

FIRST REGULAR SESSION

SENATE BILL NO. 73

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAAF.

Pre-filed December 1, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0428S.02I

AN ACT

To repeal section 130.041 as enacted by senate bill no. 844, ninety-fifth general assembly, second regular session, and section 130.041 as enacted by senate bills nos. 31 & 285, ninetieth general assembly, first regular session, RSMo, and to enact in lieu thereof one new section relating to financial disclosure under campaign finance laws.

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

Section A. Section 130.041 as enacted by senate bill no. 844, ninety-fifth
2 general assembly, second regular session, and section 130.041 as enacted by
3 senate bills nos. 31 & 285, ninetieth general assembly, first regular session,
4 RSMo, are repealed and one new section enacted in lieu thereof, to be known as
5 section 130.041, to read as follows:

[130.041. 1. Except as provided in subsection 5 of section
2 130.016, the candidate, if applicable, treasurer or deputy treasurer
3 of every committee which is required to file a statement of
4 organization, shall file a legibly printed or typed disclosure report
5 of receipts and expenditures. The reports shall be filed with the
6 appropriate officer designated in section 130.026 at the times and
7 for the periods prescribed in section 130.046. Except as provided
8 in sections 130.049 and 130.050, each report shall set forth:

(1) The full name, as required in the statement of
9 organization pursuant to subsection 5 of section 130.021, and
10 mailing address of the committee filing the report and the full
11 name, mailing address and telephone number of the committee's
12 treasurer and deputy treasurer if the committee has named a
13

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

14 deputy treasurer;

15 (2) The amount of money, including cash on hand at the
16 beginning of the reporting period;

17 (3) Receipts for the period, including:

18 (a) Total amount of all monetary contributions received
19 which can be identified in the committee's records by name and
20 address of each contributor. In addition, the candidate committee
21 shall make a reasonable effort to obtain and report the employer,
22 or occupation if self-employed or notation of retirement, of each
23 person from whom the committee received one or more
24 contributions which in the aggregate total in excess of one hundred
25 dollars and shall make a reasonable effort to obtain and report a
26 description of any contractual relationship over five hundred
27 dollars between the contributor and the state if the candidate is
28 seeking election to a state office or between the contributor and any
29 political subdivision of the state if the candidate is seeking election
30 to another political subdivision of the state;

31 (b) Total amount of all anonymous contributions accepted;

32 (c) Total amount of all monetary contributions received
33 through fund-raising events or activities from participants whose
34 names and addresses were not obtained with such contributions,
35 with an attached statement or copy of the statement describing
36 each fund-raising event as required in subsection 6 of section
37 130.031;

38 (d) Total dollar value of all in-kind contributions received;

39 (e) A separate listing by name and address and employer,
40 or occupation if self-employed or notation of retirement, of each
41 person from whom the committee received contributions, in money
42 or any other thing of value, aggregating more than one hundred
43 dollars, together with the date and amount of each such
44 contribution;

45 (f) A listing of each loan received by name and address of
46 the lender and date and amount of the loan. For each loan of more
47 than one hundred dollars, a separate statement shall be attached
48 setting forth the name and address of the lender and each person
49 liable directly, indirectly or contingently, and the date, amount and

50 terms of the loan;

51 (4) Expenditures for the period, including:

52 (a) The total dollar amount of expenditures made by check
53 drawn on the committee's depository;

54 (b) The total dollar amount of expenditures made in cash;

55 (c) The total dollar value of all in-kind expenditures made;

56 (d) The full name and mailing address of each person to
57 whom an expenditure of money or any other thing of value in the
58 amount of more than one hundred dollars has been made,
59 contracted for or incurred, together with the date, amount and
60 purpose of each expenditure. Expenditures of one hundred dollars
61 or less may be grouped and listed by categories of expenditure
62 showing the total dollar amount of expenditures in each category,
63 except that the report shall contain an itemized listing of each
64 payment made to campaign workers by name, address, date,
65 amount and purpose of each payment and the aggregate amount
66 paid to each such worker;

67 (e) A list of each loan made, by name and mailing address
68 of the person receiving the loan, together with the amount, terms
69 and date;

