## **HOUSE JOINT RESOLUTION NO. 56**

## 100TH GENERAL ASSEMBLY

## INTRODUCED BY REPRESENTATIVE POGUE.

2286H.01I

DANA RADEMAN MILLER, Chief Clerk

## **JOINT RESOLUTION**

Submitting to the qualified voters of Missouri an amendment repealing Section 23 of Article VIII of the Constitution of Missouri, relating to campaign finance.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2020, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for

- 4 adoption or rejection, the following amendment to Article VIII of the Constitution of the state
- 5 of Missouri:

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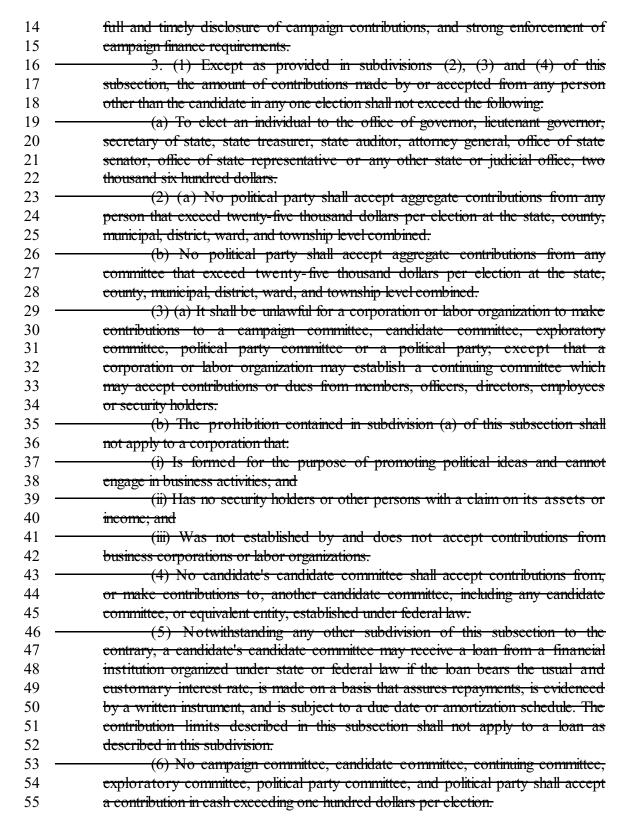
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Section A. Section 23, Article VIII, Constitution of Missouri, is repealed, to read as 2 follows:

[Section 23. 1. This section shall be known as the "Missouri Campaign Contribution Reform Initiative."

2. The people of the state of Missouri hereby find and declare that excessive campaign contributions to political candidates create the potential for corruption and the appearance of corruption; that large campaign contributions made to influence election outcomes allow wealthy individuals, corporations and special interest groups to exercise a disproportionate level of influence over the political process; that the rising costs of campaigning for political office prevent qualified citizens from running for political office; that political contributions from corporations and labor organizations are not necessarily an indication of popular support for the corporation's or labor organization's political ideas and can unfairly influence the outcome of Missouri elections; and that the interests of the public are best served by limiting campaign contributions, providing for

