#### FIRST REGULAR SESSION

# **HOUSE BILL NO. 212**

### 99TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE LAVENDER.

0325H.02I

D. ADAM CRUMBLISS, Chief Clerk

## **AN ACT**

To repeal section 105.456 as enacted by house bill no. 1979, ninety-eighth general assembly, second regular session, sections 105.456 and 105.473 as enacted by senate bill no. 844, ninety-fifth general assembly, second regular session, and section 105.473 as enacted by house bill no. 1900, ninety-third general assembly, second regular session, and to enact in lieu thereof two new sections relating to banning lobbyist gifts, with penalty provisions.

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

- Section A. Section 105.456 as enacted by house bill no. 1979, ninety-eighth general assembly, second regular session, sections 105.456 and 105.473 as enacted by senate bill no.
- 3 844, ninety-fifth general assembly, second regular session, and section 105.473 as enacted by
- 4 house bill no. 1900, ninety-third general assembly, second regular session, are repealed and two
- 5 new sections enacted in lieu thereof, to be known as sections 105.456 and 105.473, to read as
- 6 follows:

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- 105.456. 1. No member of the general assembly or the governor, lieutenant governor, attorney general, secretary of state, state treasurer or state auditor shall:
- (1) Perform any service for the state or any political subdivision of the state or any agency of the state or any political subdivision thereof or act in his or her official capacity or perform duties associated with his or her position for any person for any consideration other than the compensation provided for the performance of his or her official duties;
- 7 (2) Sell, rent or lease any property to the state or political subdivision thereof or any 8 agency of the state or any political subdivision thereof for consideration in excess of five hundred 9 dollars per transaction or one thousand five hundred dollars per annum unless the transaction is

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.

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made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received;

- (3) Attempt, for compensation other than the compensation provided for the performance of his or her official duties, to influence the decision of any agency of the state on any matter, except that this provision shall not be construed to prohibit such person from participating for compensation in any adversary proceeding or in the preparation or filing of any public document or conference thereon. The exception for a conference upon a public document shall not permit any member of the general assembly or the governor, lieutenant governor, attorney general, secretary of state, state treasurer or state auditor to receive any consideration for the purpose of attempting to influence the decision of any agency of the state on behalf of any person with regard to any application, bid or request for a state grant, loan, appropriation, contract, award, permit other than matters involving a driver's license, or job before any state agency, commission, or elected official. Notwithstanding Missouri supreme court rule 1.10 of rule 4 or any other court rule or law to the contrary, other members of a firm, professional corporation or partnership shall not be prohibited pursuant to this subdivision from representing a person or other entity solely because a member of the firm, professional corporation or partnership serves in the general assembly, provided that such official does not share directly in the compensation earned, so far as the same may reasonably be accounted, for such activity by the firm or by any other member of the firm. This subdivision shall not be construed to prohibit any inquiry for information or the representation of a person without consideration before a state agency or in a matter involving the state if no consideration is given, charged or promised in consequence thereof; or
- (4) Solicit any registered lobbyist for any compensated or noncompensated position, with a hiring date beginning after such person is no longer an elected official, while such person holds office.
- 2. No sole proprietorship, partnership, joint venture, or corporation in which a member of the general assembly, governor, lieutenant governor, attorney general, secretary of state, state treasurer, state auditor or spouse of such official is the sole proprietor, a partner having more than a ten percent partnership interest, or a coparticipant or owner of in excess of ten percent of the outstanding shares of any class of stock, shall:
- (1) Perform any service for the state or any political subdivision thereof or any agency of the state or political subdivision for any consideration in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum unless the transaction is made pursuant to an award on a contract let or sale made after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received; or

(2) Sell, rent, or lease any property to the state or any political subdivision thereof or any agency of the state or political subdivision thereof for consideration in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum unless the transaction is made pursuant to an award on a contract let or a sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest and best received.

- 3. No individual or business entity shall solicit a member of the general assembly to become employed by that individual or business entity as a legislative lobbyist while such member is holding office as a member of the general assembly. No member of the general assembly shall solicit clients to represent as a legislative lobbyist.
- 4. No member of the general assembly or the governor, lieutenant governor, attorney general, secretary of state, state treasurer, or state auditor, or such person's staff, employees, spouse, or dependent children, shall:
- (1) Accept any tangible or intangible item, service, or thing of value from any lobbyist; or
- (2) Use funds from any candidate committee, as defined under section 130.011, to reimburse a lobbyist for delivering any tangible or intangible item, service, or thing of value to the person.
- 5. For purposes of this section, the terms "lobbyist" and "legislative lobbyist" shall have the same meanings given to such terms under section 105.470.

