

THE MEC GUIDE TO ETHICS LAWS

A PLAIN ENGLISH SUMMARY



Missouri Ethics Commission

Updated 12/5/2018

How to use this Guide	
New to Ethics Law?	
About the Commission	3
Things to know	4
Required to file a Personal Financial Disclosure (PFD)?	
Personal Financial Disclosure	6
Annual Filers	7
Candidate Filers	8-9
Newly Appointed or Employed Filers	10
Candidate for elective office?	
Things to know	4
Personal Financial Disclosure	5-10
Campaign Finance Disclosure	11-26
Campaign Materials Identification Requirements (Paid- for-by)	21
Complaints & Investigations	28
Training & Resources	33
Required to form a campaign finance committee?	
Campaign Finance Disclosure	11-22
Campaign Materials Identification Requirements (Paid- for-by)	21
Complaints & Investigations	28
Training & Resources	33
Contribution Limits & Prohibitions	
Constitutional Article VIII, §23 & FAQs	23-26
Need “paid-for-by” requirements for materials about a candidate or ballot measure?	
Campaign Materials Identification Requirements (Paid- for-by)	21
Use of Public Funds	29
Need information regarding complaints or investigations?	
Complaints & Investigations	28
Looking for information on conflict of interest laws?	
Conflicts of Interest (including Nepotism and Use of Public Funds)	29
Looking for information about lobbying?	
Lobbyist Definition and Requirements	30-31
Required to file an out-of-state travel expense report?	
Higher Education Employee Spouse Travel Expenses	32
Need information about our training?	
Training & Resources	33

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

This page intentionally left blank.

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 serve in a non-partisan manner and not more than three can be of the same political party. Each member must be selected from a different congressional district. 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 conflict of interest; lobbyists; personal financial disclosure; and campaign finance disclosure.

The Commission issues advisory opinions regarding the laws it enforces. Advisory opinions can be found on the Commission's website at www.mec.mo.gov.

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.

Things to know

What are disclosures?

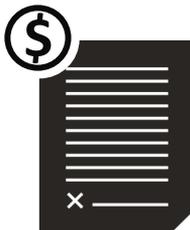
If you are a public or elected official, or a candidate running for office, the law requires you to file disclosures that are available to the public.

1. **Personal Financial Disclosure**—because of the position held by an individual (public/elected official or employee) or the office an individual is seeking in an election (candidate), that individual may be required to file a Personal Financial Disclosure (PFD) statement, disclosing the financial interests of themselves, their spouse and any dependent child(ren). The PFD statement is available to the public upon written request.

‣ See pages 6-10 for more detailed information.

2. **Campaign Finance Disclosure Reports**—if an individual or group of individuals, a candidate or a committee is accepting money (contributions) from others and/or spending money (expenditures) during a campaign and that activity exceeds certain dollar amounts, the individual(s), the candidate or committee may be required to form and register a campaign finance committee and, for the life of that committee, file reports disclosing the committee's activity. Disclosure reports are due at specific times depending on the committee's type. Campaign finance disclosure reports are available to the public on the MEC's website.

‣ See pages 12-26 for more detailed information.



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



Personal Financial Disclosure

Purpose

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. Historically the PFD statement has been 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—§105.492 RSMo for more information.

Required PFD Filers

Who must file a Personal Financial Disclosure (PFD)?

Public officials and candidates for the following positions are required to file PFD statements (including former officials/employees who served in the previous calendar year, even if only part of that year):

- Statewide office holders and designated staff
- Senators and Representatives
- New judicial candidates
- Incumbent Judges (except Municipal)
- Municipal Judges (if required by political subdivision)
- Certain state boards and commission members
- Certain employees of the state or political subdivisions of the state including those employees who are authorized to serve as the chief administrative officer, chief purchasing officer, general counsel, or promulgate or adopt rules and regulations
- Candidates and public officials in political subdivisions, where an ordinance has been adopted and filed with the Missouri Ethics Commission, 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/transaction
 - The conflict of interest ordinance/resolution specifically requires the filing of a Personal Financial Disclosure statement

NOTE: Persons required to file or who are designated to file a PFD statement are either an “Annual Filer” or a “Candidate Filer”. If running for election or re-election, an “Annual Filer” may also be a “Candidate Filer”; and would be required to file his/her PFD by the earliest deadline applicable (ex: candidate deadline).



