

FIRST REGULAR SESSION

HOUSE BILL NO. 1265

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES OXFORD (Sponsor) AND HOLSMAN (Co-sponsor).

Read 1st time March 29, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

2697L.01I

AN ACT

To repeal sections 147.010 and 147.020, RSMo, and to enact in lieu thereof twenty-three new sections relating to public financing of certain election campaigns, with a referendum clause and penalty provisions.

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

Section A. Sections 147.010 and 147.020, RSMo, are repealed and twenty-three new sections enacted in lieu thereof, to be known as sections 130.200, 130.201, 130.202, 130.203, 130.204, 130.205, 130.206, 130.207, 130.208, 130.209, 130.210, 130.211, 130.212, 130.213, 130.214, 130.215, 130.216, 130.217, 130.218, 130.219, 130.220, 147.010, and 147.020, to read as follows:

130.200. As used in sections 130.200 to 130.220, the following terms mean:

- (1) "Clearly identified candidate", a candidate whose name, photograph, drawing, or likeness is, or whose identity is, apparent by unambiguous reference;**
- (2) "Commission", the Missouri ethics commission;**
- (3) "Excess expenditure", money spent by a nonparticipating candidate in excess of the public financing amount available to a participating candidate;**
- (4) "Excess qualifying contributions", qualifying contributions accepted by a candidate beyond the number or dollar amount of contributions required to qualify a candidate for public funding;**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 10 (5) "Exploratory period", the period that begins after the date of a general election
11 and ends at the beginning of the public financing qualifying period for the subsequent
12 election for the same office;
- 13 (6) "Fair election debit card", a debit card issued by the state treasurer under
14 section 130.207 entitling a candidate and designated members of the candidate's staff to
15 draw money from a commission account to pay all campaign costs and expenses;
- 16 (7) "Full home address", the principal place of residence, including a street number
17 and name or post office box, city, state, and zip code. Such term shall not mean an
18 individual's business address, vacation home address, rental property address, or any
19 address not the principal residence of the person;
- 20 (8) "Full name", full first name, middle name or initial, if any, and full legal last
21 name, making the identity of the person apparent by unambiguous reference;
- 22 (9) "General election campaign period", the period beginning the day after the
23 primary or runoff election and ending on the day of the general election;
- 24 (10) "Immediate family", the candidate's spouse and children;
- 25 (11) "Independent expenditure", an expenditure by a person expressly advocating
26 the election or defeat of a clearly identified candidate which is made without cooperation
27 or consultation with any candidate, or any authorized committee or agent of such a
28 candidate, and which is not made in concert with, or at the request or suggestion of, any
29 candidate, or any authorized committee or agent of such a candidate;
- 30 (12) "Mass mailing", mailing of newsletters, pamphlets, brochures, or other similar
31 items of more than one hundred pieces in which the content of the matter mailed is
32 substantially identical. Mass mailing shall not include:
- 33 (a) A mailing made in direct response to communication from a person to whom
34 the matter is mailed;
- 35 (b) A mailing to federal, state, or local government officials; or
- 36 (c) News releases to the communications media;
- 37 (13) "Nonparticipating candidate", a candidate who chooses to run in an election
38 under sections 130.200 to 130.220 using campaign contributions raised from private
39 sources, or who otherwise is ineligible or fails to qualify for public financing under sections
40 130.200 to 130.220;
- 41 (14) "Participating candidate", a candidate who qualifies for public financing by
42 collecting the required number of qualifying contributions, making all required reports
43 and disclosures, and being certified as complying with the provisions of sections 130.200
44 to 130.220;

45 (15) "Personal funds", funds contributed by a candidate or a member of the
46 candidate's immediate family;

47 (16) "Primary election campaign period", the period beginning thirty days after
48 filing for the pertinent office closes and ending on the day of the primary election;

49 (17) "Principal place of employment", the primary organization or employer from
50 which an individual derives the individual's principal income, including the employer's
51 official name and post office address. The employer's post office address shall include
52 street number and name or post office box, city, state, and zip code;

53 (18) "Public financing qualifying period", the period before the primary election
54 campaign period during which candidates may collect qualifying contributions in order
55 to qualify for public financing. The period shall begin on the first day of January of an
56 election year and end with the start of the primary election campaign period;

57 (19) "Qualifying contribution", a contribution of five dollars made during the
58 designated public financing qualifying period by a voter registered within the candidate's
59 district, in the case of a candidate for state senator or state representative, or voter
60 registered in this state, in the case of a candidate for statewide office, and acknowledged
61 by written receipt identifying the contributor;

62 (20) "Seed money contribution", a contribution of no more than one hundred
63 dollars, made during the exploratory period or the public financing qualifying period,
64 within the limits set forth in sections 130.206 and 130.207.

 130.201. 1. Before a candidate for a political party's nomination for office in the
2 primary election shall be certified as a participating candidate for public financing for the
3 primary, the candidate shall apply to the commission for public financing for the primary
4 and file a sworn statement that the candidate has complied and will comply with all
5 requirements of sections 130.200 to 130.220 throughout the applicable election cycle, which
6 includes the primary and general elections for that office. Filing for certification shall be
7 made before the first day of the primary election campaign period.

