

THE MEC GUIDE TO
ETHICS LAWS
A PLAIN ENGLISH SUMMARY



2020

Missouri Ethics Commission

This guide is intended to provide a plain English summary of the Missouri Ethics laws, including laws affecting the activities of individuals who are or may become candidates for elective office at the state, county, municipal or special district level in Missouri.

Information about the Missouri Ethics Commission and all forms and requirements can be found on the Commission's website at www.mec.mo.gov.

-Table of Contents-

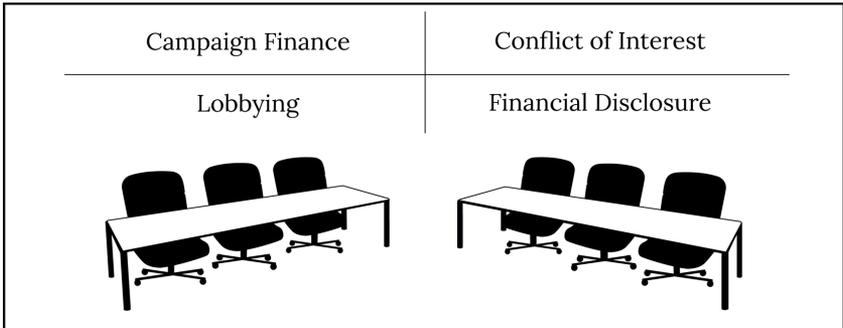
<u>Introduction</u>	
About the Missouri Ethics Commission.....	2
Terms to Know.....	4
<u>1. Personal Financial Disclosures</u>	
Required Filers.....	6
Submitting a PFD.....	7
Annual Filers.....	8
Candidate Filers.....	9
PFD Due Dates.....	10
<u>2. Campaign Finance Disclosure</u>	
When to Form a Candidate Committee.....	13
How to Form a Committee.....	14
Filing Requirements and Deadlines.....	17
Post Election Procedure.....	20
Paid for by Disclosure.....	21
Committee Checklist.....	23
Contribution Limits and Prohibitions.....	24
<u>3. Complaints and Investigations</u>	
MEC Investigations.....	27
Filing a Complaint.....	28
Commission Hearings.....	28
<u>4. Conflict of Interest</u>	
Requirements and Prohibitions.....	30
Nepotism.....	31
Use of Public Funds.....	31
<u>5. Lobbying</u>	
Lobbyist Requirements.....	34
Reporting Expenditures.....	35
Lobbyist Restrictions.....	36
<u>6. Educational Resources</u>37	
<u>7. Connect With Us</u>39	
<u>8. Meet Our Commissioners</u>40	

-About the Commission-

Missouri Ethics Commission

The Missouri Ethics Commission (MEC) was created by the Missouri Ethics Law of 1991. § 105.955, RSMo.

The Commission consists of six members, each appointed by the Governor with the advice and consent of the Senate for a four-year term. Commissioners are selected from different congressional districts, with no more than three Commissioners from the same political party. However, once appointed, Commissioners serve in a non-partisan manner. A chair and vice-chair are elected every two years. The Commission employs an Executive Director to oversee the day-to-day operations of the agency's professional and non-partisan staff.



The Commission enforces the laws and retains information and reports related to lobbyists, personal financial disclosure, campaign finance disclosure, and conflict of interest laws.

Our Mission

The MEC serves the public interest by promoting and maintaining transparency, accountability, and compliance with campaign finance, lobbying, and conflict of interest laws. We educate and assist the citizens of Missouri, public officials, lobbyists, and those participating in public elections, by increasing awareness and understanding of the law. We investigate and enforce these laws consistently.

-About the Commission-

Advisory Opinions

An advisory opinion is issued by the Commission and provides its interpretation of a law. An advisory opinion may act as legal direction to the person requesting the opinion and the requesting person will not be liable for relying on the opinion. The opinion may act as a defense of justification against prosecution.

To request an advisory opinion, the requester must:

1. Submit a written request; and
2. Be directly affected by the application of the law to the facts presented.

§ 105.955.16(1), RSMo

The Commission may issue a written opinion regarding any issue that the Commission can receive a complaint on pursuant to § 105.957, RSMo.

Advisory opinions specifically apply to the requester but can be used for guidance by others on how the Commission interprets the law. Searching existing advisory opinions may aid in answering questions regarding Missouri's governmental ethics laws.

Advisory opinions are compiled and published on our website:

1. **Go** to www.mec.mo.gov
2. **Select** Advisory Opinions at the bottom of the page
3. **Search** opinions by topic
 - All topics
 - Campaign Finance
 - Conflict of Interest
 - Lobbying
 - Personal Financial Disclosure

(https://mec.mo.gov/MEC/Commission_Business/OpinionsSearch.aspx)

-Terms to Know-

Disclosure

Elected or appointed public officials, or candidates running for office, may be required by law to file disclosures that are made available to the public. The law requires that certain public officials and employees, as well as candidates for office, disclose their financial interests through a *Personal Financial Disclosure Statement*. The law also requires committees who support or oppose candidates or ballot measures to disclose their activities through various campaign finance disclosure reports. Disclosures are aimed at maintaining transparency and accountability in Missouri's political processes.

Expenditure § 130.011(16), RSMo

A payment, advance, conveyance, deposit, donation, or contribution of money or anything of value for the purpose of supporting or opposing candidates or ballot measures. Expenditures should be reported at the time they are either made or incurred.

Incurred Expenditure § 130.011(16), RSMo

An expenditure made during one reporting period but paid in another (even if the candidate or committee has received the good or service). Incurred expenditures must be recorded and reported at the time the obligation to pay is made.

In-kind Contribution § 130.011(19), RSMo

Contributions made, in a form other than money, for the purpose of supporting or opposing candidates or ballot measures. An in-kind contribution includes gifts, loans, advances, donation of money or anything of value. In-kind contributions are reported at their fair market value.

Monetary Contribution § 130.011(12), RSMo

All moneys contributed for the purpose of supporting or opposing candidates or ballot measures. Contributions include loans, advances, and a candidate's own money used in support of the person's candidacy (with specific exceptions noted in the law).

Political Subdivision § 105.450(9), RSMo

Any political subdivision of the state, and any special district or sub district. Examples include counties, cities, townships, school districts, etc.

Personal Financial Disclosure

1

What is a PFD?

A Personal Financial Disclosure (PFD) is a statement, completed and filed, by a public official, an employee or a candidate, to provide to the public information about their financial interests. The PFD statement is used to disclose any potential conflicts of interest by a public official or employee. For political subdivisions with a conflict of interest policy, ordinance, or resolution, the PFD is also known as a *Financial Interest Statement*.

See §§ 105.483—105.498, RSMo for more information.

