

FIRST REGULAR SESSION

SENATE JOINT RESOLUTION NO. 1

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAAF.

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

ADRIANE D. CROUSE, Secretary.

0707S.02I

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing section 23 of article VIII of the Constitution of Missouri, and adopting one new section in lieu thereof relating to campaign finance.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the state of Missouri, on
2 Tuesday next following the first Monday in November, 2018, or at a special
3 election to be called by the governor for that purpose, there is hereby submitted
4 to the qualified voters of this state, for adoption or rejection, the following
5 amendment to article VIII of the Constitution of the state of Missouri:

Section A. Section 23, article VIII, Constitution of Missouri, is repealed
2 and one new section adopted in lieu thereof, to be known as section 23, to read
3 as follows:

Section 23. 1. This section shall be known as the "Missouri Campaign
2 Contribution Reform Initiative."

3 2. The people of the state of Missouri hereby find and declare that
4 excessive campaign contributions to political candidates create the potential for
5 corruption and the appearance of corruption; that large campaign contributions
6 made to influence election outcomes allow wealthy individuals, corporations and
7 special interest groups to exercise a disproportionate level of influence over the
8 political process; that the rising costs of campaigning for political office prevent
9 qualified citizens from running for political office; that political contributions
10 from corporations and labor organizations are not necessarily an indication of
11 popular support for the corporation's or labor organization's political ideas and
12 can unfairly influence the outcome of Missouri elections; and that the interests

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

13 of the public are best served by limiting campaign contributions, providing for full
14 and timely disclosure of campaign contributions, and strong enforcement of
15 campaign finance requirements.

16 3. (1) Except as provided in subdivisions (2), (3) and (4) of this subsection,
17 the amount of contributions made by or accepted from any person other than the
18 candidate in any one election shall not exceed the following:

19 (a) To elect an individual to the office of governor, lieutenant governor,
20 secretary of state, state treasurer, state auditor, attorney general, office of state
21 senator, office of state representative or any other state or judicial office, two
22 thousand six hundred dollars.

23 (2) (a) No political party shall accept aggregate contributions from any
24 person that exceed twenty-five thousand dollars per election at the state, county,
25 municipal, district, ward, and township level combined.

26 (b) No political party shall accept aggregate contributions from any
27 committee that exceed twenty-five thousand dollars per election at the state,
28 county, municipal, district, ward, and township level combined.

29 (3) (a) It shall be unlawful for a [corporation] **business entity** or labor
30 organization to make contributions to a [campaign committee,] candidate
31 committee, exploratory committee, political party committee or a political party;
32 except that a [corporation] **business entity** or labor organization may establish
33 a continuing committee which may accept contributions or dues from members,
34 officers, directors, employees or security holders.

35 (b) The prohibition contained in subdivision (a) of this subsection shall not
36 apply to a [corporation] **business entity** that:

37 (i) Is formed for the purpose of promoting political ideas and cannot
38 engage in business activities; and

39 (ii) Has no security holders or other persons with a claim on its assets or
40 income; and

41 (iii) Was not established by and does not accept contributions from
42 business [corporations] **entities** or labor organizations.

43 (4) No candidate's candidate committee shall accept contributions from,
44 or make contributions to, another candidate committee, including any candidate
45 committee, or equivalent entity, established under federal law.

46 (5) Notwithstanding any other subdivision of this subsection to the
47 contrary, a candidate's candidate committee may receive a loan from a financial
48 institution organized under state or federal law if the loan bears the usual and

49 customary interest rate, is made on a basis that assures repayments, is evidenced
50 by a written instrument, and is subject to a due date or amortization
51 schedule. The contribution limits described in this subsection shall not apply to
52 a loan as described in this subdivision.

53 (6) No campaign committee, candidate committee, continuing committee,
54 exploratory committee, political party committee, and political party shall accept
55 a contribution in cash exceeding one hundred dollars per election.

56 (7) No contribution shall be made or accepted, directly or indirectly, in a
57 fictitious name, in the name of another person, or by or through another person
58 in such a manner as to conceal the identity of the actual source of the
59 contribution or the actual recipient. Any person who receives contributions for
60 a committee shall disclose to that committee's treasurer, deputy treasurer or
61 candidate the recipient's own name and address and the name and address of the
62 actual source of each contribution such person has received for that committee.

63 (8) No anonymous contribution of more than twenty-five dollars shall be
64 made by any person, and no anonymous contribution of more than twenty-five
65 dollars shall be accepted by any candidate or committee. If any anonymous
66 contribution of more than twenty-five dollars is received, it shall be returned
67 immediately to the contributor, if the contributor's identity can be ascertained,
68 and if the contributor's identity cannot be ascertained, the candidate, committee
69 treasurer or deputy treasurer shall immediately transmit that portion of the
70 contribution which exceeds twenty-five dollars to the state treasurer and it shall
71 escheat to the state.

72 (9) The maximum aggregate amount of anonymous contributions which
73 shall be accepted per election by any committee shall be the greater of five
74 hundred dollars or one percent of the aggregate amount of all contributions
75 received by that committee in the same election. If any anonymous contribution
76 is received which causes the aggregate total of anonymous contributions to exceed
77 the foregoing limitation, it shall be returned immediately to the contributor, if the
78 contributor's identity can be ascertained, and, if the contributor's identity cannot
79 be ascertained, the committee treasurer, deputy treasurer or candidate shall
80 immediately transmit the anonymous contribution to the state treasurer to
81 escheat to the state.