8 2. A candidate shall be certified by the commission as a participating candidate for
9 receipt of full public financing for the primary election if the candidate complies with
10 subsection 1 of this section and meets the following qualifying contribution requirements
11 before the close of the public financing qualifying period:

12 (1) Two hundred qualifying contributions in the case of a candidate for state
13 representative;

14 (2) Five hundred qualifying contributions in the case of a candidate for state
15 senator;

16 (3) Two hundred fifty qualifying contributions in six or more of the United States
17 congressional districts in this state in the case of a candidate for a statewide elected office
18 other than governor;

19 (4) Five hundred qualifying contributions in six or more of the United States
20 congressional districts in this state in the case of a candidate for governor.

21 3. Each qualifying contribution shall be acknowledged by a receipt listing the
22 contributor's full name and full home address. The candidate shall present each
23 contributor with a copy of the receipt, and shall retain a copy of each receipt for
24 presentation to the commission in compliance with subsection 1 of section 130.208.

25 4. The commission shall determine a candidate's compliance with the requirements
26 of subsections 2 and 3 of this section by using such verification techniques, including the
27 use of sampling techniques, as the commission deems appropriate.

28 5. Qualifying contributions and excess qualifying contributions may be retained,
29 but if retained, shall be spent only as seed money contributions under the terms and
30 limitations in section 130.207.

31 6. No candidate or person acting on behalf of a candidate shall solicit or accept
32 qualifying contributions unless the candidate has first registered with the commission as
33 seeking to qualify for public financing.

 130.202. 1. Before a political party candidate shall be certified as eligible for full
2 or proportional public financing for the general election, the candidate shall apply to the
3 commission for public financing for the general election, and file a sworn statement that
4 the candidate has fulfilled all the requirements of sections 130.200 to 130.220 in the
5 primary election and will comply with such requirements for the general election. Filing
6 for certification shall be made not later than two days after the date of the certification of
7 the results of the primary election, except in the case of a candidate selected by the party
8 nominating committee under section 115.363, RSMo, in which case filing for certification
9 shall be made not later than two days after the date on which the candidate is so selected.

10 2. A political party candidate shall be certified by the commission as a participating
11 candidate for receipt of full public financing for the general election if the candidate
12 complies with subsection 1 of this section and meets the following requirements:

13 (1) The candidate:

14 (a) Was a participating candidate during the primary election, and won the party's
15 nomination;

16 (b) Has been selected by the party nominating committee as a party candidate
17 under section 115.363, RSMo; or

18 (c) Has been selected to replace a candidate who was a participating candidate
19 during the primary election; and

20 (2) The candidate's party meets at least one of the following qualifications:

21 (a) In the most recent primary election for the office sought, the combined votes
22 received by all candidates for that party's nomination for that office was more than fifteen
23 percent of the total votes cast for the candidates of all parties for that office; or

24 (b) In the previous general election, the nominee of that party for the office sought
25 received the greatest or second greatest number of votes cast and more than fifteen percent
26 of the total votes cast for all candidates for that office.

27 3. A party candidate shall be certified by the commission as a participating
28 candidate for receipt of proportional public financing for the general election if the
29 candidate complies with subsection 1 of this section and meets the following requirements:

30 (1) The candidate does not qualify for full public financing under subsection 2 of
31 this section; and

32 (2) The candidate:

33 (a) Was a participating candidate during the primary election, and won the party's
34 nomination;

35 (b) Has been selected by the party nominating committee as a party candidate
36 under section 115.363, RSMo; or

37 (c) Has been selected to replace a candidate who was a participating candidate
38 during the primary election; and

39 (3) The candidate's party meets at least one of the following qualifications:

40 (a) In the most recent primary election for the office sought, the combined votes
41 received by all candidates for that party's nomination for that office were more than five
42 percent but less than fifteen percent of the total votes cast for all candidates for that office;
43 or

44 (b) In the previous general election, the nominee of that party for the office sought
45 received more than five percent but less than fifteen percent of the total votes cast for all
46 candidates for that office.

130.203. 1. An independent candidate shall receive public financing for the general
2 election if such candidate raises one hundred fifty percent of the number of qualifying
3 contributions required for a candidate running in a party primary for the office sought.

4 2. An independent candidate who qualifies for public financing on the basis of
5 qualifying contributions shall receive the line of credit for total public financing in the
6 general election on the first day of the primary election campaign period, or when
7 qualified, whichever occurs later.

8 **3. The qualifying contributions of an independent candidate shall be raised**
9 **between the beginning of the public financing qualifying period and the date thirty days**
10 **after the filing deadline date for independent candidates.**

130.204. A participating candidate who accepts any benefits under sections 130.200
2 **to 130.220 during the primary election shall comply with all requirements of sections**
3 **130.200 to 130.220 throughout the general election during the same election cycle. A**
4 **participating candidate who accepts benefits during a primary shall not elect to accept**
5 **private contributions in violation of sections 130.200 to 130.220 during the corresponding**
6 **general election.**

130.205. 1. A participating candidate shall not accept private contributions other
2 **than seed money contributions and qualifying contributions during the exploratory period**
3 **and the public financing qualifying period.**

4 **2. In an election year, each candidate in a primary election for an office subject to**
5 **sections 130.200 to 130.220, whether participating or nonparticipating, shall furnish a**
6 **complete campaign finance report, including a record of all campaign contributions, all**
7 **seed money contributions, qualifying contributions, and expenditures to the commission**
8 **by the first day of March, the first day of May, the first day of June, the first day of July,**
9 **the fifteenth day of July, and by the day seven business days before the date of the primary**
10 **election.**