See ***Guide to Personal Financial Disclosure*** on our website.

Annual Filers

Annual Filers

An annual filer is an individual from a political subdivision (with an annual operating budget (AOB) over \$1 million dollars) that holds a position in the subdivision that is required by law to file a PFD statement because of the position held. A PFD must be filed with the MEC after Jan 1, and no later than May 1 for each year (or portion of the year) the position is held; except if the filer is also running for election or re-election, then the filer must file PFD by candidate deadline. (Circuit and Associate Judges file their PFD with the Supreme Court).

The law allows political subdivisions to adopt their own conflict of interest ordinance or resolution identifying positions required to file a PFD. The ordinance must be adopted (or re-adopted), biennially (every 2 years) by Sept 15, and a certified copy must be filed with the MEC within 10 days of the adoption (or re-adoption).

Each year, the MEC requests a list of annual filers from all designating agencies and/or political subdivisions (with AOB over \$1 million dollars) with or without an adopted ordinance or resolution on file. Agencies and political subdivisions are required to notify the MEC of all individuals required to file. Individuals should contact his/her agency or political subdivision with questions about being designated as a required filer.

Annual filer notification:

In January of each year, the MEC notifies individuals (including former officials/employees) that they have been designated as required to file a PFD by their agency or political subdivision.

State law requires the agency or political subdivision to notify an individual designated as a required filer, including former officials/employees.

Reporting time period:

The time period covered by the PFD is January 1 through December 31 of 2018; **unless** an individual no longer holds the position, then the time period is from January 1 through the last day position was held. (If a candidate, see information on incumbent candidates on page 8)



See **Ordinance** on our website for more information and a sample.

Candidate Filers

Candidate Filers

A candidate filer is an individual running for public office that is required to file a PFD due to the office the candidate is seeking.

A candidate's PFD is due no later than 14 days after the closing date for 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 (judicial candidates see below).

Candidate filer notification:

A candidate filer receives notification (ex: *Notice to Candidate* form) of their PFD filing requirement from their election authority when they file a declaration of candidacy with their election authority.

Reporting time period:

Incumbent candidates (or candidates who are also annual filers) report information from Jan 1 of the previous calendar year to the closing date for candidacy (may be longer than a 12 month period).

New candidates report information for the 12 months prior to the closing date for candidacy. For example, candidate filing closes on January 15, 2019, for the April Municipal election. The time period covered on the PFD will be January 15, 2018 though January 15, 2019.

Where do candidates for judicial office file?

- New judicial candidates—*file with the MEC*
- Municipal judge candidates (if required by subdivision) *-file with the MEC*
- All incumbent judicial candidates (including judges standing for retention)—*file with Supreme Court only.*

Candidate Filers

Candidate PFD Due Dates

Candidates required to file a PFD must file according to the following dates:

2019 Statutory Election Dates	Feb 5	Mar 5 STL charter	Apr 2 Municipal election	April 2 KC charter	Aug 6	Nov 5
Closing date of filing for candidacy	Nov 20	Jan 4	Jan 15	Jan 8	May 21	Aug 20
PFD Filing Deadline* (14 days from the closing date of filing for candidacy)	Dec 4	Jan 18	Jan 29	Jan 22	June 4	Sept 3
PFD Filing Deadline ** (21 days from the closing date of filing for candidacy)	Dec 11	Jan 25	Feb 5	Jan 29	June 11	Sept 10

Penalties unless the subdivision has an ordinance or resolution:

- * **Failure to file by the 14 day deadline results in a minimum \$10 per day late fee.**
- ** **Failure to file by 21 day deadline shall result in removal from the ballot.**
- *** **Close of filing for jurisdictions authorized to elect directors in November, such as 911 & Emergency Services directors.**

If the 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.

