

Effective August 8, 2018

New Regulations Concerning Out-of-state Committees and Federal PACs

Commission Rules [1 CSR 50-5.010](#) and [1 CSR - 50.020](#) go into effect August 8, 2018, the first day of the November 2018 General Election Cycle. These rules relate to registration and reporting requirements for out-of-state committees, including federal political action committees, with the Missouri Ethics Commission (MEC). The following are some answers to questions we have been receiving about the implementation of the rules.

Why did the Commission promulgate these rules?

These rules clarify which committees registered in other states, and federal committees registered with the Federal Election Commission (FEC), must comply with Missouri existing statutes relating to registration and reporting their activity within the State of Missouri. They also define federal political action committee (Federal PAC) for purposes of [Mo. Const. Art. VIII, Section 23.3](#)(12) which allows federal political action committees to contribute to Missouri committees.

Committees required to register in Missouri will follow the Missouri schedule for reporting activity within Missouri. Committees not required to register will file out-of-state committee reports on the [Missouri schedule](#). These reports will be on a consistent schedule and with consistent content with other Missouri committees.

Do the new rules apply to activity by newly regulated committees prior to August 8, 2018?

No, the effective date is August 8, 2018.

[§105.955.14](#)(7) RSMo states that all rules and regulations issued by the Commission shall be prospective only.

The registration requirements apply to aggregate contributions and expenditures made on or after August 8, 2018.

What committees are required to register as Missouri PACs?

[1 CSR 50-5.010](#) defines certain federal political action committees (registered with the FEC) and out-of-state committees (committees registered in other states). These committees which make contributions or expenditures to support or oppose Missouri state and local candidates or ballot measures will be required to register a Missouri committee and report Missouri activity to the MEC if they meet the requirements of [§130.021.10](#), RSMo:

- (1) The aggregate of all contributions received from persons domiciled in Missouri exceeds 20% in total dollar amount of all funds received by the committee in the preceding twelve months; or
- (2) The aggregate of all contributions and expenditures made to support or oppose candidates and ballot measures in Missouri exceeds \$1,500 in the current calendar year.

You can find more information on the requirements of registering a Missouri PAC [here](#).



This summary is intended only as a guide to aid understanding the Rules to be effective August 8, 2018. For the rules' complete requirements, consult the rules and the law itself codified at Chapter 130 of the Revised Statutes of Missouri and in Article VIII, Section 23 of the Missouri Constitution. Please [contact](#) the Commission with any further questions you may have.

How does the rule requiring aggregate contributions over 20% apply to federal PACs that do not otherwise trigger registration in Missouri?

Federal PACs and out-of-state committees which wish to contribute to committees in Missouri or make expenditures to support or oppose Missouri candidates or ballot measures, should check the previous 12 months of contributions. Based on the review of any 12 month period, if more than 20% of aggregate contributions come from Missouri residents, a Federal PAC or out-of-state committee must register a Missouri PAC.

Is there a time-deadline for registering a Missouri PAC?

Yes. A Missouri PAC shall be formed no later than 60 days prior to the election for which the committee receives contributions or makes expenditures.

How does a Federal PAC report contributions it makes to the Missouri committee?

[Mo. Const. Art. VIII, Sec. 23.3](#)(12) allows federal political action committees to contribute to Missouri committees. The rule contains a definition of federal political action committee. The Missouri committee will report the contribution as coming from the federal political action committee, not the individual contributors to the Federal PAC.

Is a Federal PAC reporting with the FEC required to report all of its activity with the MEC, regardless of whether the activity is in the State of Missouri?

No. Federal committees still register separately with the FEC. They are required to either register a Missouri Committee and report that committee's contributions or expenditures relating to Missouri state and local candidate committees and all other Missouri committees, or file an out-of-state committee report for the activity in Missouri.

Why must the words "Federal Committee" be included in the Missouri committee name?

Committees must identify the name of the Missouri committee, including the words "federal committee" in order to identify the Missouri committee as being associated with the Federal PAC. For example, a committee may be named "ABC Missouri PAC - Federal Committee."

Can an out-of-state committee which registers a Missouri committee contribute its funds to the Missouri Committee?

[Mo. Const. Art. 23.3](#)(12) prohibits Missouri political action committees from receiving contributions from "other political action committees." On May 5, 2017, in *Free and Fair Election Fund, et al. v. Missouri Ethics Commission, et al. & Missouri Electric Cooperatives, et al. v. State of Missouri, et al* the Federal District Court enjoined that provision and an appeal is pending in the 8th Circuit Court of Appeals. The District Court's injunction has been in effect since June 21, 2017, and remains in effect during the appeal.

The Commission has not interpreted this section at this time as it relates to committees registered in other states and is unable to answer this question. With respect to Missouri PACs, Commission staff has advised PACs that, if the current injunction is overturned on appeal, there is the possibility that the PAC receiving contributions may have to return those contributions to the contributing PAC.

What are the reporting requirements for out-of-state committees and federal PACs that are not required to register?

The registration and reporting requirements and deadlines can be found in [§130.049](#) and [§130.050](#), RSMo. Contributions or expenditures shall be made no later than 30 days prior to the election. Find out-of-state committee form [here](#).

Physical address:
3411 A Knipp Dr. Jefferson City MO 65109

Mailing address:
PO Box 1370 Jefferson City MO 65102

Phone: 800-392-8660 573-751-2020

Email: helpdesk@mec.mo.gov

Website: www.mec.mo.gov



Follow us!

Where in the state must the Treasurer reside?

The treasurer may reside anywhere within the State of Missouri

Why is there an Emergency Rule and an Order of Rulemaking?

The rules in substance are the same. The emergency rule was filed in order to have an earlier effective date of August 8, 2018, the beginning of an election cycle. While the emergency rule has a February expiration date, the rule will remain in effect.

Physical address:
3411 A Knipp Dr. Jefferson City MO 65109

Mailing address:
PO Box 1370 Jefferson City MO 65102

Phone: 800-392-8660 573-751-2020

Email: helpdesk@mec.mo.gov

Website: www.mec.mo.gov



Follow us!