In this Section

- Required PFD Filers
- How to File
- PFD Annual Filers
- PFD Candidate Filers
- PFD Deadlines



See **[Guide to Personal Financial Disclosure](#)** on our website.

-Filing a PFD-

Public Officials Required to File a PFD with the MEC

(§§ 105.483 and 105.489, RSMo)

- Statewide office holders and designated staff
- Senators and Representatives
- The State Demographer
- Judicial candidates who are not sitting judges
- Municipal judges (if required by political subdivision)
- Certain state board and commission members
- Certain employees of the state or political subdivisions including those employees who are authorized to promulgate or adopt rules and regulations or who serve as the chief administrative officer, chief purchasing officer, or full-time general counsel
- Candidates and public officials in political subdivisions where an ordinance has been adopted and filed with the MEC, that meet one or both of the following:
 - The candidate, official, or their relative (related within the first degree of blood or marriage) is doing business or owns a substantial interest in a business that has conducted business with the political subdivision in excess of \$500
 - The conflict of interest ordinance/resolution specifically requires the filing of a PFD

Local Office Holders and Candidates:

Political subdivisions may adopt a conflict of interest ordinance identifying positions required to file a PFD. The ordinance must be readopted every two years by September 15, and a certified copy must be filed with the MEC within 10 days of the adoption or re-adoption.

Check with your political subdivision for local PFD requirements.



See **Sample Ordinance** on our website for more information.

Judges Required to File a PFD with the Missouri Supreme Court

(§§ 105.483(1) and 105.489(2), RSMo)

- Circuit judges
- Associate circuit judges
- Appellate judges
- Missouri Supreme Court judges

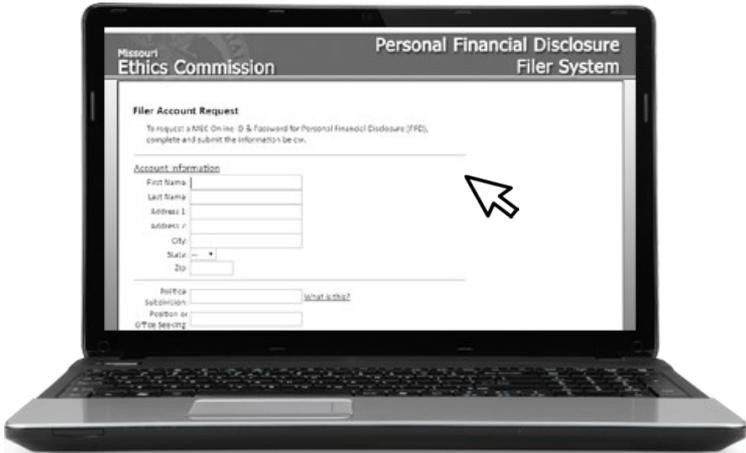
Note: *Judicial candidates who are not sitting judges file with the MEC.*

-Submitting a PFD-

How to File a PFD

- Those individuals filing a PFD for the first time can request an MEC ID on the MEC's website by clicking *login* in the top right corner and selecting *PFD E-Filer Account Request* from the drop-down menu. Upon processing the request, the MEC will email the requester the MEC ID and password.
- Use the MEC ID to log in to the e-filing system on the MEC's website and begin completing the required information.
- Paper forms are also available on the MEC's website. Paper filings require original signature and must be mailed or hand-delivered. Faxed or emailed filings are not accepted.

.....



Important Note:

State law requires a written request to receive copies of PFDs filed with the Commission. Therefore, PFDs are not available for public viewing on our website.



File PFD online at mec.mo.gov

-PFD Annual Filers-

§ 105.487(3), RSMo

An annual filer is an individual from the state or a political subdivision with an annual operating budget (AOB) over \$1 million that is required by law to disclose their financial interests by virtue of the position they hold.

An annual filer must file a PFD with the MEC no later than May 1, after each calendar year their position is held. If the filer is also running for office, they must submit their PFD by the earlier candidate filing deadline. Former public officials and employees who were designated PFD filers are required to file a PFD for the position they held in the previous calendar year.

Annual filer notification

Each year, state agencies and political subdivisions with an AOB over \$1 million dollars are required to provide the MEC with a list of individuals, including former public officials and employees, required to file a PFD. State law requires the state agency or political subdivision to notify all individuals that they have been designated as a required filer. In January of each year, the MEC notifies individuals that they have been designated as required to file a PFD by their state agency or political subdivision.

Reporting time period

PFDs filed by the May 1, 2020, deadline cover January 1 through December 31, 2019. If an individual no longer holds the position, the PFD covers the period through the last day the position was held.

Examples for annual PFD filers

- A fire district board member serving through 2019 must file a PFD Statement by May 1, 2020. This PFD will disclose the financial interests of the board member, their spouse, and dependent children for the 2019 calendar year.
- A former city council member served in a city with an ordinance that requires they file a PFD. Their last day of service was October 5, 2019, so they must report the financial interests of themselves, their spouse, and dependent children for January 1, 2019, through October 5, 2019, by the May 1, 2020, deadline on a PFD Statement.

Former employees and officials:

Be sure the state agency or political subdivision has up to date contact information to ensure receipt of the annual PFD reminder.

-PFD Candidate Filers-

§ 105.487(1), RSMo

A candidate filer is an individual running for public office who is required to file a PFD by virtue of the office the candidate is seeking.

A candidate's PFD is due no later than 14 days after the closing date of filing for candidacy (see specific due dates on next page). If an individual is nominated as a candidate after the certification date, they must file a PFD within 14 days of nomination. This includes candidates in political subdivisions with an AOB over \$1 million (unless the subdivision has adopted an ordinance or resolution which specifically excludes the candidate from filing a PFD). Candidate filers must file their PFD with the MEC and provide a copy to their political subdivision if it has an ordinance.

Candidate filer notification

A candidate filer receives notification of their PFD filing requirement from their election authority when they file a *Declaration of Candidacy*.

Reporting time period

New candidates report information for the 12 months prior to the closing date for candidacy. Incumbent candidates (or candidates who are also annual filers) report information from January 1 of the previous calendar year to the closing date for candidacy. This period may be longer than 12 months.

Primary Elections

A candidate required to file a PFD because of their candidacy in a primary election is required to **amend** their PFD by the close of business on the Monday before the general election if they obtain any additional financial interests or have any change in their existing financial interests since the filing of their last PFD.

Examples for candidate PFD filers

- An incumbent mayor is running for State Senate. Rather than filing their annual PFD by May 1, they file a candidate PFD no later than 14 days after the closing date for filing for candidacy.
- April municipal election candidate filing closes January 21, 2020. The PFD for **incumbent** candidate covers January 1, 2019, through January 21, 2020. PFD for **new** candidate covers January 21, 2019, through January 21, 2020.