82 (10) Notwithstanding the provisions of subdivision (9) of this subsection,
83 contributions from individuals whose names and addresses cannot be ascertained
84 which are received from a fund-raising activity or event, such as defined in

85 section 130.011, RSMo, as amended from time to time, shall not be deemed
86 anonymous contributions, provided the following conditions are met:

87 (a) There are twenty-five or more contributing participants in the activity
88 or event;

89 (b) The candidate, committee treasurer, deputy treasurer or the person
90 responsible for conducting the activity or event makes an announcement that it
91 is illegal for anyone to make or receive a contribution in excess of one hundred
92 dollars unless the contribution is accompanied by the name and address of the
93 contributor;

94 (c) The person responsible for conducting the activity or event does not
95 knowingly accept payment from any single person of more than one hundred
96 dollars unless the name and address of the person making such payment is
97 obtained and recorded pursuant to the record-keeping requirements of section
98 130.036, RSMo, as amended from time to time;

99 (d) A statement describing the event shall be prepared by the candidate
100 or the treasurer of the committee for whom the funds were raised or by the
101 person responsible for conducting the activity or event and attached to the
102 disclosure report of contributions and expenditures required by section 130.041,
103 RSMo, as amended from time to time. The following information to be listed in
104 the statement is in addition to, not in lieu of, the requirements elsewhere [in this
105 chapter] **under Missouri law** relating to the recording and reporting of
106 contributions and expenditures:

107 (i) The name and mailing address of the person or persons responsible for
108 conducting the event or activity and the name and address of the candidate or
109 committee for whom the funds were raised;

110 (ii) The date on which the event occurred;

111 (iii) The name and address of the location where the event occurred and
112 the approximate number of participants in the event;

113 (iv) A brief description of the type of event and the fund-raising methods
114 used;

115 (v) The gross receipts from the event and a listing of the expenditures
116 incident to the event;

117 (vi) The total dollar amount of contributions received from the event from
118 participants whose names and addresses were not obtained with such
119 contributions and an explanation of why it was not possible to obtain the names
120 and addresses of such participants;

121 (vii) The total dollar amount of contributions received from contributing
122 participants in the event who are identified by name and address in the records
123 required to be maintained pursuant to section 130.036, RSMo, as amended from
124 time to time.

125 (11) No candidate or committee in this state shall accept contributions
126 from any out-of-state committee unless the out-of-state committee from whom the
127 contributions are received has filed a statement of organization pursuant to
128 section 130.021, RSMo, as amended from time to time, or has filed the reports
129 required by sections 130.049 and 130.050, RSMo, as amended from time to time,
130 whichever is applicable to that committee.

131 (12) [Political action] **Continuing** committees shall only receive
132 contributions from individuals[; unions;] **and** federal political action committees[;
133 and corporations, associations, and partnerships formed under chapters 347 to
134 360, RSMo, as amended from time to time], and shall be prohibited from receiving
135 contributions from **labor organizations, business entities**, other [political
136 action] **continuing** committees, candidate committees, political party
137 committees, campaign committees, exploratory committees, or debt service
138 committees. However, candidate committees, political party committees,
139 campaign committees, exploratory committees, and debt service committees shall
140 be allowed to return contributions to a donor [political action] **continuing**
141 committee that is the origin of the contribution.

142 (13) The prohibited committee transfers described in subdivision (12) of
143 this subsection shall not apply to the following committees:

144 (a) The state house committee per political party designated by the
145 respective majority or minority floor leader of the house of representatives or the
146 chair of the state party if the party does not have majority or minority party
147 status;

148 (b) The state senate committee per political party designated by the
149 respective majority or minority floor leader of the senate or the chair of the state
150 party if the party does not have majority or minority party status.

151 (14) No person shall transfer anything of value to any committee with the
152 intent to conceal, from the Missouri ethics commission, the identity of the actual
153 source. Any violation of this subdivision shall be punishable as follows:

154 (a) For the first violation, the Missouri ethics commission shall notify such
155 person that the transfer to the committee is prohibited under this section within
156 five days of determining that the transfer is prohibited, and that such person

157 shall notify the committee to which the funds were transferred that the funds
158 must be returned within ten days of such notification;

159 (b) For the second violation, the person transferring the funds shall be
160 guilty of a class C misdemeanor;

161 (c) For the third and subsequent violations, the person transferring the
162 funds shall be guilty of a class D felony.

163 (15) No person shall make a contribution to a campaign committee,
164 candidate committee, continuing committee, exploratory committee, political party
165 committee, and political party with the expectation that some or all of the
166 amounts of such contribution will be reimbursed by another person. No person
167 shall be reimbursed for a contribution made to any campaign committee,
168 candidate committee, continuing committee, exploratory committee, political party
169 committee, and political party, nor shall any person make such reimbursement
170 [except*] **except** as provided in subdivision (5) of this subsection.