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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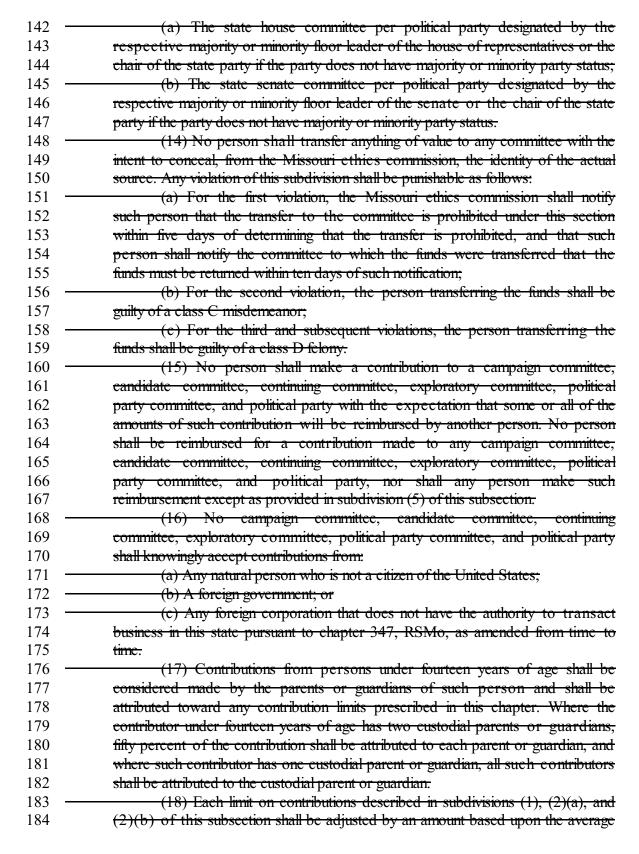
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56 (7) No contribution shall be made or accepted, directly or indirectly, in a fictitious name, in the name of another person, or by or through another person 57 in such a manner as to conceal the identity of the actual source of the contribution 58 59 or the actual recipient. Any person who receives contributions for a committee 60 shall disclose to that committee's treasurer, deputy treasurer or candidate the recipient's own name and address and the name and address of the actual source 61 of each contribution such person has received for that committee. 62 (8) No anonymous contribution of more than twenty-five dollars shall be 63 64 made by any person, and no anonymous contribution of more than twenty-five dollars shall be accepted by any candidate or committee. If any anonymous 65 66 contribution of more than twenty-five dollars is received, it shall be returned immediately to the contributor, if the contributor's identity can be ascertained, 67 and if the contributor's identity cannot be ascertained, the candidate, committee 68 69 treasurer or deputy treasurer shall immediately transmit that portion of the 70 contribution which exceeds twenty-five dollars to the state treasurer and it shall escheat to the state. 71 72 (9) The maximum aggregate amount of anonymous contributions which 73 shall be accepted per election by any committee shall be the greater of five hundred dollars or one percent of the aggregate amount of all contributions 74 75 received by that committee in the same election. If any anonymous contribution is received which causes the aggregate total of anonymous contributions to 76 exceed the foregoing limitation, it shall be returned immediately to the 77 contributor, if the contributor's identity can be ascertained, and, if the 78 contributor's identity cannot be ascertained, the committee treasurer, deputy 79 80 treasurer or candidate shall immediately transmit the anonymous contribution to 81 the state treasurer to escheat to the state. 82 (10) Notwithstanding the provisions of subdivision (9) of this subsection, contributions from individuals whose names and addresses cannot be ascertained 83 which are received from a fund-raising activity or event, such as defined in 84 section 130.011, RSMo, as amended from time to time, shall not be deemed 85 anonymous contributions, provided the following conditions are met: 86 87 (a) There are twenty-five or more contributing participants in the activity 88 or event; 89 (b) The candidate, committee treasurer, deputy treasurer or the person responsible for conducting the activity or event makes an announcement that it 90 91 is illegal for anyone to make or receive a contribution in excess of one hundred dollars unless the contribution is accompanied by the name and address of the 92 93 contributor: 94 (c) The person responsible for conducting the activity or event does not knowingly accept payment from any single person of more than one hundred 95 dollars unless the name and address of the person making such payment is