-PFD Deadlines-

2020 Candidate PFD Filer Deadlines					
2020 Election Dates	Feb. 4	March 3 See local charter	April 7 Municipal election	Aug. 4	Nov. 3 General Election
PFD Filing Deadline* (14 days from the closing date of filing for candidacy)	Dec. 3, 2019	Dec. 31, 2019	Feb. 4	April 14	Sept. 1
PFD Filing Deadline** (21 days from the closing date of filing for candidacy)	Dec. 10, 2019	Jan. 7	Feb. 11	April 21	Sept. 8

2020 Annual PFD Filer Deadlines	
Current and former public official or employee who is required to file a PFD	May 1, 2020
Any newly appointed or employed public officials who are required to file a PFD	30 days from appointment or hire date (report for the calendar year prior to the date of appointment or hire)
Annual filers who are running for office must submit their PFD by the earlier candidate filing deadline.	

- E-filed or hand-delivered filings must be received by 5:00 pm on the due date.
- Mailed filings must be post-marked no later than midnight **the day before** the due date.
- If the PFD due date falls on a weekend or an official holiday, the due date is extended to the next business day.

Penalties

(§ 105.492.2, RSMo)

*Failure to file by the 14 day deadline results in a minimum \$10 per day late fee.

**Failure to file by the 21 day deadline shall result in removal from the ballot.

Note: If the political subdivision has a conflict of interest ordinance on file with the MEC and filing deadlines are not met, penalties (if any) are assessed by the political subdivision according to its ordinance.

Campaign Finance Disclosure

2

What is Campaign Finance Disclosure?

Campaign finance disclosure is required when individuals, groups, and entities receive contributions (monetary or in-kind) and/or make expenditures (paid or incurred) to support or oppose candidates or ballot measures. The law requires record-keeping and reporting of these activities. These disclosure requirements provide accountability, transparency, and enforceability.

See Chapter 130, RSMo for more information.

In this Section

- Forming a Committee
- Filing Deadlines
- Reporting Requirements
- Post-Election Procedures
- Paid For By Disclosures
- Committee Checklist
- Contribution Limits and Prohibitions



See **Campaign Finance** publications on our website.

-Campaign Finance Committees-

What is a Committee?

A committee is a person or group of people who accepts contributions (monetary or in-kind) or makes expenditures (paid or incurred) to influence the action of voters by supporting or opposing candidates and/or ballot measures or to pay a previous campaign debt.

Once the money spent or received exceeds the monetary thresholds (page 13) a committee must be formed and registered with the MEC.

See § 130.011, RSMo for full definitions of “committee” and “person.”

What is a Non-Committee?

(§ 130.047.1, RSMo)

Individuals, businesses, groups, and others that do not meet the definition of a committee, that are not accepting contributions from others but are spending (or incurring) money to support or oppose candidates or ballot measures are considered a non-committee. See also Advisory Opinion No. 2018.05.CF.004 regarding when non-profit corporations may be committees.

If a non-committee makes expenditures totaling \$500 or more in support of or in opposition to candidates or ballot measures, a *Non-Committee Expenditure Report* disclosing the details of the expenditures must be filed.

Out-of-State Committees and Federal PACs

Missouri law defines certain federal PACs (registered with the FEC) and out of-state committees (committees registered in other states). Federal PACs and out-of-state committees are required to register a Missouri committee and file reports if:

- 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
- The aggregate of all contributions and expenditures made by the committee or PAC to support or oppose candidates and ballot measures in Missouri exceeds \$1,500 in the current calendar year; or
- The federal PAC makes a contribution to a candidate for the Missouri General Assembly.

See 1 CSR 50-5.010 and 1 CSR 50-5.020 for more on information.

-Forming a Candidate Committee-

§ 130.016, RSMo

1. Choose Candidate Type (What office are you running for?)	2. Determine Activity Thresholds (How much money have you spent or received?)	3. View Reporting Requirement (Follow arrow to view requirements)
<ul style="list-style-type: none"> • Statewide Office • State Senator or Representative • Municipal Office (in a municipality with a population greater than 100,000) 	<ul style="list-style-type: none"> • Total contributions received are \$500 or less; and • Total expenditures made on behalf of the candidate are \$500 or less; and • No single contributor (other than the candidate) contributed more than \$325. 	<p>Must register as an exempt candidate <i>(file Statement of Exemption*)</i></p>
	<p>OR Candidate exceeds any of the thresholds above</p>	<p>Must form and register a committee (file <i>Statement of Committee Organization*</i>)</p>
<ul style="list-style-type: none"> • Other Candidate (ex: Judge, county office, city office in a municipality with a population of 100,000 or less, school board, fire board, etc.) 	<ul style="list-style-type: none"> • Total activity is \$1,000 or less (includes contributions received + expenditures made by the candidate or any other person with the candidate's knowledge); and • No single contributor contributed more than \$325. 	<p>Not required to form and register a committee</p>
	<p>OR Candidate exceeds any of the thresholds above</p>	<p>Must form and register a committee (file <i>Statement of Committee Organization*</i>)</p>

* Also file subsequent campaign finance disclosure reports for each reporting period as required.

Forming other committees:

For information on forming other types of committees, consult our **When to Form brochure** and **Chapter 130** of the Missouri Revised Statutes.

-Forming a Committee -

Follow these steps:

1. Identify the type of committee
2. Form the committee
3. Register the committee with the MEC to file regular financial disclosure reports

Step 1: Identify Committee Type

Below are the different committee types along with their specific deadlines for forming:

Committee Type	Deadline for Forming
Candidate Committee Formed by a single candidate for office in a specific election.	At least 30 days prior to election date (§ 130.011(9), RSMo)
Continuing Committee (Political Action/PAC) Formed to remain in existence beyond any one election/ballot issue, directed by someone other than a candidate.	At least 60 days prior to election date (§ 130.011(10), RSMo)
Debt Service Committee Candidate committee converted to retire committee debt.	With <i>30 Day After Election Report</i> showing outstanding debt (§ 130.037, RSMo)
Exploratory Committee Formed to receive/spend money to determine whether an individual will seek public office.	See § 130.011(17), RSMo
Political Party Committee Formed as a committee of a political party.	See § 130.011(25) and § 115.603, RSMo
Campaign Committee Formed to support/oppose ballot measures or judicial retention.	Formation deadlines are not being enforced due to court order



Refer to our ***When to Form and Register a Committee*** brochure for more information

-Forming a Committee -

Step 2: Form the Committee

Assuming the thresholds requiring the formation of a committee are met, one should:

- Select a committee name incorporating the last name of the candidate (if applicable)
- Appoint a treasurer and/or deputy treasurer
- Open a committee bank account
- Establish committee record-keeping practices
- Develop a procedure to ensure timely filing of regular reports
- Become familiar with all campaign finance requirements

Treasurer/Deputy Treasurer Requirements:

(§ 130.021.1, RSMo)

- Must be a resident of Missouri
- Must reside in the district or any county in which the committee sits (Adv. Opinion 2008-10.CF.009)
- If a candidate committee:
 - Must reside in candidate's district or any county which contains a portion of the district;
 - Must be appointed by the candidate (candidate can appoint self as treasurer).