171 (16) No campaign committee, candidate committee, continuing committee,
172 exploratory committee, political party committee, and political party shall
173 knowingly accept contributions from:

174 (a) Any natural person who is not a citizen of the United States;

175 (b) A foreign government; or

176 (c) Any foreign [corporation] **business entity** that does not have the
177 authority to transact business in this state [pursuant to chapter 347, RSMo, as
178 amended from time to time].

179 (17) Contributions from persons under fourteen years of age shall be
180 considered made by the parents or guardians of such person and shall be
181 attributed toward any contribution limits prescribed in this chapter. Where the
182 contributor under fourteen years of age has two custodial parents or guardians,
183 fifty percent of the contribution shall be attributed to each parent or guardian,
184 and where such contributor has one custodial parent or guardian, all such
185 contributors shall be attributed to the custodial parent or guardian.

186 (18) Each limit on contributions described in subdivisions (1), (2)(a), and
187 (2)(b) of this subsection shall be adjusted by an amount based upon the average
188 of the percentage change over a four-year period in the United States Bureau of
189 Labor Statistics Consumer Price Index for Kansas City, all items, all consumers,
190 or its successor index, rounded to the nearest lowest twenty-five dollars and the
191 percentage change over a four-year period in the United States Bureau of Labor
192 Statistics Consumer Price Index for St. Louis, all items, all consumers, or its

193 successor index, rounded to the nearest lowest twenty-five dollars. The first
194 adjustment shall be done in the first quarter of 2019, and then every four years
195 thereafter. The secretary of state shall calculate such an adjustment in each
196 limit and specify the limits in rules promulgated in accordance with chapter 536,
197 RSMo, as amended from time to time.

198 **(19) (a) No contribution shall be made or accepted with the**
199 **intent to circumvent the limitations on contributions imposed in this**
200 **section.**

201 **(b) In determining if a contribution is made or accepted with the**
202 **intent to circumvent the contribution limits imposed in this section,**
203 **one fact that may be considered is whether the contribution is received**
204 **from a committee or organization that is, at the time the contribution**
205 **was made, primarily funded by a single person, individual, or other**
206 **committee that has already reached its contribution limit under any**
207 **law relating to contribution limitations. For purposes of this section,**
208 **a committee or organization is "primarily funded by a single person,**
209 **individual, or other committee" when the committee or organization**
210 **receives more than fifty percent of its annual funding from that single**
211 **person, individual, or other committee.**

212 **(c) The commission shall promulgate rules to determine whether**
213 **the contributions or expenditures of any entity subject to this section**
214 **shall be aggregated with the contributions or expenditures of another**
215 **entity for purposes of the limits or thresholds contained in this**
216 **section. The rules shall ensure that no person may avoid the limits or**
217 **thresholds created by this section through creation or use of multiple**
218 **vehicles for political spending.**

219 **(20) In no circumstance shall a candidate be found to have**
220 **violated limits on acceptance of contributions if the commission, its**
221 **successor agency, or a court determines that a candidate has taken no**
222 **action to indicate acceptance of or acquiescence to the making of an**
223 **expenditure that is deemed a contribution pursuant to this section.**

224 **(21) The commission shall promulgate regulations providing for**
225 **entities that provide professional campaign services to candidates and**
226 **other persons to create bona fide firewalls, which, if implemented**
227 **rigorously and in good faith, may allow an entity to provide**
228 **professional campaign services to both a candidate and a person**
229 **independent of that candidate without causing the independent**

230 **person's spending to be deemed a contribution under this section.**

231 4. (1) Notwithstanding the provisions of subsection 3 of section 105.957,
232 RSMo, as amended from time to time, any natural person may file a complaint
233 with the Missouri ethics commission alleging a violation of the provisions of
234 Section 3 of this Article by any candidate for elective office, within sixty days
235 prior to the primary election at which such candidate is running for office, until
236 after the general election. Any such complaint shall be in writing, shall state all
237 facts known by the complainant which have given rise to the complaint, and shall
238 be sworn to, under penalty of perjury, by the complainant.

239 (2) Within the first business day after receipt of a complaint pursuant to
240 this section, the executive director shall supply a copy of the complaint to the
241 person or entity named in the complaint. The executive director of the Missouri
242 ethics commission shall notify the complainant and the person or entity named
243 in the complaint of the date and time at which the commission shall audit and
244 investigate the allegations contained in the complaint pursuant to subdivision (3)
245 of this subsection.

246 (3) Within fifteen business days of receipt of a complaint pursuant to this
247 section, the commission shall audit and investigate the allegations contained in
248 the complaint and shall determine by a vote of at least four members of the
249 commission that there are reasonable grounds to believe that a violation of law
250 has occurred within the jurisdiction of the commission. The respondent may
251 reply in writing or in person to the allegations contained in the complaint and
252 may state justifications to dismiss the complaint. The complainant may also
253 present evidence in support of the allegations contained in the complaint, but
254 such evidence shall be limited in scope to the allegations contained in the original
255 complaint, and such complaint may not be supplemented or otherwise enlarged
256 in scope.