[105.456. 1. No member of the general assembly or the governor, lieutenant governor, attorney general, secretary of state, state treasurer or state auditor shall:

- (1) Perform any service for the state or any political subdivision of the state or any agency of the state or any political subdivision thereof or act in his or her official capacity or perform duties associated with his or her position for any person for any consideration other than the compensation provided for the performance of his or her official duties; or
- (2) Sell, rent or lease any property to the state or political subdivision thereof or any agency of the state or any political subdivision thereof for consideration in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum unless the transaction is made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received; or
- (3) Attempt, for compensation other than the compensation provided for the performance of his or her official duties, to influence the decision of any agency of the state on any matter, except that this provision shall not be construed to prohibit such person from participating for compensation in any adversary

proceeding or in the preparation or filing of any public document or conference thereon. The exception for a conference upon a public document shall not permit any member of the general assembly or the governor, lieutenant governor, attorney general, secretary of state, state treasurer or state auditor to receive any consideration for the purpose of attempting to influence the decision of any agency of the state on behalf of any person with regard to any application, bid or request for a state grant, loan, appropriation, contract, award, permit other than matters involving a driver's license, or job before any state agency, commission. or elected official. Notwithstanding Missouri supreme court rule 1.10 of rule 4 or any other court rule or law to the contrary, other members of a firm, professional corporation or partnership shall not be prohibited pursuant to this subdivision from representing a person or other entity solely because a member of the firm, professional corporation or partnership serves in the general assembly, provided that such official does not share directly in the compensation carned, so far as the same may reasonably be accounted, for such activity by the firm or by any other member of the firm. This subdivision shall not be construed to prohibit any inquiry for information or the representation of a person without consideration before a state agency or in a matter involving the state if no consideration is given, charged or promised in consequence thereof.

- 2. No sole proprietorship, partnership, joint venture, or corporation in which a member of the general assembly, governor, lieutenant governor, attorney general, secretary of state, state treasurer, state auditor or spouse of such official is the sole proprietor, a partner having more than a ten percent partnership interest, or a coparticipant or owner of in excess of ten percent of the outstanding shares of any class of stock, shall:
- (1) Perform any service for the state or any political subdivision thereof or any agency of the state or political subdivision for any consideration in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum unless the transaction is made pursuant to an award on a contract let or sale made after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received; or
- (2) Sell, rent, or lease any property to the state or any political subdivision thereof or any agency of the state or political subdivision thereof for consideration in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum unless the transaction is made pursuant to an award on a contract let or a sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest and best received.
- 3. No statewide elected official, member of the general assembly, or any person acting on behalf of such official or member shall expressly and explicitly make any offer or promise to confer any paid employment, where the individual is compensated above actual and necessary expenses, to any statewide elected official or member of the general assembly in exchange for the official's or

63 member's official vote on any public matter. Any person making such offer or 64 promise is guilty of the crime of bribery of a public servant under section 65 576.010.

4. Any statewide elected official or member of the general assembly who accepts or agrees to accept an offer described in subsection 3 of this section is guilty of the crime of acceding to corruption under section 576.020.]

[105.473. 1. Each lobbyist shall, not later than January fifth of each year or five days after beginning any activities as a lobbyist, file standardized registration forms, verified by a written declaration that it is made under the penalties of perjury, along with a filing fee of ten dollars, with the commission. The forms shall include the lobbyist's name and business address, the name and address of all persons such lobbyist employs for lobbying purposes, the name and address of each lobbyist principal by whom such lobbyist is employed or in whose interest such lobbyist appears or works. The commission shall maintain files on all lobbyists' filings, which shall be open to the public. Each lobbyist shall file an updating statement under oath within one week of any addition, deletion, or change in the lobbyist's employment or representation. The filing fee shall be deposited to the general revenue fund of the state. The lobbyist principal or a lobbyist employing another person for lobbying purposes may notify the commission that a judicial, executive or legislative lobbyist is no longer authorized to lobby for the principal or the lobbyist and should be removed from the commission's files.