11 **3. In an election year, each candidate in a general election for an office subject to**
12 **sections 130.200 to 130.220, whether participating or nonparticipating, shall furnish a**
13 **complete campaign finance report, including a record of all campaign contributions, all**
14 **seed money contributions, qualifying contributions, and expenditures to the commission**
15 **by the first day of September, the fifteenth day of September, the first day of October, the**
16 **fifteenth day of October, and by the day seven business days before the date of the general**
17 **election.**

18 **4. A candidate shall keep a record of any campaign contribution of more than**
19 **twenty-five dollars, which shall include the full name of the contributor and the**
20 **contributor's full home address. In addition, if a contributor's aggregate contributions to**
21 **any candidate for an office subject to the provisions of sections 130.200 to 130.220 exceed**
22 **twenty-five dollars for any election cycle, the record shall also include the contributor's**
23 **business or employment and the contributor's principal place of employment. A candidate**
24 **shall cooperate with any audit or examination by the commission.**

25 **5. In the case of a qualifying contribution, the failure to record or provide complete**
26 **disclosure information under subsection 3 of this section disqualifies the contribution from**
27 **counting as a qualifying contribution.**

28 **6. No candidate or anyone acting on a candidate's behalf shall accept any**
29 **contribution not complying with the requirements of subsection 2 or 3 of this section.**

130.206. 1. A participating candidate's personal funds contributed as seed money
2 **contributions shall not exceed an aggregate amount of five hundred dollars for a state**
3 **representative election, one thousand dollars for a senate election, and five thousand**
4 **dollars for an election for statewide office.**

5 **2. No personal funds shall be expended by a qualifying candidate after the close of**
6 **the public financing qualifying period.**

7 **3. Personal funds shall not be used to meet the qualifying contribution requirement,**
8 **except that each registered voter may make one five-dollar contribution.**

130.207. 1. A candidate seeking to qualify may accept seed money contributions
2 **from any individual, business, association, or other organization before the end of the**
3 **public financing qualifying period, so long as the total contributions from one contributor,**
4 **except personal funds otherwise permitted under sections 130.200 to 130.220, do not exceed**
5 **one hundred dollars, and the aggregate contributions, including personal funds, do not**
6 **exceed one thousand dollars for a state representative race, two thousand dollars for a state**
7 **senate race, five thousand dollars for a statewide race other than governor, and ten**
8 **thousand dollars for a race for governor.**

9 **2. Seed money shall only be spent during the exploratory period and the public**
10 **financing qualifying period.**

11 **3. Full disclosure of seed money contributions as well as expenditures shall be made**
12 **to the commission in the manner and at the times provided for reporting of other**
13 **contributions in section 130.205.**

14 **4. In the event that excess qualifying contributions are received on an aggregate**
15 **basis, such amounts may be retained and spent, before the start of the primary period, with**
16 **such amounts to be deducted from the candidate's public financing. In no event shall the**
17 **total amount of qualifying contributions exceed the public financing to which the candidate**
18 **would be entitled.**

19 **5. Any seed money and qualifying contributions received by a participating**
20 **candidate and not spent by the start of the primary period, as well as any funds held by**
21 **any campaign committee organized to support the election of such a candidate in prior**
22 **elections, shall be deposited to the credit of the fair elections trust fund created under**
23 **section 130.213 at the beginning of the primary period.**

130.208. 1. To apply for public financing, a candidate shall certify to the
2 **commission that:**

3 (1) Such candidate has complied and will comply, throughout the applicable
4 election cycle, with all requirements of sections 130.200 to 130.220;

5 (2) All disclosures required as of the time of application have been made;

6 (3) The requisite number of qualifying contributions under section 130.201 or
7 130.203 have been obtained, including evidence of such contributions.

8 2. The candidate's application for certification shall be signed by the candidate and
9 the candidate's treasurer. Eligibility may be revoked if the candidate violates the
10 requirements of sections 130.200 to 130.220, in which case all public funds shall be repaid.

11 3. The commission's determination shall be subject to prompt judicial review, on
12 an expedited basis, in any district of the court of appeals of this state.

13 4. A participating candidate for the primary election shall receive the line of credit
14 and fair election debit card under sections 130.200 to 130.220 promptly after
15 demonstrating eligibility and, in any event, not later than five days after the date of the end
16 of the public financing qualifying period. No such funds shall be spent until the beginning
17 of the primary election campaign period.

18 5. A participating candidate for a general election shall receive the line of credit
19 and fair election debit card promptly after demonstrating eligibility and, in any event, not
20 later than five days after the date the results of the primary election are certified, except
21 that no candidate for a particular office shall receive funds until all candidates for the
22 office who have requested certification have either been certified or denied certification by
23 the commission.

 130.209. 1. A candidate who qualifies for public financing in the primary or
2 general election shall receive a line of credit for each election, in the amount specified in
3 sections 130.200 to 130.220. Such line of credit may be used to finance any and all proper
4 campaign expenditures during the primary and general election periods, to further the
5 election of the candidate in that particular election. The line of credit shall not be used to
6 repay any loan, and shall not be used in violation of sections 130.200 to 130.220 or any
7 other applicable law.