257 (4) If, after audit and investigation of the complaint and upon a vote of
258 at least four members of the commission, the commission determines that there
259 are reasonable grounds to believe that a violation of law has occurred within the
260 jurisdiction of the commission, the commission shall proceed with such complaint
261 as provided by sections 105.957 to 105.963, RSMo, as amended from time to time.
262 If the commission does not determine that there are reasonable grounds to believe
263 that such a violation of law has occurred, the complaint shall be dismissed. If a
264 complaint is dismissed, the fact that such complaint was dismissed, with a
265 statement of the nature of the complaint, shall be made public within twenty-four

266 hours of the commission's action.

267 (5) Any complaint made pursuant to this section, and all proceedings and
268 actions concerning such a complaint, shall be subject to the provisions of
269 subsection 15 of section 105.961, RSMo, as amended from time to time.

270 (6) No complaint shall be accepted by the commission within fifteen days
271 prior to the primary or general election at which such candidate is running for
272 office.

273 5. Any person who knowingly and willfully accepts or makes a
274 contribution in violation of any provision of [Section 3 of this Article] **this**
275 **section** or who knowingly and willfully conceals a contribution by filing a false
276 or incomplete report or by not filing a required report under chapter 130, RSMo,
277 as amended from time to time, shall be held liable to the state in civil penalties
278 in an amount of at least double and up to five times the amount of any such
279 contribution.

280 6. (1) Any person who purposely violates the provisions of [Section 3 of
281 this Article] **this section** is guilty of a class A misdemeanor.

282 (2) Notwithstanding any other provision of law which bars prosecutions
283 for any offenses other than a felony unless commenced within one year after the
284 commission of the offense, any offense under the provisions of this section may
285 be prosecuted if the indictment be found or prosecution be instituted within three
286 years after the commission of the alleged offense.

287 (3) Any prohibition to the contrary notwithstanding, no person shall be
288 deprived of the rights, guarantees, protections or privileges accorded by sections
289 130.011 to 130.026, 130.031 to 130.068, 130.072, and 130.081, RSMo, as amended
290 from time to time, by any person, [corporation] **business entity**, entity or
291 political subdivision.

292 7. As used in this section, the following terms have the following
293 meanings:

294 (1) "Appropriate officer" or "appropriate officers", the person or persons
295 designated in section 130.026, RSMo, or any successor section, to receive certain
296 required statements and reports;

297 (2) "**Business entity**", **any corporation, limited liability company,**
298 **partnership, proprietorship, or joint venture;**

299 (3) "Candidate", an individual who seeks nomination or election to public
300 office. The term "candidate" includes an elected officeholder who is the subject
301 of a recall election, an individual who seeks nomination by the individual's

302 political party for election to public office, an individual standing for retention in
303 an election to an office to which the individual was previously appointed, an
304 individual who seeks nomination or election whether or not the specific elective
305 public office to be sought has been finally determined by such individual at the
306 time the individual meets the conditions described in paragraph (a) or (b) of this
307 subdivision, and an individual who is a write-in candidate as defined in
308 subdivision [(26)] **(30)** of this section. A candidate shall be deemed to seek
309 nomination or election when the person first:

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

312 (b) Knows or has reason to know that contributions are being received or
313 expenditures are being made or space or facilities are being reserved with the
314 intent to promote the person's candidacy for office; except that, such individual
315 shall not be deemed a candidate if the person files a statement with the
316 appropriate officer within five days after learning of the receipt of contributions,
317 the making of expenditures, or the reservation of space or facilities disavowing
318 the candidacy and stating that the person will not accept nomination or take
319 office if elected; provided that, if the election at which such individual is
320 supported as a candidate is to take place within five days after the person's
321 learning of the above-specified activities, the individual shall file the statement
322 disavowing the candidacy within one day; or

323 (c) Announces or files a declaration of candidacy for office.

324 [(3)] **(4)** "Cash", currency, coin, United States postage stamps, or any
325 negotiable instrument which can be transferred from one person to another
326 person without the signature or endorsement of the transferor.

327 **(5) "Commission", the Missouri ethics commission.**

328 [(4)] **(6)** "Committee", a person or any combination of persons, who
329 accepts contributions or makes expenditures for the primary or incidental purpose
330 of influencing or attempting to influence the action of voters for or against the
331 nomination or election to public office of one or more candidates or the
332 qualification, passage or defeat of any ballot measure or for the purpose of paying
333 a previously incurred campaign debt or obligation of a candidate or the debts or
334 obligations of a committee or for the purpose of contributing funds to another
335 committee.

336 [(5)] **(7)** "Committee", does not include:

337 (a) A person or combination of persons, if neither the aggregate of

338 expenditures made nor the aggregate of contributions received during a calendar
339 year exceeds five hundred dollars and if no single contributor has contributed
340 more than two hundred fifty dollars of such aggregate contributions;

341 (b) An individual, other than a candidate, who accepts no contributions
342 and who deals only with the individual's own funds or property;

343 (c) A [corporation] **business entity, or** cooperative association[,
344 partnership, proprietorship, or joint venture] organized or operated for a primary
345 or principal purpose other than that of influencing or attempting to influence the
346 action of voters for or against the nomination or election to public office of one or
347 more candidates or the qualification, passage or defeat of any ballot measure, and
348 it accepts no contributions, and all expenditures it makes are from its own funds
349 or property obtained in the usual course of business or in any commercial or other
350 transaction and which are not contributions as defined by subdivision [(7)] **(9)** of
351 this [section] **subsection;**