obtained and recorded pursuant to the record-keeping requirements of section

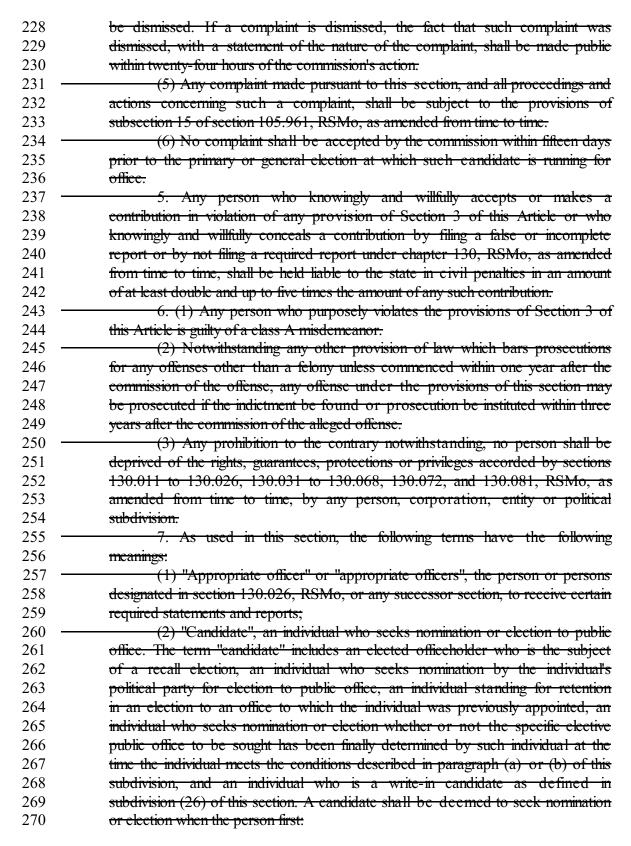
130.036. RSMo, as amended from time to time:

99 (d) A statement describing the event shall be prepared by the candidate 100 or the treasurer of the committee for whom the funds were raised or by the person responsible for conducting the activity or event and attached to the disclosure 101 102 report of contributions and expenditures required by section 130.041, RSMo, as 103 amended from time to time. The following information to be listed in the statement is in addition to, not in lieu of, the requirements elsewhere in this 104 chapter relating to the recording and reporting of contributions and expenditures: 105 (i) The name and mailing address of the person or persons responsible for 106 107 conducting the event or activity and the name and address of the candidate or committee for whom the funds were raised: 108 109 (ii) The date on which the event occurred; 110 (iii) The name and address of the location where the event occurred and the approximate number of participants in the event; 111 (iv) A brief description of the type of event and the fund-raising methods 112 113 used: 114 (v) The gross receipts from the event and a listing of the expenditures 115 incident to the event: 116 (vi) The total dollar amount of contributions received from the event from 117 participants whose names and addresses were not obtained with such contributions and an explanation of why it was not possible to obtain the names 118 119 and addresses of such participants; (vii) The total dollar amount of contributions received from contributing 120 participants in the event who are identified by name and address in the records 121 122 required to be maintained pursuant to section 130.036, RSMo, as amended from 123 time to time. 124 (11) No candidate or committee in this state shall accept contributions 125 from any out-of-state committee unless the out-of-state committee from whom 126 the contributions are received has filed a statement of organization pursuant to section 130,021, RSMo, as amended from time to time, or has filed the reports 127 required by sections 130.049 and 130.050, RSMo, as amended from time to time, 128 129 whichever is applicable to that committee. 130 (12) Political action committees shall only receive contributions from 131 individuals; unions; federal political action committees; and corporations, associations, and partnerships formed under chapters 347 to 360, RSMo, as 132 amended from time to time, and shall be prohibited from receiving contributions 133 134 from other political action committees, candidate committees, political party 135 committees, campaign committees, exploratory committees, or debt service 136 committees. However, candidate committees, political party committees, campaign committees, exploratory committees, and debt service committees shall 137 be allowed to return contributions to a donor political action committee that is the 138 139 origin of the contribution. 140 (13) The prohibited committee transfers described in subdivision (12) of this subsection shall not apply to the following committees: 141



of the percentage change over a four-year period in the United States Bureau of Labor Statistics Consumer Price Index for Kansas City, all items, all consumers, or its successor index, rounded to the nearest lowest twenty-five dollars and the percentage change over a four-year period in the United States Bureau of Labor Statistics Consumer Price Index for St. Louis, all items, all consumers, or its successor index, rounded to the nearest lowest twenty-five dollars. The first adjustment shall be done in the first quarter of 2019, and then every four years thereafter. The secretary of state shall calculate such an adjustment in each limit and specify the limits in rules promulgated in accordance with chapter 536, RSMo, as amended from time to time.

