

SECOND REGULAR SESSION

# HOUSE BILL NO. 1820

99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MCCREERY.

4499H.021

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 130.034, RSMo, and to enact in lieu thereof one new section relating to funds held by candidate committees, with penalty provisions.

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Section A. Section 130.034, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 130.034, to read as follows: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

(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. Notwithstanding the provisions of this section or any other section, a candidate**  
24 **committee shall not:**

25 **(1) Expend or transfer funds from the committee, for any purpose, to any person**  
26 **related, within the fourth degree of consanguinity or affinity, to the candidate who formed**  
27 **the candidate committee; or**

28 **(2) Expend or transfer funds from the committee, for any purpose, to any entity**  
29 **wholly or partially owned by a person related, within the fourth degree of consanguinity**  
30 **or affinity, to the candidate who formed the candidate committee.**

31 **4.** Upon the death of the candidate, former candidate or holder of elective office who  
32 received such contributions, all contributions shall be disposed of according to this section and  
33 any funds remaining after final settlement of the candidate's decedent's estate, or if no estate is  
34 opened, then twelve months after the candidate's death, will escheat to the state of Missouri to  
35 be deposited in the general revenue fund.

36 ~~[4-]~~ **5.** No contributions, as defined in section 130.011, received by a candidate, former  
37 candidate or holder of elective office shall be used to make restitution payments ordered of such  
38 individual by a court of law or for the payment of any fine resulting from conviction of a  
39 violation of any local, state or federal law.

40 ~~[5-]~~ **6.** Committees described in subdivision (17) of section 130.011 shall make  
41 expenditures only for the purpose of determining whether an individual will be a candidate.  
42 Such expenditures include polling information, mailings, personal appearances, telephone  
43 expenses, office and travel expenses but may not include contributions to other candidate  
44 committees.

45 ~~[6-]~~ **7.** Any moneys in the exploratory committee fund may be transferred to the  
46 candidate committee upon declaration of candidacy for the position being explored. Such funds  
47 shall be included for the purposes of reporting and limitation. In the event that candidacy is not  
48 declared for the position being explored, the remaining exploratory committee funds shall be  
49 returned to the contributors on a pro rata basis. In no event shall the amount returned exceed the  
50 amount given by each contributor nor be less than ten dollars.

51 ~~[7-]~~ **8.** Funds held in candidate committees, campaign committees, debt service  
52 committees, and exploratory committees shall be liquid such that these funds shall be readily

53 available for the specific and limited purposes allowed by law. These funds may be invested  
54 only in short-term treasury instruments or short-term bank certificates with durations of one year  
55 or less, or that allow the removal of funds at any time without any additional financial penalty  
56 other than the loss of interest income. Continuing committees, political party committees, and  
57 other committees such as out-of-state committees not formed for the benefit of any single  
58 candidate or ballot issue shall not be subject to the provisions of this subsection. This subsection  
59 shall not be interpreted to restrict the placement of funds in an interest-bearing checking account.

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