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.

See **PFD FAQs** on our website and/or §105.487(1) RSMo for more information.

PFD - Other

Newly Appointed or Employed Individuals

If an individual has been newly appointed or employed in a position that requires the filing of a PFD, that individual must:

- File PFD within 30 days from appointment date or hire date
- E-file (or file original paper form) with the MEC
- Report for calendar year before the date of appointment (ex: if appointed in 2019, report for calendar year 2018)

All filers

- Faxed or emailed filings ARE NOT accepted, paper filings require original signature
- Electronically filed or hand-delivered filings must be received by 5:00 pm **on** due date
- Mailed filings must be post-marked no later than midnight **the day before** the due date

.....



	<p>Log-in online at mec.mo.gov Use your PFD filer online ID (ex: F#####)</p>
--	--



Campaign Finance Disclosure

Purpose

Campaign finance disclosure is required when individuals, groups, and entities receive money (contributions) and/or spend or incur money (expenditures) to support or oppose a candidate or ballot measure. The law requires record-keeping and, in most instances, reporting of this activity. The purpose for these disclosure requirements is to provide accountability, transparency and enforceability. See Chapter 130 RSMo for more information.

Campaign Finance Committees

What is a Committee?

A campaign finance committee is a person* or group of persons who accepts money from others (contributions received) or spends or incurs money (expenditures made) to influence the action of voters for or against candidates and/or ballot measures or to pay a campaign debt.

Once the money spent or received exceeds certain dollar amounts a campaign finance committee must be formed and registered.

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

What is a Non-Committee?

Individuals, businesses, groups and others that do not meet the definition of committee, that are not accepting contributions from others but are spending (or incurring) money to support or oppose a candidate or ballot measure 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 one or more candidates or ballot measures, a *Non-Committee Expenditure Report* disclosing the details of the expenditures must be filed. *See also §130.047.1 RSMo* and/or the Non-Committee Expenditure Report form on our website.

When is an out-of-state committee or Federal PAC required to register a Missouri committee?

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). 1 CSR 50-5.020 provides that committees which make contributions to Missouri committees or make expenditures to support or oppose Missouri candidates or ballot measures will be required to register a Missouri committee 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 to support or oppose candidates and ballot measures in Missouri exceeds \$1,500 in the current calendar year. *§130.021.10, RSMo.*

Once registered, they report only their Missouri activity to the MEC in accordance with the regular reporting schedule.

Campaign Finance Committees

When does a candidate form a committee?

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 Representative or State Senator 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 <hr/> <p>OR Candidate exceeds any of the thresholds above</p>	<p>Must register as an exempt candidate (file <i>Statement of Exemption*</i>)</p> <hr/> <p>Must form & register a committee (file <i>Statement of Committee Organization*</i>)</p>
<ul style="list-style-type: none"> All other candidates (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 <hr/> <p>OR Candidate exceeds any of the thresholds above</p>	<p>Not required to form and register a committee</p> <hr/> <p>Must form & register a committee (file <i>Statement of Committee Organization*</i>)</p>

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

NOTE: See chart on page 16 (Step 4) for "Where to File..."

Campaign Finance Committees

I'm required to form a committee, now what? (Steps for Compliance)

1. Identify committee type
2. Form the committee
3. Register the committee
4. Identify where to file...
5. File campaign finance reports
6. Amend committee information or reports (if needed)
7. Distribute any remaining funds & dissolve any debt
8. Terminate or update the committee

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
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
Debt Service Committee Candidate committee converted to retire committee debt.	With <i>30 Day After Election Report</i> showing outstanding debt
Exploratory Committee Formed to receive/spend money to determine whether an individual will seek public office.	See §130.011 RSMo
Political Party Committee Formed as a committee of a political party	See §130.011 & §115.603 RSMo

* Campaign Committees are not subject to formation deadlines.