See the *Treasurer's Guide for Campaign Finance* brochure on our website.

Bank Account Requirements:

(§ 130.021.4, RSMo)

Every committee must have an official bank account which is:

- Held in the committee's name, as registered;
- At one federal or state chartered bank, savings and loan association, or credit union in Missouri;
- A negotiable draft type account;
- Able to provide record of deposits, cancelled checks, and any other account activity; and
- Not commingled with any other funds or bank account that has non-committee funds.

-Forming a Committee-

Step 3: Register the Committee

All committees (except local campaign committees) must register with the MEC by filing a *Statement of Committee Organization* within 20 days of becoming a committee and no later than the deadline for the filing of the first disclosure report. § 130.021.5, RSMo.

Local campaign committees must register with their local election authority. If they would like to electronically file reports with the MEC in lieu of paper reports with their election authority, they must also file a *Statement of Committee Organization* with the MEC. Those committees must continue to file reports with the MEC.

Important Note:

Register within 48 hours of receiving a \$5,000 or more contribution or loan in order to file the required *48 Hour Report of Contribution over \$5,000*. **Loans include money given to one's own committee and must be reported as required.**

Amending Committee Information

(§ 130.021.7, RSMo)

File an **amended** *Statement of Committee Organization* within 20 days after a change occurs but no later than the due date of the next required report. Include a brief description of what changed.



-Committee Reporting Requirements-

Upon registering, committees must disclose campaign finance activity by timely filing disclosure reports throughout the life of the committee.

Quarterly Reports § 130.046.1(3), RSMo

All committees must file quarterly disclosure reports no later than the 15th day following the close of each calendar quarter. These quarterly reports are due until the committee terminates.

48 Hour Report of Contribution over \$5,000 § 130.044.1, RSMo

Any individual or committee that receives a single contribution (including a loan, see § 130.011(12), RSMo, for full definition of contribution) from a contributor in an amount over \$5,000 must electronically report the contribution to the MEC within 48 hours of its receipt (must also report this contribution in the committee's next filed report).

Late Contribution Report § 130.050.3, RSMo

Any receipt of a contribution by a candidate committee (including a loan, see § 130.011(12), RSMo, for full definition of contribution) in an amount over \$250, which is received between the 11th day before the election through the day before the election, must be reported within 24 hours of its receipt (must also report this contribution in the committee's next filed report). The disclosure may be made electronically or by any written means of communication.

Late Expenditure Report § 130.046.3(2), RSMo

Each time a **continuing committee (political action/PAC)** spends or incurs more than \$250, whether in a single expenditure or in combined expenditures, after the 12th day before an election, a full disclosure report must be filed within 24 hours. This does not include contributions made to another committee.

40 Day Before Election Report § 130.046.1(3), RSMo

Only required if accepted contributions or spent money (made contributions or expenditures (paid or incurred)) for that election.

8 Day Before Election Report § 130.046.1(1), RSMo

Only required if spent money (made contributions or expenditures (paid or incurred)) for that election.

30 Day After Election Report § 130.046.1(2) and § 130.046.5(2), RSMo

Only required if: 1) spent money (made contributions or expenditures (paid or incurred)) for that election; or, 2) if debt is more than \$1,000; and, if required, must be filed before taking office.

-Deadlines for 2020 Elections-

Quarterly Report § 130.046.1(3), RSMo					
All committees must file quarterly reports no later than the 15th day following the close of each calendar quarter. These quarterly reports are due throughout the life of the committee. Closing and due dates are below.					
Closing Date (date reported through)	<u>Jan</u> Dec. 31, 2019	<u>Apr</u> March 31	<u>Jul</u> June 30	<u>Oct</u> Sept. 30	
Due Date	Jan. 15	April 15	July 15	Oct. 15	
2020 Election Dates	Feb. 4	March 3	April 7	Aug. 4	Nov. 3
Committee Formation Deadline (except continuing committees/PACS)*	Jan. 5	Feb. 2	March 8	July 5	Oct. 4
Continuing Committee/ PAC Formation Dead- line**	Dec. 6, 2019	Jan. 3	Feb. 7	June 5	Sept. 4
40 Day Before Election Report § 130.046.1(3), RSMo					
Closing Date (date reported through)	Dec. 21, 2019	Jan. 18	Feb. 22	N/A	N/A
Due Date	Dec. 26, 2019	Jan. 23	Feb. 27	N/A	N/A
8 Day Before Election Report § 130.046.1(1), RSMo					
Closing Date (date reported through)	Jan. 23	Feb. 20	March 26	July 23	Oct. 22
Due Date	Jan. 27	Feb. 24	March 30	July 27	Oct. 26
30 Day After Election Report § 130.046.1(2), RSMo					
Closing Date (date reported through)	Feb. 29	March 28	May 2	Aug. 29	Nov. 28
Due Date	March 5	April 2	May 7	Sept. 3	Dec. 3
Campaign Committees: For ballot measures to be qualified on the ballot by petition, see also § 130.046.2, RSMo					

*Must register at least 30 days prior to the election date (excludes campaign committees)

** Must register at least 60 days prior to the election date



See **Filing Deadlines and Reminders** for specific to each election.

-Campaign Finance Committees-

Reporting Period:

If filing a *Full Disclosure Report*, the time period covered begins the day after the closing for the last filed *Full Disclosure Report* (not *Statement of Limited Activity*). If filing a *Statement of Limited Activity*, the time period covered begins the day after the last filed full report closed. § 130.046, RSMo.

Example: If you filed a *Statement of Limited Activity* for the *January Quarterly Report*, and you have since received contributions or made expenditures over \$500, you will file a *Full Disclosure Report*, which includes all activity from September 30 through March 31 on the *April Quarterly Report*.

Deadlines for Filing

If the due date for filing a report falls on a Saturday, Sunday, or an official holiday, the due date is extended to the next business day. § 105.964.1, RSMo. This does not apply to the *48 Hour Report of Contribution over \$5,000* or reports required to be filed after the *8 Day Before Election Report* (ex: *Late Contribution Report*, *Late Expenditure Report*).