- 2. Each person shall, before giving testimony before any committee of the general assembly, give to the secretary of such committee such person's name and address and the identity of any lobbyist or organization, if any, on whose behalf such person appears. A person who is not a lobbyist as defined in section 105.470 shall not be required to give such person's address if the committee determines that the giving of such address would endanger the person's physical health.
- 3. (1) During any period of time in which a lobbyist continues to act as an executive lobbyist, judicial lobbyist, legislative lobbyist, or elected local government official lobbyist, the lobbyist shall file with the commission on standardized forms prescribed by the commission monthly reports which shall be due at the close of business on the tenth day of the following month;
- (2) Each report filed pursuant to this subsection shall include a statement, verified by a written declaration that it is made under the penalties of perjury, setting forth the following:
- (a) The total of all expenditures by the lobbyist or his or her lobbyist principals made on behalf of all public officials, their staffs and employees, and their spouses and dependent children, which expenditures shall be separated into at least the following categories by the executive branch, judicial branch and legislative branch of government: printing and publication expenses; media and

37 other advertising expenses; travel, the time, venue, and nature of any 38 entertainment; honoraria; meals, food and beverages; and gifts; 39 (b) The total of all expenditures by the lobbyist or his or her lobbyist 40 principals made on behalf of all elected local government officials, their staffs and employees, and their spouses and children. Such expenditures shall be 41 42 separated into at least the following categories: printing and publication expenses; media and other advertising expenses; travel; the time, venue, and 43 44 nature of any entertainment; honoraria; meals; food and beverages; and gifts; 45 (c) An itemized listing of the name of the recipient and the nature and amount of each expenditure by the lobbyist or his or her lobbyist principal, 46 47 including a service or anything of value, for all expenditures made during any reporting period, paid or provided to or for a public official or elected local 48 government official, such official's staff, employees, spouse or dependent 49 50 children; 51 (d) The total of all expenditures made by a lobbyist or lobbyist principal 52 for occasions and the identity of the group invited, the date, location, and 53 description of the occasion and the amount of the expenditure for each occasion 54 when any of the following are invited in writing: 55 a. All members of the senate, which may or may not include senate staff and employees under the direct supervision of a state senator; 56 b. All members of the house of representatives, which may or may not 57 include house staff and employees under the direct supervision of a state 58 59 representative; 60 All members of a joint committee of the general assembly or a standing committee of either the house of representatives or senate, which may 61 or may not include joint and standing committee staff, 62 63 d. All members of a caucus of the majority party of the house of 64 representatives, minority party of the house of representatives, majority party of the senate, or minority party of the senate; 65 e. All statewide officials, which may or may not include the staff and 66 employees under the direct supervision of the statewide official; 67 68 (e) Any expenditure made on behalf of a public official, an elected local government official or such official's staff, employees, spouse or dependent 69 children, if such expenditure is solicited by such official, the official's staff, 70 employees, or spouse or dependent children, from the lobbyist or his or her 71 72 lobbyist principals and the name of such person or persons, except any expenditures made to any not-for-profit corporation, charitable, fraternal or civic 73 organization or other association formed to provide for good in the order of 74 75 benevolence and except for any expenditure reported under paragraph (d) of this subdivision: 76 77 (f) A statement detailing any direct business relationship or association or partnership the lobbyist has with any public official or elected local 78 79 government official. The reports required by this subdivision shall cover the time

periods since the filing of the last report or since the lobbyist's employment or representation began, whichever is most recent.

- 4. No expenditure reported pursuant to this section shall include any amount expended by a lobbyist or lobbyist principal on himself or herself. All expenditures disclosed pursuant to this section shall be valued on the report at the actual amount of the payment made, or the charge, expense, cost, or obligation, debt or bill incurred by the lobbyist or the person the lobbyist represents. Whenever a lobbyist principal employs more than one lobbyist, expenditures of the lobbyist principal shall not be reported by each lobbyist, but shall be reported by one of such lobbyists. No expenditure shall be made on behalf of a state senator or state representative, or such public official's staff, employees, spouse, or dependent children for travel or lodging outside the state of Missouri unless such travel or lodging was approved prior to the date of the expenditure by the administration and accounts committee of the house or the administration committee of the senate.
- 5. Any lobbyist principal shall provide in a timely fashion whatever information is reasonably requested by the lobbyist principal's lobbyist for use in filing the reports required by this section.
- 6. All information required to be filed pursuant to the provisions of this section with the commission shall be kept available by the executive director of the commission at all times open to the public for inspection and copying for a reasonable fee for a period of five years from the date when such information was filed.
- 7. No person shall knowingly employ any person who is required to register as a registered lobbyist but is not registered pursuant to this section. Any person who knowingly violates this subsection shall be subject to a civil penalty in an amount of not more than ten thousand dollars for each violation. Such civil penalties shall be collected by action filed by the commission.
- 8. Any lobbyist found to knowingly omit, conceal, or falsify in any manner information required pursuant to this section shall be guilty of a class A misdemeanor.
- 9. The prosecuting attorney of Cole County shall be reimbursed only out of funds specifically appropriated by the general assembly for investigations and prosecutions for violations of this section.
- 10. Any public official or other person whose name appears in any lobbyist report filed pursuant to this section who contests the accuracy of the portion of the report applicable to such person may petition the commission for an audit of such report and shall state in writing in such petition the specific disagreement with the contents of such report. The commission shall investigate such allegations in the manner described in section 105.959. If the commission determines that the contents of such report are incorrect, incomplete or erroneous, it shall enter an order requiring filing of an amended or corrected report.