70 (5) The total amount of cash on hand as of the closing date
71 of the reporting period covered, including amounts in depository
72 accounts and in petty cash fund;

73 (6) The total amount of outstanding indebtedness as of the
74 closing date of the reporting period covered;

75 (7) The amount of expenditures for or against a candidate
76 or ballot measure during the period covered and the cumulative
77 amount of expenditures for or against that candidate or ballot
78 measure, with each candidate being listed by name, mailing
79 address and office sought. For the purpose of disclosure reports,
80 expenditures made in support of more than one candidate or ballot
81 measure or both shall be apportioned reasonably among the
82 candidates or ballot measure or both. In apportioning expenditures
83 to each candidate or ballot measure, political party committees and
84 political action committees need not include expenditures for
85 maintaining a permanent office, such as expenditures for salaries

86 of regular staff, office facilities and equipment or other
87 expenditures not designed to support or oppose any particular
88 candidates or ballot measures; however, all such expenditures shall
89 be listed pursuant to subdivision (4) of this subsection;

90 (8) A separate listing by full name and address of any
91 committee including a candidate committee controlled by the same
92 candidate for which a transfer of funds or a contribution in any
93 amount has been made during the reporting period, together with
94 the date and amount of each such transfer or contribution;

95 (9) A separate listing by full name and address of any
96 committee, including a candidate committee controlled by the same
97 candidate from which a transfer of funds or a contribution in any
98 amount has been received during the reporting period, together
99 with the date and amount of each such transfer or contribution;

100 (10) Each committee that receives a contribution which is
101 restricted or designated in whole or in part by the contributor for
102 transfer to a particular candidate, committee or other person shall
103 include a statement of the name and address of that contributor in
104 the next disclosure report required to be filed after receipt of such
105 contribution, together with the date and amount of any such
106 contribution which was so restricted or designated by that
107 contributor, together with the name of the particular candidate or
108 committee to whom such contribution was so designated or
109 restricted by that contributor and the date and amount of such
110 contribution.

111 2. For the purpose of this section and any other section in
112 this chapter except sections 130.049 and 130.050 which requires a
113 listing of each contributor who has contributed a specified amount,
114 the aggregate amount shall be computed by adding all
115 contributions received from any one person during the following
116 periods:

117 (1) In the case of a candidate committee, the period shall
118 begin on the date on which the candidate became a candidate
119 according to the definition of the term "candidate" in section
120 130.011 and end at 11:59 p.m. on the day of the primary election,
121 if the candidate has such an election or at 11:59 p.m. on the day of

122 the general election. If the candidate has a general election held
123 after a primary election, the next aggregating period shall begin at
124 12:00 midnight on the day after the primary election day and shall
125 close at 11:59 p.m. on the day of the general election. Except that
126 for contributions received during the thirty-day period immediately
127 following a primary election, the candidate shall designate whether
128 such contribution is received as a primary election contribution or
129 a general election contribution;

130 (2) In the case of a campaign committee, the period shall
131 begin on the date the committee received its first contribution and
132 end on the closing date for the period for which the report or
133 statement is required;

134 (3) In the case of a political party committee or a political
135 action committee, the period shall begin on the first day of January
136 of the year in which the report or statement is being filed and end
137 on the closing date for the period for which the report or statement
138 is required; except, if the report or statement is required to be filed
139 prior to the first day of July in any given year, the period shall
140 begin on the first day of July of the preceding year.

141 3. The disclosure report shall be signed and attested by the
142 committee treasurer or deputy treasurer and by the candidate in
143 case of a candidate committee.

144 4. The words "consulting or consulting services, fees, or
145 expenses", or similar words, shall not be used to describe the
146 purpose of a payment as required in this section. The reporting of
147 any payment to such an independent contractor shall be on a form
148 supplied by the appropriate officer, established by the ethics
149 commission and shall include identification of the specific service
150 or services provided including, but not limited to, public opinion
151 polling, research on issues or opposition background, print or
152 broadcast media production, print or broadcast media purchase,
153 computer programming or data entry, direct mail production,
154 postage, rent, utilities, phone solicitation, or fund raising, and the
155 dollar amount prorated for each service.]