Late Fees

If reports to be filed with the MEC are not received by the due date, committees are assessed a minimum \$10 per day late fee. If the report is not filed within 30 days, a \$100 per day late fee is assessed, not to exceed \$3,000. § 105.963.1, RSMo.



See [Searches](#) on our website to view campaign finance disclosure reports .

-Post Election Guidelines-

What do I do After the Election?

Unsuccessful Candidates:

- If the committee has more money on hand than debt, terminate within 30 days; **or**
- If the committee has more debt than money on hand, can amend to a Debt Service Committee.
- Unsuccessful Incumbent Candidates: Contact the MEC

Successful Candidates:

- File an **amended** *Statement of Committee Organization* and update election information to continue to receiving contributions; **or**
- Use committee funds for necessary and ordinary expenses in connection with duties of office; **or**
- Terminate the committee.

Note: Before being sworn-in, successful candidates must file a *30 Day After Election Report* if they have made expenditures or made contributions. The reporting period covers the day after the last report closed through the earlier of either the day before being sworn into office or 25 days after the election.

Terminating the Committee

1. Distribute any remaining funds and resolve any debt.
 - See § 130.033 and 130.034, RSMo for allowable uses of contributions. Note: Missouri Constitution prohibits certain contributions to committees, including candidate committees (page 24).
1. Close the committee's bank account.
2. File *Committee Termination Statement* and *Full Disclosure Report* within 10 days of the committee's dissolution.
 - The report covers through the committee's dissolution date and must include information on any remaining funds that were disbursed or loans that were paid.

Important Note:

Committee records must be preserved for three years after termination.



See **After Election Requirements and Debt Service Committees** brochure and/or **Terminating a Committee** on our website.

-Paid for by- Campaign Materials

What are Campaign Materials?

(§ 130.031.8, RSMo)

All of the following are considered campaign materials and must display the “Paid for by” statement:

- Pamphlets
- Flyers
- Door hangers
- Business cards
- Sample ballots
- Advertisements
- Signs (including those for display on vehicles)
- Other imprinted or lettered materials

Items for personal use given away or sold are not required to display the paid for by statement:

- Campaign buttons
- Pencils
- Clothing

Who Must Comply?

Any person publishing, circulating, or distributing campaign material relative to any candidate for public office or any ballot measure within Missouri must comply with material identification requirements.

See § 130.011(22), RSMo for definition of “person”

TV and Radio

Those who are transmitting information about candidates or ballot measures through TV or radio must provide sponsor identification in accordance with federal laws.

Federal Candidates

Those who are printing material or broadcasting about federal candidates must provide sponsor identification in accordance with federal laws.



For more information see our **Paid for by** brochure on our website.

-Paid for by- Campaign Materials

What is Required to be Printed on Campaign Materials?

Who paid for the printed material	Required sponsor information (<i>must follow the words "Paid for by"</i>)
Candidate from personal funds (only if no candidate committee exists) § 130.031.8(1), RSMo	First and Last name by which candidate is known <i>Example: Paid for by Jane Doe</i>
Committee § 130.031.8(2), RSMo	Name of the committee as required to be registered and the name and title of the committee treasurer who was serving when the printed matter was paid for <i>Example: Paid for by Committee to Elect Jane Doe, John Smith, Treasurer</i>
Corporation, Business Entity, Labor Organization, Other Organization (not a committee or organized for influencing election(s)) § 130.031.8(3), RSMo	Name of the entity, the name of the principal officer of the entity, by whatever title known, and the mailing address of the entity, or if the entity has no mailing address, the mailing address of the principal officer <i>Example: Paid for by Rock Corporation, John Doe, Chief Financial Officer, 888 Main Street, Jefferson City, MO 65109</i>
Individual(s) § 130.031.8(4), RSMo	Name of the individual or individuals and the respective mailing address or addresses <i>Example: Paid for by Jane Smith, 888 Main Street, Jefferson City, MO 65109</i> If more than five individuals pay for printed matter, print the words "For a list of other sponsors contact:" followed by the name and address of one individual responsible for causing the matter to be printed and who will maintain a record of the names and amounts paid by other individuals. <i>Example: Paid for by: For a list of sponsors, contact: John Doe, 8525 South Main, Jefferson City, MO 65101</i>

"Paid for by" statement must use full name of person and/or entity. Use of abbreviations or acronyms, including for committee names, is prohibited.

-Committee Checklist-

Once you have met the dollar threshold or you have decided to form a committee, use the following steps to help you stay in compliance with the MEC:

- Select a committee name incorporating the last name of candidate (if a candidate committee).
- Select a treasurer who is a resident of the district or county in which the committee sits. Committee may also have a deputy treasurer. Candidate can serve as treasurer.
- Open an official committee bank account using the name of the committee as registered with the MEC.
- Complete the *Statement of Committee Organization* and submit to the MEC. NOTE: Local campaign committee for ballot measure, must mail *Statement of Committee Organization* to local election authority (see page 16).
- MEC filers should read **all** emails sent from the MEC to stay up to date on all filing deadlines.
- Research and establish a plan for proper record-keeping.
- Review contribution limits and restrictions on receiving and making contributions (page 24).
- Watch MEC tutorials, view educational brochures, and register for training.
- Review reporting calendars and add deadlines to a personal calendar that will send reminders. Print a copy of the Deadlines and Reminders for your specific election from the MEC website.
- File all required reports by the deadlines to avoid late fees.

After the Election:

Unsuccessful Candidates:

- If the committee has more money on hand than debt, terminate within 30 days of the election and file a *Termination Report*. Close committee bank account, resolve debt, disburse remaining funds.
- If the committee has more debt than money on hand, can amend to a Debt Service Committee.
- Unsuccessful incumbents should contact the MEC.

Successful Candidates:

- File a 30 Day After Election Report **before** being sworn-in.
- Keep the committee open and amend to next election date on the *Statement of Committee Organization* form to continue receiving contributions (you may use committee funds for necessary expenses for the duties of the office).
- Terminate the committee (optional)

-Contribution Limits & Prohibitions-

Restrictions on Contributions

Article VIII, §23 is an amendment to the Missouri Constitution that imposes campaign contribution limits on candidates for state offices. Chapter 130 of the Missouri Revised Statutes are campaign finance laws passed by the General Assembly. The Constitution provides additional provisions relating to corporate and labor organization contributions, contributions received by and made by campaign finance committees, and criminal penalties.

Office Sought:	Contribution Limit From a Single Donor or Committee:
Statewide Office (Governor, Lt. Governor, Secretary of State, State Treasurer, State Auditor, Attorney General)	\$2,650
State Judicial Officer	\$2,650
State Senator	\$2,500 subject to change January, 2020
State Representative	\$2,000 subject to change January, 2020
Local Office	No Limit*
<i>*check with your political subdivision for local contribution limits</i> A primary election and the succeeding general election are considered two separate elections. Contributions for the general election cannot be received until after the primary election (Advisory Opinion 2017.03.CF.012).	

