

SECOND REGULAR SESSION

HOUSE BILL NO. 1998

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BARNES.

4217H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 130.034, RSMo, and to enact in lieu thereof one new section relating solely to investment of campaign funds.

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

Section A. Section 130.034, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 130.034, to read as follows:

130.034. 1. Contributions as defined in section 130.011, received by any committee shall not be converted to any personal use.

2. Contributions may be used for any purpose allowed by law including, but not limited to:

(1) Any ordinary expenses incurred relating to a campaign;

(2) Any ordinary and necessary expenses incurred in connection with the duties of a holder of elective office;

(3) Any expenses associated with the duties of candidacy or of elective office pertaining to the entertaining of or providing social courtesies to constituents, professional associations, or other holders of elective office;

(4) The return of any contribution to the person who made the contribution to the candidate or holder of elective office;

(5) To contribute to a political organization or candidate committee as allowed by law;

(6) To establish a new committee as defined by this chapter;

(7) To make an unconditional gift which is fully vested to any charitable, fraternal or civic organizations or other associations formed to provide for some good in the order of

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.

17 benevolence, if such candidate, former candidate or holder of elective office or such person's
18 immediate family gain no direct financial benefit from the unconditional gift;

19 (8) Except when such candidate, former candidate or holder of elective office dies while
20 the committee remains in existence, the committee may make an unconditional gift to a fund
21 established for the benefit of the spouse and children of the candidate, former candidate or holder
22 of elective office. The provisions of this subdivision shall expire October 1, 1997.

23 3. Upon the death of the candidate, former candidate or holder of elective office who
24 received such contributions, all contributions shall be disposed of according to this section and
25 any funds remaining after final settlement of the candidate's decedent's estate, or if no estate is
26 opened, then twelve months after the candidate's death, will escheat to the state of Missouri to
27 be deposited in the general revenue fund.

28 4. No contributions, as defined in section 130.011, received by a candidate, former
29 candidate or holder of elective office shall be used to make restitution payments ordered of such
30 individual by a court of law or for the payment of any fine resulting from conviction of a
31 violation of any local, state or federal law.

32 5. Committees described in subdivision (17) of section 130.011 shall make expenditures
33 only for the purpose of determining whether an individual will be a candidate. Such
34 expenditures include polling information, mailings, personal appearances, telephone expenses,
35 office and travel expenses but may not include contributions to other candidate committees.

36 6. Any moneys in the exploratory committee fund may be transferred to the candidate
37 committee upon declaration of candidacy for the position being explored. Such funds shall be
38 included for the purposes of reporting and limitation. In the event that candidacy is not declared
39 for the position being explored, the remaining exploratory committee funds shall be returned to
40 the contributors on a pro rata basis. In no event shall the amount returned exceed the amount
41 given by each contributor nor be less than ten dollars.

42 **7. Funds held in candidate committees, campaign committees, debt service**
43 **committees, and exploratory committees shall be liquid such that these funds shall be**
44 **readily available for the specific and limited purposes allowed by law. These funds may**
45 **be invested only in short term treasury instruments or short term bank certificates with**
46 **durations of six months or less, or that allow the removal of funds at any time without any**
47 **additional financial penalty other than the loss of interest income. Continuing committees,**
48 **political party committees, and other forms of committee such as out-of-state committees**
49 **not formed for the benefit of any single candidate or ballot issue shall not be subject to the**
50 **provisions of this subsection.**

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