- 4. (1) Notwithstanding the provisions of subsection 3 of section 105.957, RSMo, as amended from time to time, any natural person may file a complaint with the Missouri ethics commission alleging a violation of the provisions of Section 3 of this Article by any candidate for elective office, within sixty days prior to the primary election at which such candidate is running for office, until after the general election. Any such complaint shall be in writing, shall state all facts known by the complainant which have given rise to the complaint, and shall be sworn to, under penalty of perjury, by the complainant.
- (2) Within the first business day after receipt of a complaint pursuant to this section, the executive director shall supply a copy of the complaint to the person or entity named in the complaint. The executive director of the Missouri ethics commission shall notify the complainant and the person or entity named in the complaint of the date and time at which the commission shall audit and investigate the allegations contained in the complaint pursuant to subdivision (3) of this subsection.
- (3) Within fifteen business days of receipt of a complaint pursuant to this section, the commission shall audit and investigate the allegations contained in the complaint and shall determine by a vote of at least four members of the commission that there are reasonable grounds to believe that a violation of law has occurred within the jurisdiction of the commission. The respondent may reply in writing or in person to the allegations contained in the complaint and may state justifications to dismiss the complaint. The complainant may also present evidence in support of the allegations contained in the complaint, but such evidence shall be limited in scope to the allegations contained in the original complaint, and such complaint may not be supplemented or otherwise enlarged in scope.
- (4) If, after audit and investigation of the complaint and upon a vote of at least four members of the commission, the commission determines that there are reasonable grounds to believe that a violation of law has occurred within the jurisdiction of the commission, the commission shall proceed with such complaint as provided by sections 105.957 to 105.963, RSMo, as amended from time to time. If the commission does not determine that there are reasonable grounds to believe that such a violation of law has occurred, the complaint shall



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271 (a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote the person's candidacy for office; or 272 273 (b) Knows or has reason to know that contributions are being received or expenditures are being made or space or facilities are being reserved with the 274 275 intent to promote the person's candidacy for office; except that, such individual 276 shall not be deemed a candidate if the person files a statement with the appropriate officer within five days after learning of the receipt of contributions, 277 the making of expenditures, or the reservation of space or facilities disavowing 278 279 the candidacy and stating that the person will not accept nomination or take office 280 if elected; provided that, if the election at which such individual is supported as 281 a candidate is to take place within five days after the person's learning of the above-specified activities, the individual shall file the statement disavowing the 282 283 candidacy within one day; or 284 (c) Announces or files a declaration of candidacy for office. (3) "Cash", currency, coin, United States postage stamps, or any 285 286 negotiable instrument which can be transferred from one person to another person 287 without the signature or endorsement of the transferor. 288 (4) "Committee", a person or any combination of persons, who accepts 289 contributions or makes expenditures for the primary or incidental purpose of 290 influencing or attempting to influence the action of voters for or against the 291 nomination or election to public office of one or more candidates or the 292 qualification, passage or defeat of any ballot measure or for the purpose of paying 293 a previously incurred campaign debt or obligation of a candidate or the debts or 294 obligations of a committee or for the purpose of contributing funds to another 295 committee. 296 (5) "Committee", does not include: 297 (a) A person or combination of persons, if neither the aggregate of expenditures made nor the aggregate of contributions received during a calendar 298 year exceeds five hundred dollars and if no single contributor has contributed 299 300 more than two hundred fifty dollars of such aggregate contributions; (b) An individual, other than a candidate, who accepts no contributions 301 302 and who deals only with the individual's own funds or property; 303 (c) A corporation, cooperative association, partnership, proprietorship, or joint venture organized or operated for a primary or principal purpose other than 304 305 that of influencing or attempting to influence the action of voters for or against 306 the nomination or election to public office of one or more candidates or the qualification, passage or defeat of any ballot measure, and it accepts no 307 contributions, and all expenditures it makes are from its own funds or property 308 309 obtained in the usual course of business or in any commercial or other transaction 310 and which are not contributions as defined by subdivision (7) of this section; 311 (d) A labor organization organized or operated for a primary or principal purpose other than that of influencing or attempting to influence the action of 312