While the state contribution limits do not apply to local candidates, there are numerous provisions that apply to all candidate committees, including local candidates. Under these provisions, candidate committees:

CANNOT	CAN
<ul style="list-style-type: none"> • Accept from or make contributions to another candidate committee, including federal candidate committees • Make contributions to political action committees (PAC)/continuing committees • Receive contributions from corporations (with some exceptions) and labor organizations directly 	<ul style="list-style-type: none"> • Receive contributions from political action committees (PAC)/continuing committees subject to contribution limits (if they apply) • Make contributions to political party committees • Receive contributions from political party committees

-Contribution Limits & Prohibitions-

Contribution Limits to Political Parties

Political parties may accept aggregate contributions of \$25,550 per election from persons or committees. The aggregate applies to the party committees at the state, county, municipal, district, ward, and township levels combined.

Contributions from Corporations and Labor Organizations

A corporation or labor organization may establish a political action (PAC)/ continuing committee which may accept contributions or dues from members, officers, directors, employees or security holders.

In Commission Opinion 2017.03.CF.010, the Commission stated that a corporation or labor organization may not contribute its own treasury funds to its connected political action committee/continuing committee; it may contribute its own funds to an unconnected political action committee/continuing committee

In Commission Opinion 2017.07.CF.014, the Commission discussed connected organizations and how a corporation's status under the campaign finance laws is impacted under Article VIII, §23.

Contributions from Limited Liability Companies

In Commission Opinions 2017.02.CF.005, 2017.02.CF.006 and 2017.03.CF.009, the Commission discussed contributions from limited liability companies (LLC) and foreign entities as follows:

- To the extent that a Missouri LLC is an "eligible entity" and elects to be classified as a corporation under the federal tax code, it is considered a "corporation" for purposes of Article VIII, §23 of the Missouri Constitution. The same holds true for a foreign LLC to the extent it is an "eligible entity" and elects to be treated as a corporation by the Internal Revenue Service or has publicly-traded shares.
- An LLC with one corporate member/owner that has elected to be treated as a partnership and a disregarded entity under the Internal Revenue Code is subject to the ban on corporate contributions under Article VIII, §23.3(3)(a).
- Political action committees/continuing committees may receive contributions from foreign corporations, associations or partnerships, holding valid certificates of authority to do business in this state under the Chapters 347 to 360, RSMo.



*For the most current information refer to the **MEC website**.
Regularly check for **updates** and **Advisory Opinions**.*

-Contribution Limits & Prohibitions-

<u>Committee Type:</u>	<u>PROHIBITED from Accepting Contributions from the Following:</u>
Candidate Committee	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government • Corporations or labor organizations • Other candidate committees
Political Party Committee	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government • Corporations or labor organizations
Campaign Committee	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government
Exploratory Committee	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government • Corporations or labor organizations
Debt Service Committee	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government • Corporations or labor organizations
Continuing Committee (PAC)*	<ul style="list-style-type: none"> • Any natural person who is not a citizen of the United States • A foreign government • Any other registered committee, except another PAC

*See exceptions for a State Senate and/or House Committee designated by the party leader (Article VIII, §23.3(13)).

Penalties

Article VIII, §23 provides criminal penalties for violations of specific provisions. These penalties can be found in Article VIII, §23.5 and 6. In addition, §23.4 allows an individual to file a complaint with the MEC regarding a candidate alleged to be in violation of Article VIII, §23.3, within 60 days prior to the primary election until after the general election.

Complaints and Investigations

3

What does the MEC Investigate?

The MEC's statutory responsibilities include auditing disclosure reports and reviewing formal complaints for violations of:

- Campaign finance laws;
- Conflict of interest laws;
- Lobbying laws;
- Personal financial disclosure laws;
- A political subdivision's orders, ordinances, resolutions relating to the official conduct of officials or employees, including constitutional provisions or state statutes; and
- Codes of conduct adopted by a department, division, state agency, and state institutions of higher learning.

Investigations are confidential and not available for public viewing. Only final actions are published on the MEC's website.

See § 105.957 and § 130.054, RSMo for more information.

In this Section

- Requirements for Complaints
- Complaints Against Candidates
- Commission Final Actions



See **FAQs** on our website for more information.

-Complaints & Investigations-

Any individual may file a complaint with the MEC if they believe there has been a violation of campaign finance disclosure laws, conflict of interest laws, lobbying laws, personal financial disclosure laws, or any order, ordinance, or resolution dealing with the official conduct of officials or employees. Once a complaint is filed, meeting all MEC requirements, a determination is made as to whether or not an investigation should take place.

Requirements for Complaints

(§ 105.957.2, RSMo)

- All complaints must be in writing and must be notarized.
- A copy of the complaint will be provided to the alleged violator(s) within five days of receipt.
- A copy of the complaint form may be downloaded from the MEC's website at www.mec.mo.gov.

Limitations on Complaints Against Candidates

(§ 105.957.3, RSMo)

- Within 60 days of an election, the Commission can only accept a complaint on a candidate alleging violations relating to campaign finance disclosure law or PFD requirements.
- The Commission cannot accept any complaints against a candidate within 15 days of an election.
- The Commission may only accept a complaint alleging a candidate has violated Article VIII, § 23.3 within 60 days prior to the primary election until the general election.

Commission Final Actions

(§ 105.961, RSMo)

- Final actions are public and posted on the MEC website.
- A hearing can be held if the Commission finds reasonable grounds that a violation of the law has occurred.
- A hearing is a legal proceeding in which respondents may be represented by legal counsel if they so choose.
- A respondent is found in violation when at least four members of the Commission find probable cause of a violation.
- The Commission can resolve cases by issuing joint stipulations of fact and law which serve as a settlement.



Search ***Commission Cases - Final Actions*** on our website.

Conflict of Interest

4

What is Conflict of Interest?

A conflict of interest is generally defined as a conflict between the private interests and the official responsibilities of a person in a position of trust (Merriam-Webster). The Commission enforces specific laws that define conflict of interests for public officials and employees.

See §§ 105.450-105.467, RSMo for more information

In this Section

- Overview
- Employment and Compensation
- Providing Service and Conducting Business
- Quid Pro Quo
- Use of Public Funds
- Governmental Nepotism



See **Conflict of Interest Guide** on our website.

-Conflict of Interest-

Overview

Conflict of interest laws in Chapter 105 RSMo, generally prohibit financial gain for public or elected officials, their spouses, and/or dependent child(ren). These laws include restrictions on receipt of additional compensation via employment, providing services or conducting business with a political subdivision, and influencing decisions which may result in financial gain.