8 2. The primary election campaign public financing amounts for full public
9 financing shall be:

10 (1) For a state representative candidate, fifteen thousand dollars;

11 (2) For a state senate candidate, fifty thousand dollars;

12 (3) For a candidate for statewide office other than governor, five hundred thousand
13 dollars;

14 (4) For a candidate for governor, one million dollars.

15 **3. The general election campaign public financing amounts for full public financing**
16 **shall be:**

17 **(1) For a state representative candidate, fifteen thousand dollars;**

18 **(2) For a state senate candidate, fifty thousand dollars;**

19 **(3) For a candidate for statewide office other than governor, five hundred thousand**
20 **dollars;**

21 **(4) For a candidate for governor, one million dollars.**

22 **4. If a participating candidate or that candidate's party received at least fifteen**
23 **percent of all votes for that office in the primary or previous general election, the candidate**
24 **shall receive the full amount of public financing for that office. If a participating candidate**
25 **or that candidate's party received less than fifteen percent of all votes for that office in the**
26 **primary and the previous general election, such candidate shall receive a portion of the**
27 **public financing amount that is equal to the percentage of votes out of such fifteen percent**
28 **that such candidate's party received for that office in the previous general election. A**
29 **candidate who has attempted to qualify for public financing in the primary election and**
30 **whose party received less than five percent of the vote in the primary election shall not**
31 **qualify for any public financing in the general election.**

32 **5. A participating candidate running in a primary election where there is no other**
33 **candidate in any primary for that office, and no opposing independent candidate who has**
34 **filed to run or raised or spent more than one thousand dollars to seek that office, shall**
35 **receive twenty-five percent of the public financing benefit.**

36 **6. A participating candidate running in a general election in which there are no**
37 **other competing candidates shall receive twenty-five percent of the public financing**
38 **benefit.**

39 **7. Every two years, the commission shall modify the public financing amounts**
40 **provided for in this section based on the corresponding percentage change in the**
41 **Consumer Price Index for All Urban Consumers, as published by the Bureau of Labor**
42 **Statistics of the United States Department of Labor, or its successor index.**

130.210. 1. In addition to other reports required by sections 130.200 to 130.220, in
2 **an election year a nonparticipating candidate shall file a report with the commission**
3 **detailing that candidate's total of funds raised, spent, or obligated to be spent to date if that**
4 **candidate's total receipts, expenditures, or obligations of expenditure exceed the primary**
5 **or general election campaign finance amount applicable to a participating candidate in the**
6 **same race by an amount equal to:**

7 **(1) Five hundred dollars, in the case of a candidate for state representative;**

8 **(2) Two thousand five hundred dollars, in the case of a candidate for state senator;**

9 (3) Twenty-five thousand dollars, in the case of a candidate for statewide office.

10 2. Such a report shall be filed by the candidate:

11 (1) At the next regular reporting date under sections 130.200 to 130.220, if funds
12 which cause the candidate to exceed such an amount are received, spent, or obligated to be
13 spent before the fifteenth day of July of an election year;

14 (2) Within forty-eight hours, if such funds are raised, spent, or obligated to be spent
15 between the fifteenth day of July of an election year and the day seven business days before
16 the primary election, or during a period beginning with the day after a primary election
17 and ending on the day seven business days before the general election; or

18 (3) Within twenty-four hours, if such funds are raised, spent, or obligated to be
19 spent within the period seven business days before either the primary or general election.

20 3. A candidate who has been required to file a report under subsections 1 and 2 of
21 this section shall file an additional report detailing all funds raised, spent, or obligated to
22 be spent since that candidate's most recent previous report for each instance in which that
23 candidate raises, spends, or obligates to be spent:

24 (1) Five hundred dollars, in the case of a candidate for state representative;

25 (2) Two thousand five hundred dollars, in the case of a candidate for state senator;

26 (3) Twenty-five thousand dollars, in the case of a candidate for statewide office.

27 4. Additional reports required by subsection 3 of this section shall be filed by the
28 candidate:

29 (1) At the next regular reporting date under sections 130.200 to 130.220, if funds
30 which cause the candidate to be required to file such a report are received, spent, or
31 obligated to be spent before the fifteenth day of July of an election year;

32 (2) Within forty-eight hours, if such funds are raised, spent, or obligated to be spent
33 between the fifteenth day of July of an election year and the day seven business days before
34 the primary election, or during a period beginning with the day after a primary election
35 and ending on the day seven business days before the general election; or

36 (3) Within twenty-four hours, if such funds are raised, spent, or obligated to be
37 spent within the period seven business days before either the primary or general election.

38 5. Upon receipt of a report required by subsections 1 to 5 of this section, the
39 commission shall immediately credit an opposing participating candidate's account with
40 an additional amount equivalent to the reported amount in excess of the public financing
41 amount applicable to the office sought. Such matching credit shall be limited to three times
42 the public financing limit for the applicable office, and such credit shall be in addition to
43 the base amount of public financing otherwise provided.