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11. The commission shall provide a report listing the total spent by a lobbyist for the month and year to any member or member-elect of the general assembly, judge or judicial officer, or any other person holding an elective office of state government or any elected local government official on or before the twentieth day of each month. For the purpose of providing accurate information to the public, the commission shall not publish information in either written or electronic form for ten working days after providing the report pursuant to this subsection. The commission shall not release any portion of the lobbyist report if the accuracy of the report has been questioned pursuant to subsection 10 of this section unless it is conspicuously marked "Under Review".

12. Each lobbyist or lobbyist principal by whom the lobbyist was employed, or in whose behalf the lobbyist acted, shall provide a general description of the proposed legislation or action by the executive branch or judicial branch which the lobbyist or lobbyist principal supported or opposed. This information shall be supplied to the commission on March fifteenth and May thirtieth of each year.

13. The provisions of this section shall supersede any contradicting ordinances or charter provisions.]

105.473. 1. Each lobbyist shall, not later than January fifth of each year or five days after beginning any activities as a lobbyist, file standardized registration forms, verified by a 3 written declaration that it is made under the penalties of perjury, along with a filing fee of ten dollars, with the commission. The forms shall include the lobbyist's name and business address, the name and address of all persons such lobbyist employs for lobbying purposes, the name and address of each lobbyist principal by whom such lobbyist is employed or in whose interest such lobbyist appears or works. The commission shall maintain files on all lobbyists' filings, which shall be open to the public. Each lobbyist shall file an updating statement under oath within one week of any addition, deletion, or change in the lobbyist's employment or representation. The 10 filing fee shall be deposited to the general revenue fund of the state. The lobbyist principal or a lobbyist employing another person for lobbying purposes may notify the commission that a judicial, executive or legislative lobbyist is no longer authorized to lobby for the principal or the 12 lobbyist and should be removed from the commission's files.

2. Each person shall, before giving testimony before any committee of the general assembly, give to the secretary of such committee such person's name and address and the identity of any lobbyist or organization, if any, on whose behalf such person appears. A person who is not a lobbyist as defined in section 105.470 shall not be required to give such person's address if the committee determines that the giving of such address would endanger the person's physical health.

3. (1) During any period of time in which a lobbyist continues to act as an executive lobbyist, judicial lobbyist, legislative lobbyist, or elected local government official lobbyist, the lobbyist shall file with the commission on standardized forms prescribed by the commission monthly reports which shall be due at the close of business on the tenth day of the following month;

- (2) Each report filed pursuant to this subsection shall include a statement, verified by a written declaration that it is made under the penalties of perjury, setting forth the following:
- (a) The total of all expenditures by the lobbyist or his or her lobbyist principals made on behalf of all public officials, their staffs and employees, and their spouses and dependent children, which expenditures shall be separated into at least the following categories by the executive branch, judicial branch and legislative branch of government: printing and publication expenses; media and other advertising expenses; travel; the time, venue, and nature of any entertainment; honoraria; meals, food and beverages; and gifts;
- (b) The total of all expenditures by the lobbyist or his or her lobbyist principals made on behalf of all elected local government officials, their staffs and employees, and their spouses and children. Such expenditures shall be separated into at least the following categories: printing and publication expenses; media and other advertising expenses; travel; the time, venue, and nature of any entertainment; honoraria; meals; food and beverages; and gifts;
- (c) An itemized listing of the name of the recipient and the nature and amount of each expenditure by the lobbyist or his or her lobbyist principal, including a service or anything of value, for all expenditures made during any reporting period, paid or provided to or for a public official or elected local government official, such official's staff, employees, spouse or dependent children;
- (d) The total of all expenditures made by a lobbyist or lobbyist principal for occasions and the identity of the group invited, the date and description of the occasion and the amount of the expenditure for each occasion when any of the following are invited in writing:
  - a. All members of the senate:
  - b. All members of the house of representatives;
- c. All members of a joint committee of the general assembly or a standing committee of either the house of representatives or senate; or
- d. All members of a caucus of the majority party of the house of representatives, minority party of the house of representatives, majority party of the senate, or minority party of the senate;
- (e) Any expenditure made on behalf of a public official, an elected local government official or such official's staff, employees, spouse or dependent children, if such expenditure is solicited by such official, the official's staff, employees, or spouse or dependent children, from the lobbyist or his or her lobbyist principals and the name of such person or persons, except any