Employment and Compensation

(§ 105.454(1), RSMo)

As a general rule, an elected or appointed public official and certain employees of the state or a political subdivision cannot be employed in another capacity or position for the public entity in which they serve.

In addition, these officials and employees cannot be paid by a third party to influence a decision of either the state or political subdivision in which they serve.

Providing Services and Conducting Business

(§ 105.454(2), RSMo)

An official or employee may not provide services for, or sell, rent, or lease property to the subdivision* in an amount over \$500 per transaction or \$5,000** per year, unless public notice and competitive bidding occurred AND the awarded bid (if to the official) is the lowest bid received.

*Pursuant to § 105.454.2, RSMo, restrictions on providing services for, or selling, renting, or leasing applies to public officials and employees of school districts

**Pursuant to § 105.456, RSMo, consideration for legislators and statewide elected officials states "...in excess of \$500 per transaction or \$1,500 per annum..."

-Conflict of Interest-

Quid Pro Quo

(§ 105.452, RSMo)

Public officials and employees of the state or any political subdivision may not act or refrain from acting by reason of any payment, offer to pay, promise to pay, or receipt of anything of value to themselves or any third person. This includes any gift or campaign contribution made or received in relationship to or as a condition of the performance of an official act.

In addition, elected or appointed officials or employees of any political subdivision may not offer, promote, or advocate for a political appointment in exchange for anything of value to any political subdivision.

Use of Public Funds

(§ 115.646, RSMo)

No contribution or expenditure of public funds can be made by an officer, employee, or agent of a political subdivision to advocate, support, or oppose any ballot measure or candidate for public office.

This does not prohibit the public official of a political subdivision from making public appearances or issuing press releases about a ballot measure.

Governmental Nepotism

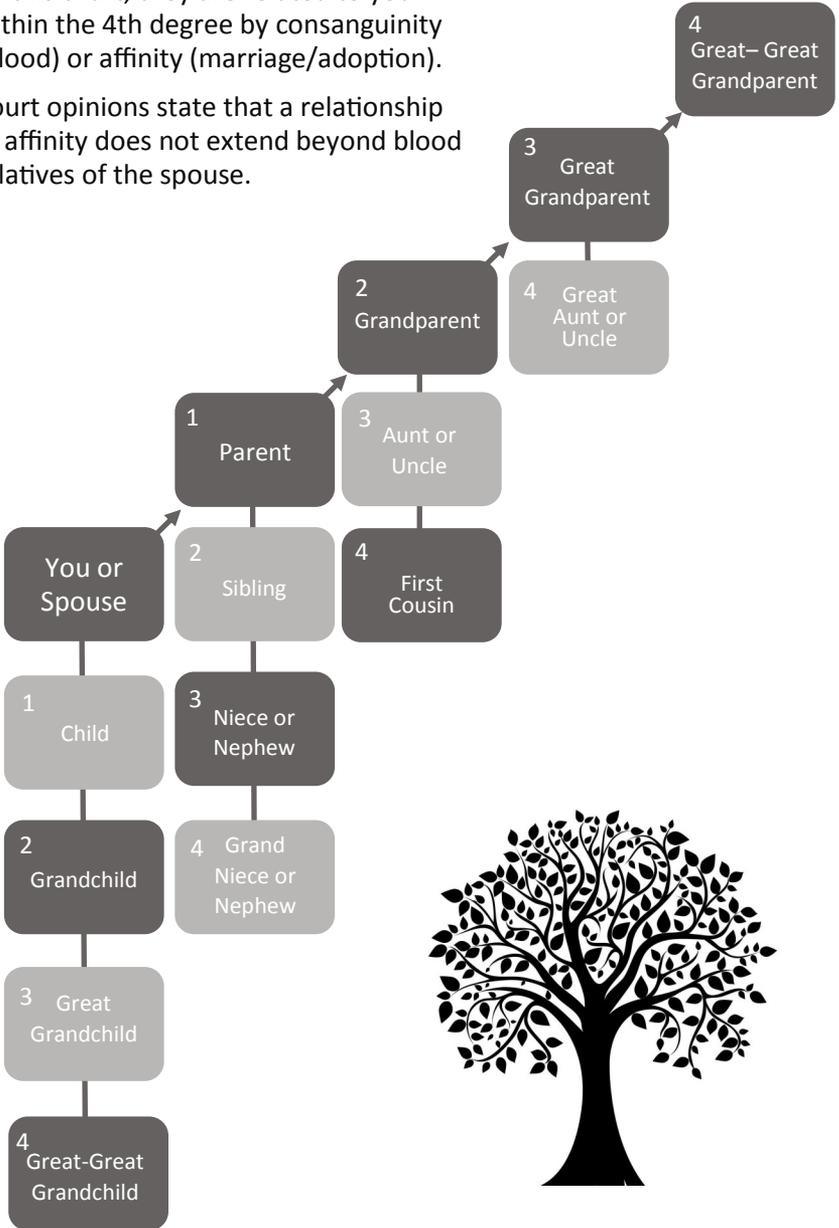
The Missouri Constitution prohibits any public officer or employee in the State who, by virtue of their office or employment, names or appoints to public office or employment any relative within the 4th degree by consanguinity (blood) or affinity (marriage/adoption). The penalty for violation is automatic forfeiture of office.

Note: *In addition to the Missouri Constitution, political subdivisions may have their own ordinances or policies and procedures regarding nepotism. Always consult the political subdivision to ensure all state and local conflict of interest laws are followed.*

-Conflict of Interest-

If you or your spouse's relative appears on this chart, they are related to you within the 4th degree by consanguinity (blood) or affinity (marriage/adoption).

Court opinions state that a relationship of affinity does not extend beyond blood relatives of the spouse.



Lobbying

Who is a Lobbyist?

A state lobbyist is an individual who attempts to influence state executive, state legislative, or state judicial actions; and meets one or more of the following:

- a) acting in the ordinary course of business; or
- b) engaged in pay as a lobbyist; or
- c) designated to act as a lobbyist by a person, business entity, governmental entity, religious organization, nonprofit corporation, association or other entity; or
- d) spends \$50 or more on behalf of public officials, annually.

An elected local government official lobbyist is an individual who is employed for the purpose of attempting to influence any action by a local government official elected in a county, city, town, or village with an annual operating budget of over \$10 million.

See §§ 105.455, 105.470—105.478, and 130.097, RSMo for more information.

In this Section

- Lobbyist Requirements
- Reporting Expenditures
- Revolving Door
- Additional Lobbyist Restrictions



See **FAQs** on our website for more information.