Campaign Finance Committees

Step 2: Form the Committee

Now that you've met the thresholds requiring you to form a committee you open a committee bank account, appoint a treasurer and/or deputy treasurer, select committee name, establish committee record-keeping, etc. (See Candidate/Committee Checklist on page 22)

Treasurer/Deputy Treasurer Requirements:

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



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

Step 3: Complete Committee Registration Packet

Candidates/committees register their committees by filing a *Statement of Committee Organization* within 20 days of becoming a committee (or of change) and no later than the deadline for the filing of the first disclosure report.

NOTE: MEC filers will file their disclosure reports electronically with the MEC and establish their e-filing account when registering the committee.

Local campaign committee filers that choose to e-file (thereby fulfilling their local reporting requirement) establish their e-filing account with the MEC by filing a *Statement of Committee Organization* and an *Electronic Filing Agreement* with the MEC and from that point on must file their disclosure reports electronically. See [Committee Registration Packet](#)).

See next page for “**Where to file...**”



See different search options available for campaign finance on our website. Link Path: *Campaign Finance > Searches*

Campaign Finance Committees

Step 4: Identify “Where to file...”

NOTE: If receive a \$5,000 or more contribution or loan, including a loan from yourself, a committee must be registered with the MEC within 48 hours, in order to electronically file the *48 Hour Report of Contribution over \$5,000*.

Type of filer	Where to register committee	Where to file disclosure reports
<p>MEC filers</p> <ul style="list-style-type: none"> • Candidates for Statewide Office • Statewide ballot measure (campaign committee) • Continuing Committee (political action/PAC) • State Political Party committees (State and local) • Local political party committee • Candidates for: <ul style="list-style-type: none"> ▪ State Senator ▪ State Representative ▪ County Office ▪ Partisan Circuit Court Judge ▪ Partisan Associate Circuit Court Judge ▪ City Office ▪ School, fire, ambulance, or any other special purpose district 	<p style="text-align: center;">MEC (Missouri Ethics Commission)</p>	<p style="text-align: center;">E-file using MEC’s e-filing system</p>
<p>Local Filers:</p> <ul style="list-style-type: none"> • Local ballot measure committee (campaign committee) 	<p style="text-align: center;">Local Election Authority (County Clerk or Board of Election Commissioners)</p>	<p style="text-align: center;">Paper file With local election authority or E-file using MEC’s e-filing system</p>

Campaign Finance Committees

Step 5: File Campaign Finance Reports

All candidates/committees required to form a campaign finance committee must disclose campaign finance activity by timely filing a disclosure report for each reporting period for the life of that committee. A disclosure report is filed as *either* a:

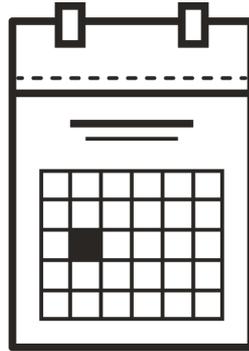
- Full Disclosure Report; or
- Statement of Limited Activity Report

Electronic Filing

- All campaign finance reports filed with the MEC must be filed electronically.

Due Dates & Deadlines for Filing

- Reports electronically filed must be filed on the due date
- 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 (this does not apply to the *48 Hour Report of Contribution over \$5,000* report 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 a minimum \$10 per day late fee may be assessed. For the 8 Day Before Report (See page 19), a \$100 per day late fee may be assessed for the first 8 days and \$10 per day thereafter (candidates only).

Campaign Finance Committees

Step 6: Amend committee information and/or disclosure reports, if needed

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.

After Election:

Unsuccessful Candidates:

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

Successful Candidates:

- Update election information to continue to receive contributions; or
- Use committee funds for necessary and ordinary expenses in connection with duties of office; or
- Terminate the committee

NOTE: Successful candidates must file *30 Day After Election Report*, if have expenditures or contributions made, BEFORE being sworn-in. Time period is from day after last report closed through the day before the swearing-in.

