

HOUSE BILL NO. 2678

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MCCREERY.

5507H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 130.034, RSMo, and to enact in lieu thereof one new section relating to campaign finance, with penalty provisions.

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Section A. Section 130.034, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 130.034, to read as follows: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) **Any reasonable legal fees incurred in defense of a legal proceeding arising out of the official duties of a holder of elective office;**

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

~~(5)~~ (6) To contribute to a political organization or candidate committee as allowed by law;

~~(6)~~ (7) To establish a new committee as defined by this chapter;

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 ~~[(7)]~~ (8) To make an unconditional gift which is fully vested to any charitable,
19 fraternal or civic organizations or other associations formed to provide for some good in the
20 order of benevolence, if such candidate, former candidate or holder of elective office or such
21 person's immediate family gain no direct financial benefit from the unconditional gift;

22 ~~[(8)]~~ (9) Except when such candidate, former candidate or holder of elective office
23 dies while the committee remains in existence, the committee may make an unconditional gift
24 to a fund established for the benefit of the spouse and children of the candidate, former
25 candidate or holder of elective office. The provisions of this subdivision shall expire October
26 1, 1997.

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

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

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

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

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

55 subsection. This subsection shall not be interpreted to restrict the placement of funds in an
56 interest-bearing checking account.

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