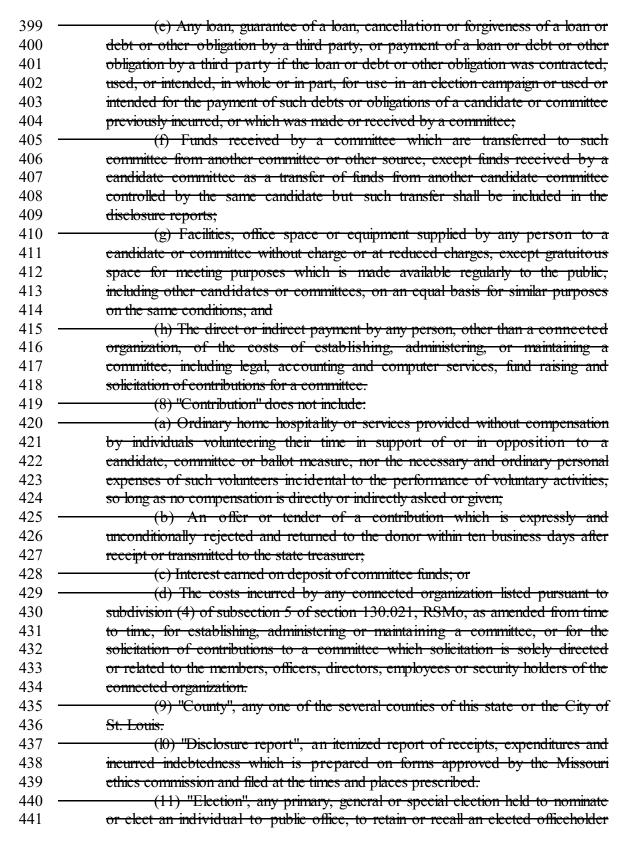
voters for or against the nomination or election to public office of one or more

candidates, or the qualification, passage, or defeat of any ballot measure, and it accepts no contributions, and expenditures made by the organization are from its own funds or property received from membership dues or membership fees which were given or solicited for the purpose of supporting the normal and usual activities and functions of the organization and which are not contributions as defined by subdivision (7) of this section;

- (e) A person who acts as an authorized agent for a committee in soliciting or receiving contributions or in making expenditures or incurring indebtedness on behalf of the committee if such person renders to the committee treasurer or deputy treasurer or candidate, if applicable, an accurate account of each receipt or other transaction in the detail required by the treasurer to comply with all record-keeping and reporting requirements; or
- (f) Any department, agency, board, institution or other entity of the state or any of its subdivisions or any officer or employee thereof, acting in the person's official capacity.
- (6) The term "committee" includes, but is not limited to, each of the following committees: campaign committee, candidate committee, continuing committee and political party committee:
- (a) "Campaign committee", a committee, other than a candidate committee, which shall be formed by an individual or group of individuals to receive contributions or make expenditures and whose sole purpose is to support or oppose the qualification and passage of one or more particular ballot measures in an election or the retention of judges under the nonpartisan court plan, such committee shall be formed no later than thirty days prior to the election for which the committee receives contributions or makes expenditures, and which shall terminate the later of either thirty days after the general election or upon the satisfaction of all committee debt after the general election, except that no committee retiring debt shall engage in any other activities in support of a measure for which the committee was formed:
- (b) "Candidate committee", a committee which shall be formed by a candidate to receive contributions or make expenditures in behalf of the person's candidacy and which shall continue in existence for use by an elected candidate or which shall terminate the later of either thirty days after the general election for a candidate who was not elected or upon the satisfaction of all committee debt after the election, except that no committee retiring debt shall engage in any other activities in support of the candidate for which the committee was formed. Any candidate for elective office shall have only one candidate committee for the elective office sought, which is controlled directly by the candidate for the purpose of making expenditures. A candidate committee is presumed to be under the control and direction of the candidate unless the candidate files an affidavit with the appropriate officer stating that the committee is acting without control or direction on the candidate's part;

