child" or "dependent child in the person's custody", all 52

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53 children, stepchildren, foster children and wards under the age of eighteen 54 residing in the person's household and who receive in excess of fifty percent of 55 their support from the person;

- 56 (8) "Paid political consultant", a person who is paid to promote the election of a certain candidate or the interest of an organization or 57 committee, as defined in section 130.011, including, but not limited to, 58 planning campaign strategies; coordinating campaign staff; organizing 59 meetings and public events to publicize the candidate or cause; public 60 opinion polling; providing research on issues or opposition background; 61 coordinating, producing, or purchasing print or broadcast media; direct 62 63 mail production; phone solicitation; fund raising; and any other political activities; 64
 - (9) "Political subdivision" shall include any political subdivision of the state, and any special district or subdistrict;
 - [(9)] (10) "Public document", a state tax return or a document or other record maintained for public inspection without limitation on the right of access to it and a document filed in a juvenile court proceeding;
- 70 [(10)] (11) "Substantial interest", ownership by the individual, the individual's spouse, or the individual's dependent children, whether singularly or 71collectively, directly or indirectly, of ten percent or more of any business entity, 72or of an interest having a value of ten thousand dollars or more, or the receipt by 73 an individual, the individual's spouse or the individual's dependent children, 74whether singularly or collectively, of a salary, gratuity, or other compensation or 75 76 remuneration of five thousand dollars, or more, per year from any individual, partnership, organization, or association within any calendar year; 77
- [(11)] (12) "Substantial personal or private interest in any measure, bill, order or ordinance", any interest in a measure, bill, order or ordinance which results from a substantial interest in a business entity.
- 105.453. 1. No statewide elected official or member of the general assembly shall accept or receive compensation of any kind as a paid political consultant for:
- 4 (1) A candidate for the office of governor, lieutenant governor, 5 attorney general, secretary of state, state treasurer, state auditor, state 6 senator, or state representative;
- 7 (2) The candidate committee of the governor, lieutenant 8 governor, attorney general, secretary of state, state treasurer, state

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- 9 auditor, state senator, or state representative or any candidate for such10 offices;
- 11 (3) The governor, lieutenant governor, attorney general,
- 12 secretary of state, state treasurer, state auditor, any state senator, or
- 13 any state representative;
 - (4) Any continuing committee; or
- 15 (5) Any campaign committee.
- 2. For purposes of this section, the terms "candidate", "candidate
- 17 committee", "campaign committee", and "continuing committee" shall
- 18 have the same meaning as in section 130.011.

Bill