44 **6. The total amount of matching credit awarded to a candidate under this section**
45 **and section 130.211 shall be limited to an amount equaling three times the public financing**
46 **limit for the applicable office.**

47 **7. At the end of both the primary and general election campaign periods, excess**
48 **public funds shall be returned to the fair elections trust fund created under section**
49 **130.213, provided that a candidate may retain and use for campaign expenses an amount**
50 **equal to five dollars multiplied by the number of qualifying contributions necessary to**
51 **qualify for the office for which the candidate was a candidate. Any funds which are**
52 **retained in this manner, and remain unexpended, shall be returned to the fair elections**
53 **trust fund at the beginning of the next public funding qualifying period.**

130.211. 1. If any person, corporation, committee, or other entity makes, or
2 **becomes obligated to make, by oral or written agreement, an independent expenditure in**
3 **excess of five hundred dollars in a state representative race, two thousand five hundred**
4 **dollars in a state senate race, or twenty-five thousand dollars in a statewide office race,**
5 **such person or entity shall file with the commission a notice of such expenditure or**
6 **obligations to make such expenditure. Reports of such expenditures or obligations to make**
7 **such expenditures shall be made:**

8 **(1) At the next regular reporting date for candidates under sections 130.200 to**
9 **130.220, if such an expenditure or obligation of expenditure is made before the fifteenth**
10 **day of July of an election year;**

11 **(2) Within forty-eight hours, if such an expenditure or obligation of expenditure**
12 **is made between the fifteenth day of July of an election year and the day seven business**
13 **days before the primary election or during a period beginning with the day after a primary**
14 **election and ending on the day seven business days before the general election; or**

15 **(3) Within twenty-four hours, if such an expenditure or obligation of expenditure**
16 **is made within the period seven business days before either the primary or general election.**

17 **2. An additional report shall be filed after each additional independent expenditure**
18 **of five hundred dollars in a state representative race, two thousand five hundred dollars**
19 **in a state senate race, or ten thousand dollars in a statewide office race. Such an additional**
20 **report shall be made:**

21 **(1) At the next regular reporting date for candidates under sections 130.200 to**
22 **130.220, if such an expenditure or obligation of expenditure is made before the fifteenth**
23 **day of July of an election year;**

24 **(2) Within forty-eight hours, if such an expenditure or obligation of expenditure**
25 **is made between the fifteenth day of July of an election year and the day seven business**

26 days before the primary election or during a period beginning with the day after a primary
27 election and ending on the day seven business days before the general election; or

28 (3) Within twenty-four hours, if such an expenditure or obligation of expenditure
29 is made within the period seven business days before either the primary or general election.

30 3. When the aggregate independent expenditures against a participating candidate
31 or for the opponents of that same candidate exceed twenty percent of the public financing
32 amount for that office in that election cycle, the commission shall immediately credit that
33 candidate's account with an additional line of credit equal to the total independent
34 expenditures made against that candidate or for that candidate's opponents, except that:

35 (1) Such matching credits shall be capped at three times the public financing
36 amount per candidate, which shall be in addition to the base amount of public financing
37 otherwise provided; and

38 (2) In the event that the aggregate funds raised by all other candidates for the office
39 in question do not equal the public financing amount for that office, the funds credited to
40 the candidate receiving a matching amount under this section shall be reduced by an
41 amount equal to such public financing amount minus the aggregate of funds raised by
42 those other candidates.

130.212. 1. Notwithstanding any provision of this chapter or any other provision
2 of law to the contrary, contributions and expenditures made by political parties shall be
3 reported to the commission on a quarterly basis, provided that, after the first day of
4 January of an election year, such contributions and expenditures shall be reported on the
5 same basis as a candidate. Reports by parties and all other campaign finance reports
6 required by sections 130.010 to 130.160, shall be submitted in electronic format as directed
7 by the commission.

8 2. No person, committee, organization, or other entity shall contribute on an
9 aggregate basis, including dues, fees, or other charges, more than five thousand dollars per
10 year to any state or local political party or any of its subdivisions.

11 3. No participating candidate shall accept more than the equivalent of five percent
12 of the public financing amount for that office from all political parties.

13 4. For purposes of this section and section 130.211, in-kind contributions by a ward,
14 township, city, county, or state political party committee made on behalf of a group of the
15 party's candidates shall not be considered an improper party contribution or count against
16 the five percent limit established in subsection 3 of this section, if such group includes at
17 least thirty percent of the candidates whose names will appear on the primary election
18 ballot, or at least fifty percent of the candidates whose names will appear on the general

19 election ballot in the political subdivision represented by the party committee making such
20 in-kind contribution.

21 5. Party contributions reports shall comply with candidate requirements in
22 subsections 2 and 3 of section 130.205.

130.213. 1. There is hereby created in the state treasury the "Fair Elections Trust
2 Fund", which shall consist of money collected under sections 130.200 to 130.220. The state
3 treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180,
4 RSMo, the state treasurer may approve disbursements. Upon appropriation, money in the
5 fund shall be used solely for the administration of sections 130.200 to 130.220.
6 Notwithstanding the provisions of section 33.080, RSMo, to the contrary, any moneys
7 remaining in the fund at the end of the biennium shall not revert to the credit of the
8 general revenue fund. The state treasurer shall invest moneys in the fund in the same
9 manner as other funds are invested. Any interest and moneys earned on such investments
10 shall be credited to the fund.

11 2. The fair elections trust fund shall be used to provide the public financing benefits
12 provided for in sections 130.200 to 130.220. No expenditure shall be made from the fair
13 elections trust fund for any purpose other than that authorized by sections 130.200 to
14 130.220.

15 3. During each election cycle, the commission shall allocate the funds contained in
16 the fair elections trust fund among two subfunds to be established for the following
17 purposes:

18 (1) Subfund one shall fund the public funding amounts provided for in section
19 130.209; and

20 (2) Subfund two shall fund the additional matching credits provided for in sections
21 130.210 and 130.211.