352 (d) A labor organization organized or operated for a primary or principal
353 purpose other than that of influencing or attempting to influence the action of
354 voters for or against the nomination or election to public office of one or more
355 candidates, or the qualification, passage, or defeat of any ballot measure, and it
356 accepts no contributions, and expenditures made by the organization are from its
357 own funds or property received from membership dues or membership fees which
358 were given or solicited for the purpose of supporting the normal and usual
359 activities and functions of the organization and which are not contributions as
360 defined by subdivision [(7)] **(9)** of this [section] **subsection;**

361 (e) A person who acts as an authorized agent for a committee in soliciting
362 or receiving contributions or in making expenditures or incurring indebtedness
363 on behalf of the committee if such person renders to the committee treasurer or
364 deputy treasurer or candidate, if applicable, an accurate account of each receipt
365 or other transaction in the detail required by the treasurer to comply with all
366 record-keeping and reporting requirements; or

367 (f) Any department, agency, board, institution or other entity of the state
368 or any of its subdivisions or any officer or employee thereof, acting in the person's
369 official capacity.

370 [(6)] **(8)** The term "committee" includes, but is not limited to, each of the
371 following committees: campaign committee, candidate committee, continuing
372 committee and political party committee:

373 (a) "Campaign committee", a committee, other than a candidate

374 committee, which shall be formed by an individual or group of individuals to
375 receive contributions or make expenditures and whose sole purpose is to support
376 or oppose the qualification and passage of one or more particular ballot measures
377 in an election or the retention of judges under the nonpartisan court plan, such
378 committee shall be formed no later than thirty days prior to the election for which
379 the committee receives contributions or makes expenditures, and which shall
380 terminate the later of either thirty days after the general election or upon the
381 satisfaction of all committee debt after the general election, except that no
382 committee retiring debt shall engage in any other activities in support of a
383 measure for which the committee was formed;

384 (b) "Candidate committee", a committee which shall be formed by a
385 candidate to receive contributions or make expenditures in behalf of the person's
386 candidacy and which shall continue in existence for use by an elected candidate
387 or which shall terminate the later of either thirty days after the general election
388 for a candidate who was not elected or upon the satisfaction of all committee debt
389 after the election, except that no committee retiring debt shall engage in any
390 other activities in support of the candidate for which the committee was
391 formed. Any candidate for elective office shall have only one candidate committee
392 for the elective office sought, which is controlled directly by the candidate for the
393 purpose of making expenditures. A candidate committee is presumed to be under
394 the control and direction of the candidate unless the candidate files an affidavit
395 with the appropriate officer stating that the committee is acting without control
396 or direction on the candidate's part;

397 (c) "Continuing committee", a committee of continuing existence which is
398 not formed, controlled or directed by a candidate, and is a committee other than
399 a candidate committee, **exploratory committee, debt service committee,**
400 **political party committee,** or campaign committee, whose primary or
401 incidental purpose is to receive contributions or make expenditures to influence
402 or attempt to influence the action of voters whether or not a particular candidate
403 or candidates or a particular ballot measure or measures to be supported or
404 opposed has been determined at the time the committee is required to file any
405 statement or report pursuant to the provisions of this chapter. "Continuing
406 committee" includes, but is not limited to, any committee organized or sponsored
407 by a business entity, a labor organization, a professional association, a trade or
408 business association, a club or other organization and whose primary purpose is
409 to solicit, accept and use contributions from the members, employees or

410 stockholders of such entity and any individual or group of individuals who accept
411 and use contributions to influence or attempt to influence the action of
412 voters. Such committee shall be formed no later than sixty days prior to the
413 election for which the committee receives contributions or makes
414 expenditures. **Notwithstanding any other provision of law to the**
415 **contrary, a committee shall not be considered a continuing committee**
416 **for the purposes of this section if it makes no contributions and if**
417 **neither its primary nor its incidental purpose is to make contributions;**
418 and

419 (d) "Connected organization", any organization such as a [corporation]
420 **business entity**, a labor organization, a membership organization, a cooperative,
421 or trade or professional association which expends funds or provides services or
422 facilities to establish, administer or maintain a committee or to solicit
423 contributions to a committee from its members, officers, directors, employees or
424 security holders. An organization shall be deemed to be the connected
425 organization if more than fifty percent of the persons making contributions to the
426 committee during the current calendar year are members, officers, directors,
427 employees or security holders of such organization or their spouses.

