

FIRST REGULAR SESSION

HOUSE BILL NO. 854

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE TOALSON REISCH.

0825H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 130.033 and 130.034, RSMo, and to enact in lieu thereof two new sections relating to campaign finance.

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

Section A. Sections 130.033 and 130.034, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 130.033 and 130.034, to read as follows:

130.033. **1. Any reasonable attorney's fees accrued by a person who is the subject of a**
~~2 [complaint which are used in defending such person in any matter resulting in an investigation~~
~~3 arising from holding or running for public office]~~ **civil, criminal, or administrative proceeding**
4 in any federal court, state court, or other forum may be paid out of such person's committee,
5 as defined in section 130.011, if:

6 **(1) The fees are used in defending such person in any matter arising from holding**
7 **or running for public office; or**

8 **(2) The complaint that initiated the proceeding is based, in whole or in part, upon**
9 **such person's acts or omissions involving his or her identity as a candidate for or holder**
10 **of public office, without regard to whether the complaint is made in an official or personal**
11 **capacity or whether such person's acts or omissions are subject to any doctrine of official**
12 **or legislative immunity.**

13 **2. Any attorney's fees accrued by a person before the effective date of this**
14 **subsection, in the manner described under subsection 1 of this section, may be paid out of**
15 **the person's committee, as defined in section 130.011.**

16 **3. This section shall not be construed to prevent the establishment of legal defense**
17 **funds by candidates for or holders of public office or any related fundraising activity;**

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.

18 **except that, funding for such noncommittee legal defense funds shall be clearly designated**
19 **as such by written or oral agreement between the relevant parties, and candidates for or**
20 **holders of public office shall use reasonable pro rata accounting methods to comply with**
21 **the financial disclosure, reporting, and expenditure requirements of this chapter.**

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

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

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

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

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

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

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

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

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

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]~~ **Any**
23 **reasonable attorney's fees as allowed under section 130.033.**

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

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

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

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

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

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