22 4. The commission shall report to the speaker of the house of representatives, no
23 later than the first day of April of each election year, on its estimate for the needs of the
24 fair elections trust fund in the coming election. Such report shall include an estimate of
25 total funds needed for the fair elections trust fund in order to fully fund participating
26 candidates for the coming elections, the current balance of funds available to the fund, and
27 a request for appropriation to the fund in an amount which the commission estimates will
28 render its funding adequate for the coming elections.

29 5. Notwithstanding any other provision of law to the contrary, in the event that, at
30 any time, the funds contained within the fair elections trust fund are insufficient to fund
31 the full amounts of public funding provided for in sections 130.200 to 130.220, the

32 commission shall proportionately reduce the levels of funding provided to participating
33 candidates.

34 6. Beginning in the year 2010, and for each general election year thereafter in
35 which an election for governor is not held, the commission shall, within one hundred eighty
36 days after the November election day, determine the total of expenditures from the fair
37 elections trust fund for all elections held for offices subject to the provisions of sections
38 130.200 to 130.220 in the four preceding years. On completing this determination, the
39 commission shall transfer to the credit of the general revenue fund any funds remaining
40 in the fair elections trust fund which are in excess of twenty-five percent of the amount
41 determined to have been expended in the four preceding years.

130.214. 1. The fair elections trust fund shall be administered by the state
2 treasurer. The state treasurer may place public funds in one or more accounts with a
3 central banking facility and may contract for the disbursement of funds to eligible
4 candidates with a private credit card company.

5 2. Upon a determination of a candidate's eligibility for public financing under
6 sections 130.200 to 130.220, the state treasurer shall issue to the eligible candidate a debit
7 card, known as the fair election debit card, entitling the candidate and designated members
8 of the candidate's staff to draw money from a commission account to pay all campaign
9 costs and expenses.

10 3. Neither a participating candidate nor any other person on behalf of a
11 participating candidate shall pay campaign costs by cash, check, money order, loan, or by
12 any other financial means except through the use of the fair election debit card, except that
13 cash amounts of one hundred dollars or less may be drawn on the fair election debit card
14 and used to pay expenses of no more than twenty-five dollars each. Records of all such
15 expenditures shall be maintained and reported to the commission.

130.215. 1. Except where sections 130.200 to 130.220 specifically provide otherwise,
2 the duties of and authority for administering and enforcing sections 130.200 to 130.220
3 shall be vested in the commission.

4 2. In administering and enforcing sections 130.200 to 130.220, the commission shall
5 have the duties and powers accorded to it under section 105.955, RSMo.

6 3. In furtherance of the commission's administration and enforcement of sections
7 130.200 to 130.220, the administrative secretary of the commission shall have and exercise
8 the duties and powers prescribed by section 130.056.

130.216. 1. If a participating candidate spends more than the public financing
2 amount allocated to the candidate for the election in question, the candidate shall be

3 subject to a civil fine of up to ten times the amount by which the expenditures exceeded the
4 applicable limit.

5 2. Any candidate who accepts contributions in excess of the limits imposed by
6 sections 130.200 to 130.220, or the limits imposed by any other applicable law, shall be
7 subject to a civil fine of up to ten times the amount by which the contribution exceeded the
8 applicable limit.

9 3. If the commission finds that there is reason to believe that excess expenditures
10 have been made or excess contributions accepted in violation of the provisions of
11 subsection 1 or 2 of this section, the commission shall attempt, for a period of not more
12 than fourteen days after finding such violation, to correct the matter by informal methods
13 of conference and conciliation and to enter a conciliation agreement with the person
14 involved. A conciliation agreement made under this section shall be a matter of public
15 record. Unless violated, a conciliation agreement shall be a bar to any civil proceeding
16 under subsection 4 of this section.

17 4. If, within the time prescribed in subsection 3 of this section, the commission is
18 unable to correct by informal methods any matter which constitutes probable cause to
19 believe that excess expenditures have been made or excess contributions accepted in
20 violation of subsection 1 or 2 of this section, the commission shall make a public finding of
21 probable cause in the matter. After making a public finding, the commission shall bring
22 an action in the circuit court of Cole County or, in the case of a legislative candidate, the
23 circuit court of the county in which the candidate resides, to impose a civil fine as
24 prescribed by the commission under subsection 1 or 2 of this section.

25 5. In the event that a registered voter believes that a candidate has violated the
26 provisions of sections 130.200 to 130.220, and such registered voter is entitled to vote for
27 or against such candidate in the election at issue, such registered voter may file a complaint
28 with the commission requesting it to take remedial action. If, within thirty days after the
29 date of the filing of such a complaint, the commission has refused or failed to take remedial
30 action, such registered voter may pursue a civil action in the appropriate circuit court to
31 impose the civil fines prescribed in subsection 1 or 2 of this section. If a complaint brought
32 under this subsection is resolved against the complainant, the costs incurred by the other
33 party or parties, including reasonable attorney's fees, may be assessed against the
34 complainant.

35 6. If the commission believes that a violation of sections 130.200 to 130.220 has
36 occurred, and deems such a recommendation appropriate, the commission may make a
37 nonbinding recommendation to the general assembly as to disciplinary action to be taken
38 in light of the violation, including forfeiture of office.