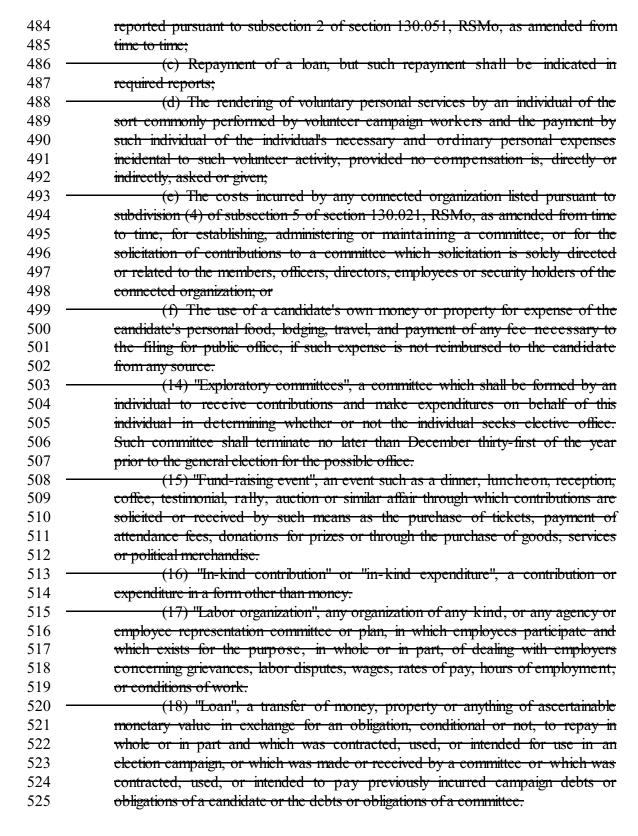
(c) "Continuing committee", a committee of continuing existence which is not formed, controlled or directed by a candidate, and is a committee other than a candidate committee or campaign committee, whose primary or incidental purpose is to receive contributions or make expenditures to influence or attempt to influence the action of voters whether or not a particular candidate or candidates or a particular ballot measure or measures to be supported or opposed has been determined at the time the committee is required to file any statement or report pursuant to the provisions of this chapter. "Continuing committee" includes, but is not limited to, any committee organized or sponsored by a business entity, a labor organization, a professional association, a trade or business association, a club or other organization and whose primary purpose is to solicit, accept and use contributions from the members, employees or stockholders of such entity and any individual or group of individuals who accept and use contributions to influence or attempt to influence the action of voters. Such committee shall be formed no later than sixty days prior to the election for which the committee receives contributions or makes expenditures; and

- (d) "Connected organization", any organization such as a corporation, a labor organization, a membership organization, a cooperative, or trade or professional association which expends funds or provides services or facilities to establish, administer or maintain a committee or to solicit contributions to a committee from its members, officers, directors, employees or security holders. An organization shall be deemed to be the connected organization if more than fifty percent of the persons making contributions to the committee during the current calendar year are members, officers, directors, employees or security holders of such organization or their spouses.
- (7) "Contribution", a payment, gift, loan, advance, deposit, or donation of money or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification, passage or defeat of any ballot measure, or for the support of any committee supporting or opposing candidates or ballot measures or for paying debts or obligations of any candidate or committee previously incurred for the above purposes. A contribution of anything of value shall be deemed to have a money value equivalent to the fair market value. "Contribution" includes, but is not limited to:
- (a) A candidate's own money or property used in support of the person's candidacy other than expense of the candidate's food, lodging, travel, and payment of any fee necessary to the filing for public office;
- (b) Payment by any person, other than a candidate or committee, to compensate another person for services rendered to that candidate or committee;
- (e) Receipts from the sale of goods and services, including the sale of advertising space in a brochure, booklet, program or pamphlet of a candidate or committee and the sale of tickets or political merchandise;
  - (d) Receipts from fund-raising events including testimonial affairs;



or to submit a ballot measure to the voters, and any caucus or other meeting of a political party or a political party committee at which that party's candidate or candidates for public office are officially selected. A primary election and the succeeding general election shall be considered separate elections.