428 [(7)] (9) "Contribution", a payment, gift, loan, advance, deposit, or
429 donation of money or anything of value for the purpose of supporting or opposing
430 the nomination or election of any candidate for public office or the qualification,
431 passage or defeat of any ballot measure, or for the support of any committee
432 supporting or opposing candidates or ballot measures or for paying debts or
433 obligations of any candidate or committee previously incurred for the above
434 purposes. A contribution of anything of value shall be deemed to have a money
435 value equivalent to the fair market value. "Contribution" includes, but is not
436 limited to:

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

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

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

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

446 (e) Any loan, guarantee of a loan, cancellation or forgiveness of a loan or
447 debt or other obligation by a third party, or payment of a loan or debt or other
448 obligation by a third party if the loan or debt or other obligation was contracted,
449 used, or intended, in whole or in part, for use in an election campaign or used or
450 intended for the payment of such debts or obligations of a candidate or committee
451 previously incurred, or which was made or received by a committee;

452 (f) Funds received by a committee which are transferred to such
453 committee from another committee or other source, except funds received by a
454 candidate committee as a transfer of funds from another candidate committee
455 controlled by the same candidate but such transfer shall be included in the
456 disclosure reports;

457 (g) Facilities, office space or equipment supplied by any person to a
458 candidate or committee without charge or at reduced charges, except gratuitous
459 space for meeting purposes which is made available regularly to the public,
460 including other candidates or committees, on an equal basis for similar purposes
461 on the same conditions; [and]

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

466 **(i) Any expenditure by any person other than a candidate or a**
467 **candidate committee made in connection with the nomination for**
468 **election or election of any candidate that is authorized, requested,**
469 **suggested, or fostered by or made in cooperation with a candidate,**
470 **candidate committee, or agents of the candidate or candidate**
471 **committee; or**

472 **(j) Any expenditure for any communication which republishes,**
473 **disseminates, or distributes in whole or in part, any broadcast or any**
474 **written, graphic, or other form of campaign material prepared by the**
475 **candidate or candidate committee or agents of the candidate or**
476 **candidate committee, other than a photograph obtained from a public**
477 **source.**

478 [(8)] (10) "Contribution" does not include:

479 (a) Ordinary home hospitality or services provided without compensation
480 by individuals volunteering their time in support of or in opposition to a
481 candidate, committee or ballot measure, nor the necessary and ordinary personal

482 expenses of such volunteers incidental to the performance of voluntary activities,
483 so long as no compensation is directly or indirectly asked or given;

484 (b) An offer or tender of a contribution which is expressly and
485 unconditionally rejected and returned to the donor within ten business days after
486 receipt or transmitted to the state treasurer;

487 (c) Interest earned on deposit of committee funds; or

488 (d) The costs incurred by any connected organization listed pursuant to
489 subdivision (4) of subsection 5 of section 130.021, RSMo, as amended from time
490 to time, for establishing, administering or maintaining a committee, or for the
491 solicitation of contributions to a committee which solicitation is solely directed or
492 related to the members, officers, directors, employees or security holders of the
493 connected organization.

494 **(11) There shall be a rebuttable presumption that an expenditure**
495 **by a person for a covered communication is a contribution in any of the**
496 **following circumstances:**

497 **(a) Information not generally available to the public regarding**
498 **the candidate's campaign, plans, projects, activities, or needs is**
499 **material to the creation, production or distribution of the**
500 **communication;**

501 **(b) The person discusses or negotiates the communication with**
502 **the candidate, candidate committee or an agent of the candidate or**
503 **candidate committee prior to the date the communication is publicly**
504 **disseminated or distributed;**

505 **(c) The person and the candidate or candidate committee retain**
506 **the same individual or entity to provide professional campaign services**
507 **during the same election cycle. For purposes of this paragraph, the**
508 **term "professional campaign services" does not include accounting or**
509 **legal services, or other non-campaign services;**

510 **(d) The expenditure is made by a person who is a coordinated**
511 **spender with respect to the candidate.**

512 **(12) None of the following circumstances shall be sufficient in**
513 **and of itself to support a finding that an expenditure by a person for**
514 **a communication is authorized, requested, suggested, or fostered by a**
515 **candidate or committee, or made in cooperation with a candidate or**
516 **committee:**

517 **(a) The person interviews the candidate regarding legislative or**
518 **policy issues that affect the spender or discusses campaign-related**

519 issues with the candidate, but does not communicate with the
520 candidate regarding the communication;

521 (b) The person solicits or obtains a photograph, biography,
522 position paper, press release, or similar material from the candidate
523 and, without the candidate's prior knowledge, uses that material in the
524 communication;

525 (c) The person made contributions to the candidate;

526 (d) The person unilaterally communicates to the candidate the
527 intent to make a communication, but does not discuss or negotiate the
528 communication with the candidate;

529 (e) The person employs or contracts with a political consultant
530 or pollster who rendered services to the candidate prior to the current
531 election cycle.

532 (13) "Coordinated spender", with respect to a candidate or
533 candidate committee of a candidate, a person for which any of the
534 following applies:

535 (a) The person is directly or indirectly formed or established by
536 or at the request or suggestion of, or with the encouragement of, the
537 candidate or candidate committee, or agents of the candidate or
538 candidate committee, including with the express or tacit approval of
539 the candidate or committee or agents of the candidate or committee;

540 (b) The candidate or the candidate committee or agents of the
541 candidate or committee solicit funds or engage in other fundraising
542 activity on the person's behalf during the election cycle involved,
543 including by providing the person with names of potential donors or
544 other lists to be used by the person in engaging in fundraising activity,
545 regardless of whether the person pays fair market value for the names
546 or lists provided;

547 (c) The person is established, directed, or managed by any
548 person who, during the two-year period before the general election or
549 primary election in which the candidate stands for nomination, has
550 been employed or retained as a political, media, or fundraising adviser
551 or consultant for the candidate or committee or for any other entity
552 directly or indirectly controlled by the candidate or committee, or has
553 held a formal position with a title for the candidate or committee;