130.217. 1. If a candidate, or other person acting on behalf of a candidate, knowingly accepts more benefits than the candidate is entitled to receive, spends more than the amount of public campaign funds received, or otherwise misuses the benefits of public financing, such person is guilty of a class D felony and shall be fined not more than twenty thousand dollars, or imprisoned not more than five years, or both.

2. If a candidate receiving public financing, or other person acting on behalf of such a candidate, knowingly pays for goods or services received for campaign expenditures by cash, check, money order, or any means other than the fair election debit card, except as permitted under subsection 3 of section 130.214, such person is guilty of a class D felony and shall be fined not more than twenty thousand dollars, or imprisoned not more than five years, or both.

3. If, in connection with the receipt or expenditure of public financing for an election campaign, any person knowingly provides false information to the commission or knowingly conceals or withholds information from the commission, such person is guilty of a class D felony and shall be fined up to twenty thousand dollars, or imprisoned for five years, or both.

4. All prosecutions under sections 130.200 to 130.220 which relate to elections for state senator or state representative shall be conducted by the prosecuting attorney for the county where the violation is alleged to have occurred, except that if such prosecuting attorney refuses to act upon a sworn complaint, or fails to act upon such a complaint within sixty days of the date on which such a complaint is received, the attorney general shall then conduct the prosecution under this section. All prosecutions under sections 130.200 to 130.220 which relate to elections for other offices shall be conducted by the attorney general, except that, if a violation concerns the attorney general or a candidate for such office, the governor may appoint a special prosecutor to conduct the prosecution on behalf of the state. The special prosecutor shall be independent of the attorney general and need not be a state employee at the time of appointment.

130.218. 1. Any state officeholder who is a candidate for an office covered by the provisions of sections 130.200 to 130.220 and who uses state funds to do a mass mailing after the first day of June in an election year shall declare the intent to do so by the first day of May of such year. Any such mailing shall be completed by the first day of July of such year.

2. Any participating candidate for the same office who is of the same political party as the candidate sending out such a mailing shall be entitled to receive additional credit equal to the cost of state expenditures for such mailing. A participating candidate shall

9 make application for such a credit to the commission by the fifteenth day of May of that
10 year.

11 3. Additional credit awarded to a participating candidate under this section shall
12 be used to fund a mailing which:

13 (a) Does not explicitly call upon the recipient of the mailing to vote for the
14 participating candidate; and

15 (b) Does not mention the participating candidate's opponent or opponents by name.

16 4. All mailings funded by additional credits awarded under this section shall be
17 reviewed and approved by the commission for compliance with the requirements of this
18 section in advance of the mailing, and shall be completed by the first day of August of such
19 year.

20 130.219. A candidate who is a nonparticipating candidate, either by choice or
2 failure to qualify, is allowed to raise and spend unlimited amounts of money from private
3 sources, except as otherwise provided by law.

4 130.220. 1. Commission actions may be reviewed by any district of the court of
2 appeals of this state. Petitions for review shall be filed within thirty days after final
3 commission action.

4 2. Sections 130.200 to 130.220 shall apply, following its passage and approval by
5 the voters of this state, to state elections after November 2, 2010, for the offices of governor,
6 lieutenant governor, attorney general, secretary of state, treasurer, auditor, state
7 representative, and state senator.

8 3. Sections 130.200 to 130.220 shall apply to all special elections and runoff elections
9 following its passage and approval by the voters of this state, with governing time periods
10 and deadlines regarding such special and runoff elections to be prescribed by the
11 commission.

12 147.010. 1. [For the transitional year defined in subsection 4 of this section and each
2 taxable year beginning on or after January 1, 1980, but before January 1, 2000, every corporation
3 organized pursuant to or subject to chapter 351, RSMo, or pursuant to any other law of this state
4 shall, in addition to all other fees and taxes now required or paid, pay an annual franchise tax to
5 the state of Missouri equal to one-twentieth of one percent of the par value of its outstanding
6 shares and surplus if its outstanding shares and surplus exceed two hundred thousand dollars, or
7 if the outstanding shares of such corporation or any part thereof consist of shares without par
8 value, then, in that event, for the purpose contained in this section, such shares shall be
9 considered as having a value of five dollars per share unless the actual value of such shares
10 exceeds five dollars per share, in which case the tax shall be levied and collected on the actual
11 value and the surplus if the actual value and the surplus exceed two hundred thousand dollars.

12 If such corporation employs a part of its outstanding shares in business in another state or
13 country, then such corporation shall pay an annual franchise tax equal to one-twentieth of one
14 percent of its outstanding shares and surplus employed in this state if its outstanding shares and
15 surplus employed in this state two hundred thousand dollars, and for the purposes of sections
16 147.010 to 147.120, such corporation shall be deemed to have employed in this state that
17 proportion of its entire outstanding shares and surplus that its property and assets employed in
18 this state bears to all its property and assets wherever located. A foreign corporation engaged
19 in business in this state, whether pursuant to a certificate of authority issued pursuant to chapter
20 351, RSMo, or not, shall be subject to this section. Any corporation whose outstanding shares
21 and surplus as calculated in this subsection does not exceed two hundred thousand dollars shall
22 state that fact on the annual report form prescribed by the secretary of state.] For all taxable
23 years beginning on or after January 1, 2000, the annual franchise tax shall be equal to
24 one-thirtieth of one percent of the corporation's outstanding shares and surplus if the outstanding
25 shares and surplus exceed one million dollars. Any corporation whose outstanding shares and
26 surplus do not exceed one million dollars shall state that fact on the annual report form
27 prescribed by the director of revenue.