-Lobbying-

Types of Lobbyists

(§ 105.470, RSMo)

There are four types of lobbyists:

- Legislative lobbyist
- Executive lobbyist
- Judicial lobbyist
- Elected local government official lobbyist

Lobbyist Requirements

(§ 105.473, RSMo)

A lobbyist may register to lobby any or all branches of government. Each lobbyist must do the following:

- Register annually with the Missouri Ethics Commission;
- Pay a \$10 annual registration fee;
- File monthly reports disclosing any monies spent on elected officials, their family, and/or staff (or a Non-Expenditure Report) and disclosing business relationships with public officials.

Failure to file the monthly reports results in a \$10 per day late fee. A lobbyist may amend or terminate their status at any time.

Lobbyist Principal

(§ 105.470(7), RSMo)

A lobbyist principal is any person, business entity, governmental entity, religious organization, nonprofit corporation or association who employs, contracts for pay, or otherwise compensates a lobbyist.

A lobbyist or lobbyist principal must file *List of Principals and Legislative Action* report with the MEC by March 15 and May 30 of each year to disclose their interests to the public.



-Lobbying-

Required Reports

(§ 105.473, RSMo)

- Monthly reports filed electronically and due the close of business on the 10th day of each month.
 - Lobbyists report monies spent by the lobbyist principal and/or the lobbyist, including:
 - Printing and Publication
 - Media and Other Advertising
 - Travel
 - Entertainment
 - Honorariums/Gifts
 - Meals/Food/Beverages
 - Other
- List of Principals and Legislative Action

Important Note:

Monthly expenditure reports **must be** filed, regardless of whether the lobbyist has expenditures to report.

Restrictions on Lobbyist Gifts

Article III, § 2(b) of the Missouri Constitution prohibits any person serving as a member of or employed by the General Assembly from accepting directly or indirectly a gift of any tangible or intangible item, service, or thing of value from any paid lobbyist or lobbyist principal in excess of \$5.00 per occurrence.



-Lobbying-

Waiting Periods

- No member or employee of the General Assembly shall act or serve as a paid lobbyist until the expiration of two calendar years after the conclusion of the session in which the member or employee served. MO Const. Article III, § 2(a).
- Any person that holds a statewide office of Governor, Lieutenant Governor, Secretary of State, Auditor, Treasurer, Attorney General or serves in an office appointed by the Governor and confirmed by the Senate cannot act, serve, or register as a lobbyist until six months after their term of office expires. These provisions do not apply to a person acting as a lobbyist for a state department or agency, even if paid. § 105.455, RSMo.

Additional Restrictions

Any person who registers as a lobbyist and also has a candidate committee must dissolve the candidate committee and disburse all money of the committee by:

- Returning a contribution to the person or entity making the contribution;
- Donating to a 501(c)(3) nonprofit entity; or
- Transferring funds to a political party committee. § 105.465, RSMo.

No person who registers as a lobbyist can transfer funds from any committee such person controls to another committee controlled by a candidate or public official (Advisory Opinion 2016.08.L.001).

*For updated information on lobbyist restrictions, refer to **MEC Advisory Opinions** on our website.*

Educational Resources

6

What resources does the MEC provide?

The Missouri Ethics Commission offers training, in a variety of mediums, to candidates, elected and public officials, legislators, lobbyists, and others wanting to learn about Missouri's ethics laws.

We offer free:

- Trainings/presentations for conferences and events
- County election authority training
- Webinars
- In-person regional training
- Self-guided tutorials

In this Section

- Training Opportunities
- Webinars
- Tutorial and Lecture Videos
- Publications
- FAQs



Visit the **Educational Resources** page on our website to view the training schedule and more!

-Educational Resources-

Flyers/Brochures

- Conflict of Interest Guide and Relationship Chart
- Guide to Personal Financial Disclosure
- Year at a Glance (Political Subdivision Calendar)
- Campaign Finance—Candidates/Committees
 - After Election Requirements and Debt Service Committees
 - Campaign Committees
 - Campaign Finance Q&A
 - Paid for by
 - Exempt Candidates
 - Fund-Raising Activity
 - Guide to Record-Keeping
 - Statement of Limited Activity Requirements
 - Terminating a Committee
 - Treasurer’s Guide for Campaign Finance
 - When to Form and Register a Committee
 - Upcoming Deadlines and Reminders (by election)

Web Tutorials

- Lobbyist
- Ethics Overview
- Campaign Finance—Candidates/Committees
 - Paid for by
 - Candidate Reporting Requirements
 - Forming a Campaign Finance Committee
 - Supplemental Forms—paper filers
 - Following Campaign Money
 - E-filing
- Political Subdivision—Duties and Responsibilities with the MEC



Connect



Visit our **Website** at www.mec.mo.gov



Follow us on **Twitter** @[MOEthics](https://twitter.com/MOEthics)



Subscribe to the **MEC Quarterly e-Newsletter** by sending your name and email address to news@mec.mo.gov



Subscribe to our **YouTube Channel** for tutorials and educational videos

Icon credits: "Report Document" by Alfredo Hernandez, "Column" by Intro Mike, "Laptop" & "Newsletter" by Rutmer Zijlstra, "Login" by Brennan Novak, "Calendar" by Lil Squid, "Deadline" by Stephen JB Tomas, "Court" by Aldric Rodriguez Iborra, "Document" & "Documents" by Abhishek Rana, "Suitcase" by Alexandr Rzdolyanskiy, "Website" by Max Miner, and "Email" by Martha Ormiston. All works listed are from the Noun Project.

Meet Our Commissioners

8

Don Summers, Chair
Republican

6th Congressional District
Term expires March 15, 2020

Sherman W. "Bill" Birkes, Jr
Republican

7th Congressional District
Term expires March 15, 2022

Kim Benjamin, Vice Chair
Democrat

4th Congressional District
Term expires March 15, 2020

Wayne Henke
Democrat

3rd Congressional District
Term expires March 15, 2022

George Ratermann
Republican

2nd Congressional District
Term expires March 15, 2020

Cheryl D.S. Walker
Democrat

1st Congressional District
Term expires March 15, 2022

CONTACT INFORMATION

Staff Contacts

Elizabeth L. Ziegler	Executive Director
Stacey Heislen	Assistant Director
Betsy Byers	Director of Business Services
Laura E. Elsbury	General Counsel

Missouri Ethics Commission

Physical Address:	3411 A Knipp Drive Jefferson City MO 65109
Mailing Address:	PO Box 1370 Jefferson City MO 65102
Phone:	800-392-8660 573-751-2020
Website:	www.mec.mo.gov
Help Desk:	helpdesk@mec.mo.gov
Twitter:	Follow us @MOEthics