130.041. 1. Except as provided in subsection 5 of section 130.016, the
2 candidate, if applicable, treasurer or deputy treasurer of every committee which

3 is required to file a statement of organization, shall file a legibly printed or typed
4 disclosure report of receipts and expenditures. The reports shall be filed with the
5 appropriate officer designated in section 130.026 at the times and for the periods
6 prescribed in section 130.046. Except as provided in sections 130.049 and
7 130.050, each report shall set forth:

8 (1) The full name, as required in the statement of organization pursuant
9 to subsection 5 of section 130.021, and mailing address of the committee filing the
10 report and the full name, mailing address and telephone number of the
11 committee's treasurer and deputy treasurer if the committee has named a deputy
12 treasurer;

13 (2) The amount of money, including cash on hand at the beginning of the
14 reporting period;

15 (3) Receipts for the period, including:

16 (a) Total amount of all monetary contributions received which can be
17 identified in the committee's records by name and address of each contributor. In
18 addition, the candidate committee shall make a reasonable effort to obtain and
19 report the employer, or occupation if self-employed or notation of retirement, of
20 each person from whom the committee received one or more contributions which
21 in the aggregate total in excess of one hundred dollars and shall make a
22 reasonable effort to obtain and report a description of any contractual
23 relationship over five hundred dollars between the contributor and the state if the
24 candidate is seeking election to a state office or between the contributor and any
25 political subdivision of the state if the candidate is seeking election to another
26 political subdivision of the state;

27 (b) Total amount of all anonymous contributions accepted;

28 (c) Total amount of all monetary contributions received through
29 fund-raising events or activities from participants whose names and addresses
30 were not obtained with such contributions, with an attached statement or copy
31 of the statement describing each fund-raising event as required in subsection 6
32 of section 130.031;

33 (d) Total dollar value of all in-kind contributions received;

34 (e) A separate listing by name and address and employer, or occupation
35 if self-employed or notation of retirement, of each person from whom the
36 committee received contributions, in money or any other thing of value,
37 aggregating more than one hundred dollars, together with the date and amount
38 of each such contribution;

39 (f) A listing of each loan received by name and address of the lender and
40 date and amount of the loan. For each loan of more than one hundred dollars, a
41 separate statement shall be attached setting forth the name and address of the
42 lender and each person liable directly, indirectly or contingently, and the date,
43 amount and terms of the loan;

44 (4) Expenditures for the period, including:

45 (a) The total dollar amount of expenditures made by check drawn on the
46 committee's depository;

47 (b) The total dollar amount of expenditures made in cash;

48 (c) The total dollar value of all in-kind expenditures made;

49 (d) The full name and mailing address of each person to whom an
50 expenditure of money or any other thing of value in the amount of more than one
51 hundred dollars has been made, contracted for or incurred, together with the
52 date, amount and purpose of each expenditure. Expenditures of one hundred
53 dollars or less may be grouped and listed by categories of expenditure showing
54 the total dollar amount of expenditures in each category, except that the report
55 shall contain an itemized listing of each payment made to campaign workers by
56 name, address, date, amount and purpose of each payment and the aggregate
57 amount paid to each such worker;

58 (e) A list of each loan made, by name and mailing address of the person
59 receiving the loan, together with the amount, terms and date;

60 (5) The total amount of cash on hand as of the closing date of the
61 reporting period covered, including amounts in depository accounts and in petty
62 cash fund;

63 (6) The total amount of outstanding indebtedness as of the closing date
64 of the reporting period covered;

65 (7) The amount of expenditures for or against a candidate or ballot
66 measure during the period covered and the cumulative amount of expenditures
67 for or against that candidate or ballot measure, with each candidate being listed
68 by name, mailing address and office sought. For the purpose of disclosure
69 reports, expenditures made in support of more than one candidate or ballot
70 measure or both shall be apportioned reasonably among the candidates or ballot
71 measure or both. In apportioning expenditures to each candidate or ballot
72 measure, political party committees and continuing committees need not include
73 expenditures for maintaining a permanent office, such as expenditures for
74 salaries of regular staff, office facilities and equipment or other expenditures not

75 designed to support or oppose any particular candidates or ballot measures;
76 however, all such expenditures shall be listed pursuant to subdivision (4) of this
77 subsection;