28 2. Sections 147.010 to 147.120 shall not apply to corporations not organized for profit,
29 nor to corporations organized pursuant to the provisions of chapter 349, RSMo, nor to express
30 companies, which now pay an annual tax on their gross receipts in this state, nor to insurance
31 companies, which pay an annual tax on their premium receipts in this state, nor to state, district,
32 county, town and farmers' mutual companies now organized or that may be hereafter organized
33 pursuant to any of the laws of this state, organized for the sole purpose of writing fire, lightning,
34 windstorm, tornado, cyclone, hail and plate glass and mutual automobile insurance and for the
35 purpose of paying any loss incurred by any member by assessment, nor to any mutual insurance
36 corporation not having shares, nor to a company or association organized to transact business of
37 life or accident insurance on the assessment plan for the purpose of mutual protection and benefit
38 to its members and the payment of stipulated sums of moneys to the family, heirs, executors,
39 administrators or assigns of the deceased member, nor to foreign life, fire, accident, surety,
40 liability, steam boiler, tornado, health, or other kind of insurance company of whatever nature
41 coming within the provisions of section 147.050 and doing business in this state, nor to savings
42 and loan associations and domestic and foreign regulated investment companies as defined by
43 Section 170 of the Act of Congress commonly known as the "Revenue Act of 1942", nor to
44 electric and telephone corporations organized pursuant to chapter 351, RSMo, and chapter 392,
45 RSMo, prior to January 1, 1980, which have been declared tax exempt organizations pursuant
46 to Section 501(c) of the Internal Revenue Code of 1986, nor for taxable years beginning after
47 December 31, 1986, to banking institutions subject to the annual franchise tax imposed by

48 sections 148.010 to 148.110, RSMo; but bank deposits shall be considered as funds of the
49 individual depositor left for safekeeping and shall not be considered in computing the amount
50 of tax collectible pursuant to the provisions of sections 147.010 to 147.120.

51 3. A corporation's "taxable year" for purposes of sections 147.010 to 147.120 shall be
52 its taxable year as provided in section 143.271, RSMo.

53 4. [A corporation's "transitional year" for the purposes of sections 147.010 to 147.120
54 shall be its taxable year which includes parts of each of the years 1979 and 1980.

55 5. The franchise tax payable for a corporation's transitional year shall be computed by
56 multiplying the amount otherwise due for that year by a fraction, the numerator of which is the
57 number of months between January 1, 1980, and the end of the taxable year and the denominator
58 of which is twelve.] The franchise tax payable, if a corporation's taxable year is changed as
59 provided in section 143.271, RSMo, shall be similarly computed pursuant to regulations
60 prescribed by the director of revenue.

61 [6.] 5. All franchise reports and franchise taxes shall be returned to the director of
62 revenue. All checks and drafts remitted for payment of franchise taxes shall be made payable
63 to the director of revenue.

64 [7.] 6. Pursuant to section 32.057, RSMo, the director of revenue shall maintain the
65 confidentiality of all franchise tax reports returned to the director.

66 [8.] 7. The director of the department of revenue shall honor all existing agreements
67 between taxpayers and the director of the department of revenue.

68 **8. In addition to the annual franchise tax percentage in subsection 1 of this section,**
69 **an annual franchise tax equal to one-hundredth of one percent of the corporation's**
70 **outstanding shares and surplus if the outstanding shares and surplus exceed one million**
71 **dollars is hereby imposed. The revenue derived from the additional annual franchise tax**
72 **imposed in this subsection shall be deposited in the fair elections trust fund created in**
73 **section 130.213, RSMo, and shall be used solely for the designated purposes.**

147.020. 1. For each taxable year beginning on or after January 1, 1980, every
2 corporation liable for the tax prescribed in section 147.010 shall make a report in writing
3 showing the financial condition of the corporation at the beginning of business on the first day
4 of its taxable year to the director of revenue annually on or before the due date of the
5 corporation's state income tax return pursuant to chapter 143, RSMo, in such form as the director
6 of revenue may prescribe. The report shall be signed by an officer of the corporation.

7 2. For each taxable year beginning on or after January 1, 1980, if a corporation obtains
8 an extension of time for filing its annual Missouri income tax return pursuant to section 143.551,
9 RSMo, such corporation shall also be granted a corresponding extension of time for filing the

10 report required pursuant to sections 147.010 to 147.120 for its taxable year immediately
11 succeeding the taxable year for which the income tax extension is granted.

12 [3. Every corporation having a transitional year liable for the tax prescribed in section
13 147.010 shall make a report in writing, showing the financial condition of the corporation at the
14 beginning of business on the first day of its transitional year, on or before April 15, 1980, in such
15 form as the director may prescribe. The report shall be signed by an officer of the corporation.]

Section B. Section A of this act is hereby submitted to the qualified voters of this state
2 for approval or rejection at an election which is hereby ordered and which shall be held and
3 conducted on the Tuesday immediately following the first Monday in November, 2008, or at a
4 special election to be called by the governor for that purpose, pursuant to the laws and
5 constitutional provisions of this state applicable to general elections and the submission of
6 referendum measures by initiative petition, and it shall become effective when approved by a
7 majority of the votes cast thereon at such election and not otherwise.

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