554 (d) The person is a current or former business partner of a
555 candidate or is established, directed, or managed by a current or

556 former business partner of the candidate, in the case of a person that
557 is a political committee. For purposes of this paragraph, the term
558 "business partner of a candidate" means a person who is a director,
559 officer, partner, trustee, owner, employee, or who holds any position of
560 management in a business entity, or an affiliate of a business entity, in
561 which the candidate is a director, officer, partner, trustee, owner,
562 employee, or holds any position of management; "an affiliate of a
563 business entity" means any business entity that directly, or indirectly
564 through one or more intermediaries, controls, or is controlled by, or is
565 under common control with the business entity;

566 (e) The person is serving or has served in a formal advisory or
567 policy-making position with the candidate or has participated in
568 strategic or policy-making discussions with the candidate regarding the
569 pursuit of nomination or election to office during the two-year period
570 before the general election or before any primary election in which the
571 candidate stands for nomination;

572 (f) The person has, within the same election cycle, co-hosted or
573 co-sponsored with the candidate or the candidate committee
574 fundraising events or campaign activities benefitting the person, the
575 candidate, or the candidate committee;

576 (g) The person is controlled, established, directed, managed, or
577 retains significant services from the family member of a candidate.

578 [(9)] (14) "County", any one of the several counties of this state or the
579 City of St. Louis.

580 (15) "Covered communication", a communication conveyed to five
581 hundred or more members of a general public audience that refers to
582 a clearly identified candidate and:

583 (a) Either:

584 a. Irrespective of when such communication is made, contains
585 words such as "vote", "oppose", "support", "elect", "defeat", or "reject" in
586 expressly advocating the election or defeat of the candidate; or

587 b. Refers to and advocates for or against a clearly identified
588 candidate or ballot proposal on or after January first of the year of the
589 election in which such candidate is seeking office or such proposal
590 shall appear on the ballot; and

591 (b) Is:

592 a. A broadcast, cable or satellite audio or video communication

593 **or an internet communication; or**

594 **b. Printed advertisements, pamphlets, circulars, flyers,**
595 **brochures, or a billboard.**

596 **A communication over the internet is a "covered communication" only**
597 **if it is placed for a fee on another person's web site;**

598 [(10)] (16) "Disclosure report", an itemized report of receipts,
599 expenditures and incurred indebtedness which is prepared on forms approved by
600 the Missouri ethics commission and filed at the times and places prescribed.

601 [(11)] (17) "Election", any primary, general or special election held to
602 nominate or elect an individual to public office, to retain or recall an elected
603 officeholder or to submit a ballot measure to the voters, and any caucus or other
604 meeting of a political party or a political party committee at which that party's
605 candidate or candidates for public office are officially selected. A primary election
606 and the succeeding general election shall be considered separate elections.

607 [(12)] (18) "Expenditure", a payment, advance, conveyance, deposit,
608 donation or contribution of money or anything of value for the purpose of
609 supporting or opposing the nomination or election of any candidate for public
610 office or the qualification or passage of any ballot measure or for the support of
611 any committee which in turn supports or opposes any candidate or ballot measure
612 or for the purpose of paying a previously incurred campaign debt or obligation of
613 a candidate or the debts or obligations of a committee; a payment, or an
614 agreement or promise to pay, money or anything of value, including a candidate's
615 own money or property, for the purchase of goods, services, property, facilities or
616 anything of value for the purpose of supporting or opposing the nomination or
617 election of any candidate for public office or the qualification or passage of any
618 ballot measure or for the support of any committee which in turn supports or
619 opposes any candidate or ballot measure or for the purpose of paying a previously
620 incurred campaign debt or obligation of a candidate or the debts or obligations of
621 a committee. An expenditure of anything of value shall be deemed to have a
622 money value equivalent to the fair market value. "Expenditure" includes, but is
623 not limited to:

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

626 (b) The purchase of tickets, goods, services or political merchandise in
627 connection with any testimonial affair or fund-raising event of or for candidates
628 or committees, or the purchase of advertising in a brochure, booklet, program or

629 pamphlet of a candidate or committee;

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

631 (d) The direct or indirect payment by any person, other than a connected
632 organization for a committee, of the costs of establishing, administering or
633 maintaining a committee, including legal, accounting and computer services, fund
634 raising and solicitation of contributions for a committee.