78 (8) A separate listing by full name and address of any committee
79 including a candidate committee controlled by the same candidate for which a
80 transfer of funds or a contribution in any amount has been made during the
81 reporting period, together with the date and amount of each such transfer or
82 contribution;

83 (9) A separate listing by full name and address of any committee,
84 including a candidate committee controlled by the same candidate from which a
85 transfer of funds or a contribution in any amount has been received during the
86 reporting period, together with the date and amount of each such transfer or
87 contribution;

88 (10) Each committee that receives a contribution which is restricted or
89 designated in whole or in part by the contributor for transfer to a particular
90 candidate, committee or other person shall include a statement of the name and
91 address of that contributor in the next disclosure report required to be filed after
92 receipt of such contribution, together with the date and amount of any such
93 contribution which was so restricted or designated by that contributor, together
94 with the name of the particular candidate or committee to whom such
95 contribution was so designated or restricted by that contributor and the date and
96 amount of such contribution.

97 2. For the purpose of this section and any other section in this chapter
98 except sections 130.049 and 130.050 which requires a listing of each contributor
99 who has contributed a specified amount, the aggregate amount shall be computed
100 by adding all contributions received from any one person during the following
101 periods:

102 (1) In the case of a candidate committee, the period shall begin on the
103 date on which the candidate became a candidate according to the definition of the
104 term "candidate" in section 130.011 and end at 11:59 p.m. on the day of the
105 primary election, if the candidate has such an election or at 11:59 p.m. on the day
106 of the general election. If the candidate has a general election held after a
107 primary election, the next aggregating period shall begin at 12:00 midnight on the
108 day after the primary election day and shall close at 11:59 p.m. on the day of the
109 general election. Except that for contributions received during the thirty-day
110 period immediately following a primary election, the candidate shall designate

111 whether such contribution is received as a primary election contribution or a
112 general election contribution;

113 (2) In the case of a campaign committee, the period shall begin on the
114 date the committee received its first contribution and end on the closing date for
115 the period for which the report or statement is required;

116 (3) In the case of a political party committee or a continuing committee,
117 the period shall begin on the first day of January of the year in which the report
118 or statement is being filed and end on the closing date for the period for which
119 the report or statement is required; except, if the report or statement is required
120 to be filed prior to the first day of July in any given year, the period shall begin
121 on the first day of July of the preceding year.

122 3. The disclosure report shall be signed and attested by the committee
123 treasurer or deputy treasurer and by the candidate in case of a candidate
124 committee.

125 4. The words "consulting or consulting services, fees, or expenses", or
126 similar words, shall not be used to describe the purpose of a payment as required
127 in this section. The reporting of any payment to such an independent contractor
128 shall be on a form supplied by the appropriate officer, established by the ethics
129 commission and shall include identification of the specific service or services
130 provided including, but not limited to, public opinion polling, research on issues
131 or opposition background, print or broadcast media production, print or broadcast
132 media purchase, computer programming or data entry, direct mail production,
133 postage, rent, utilities, phone solicitation, or fund raising, and the dollar amount
134 prorated for each service.

135 **5. The provisions of subsections 6 to 13 of this section shall be**
136 **known, and may be cited as, the "Dark Money Disclosure Act".**

137 **6. Any continuing committee, political action committee, as that**
138 **term is defined in section 23 of article VIII of the Missouri Constitution,**
139 **and any person who is not a committee, which has made one or more**
140 **expenditures or one or more covered transfers, aggregating two**
141 **thousand dollars or more since the conclusion of the most recent**
142 **general election, in support of, or opposition to:**

143 (1) **One or more candidates; or**

144 (2) **The qualification or passage of one or more ballot measures,**
145 **shall, in addition to the report required under subsection 1 of this**
146 **section, file a report with the appropriate officer no later than fourteen**

147 days after the date of making an expenditure or covered transfer
148 which, by itself or when added to all other such expenditures and
149 covered transfers made since the most recent report equals five
150 hundred dollars or more. If an expenditure or covered transfer is made
151 within thirty days prior to an election, such report shall be filed within
152 forty-eight hours after the date of making such expenditure or covered
153 transfer. All reports filed under this subsection shall contain the
154 following information:

155 (a) The name and address of the person who made the
156 expenditure or covered transfer, the date and amount of each
157 expenditure or covered transfer, the name and address of the recipient,
158 and a description of the nature and purpose of each expenditure or
159 covered transfer, including the name of any candidate or ballot
160 measure supported or opposed. If the person making the expenditure
161 or covered transfer is a natural person, the report shall also include
162 that person's employer;

163 (b) The name of any non-natural reporting person's owners,
164 partners, board members, and officers, or their equivalents. In the
165 event that a report does not otherwise include the name of a natural
166 person associated with the reporting person, the report shall include
167 the name, address, and other contact information of at least one natural
168 person with managerial control over the person making the
169 expenditure or covered transfer;

170 (c) Each report shall include receipts for the period of two years
171 before the date on which the expenditure or covered transfer was
172 made, including:

173 a. Total amount of all monetary contributions received which
174 can be identified in the person's records by name and address of each
175 contributor;

176 b. Total amount of all anonymous contributions accepted;

177 c. Total amount of all monetary contributions received through
178 fund-raising events or activities from participants whose names and
179 addresses were not obtained with such contributions, with an attached
180 statement or copy of the statement describing each fund-raising event
181 as required in subsection 6 of section 130.031;

182 d. Total dollar value of all in-kind contributions received;

183 e. (i) A separate listing by name and address, and employer, if

184 any, of each person from whom the reporting person received
185 contributions aggregating more than three hundred dollars, together
186 with the date and amount of each such contribution;

187 (ii) The names of the owners, partners, board members, and
188 officers, or their equivalents, of any person listed as required by item
189 (i) of this subparagraph;

190 (iii) A separate listing by name and address of each person from
191 whom each person listed as required by item (i) of this subparagraph
192 received contributions in the two-year period before such contributions
193 were made, aggregating more than two thousand dollars, together with
194 the date and amount of each such contribution;

195 (iv) The names of the owners, partners, board members, and
196 officers, or their equivalents, of any person listed as required by item
197 (iii) of this subparagraph;

198 (v) A separate listing by name and address of each person from
199 whom each person listed as required by item (iii) of this subparagraph
200 received contributions in the two-year period before such contributions
201 were made, aggregating more than five thousand dollars, together with
202 the date and amount of each such contribution;

203 (vi) The names of the owners, partners, board members, and
204 officers, or their equivalents, of any person listed as required by item
205 (v) of this subparagraph;

206 f. A listing of each loan received by name and address of the
207 lender and date and amount of the loan. For each loan of more than
208 one hundred dollars, a separate statement shall be attached setting
209 forth the name and address of the lender and each person liable
210 directly, indirectly or contingently, and the date, amount and terms of
211 the loan.

212 7. (1) A report filed under subsection 6 of this section need not
213 include:

214 (a) Any contribution or loan received by a natural person, so
215 long as the contribution or loan does not qualify as a covered transfer
216 under this section;

217 (b) A contribution or loan if:

218 a. The person making the contribution or loan prohibited, in
219 writing, the use of such transfer or payment for expenditures or
220 covered transfers; and

221 **b. The recipient of the contribution or loan agreed to follow the**
222 **prohibition and deposited the funds in an account segregated from any**
223 **account used to make expenditures or covered transfers.**

224 **(2) If the person filing the report has filed any previous report**
225 **under subsection 6 of this section since the most recent general**
226 **election, the subsequent report shall only include updated information,**
227 **and not contain information identical to that provided in previous**
228 **reports.**

229 **(3) Any person listing its contributors under this subsection shall**
230 **make reasonable efforts to identify and state the actual individuals or**
231 **other persons that are the sources of the contributions made.**

232 **8. (1) For purposes of subsections 6 to 8 of this section, the term**
233 **"covered transfer" shall mean any transfer or payment of funds to**
234 **another person if the person making the transfer or payment:**

235 **(a) Designates, requests, or suggests that the amounts be used**
236 **for:**

237 **a. Any expenditure; or**

238 **b. Making a transfer to another person for the purpose of making**
239 **or paying for an expenditure;**

240 **(b) Made such transfer or payment in response to a solicitation**
241 **or other request for a donation or payment for:**