- (12) "Expenditure", a payment, advance, conveyance, deposit, donation or contribution of money or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification or passage of any ballot measure or for the support of any committee which in turn supports or opposes any candidate or ballot measure or for the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a committee; a payment, or an agreement or promise to pay, money or anything of value, including a candidate's own money or property, for the purchase of goods, services, property, facilities or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification or passage of any ballot measure or for the support of any committee which in turn supports or opposes any candidate or ballot measure or for the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a committee. An expenditure of anything of value shall be deemed to have a money value equivalent to the fair market value. "Expenditure" includes, but is not limited to:
- (a) Payment by anyone other than a committee for services of another person rendered to such committee;
- (b) The purchase of tickets, goods, services or political merchandise in connection with any testimonial affair or fund-raising event of or for candidates or committees, or the purchase of advertising in a brochure, booklet, program or pamphlet of a candidate or committee;
  - (c) The transfer of funds by one committee to another committee; and
- (d) The direct or indirect payment by any person, other than a connected organization for a committee, of the costs of establishing, administering or maintaining a committee, including legal, accounting and computer services, fund raising and solicitation of contributions for a committee.
  - (13) "Expenditure" does not include:
- (a) Any news story, commentary or editorial which is broadcast or published by any broadcasting station, newspaper, magazine or other periodical without charge to the candidate or to any person supporting or opposing a candidate or ballot measure;
- (b) The internal dissemination by any membership organization, proprietorship, labor organization, corporation, association or other entity of information advocating the election or defeat of a candidate or candidates or the passage or defeat of a ballot measure or measures to its directors, officers, members, employees or security holders, provided that the cost incurred is



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(19) "Person", an individual, group of individuals, corporation, partnership, committee, proprietorship, joint venture, any department, agency, board, institution or other entity of the state or any of its political subdivisions, union, labor organization, trade or professional or business association, association, political party or any executive committee thereof, or any other club or organization however constituted or any officer or employee of such entity acting in the person's official capacity.

(20) "Political action committee", a committee of continuing existence which is not formed, controlled or directed by a candidate, and is a committee other than a candidate committee, political party committee, campaign committee, exploratory committee, or debt service committee, whose primary or incidental purpose is to receive contributions or make expenditures to influence or attempt to influence the action of voters whether or not a particular candidate or candidates or a particular ballot measure or measures to be supported or opposed has been determined at the time the committee is required to file any statement or report pursuant to the provisions of this chapter. Such a committee includes, but is not limited to, any committee organized or sponsored by a business entity, a labor organization, a professional association, a trade or business association, a club or other organization and whose primary purpose is to solicit, accept and use contributions from the members, employees or stockholders of such entity and any individual or group of individuals who accept and use contributions to influence or attempt to influence the action of voters. Such committee shall be formed no later than sixty days prior to the election for which the committee receives contributions or makes expenditures.

(21) "Political merchandise", goods such as bumper stickers, pins, hats, ties, jewelry, literature, or other items sold or distributed at a fund-raising event or to the general public for publicity or for the purpose of raising funds to be used in supporting or opposing a candidate for nomination or election or in supporting or opposing the qualification, passage or defeat of a ballot measure.

(22) "Political party", a political party which has the right under law to have the names of its candidates listed on the ballot in a general election.

(23) "Political party committee", a state, district, county, city, or area committee of a political party, as defined in section 115.603, RSMo, as amended from time to time, which may be organized as a not-for-profit corporation under Missouri law, and which committee is of continuing existence, and has the primary or incidental purpose of receiving contributions and making expenditures to influence or attempt to influence the action of voters on behalf of the political party.

(24) "Public office" or "office", any state, judicial, county, municipal, school or other district, ward, township, or other political subdivision office or any political party office which is filled by a vote of registered voters.

| 567 | (25) "Write-in candidate", an individual whose name is not printed on the           |
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| 568 | ballot but who otherwise meets the definition of candidate in subdivision (2) of    |
| 569 | this section.   |
| 570 | 8. The provisions of this section are self-executing. All of the provisions         |
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| 571 | of this section are severable. If any provision of this section is found by a court |
| 572 | of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the |
| 573 | remaining provisions of this section shall be and remain valid.]                    |
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