635 [(13)] **(19)** "Expenditure" does not include:

636 (a) Any news story, commentary or editorial which is broadcast or
637 published by any broadcasting station, newspaper, magazine or other periodical
638 without charge to the candidate or to any person supporting or opposing a
639 candidate or ballot measure;

640 (b) The internal dissemination by any membership organization,
641 [proprietorship,] labor organization, [corporation] **business entity**, association
642 or other entity of information advocating the election or defeat of a candidate or
643 candidates or the passage or defeat of a ballot measure or measures to its
644 directors, officers, members, employees or security holders, provided that the cost
645 incurred is reported pursuant to subsection 2 of section 130.051, RSMo, as
646 amended from time to time;

647 (c) Repayment of a loan, but such repayment shall be indicated in
648 required reports;

649 (d) The rendering of voluntary personal services by an individual of the
650 sort commonly performed by volunteer campaign workers and the payment by
651 such individual of the individual's necessary and ordinary personal expenses
652 incidental to such volunteer activity, provided no compensation is, directly or
653 indirectly, asked or given;

654 (e) The costs incurred by any connected organization listed pursuant to
655 subdivision (4) of subsection 5 of section 130.021, RSMo, as amended from time
656 to time, for establishing, administering or maintaining a committee, or for the
657 solicitation of contributions to a committee which solicitation is solely directed or
658 related to the members, officers, directors, employees or security holders of the
659 connected organization; or

660 (f) The use of a candidate's own money or property for expense of the
661 candidate's personal food, lodging, travel, and payment of any fee necessary to the
662 filing for public office, if such expense is not reimbursed to the candidate from
663 any source.

664 [(14)] **(20)** "Exploratory committees", a committee which shall be formed

665 by an individual to receive contributions and make expenditures on behalf of this
666 individual in determining whether or not the individual seeks elective
667 office. Such committee shall terminate no later than December thirty-first of the
668 year prior to the general election for the possible office.

669 [(15)] (21) "Fund-raising event", an event such as a dinner, luncheon,
670 reception, coffee, testimonial, rally, auction or similar affair through which
671 contributions are solicited or received by such means as the purchase of tickets,
672 payment of attendance fees, donations for prizes or through the purchase of
673 goods, services or political merchandise.

674 [(16)] (22) "In-kind contribution" or "in-kind expenditure", a contribution
675 or expenditure in a form other than money.

676 [(17)] (23) "Labor organization", any organization of any kind, or any
677 agency or employee representation committee or plan, in which employees
678 participate and which exists for the purpose, in whole or in part, of dealing with
679 employers concerning grievances, labor disputes, wages, rates of pay, hours of
680 employment, or conditions of work.

681 [(18)] (24) "Loan", a transfer of money, property or anything of
682 ascertainable monetary value in exchange for an obligation, conditional or not,
683 to repay in whole or in part and which was contracted, used, or intended for use
684 in an election campaign, or which was made or received by a committee or which
685 was contracted, used, or intended to pay previously incurred campaign debts or
686 obligations of a candidate or the debts or obligations of a committee.

687 [(19)] (25) "Person", an individual, group of individuals, [corporation,
688 partnership,] **business entity**, committee, [proprietorship, joint venture,] any
689 department, agency, board, institution or other entity of the state or any of its
690 political subdivisions, [union,] labor organization, trade or professional or
691 business association, association, political party or any executive committee
692 thereof, or any other club or organization however constituted or any officer or
693 employee of such entity acting in the person's official capacity.

694 [(20) "Political action committee", a committee of continuing existence
695 which is not formed, controlled or directed by a candidate, and is a committee
696 other than a candidate committee, political party committee, campaign committee,
697 exploratory committee, or debt service committee, whose primary or incidental
698 purpose is to receive contributions or make expenditures to influence or attempt
699 to influence the action of voters whether or not a particular candidate or
700 candidates or a particular ballot measure or measures to be supported or opposed

701 has been determined at the time the committee is required to file any statement
702 or report pursuant to the provisions of this chapter. Such a committee includes,
703 but is not limited to, any committee organized or sponsored by a business entity,
704 a labor organization, a professional association, a trade or business association,
705 a club or other organization and whose primary purpose is to solicit, accept and
706 use contributions from the members, employees or stockholders of such entity and
707 any individual or group of individuals who accept and use contributions to
708 influence or attempt to influence the action of voters. Such committee shall be
709 formed no later than sixty days prior to the election for which the committee
710 receives contributions or makes expenditures.

711 (21)] **(26)** "Political merchandise", goods such as bumper stickers, pins,
712 hats, ties, jewelry, literature, or other items sold or distributed at a fund-raising
713 event or to the general public for publicity or for the purpose of raising funds to
714 be used in supporting or opposing a candidate for nomination or election or in
715 supporting or opposing the qualification, passage or defeat of a ballot measure.

716 [(22)] **(27)** "Political party", a political party which has the right under
717 law to have the names of its candidates listed on the ballot in a general election.

718 [(23)] **(28)** "Political party committee", a state, district, county, city, or
719 area committee of a political party, as defined in section 115.603, RSMo, as
720 amended from time to time, which may be organized as a not-for-profit
721 corporation under Missouri law, and which committee is of continuing existence,
722 and has the primary or incidental purpose of receiving contributions and making
723 expenditures to influence or attempt to influence the action of voters on behalf
724 of the political party.

725 [(24)] **(29)** "Public office" or "office", any state, judicial, county,
726 municipal, school or other district, ward, township, or other political subdivision
727 office or any political party office which is filled by a vote of registered voters.

728 [(25)] **(30)** "Write-in candidate", an individual whose name is not printed
729 on the ballot but who otherwise meets the definition of candidate in subdivision
730 (2) of this section.

731 8. The provisions of this section are self-executing. All of the provisions
732 of this section are severable. If any provision of this section is found by a court
733 of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the
734 remaining provisions of this section shall be and remain valid.

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