242 **a. The making of or paying for expenditures;**

243 **b. Making a transfer to another person for the purpose of making**
244 **or paying for such expenditures;**

245 **(c) Engaged in discussions with the recipient of the transfer or**
246 **payment regarding:**

247 **a. The making of or paying for expenditures;**

248 **b. Donating or transferring any amount of such transfer or**
249 **payment to another person for the purpose of making or paying for**
250 **such expenditures;**

251 **(d) Made expenditures or covered transfers in an aggregate**
252 **amount of ten thousand dollars or more during the two-year period**
253 **ending on the date of the transfer or payment, or knew or had reason**
254 **to know that the person receiving the transfer or payment made such**
255 **expenditures or covered transfers in such an aggregate amount during**
256 **that two-year period; or**

257 **(e) Knew or had reason to know that the person receiving the**

258 transfer or payment would make expenditures or covered transfers in
259 an aggregate amount of ten thousand dollars or more during the
260 two-year period beginning on the date of the transfer or payment.

261 (2) "Covered transfer" shall not include any of the following:

262 (a) A transfer or payment made in a commercial transaction in
263 the ordinary course of any trade or business conducted by the covered
264 person or in the form of investments made by the covered person;

265 (b) A transfer or payment if:

266 a. The person making the transfer or payment prohibited, in
267 writing, the use of such transfer or payment for expenditures or
268 covered transfers; and

269 b. The recipient of the transfer or payment agreed to follow the
270 prohibition and deposited the funds in an account segregated from any
271 account used to make expenditures or covered transfers;

272 (c) A transfer or payment between two entities if:

273 a. One of the entities is an affiliate of the other entity; or

274 b. Each of the entities is an affiliate of the same entity,
275 unless one of the organizations is established for the purpose of making
276 expenditures or the recipient of the funds deposits the funds into a
277 segregated bank account used to make expenditures;

278 (d) A contribution to a campaign committee, political party
279 committee, exploratory committee, candidate committee, or debt
280 service committee.

281 (3) For purposes of this subsection, the following entities shall
282 be considered to be affiliated with each other:

283 (a) A membership organization, including a trade or professional
284 association, and the related state and local entities of that organization;

285 (b) A national or international labor organization and its state
286 or local unions, or an organization of national or international unions
287 and its state and local entities;

288 (c) A corporation and its wholly owned subsidiaries.

289 9. For purposes of subsection 6 of this section, "expenditure"
290 shall not include contributions made to a committee, and does not
291 include expenditures made in coordination or consultation with a
292 committee, provided that any such expenditure is recorded as a
293 contribution and so reported by the committee receiving support.

294 10. No person shall make payments or transfers to another

295 person for the purpose of avoiding the disclosure of the identity of any
296 person. The Missouri ethics commission shall promulgate rules to
297 ensure that the original sources of all contributions and expenditures
298 are disclosed. The commission may require any person to file reports
299 under this section or to disclose the original source of contributions or
300 expenditures that meet the thresholds provided in this section,
301 regardless of whether that disclosure is otherwise required by this
302 section.

303 11. Any report filed by a continuing committee or political action
304 committee pursuant to subsection 6 of this section shall not contain
305 information reported by such committee pursuant to any other
306 provision of this section.

307 12. For purposes of this section, "base year amount" shall be the
308 disclosure thresholds prescribed in this section on January 1,
309 2017. Such thresholds shall be increased on the first day of January in
310 each even-numbered year by multiplying the base year amount by the
311 cumulative consumer price index, as defined in section 104.010, and
312 rounded to the nearest twenty-five-dollar amount, for all years after
313 January 1, 2017.

314 13. Any rule or portion of a rule, as that term is defined in
315 section 536.010 that is created under the authority delegated in this
316 section shall become effective only if it complies with and is subject to
317 all of the provisions of chapter 536, and, if applicable, section
318 536.028. This section and chapter 536 are nonseverable and if any of
319 the powers vested with the general assembly pursuant to chapter 536,
320 to review, to delay the effective date, or to disapprove and annul a rule
321 are subsequently held unconstitutional, then the grant of rulemaking
322 authority and any rule proposed or adopted after August 28, 2017, shall
323 be invalid and void.

✓