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56 expenditures made to any not-for-profit corporation, charitable, fraternal or civic organization 57 or other association formed to provide for good in the order of benevolence;

- (f) A statement detailing any direct business relationship or association or partnership the lobbyist has with any public official or elected local government official. The reports required by this subdivision shall cover the time periods since the filing of the last report or since the lobbyist's employment or representation began, whichever is most recent.
- 4. No expenditure reported pursuant to this section shall include any amount expended by a lobbyist or lobbyist principal on himself or herself. All expenditures disclosed pursuant to this section shall be valued on the report at the actual amount of the payment made, or the charge, expense, cost, or obligation, debt or bill incurred by the lobbyist or the person the lobbyist represents. Whenever a lobbyist principal employs more than one lobbyist, expenditures of the lobbyist principal shall not be reported by each lobbyist, but shall be reported by one of such lobbyists. [No expenditure shall be made on behalf of a state senator or state representative, or such public official's staff, employees, spouse, or dependent children for travel or lodging outside the state of Missouri unless such travel or lodging was approved prior to the date of the expenditure by the administration and accounts committee of the house or the administration committee of the senate.
- 5. Any lobbyist principal shall provide in a timely fashion whatever information is reasonably requested by the lobbyist principal's lobbyist for use in filing the reports required by this section.
- 6. All information required to be filed pursuant to the provisions of this section with the commission shall be kept available by the executive director of the commission at all times open to the public for inspection and copying for a reasonable fee for a period of five years from the date when such information was filed.
- 7. No person shall knowingly employ any person who is required to register as a registered lobbyist but is not registered pursuant to this section. Any person who knowingly violates this subsection shall be subject to a civil penalty in an amount of not more than ten thousand dollars for each violation. Such civil penalties shall be collected by action filed by the commission.
- 8. No lobbyist shall knowingly omit, conceal, or falsify in any manner information 86 required pursuant to this section.
  - The prosecuting attorney of Cole County shall be reimbursed only out of funds specifically appropriated by the general assembly for investigations and prosecutions for violations of this section.
- 90 10. Any public official or other person whose name appears in any lobbyist report filed pursuant to this section who contests the accuracy of the portion of the report applicable to such 91

person may petition the commission for an audit of such report and shall state in writing in such petition the specific disagreement with the contents of such report. The commission shall investigate such allegations in the manner described in section 105.959. If the commission determines that the contents of such report are incorrect, incomplete or erroneous, it shall enter an order requiring filing of an amended or corrected report.

- 11. The commission shall provide a report listing the total spent by a lobbyist for the month and year to any member or member-elect of the general assembly, judge or judicial officer, or any other person holding an elective office of state government or any elected local government official on or before the twentieth day of each month. For the purpose of providing accurate information to the public, the commission shall not publish information in either written or electronic form for ten working days after providing the report pursuant to this subsection. The commission shall not release any portion of the lobbyist report if the accuracy of the report has been questioned pursuant to subsection 10 of this section unless it is conspicuously marked "Under Review".
- 12. Each lobbyist or lobbyist principal by whom the lobbyist was employed, or in whose behalf the lobbyist acted, shall provide a general description of the proposed legislation or action by the executive branch or judicial branch which the lobbyist or lobbyist principal supported or opposed. This information shall be supplied to the commission on March fifteenth and May thirtieth of each year.
- 13. No lobbyist shall make any contribution to, or expenditure on behalf of, any candidate committee formed by a candidate for statewide office, state representative, or state senator or any general assembly member's candidate committee for the purpose of providing any food, entertainment, lodging, or travel, and such candidate committees shall be barred from receiving such items. For purposes of this subsection, the terms "candidate", "candidate committee", "contribution", and "expenditure" shall have the same meanings given to the terms under section 130.011.
- 14. No lobbyist shall deliver any tangible or intangible item, service, or thing of value to any statewide elected official or member of the general assembly, or such person's staff, employees, spouse, or dependent children.
- 15. No lobbyist shall knowingly accept funds from any candidate committee, as defined under section 130.011, as reimbursement for delivering any tangible or intangible item, service, or thing of value to any statewide elected official or member of the general assembly, or such person's staff, employees, spouse, or dependent children.
- **16.** The provisions of this section shall supersede any contradicting ordinances or charter provisions.

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