Step 7: Distribute any remaining funds and dissolve any debt

(See §130.034 for allowable uses of contributions, however the Missouri Constitution prohibits certain contributions to committees, including candidate committees. See page 23-26 for specific detail)

Step 8: Terminate the Committee

File *Committee Termination Statement* & last Full Disclosure Report

- Within 10 days of committee's dissolution
- Time period is through the committee's dissolution date
- Include disposition of funds (surplus/debt)
- Include current contact info
- Must preserve committee's records & reports for 3 years.



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

Campaign Finance Committees

2019 Filing Requirements and Dates

Reporting Period: If filing a *Full Disclosure Report*, the time period covered begins the day after the last filed *Full Disclosure Report* (not *Statement of Limited Activity Report*) closed. If filing a *Statement of Limited Activity Report*, the time period covered begins the day after the last filed report closed.

2019 Election Dates	Feb 5	Mar 5	Apr 2	Aug 6	Nov 5
Committee Organization Deadline (except continuing committees/PACS)	Jan 6	Feb 3	Mar 3	Jul 7	Oct 6
Continuing Committee/PAC Organization Deadline	Dec 7	Jan 4	Feb 1	Jun 7	Sep 6
40 Day Before Report* (§130.046.1(3) RSMo.)					
Closing Date (date reported thru)	Dec 22	Jan 19	Feb 16	N/A	N/A
Due Date	Dec 27	Jan 24	Feb 21	N/A	N/A
8 Day Before Report** (§130.046.1(1) RSMo.)					
Closing Date (date reported thru)	Jan 24	Feb 21	Mar 21	Jul 25	Oct 24
Due Date	Jan 28	Feb 25	Mar 25	Jul 29	Oct 28
30 Day After Report*** (§130.046.1(2) RSMo.)					
Closing Date (date reported thru)	Mar 2	Mar 30	Apr 27	Aug 31	Nov 30
Due Date	Mar 7	Apr 4	May 2	Sept 5	Dec 5
Quarterly Reports (§130.046.1(3), 3 RSMo.)					
All committees must file quarterly reports no later than the 15 th day following the close of each calendar quarter. These quarterly reports are due until the committee terminates. Closing and due dates are below.					
Closing Date (Date reported through)	<u>Jan</u> Dec 31	<u>Apr</u> Mar 31	<u>Jul</u> Jun 30	<u>Oct</u> Sept 30	
Due Date	Jan 15	Apr 15	Jul 15	Oct 15	

***40 Day Before** only required if accepted contributions or spent money (made contributions or expenditures (paid or incurred) for that election.

****8 Day Before** only required if spent money (made contributions or expenditures (paid or incurred)) for that election.

*****30 Day After** 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.

Cont. 

Campaign Committees: For ballot measures to be qualified on the ballot by petition, see also §130.046.2

Campaign Finance Committees

Filing Requirements and Dates (cont.)

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 RSMo. for full definition of contribution) from a contributor in an amount over \$5,000 must electronically report the contribution to the Missouri Ethics Commission 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 (including a loan, see §130.011 RSMo. for full definition of contribution) in an amount over \$250 that 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.



Visit our website at www.mec.mo.gov for *Upcoming Filing Deadlines & Reminders* specific to your election!

Campaign Materials Identification Requirements

(Paid for by)

Who must comply? Any person publishing, circulating, or distributing campaign material relative to any candidate for public office or any ballot measure within Missouri (See §130.011(22) RSMo for definition of “person”).

What is Campaign Material? Pamphlets, circulars, handbills, sample ballots, advertisements, signs (including those for display on vehicles), or other imprinted or lettered materials. **Excluded:** items for personal use given away or sold (ex: campaign buttons, pencils, or clothing) which are paid for by a candidate or committee. See §130.031.8 RSMo for more information.

Who paid for the printed material	Required sponsor information (must follow the words “Paid for by”)
Candidate from personal funds (only if no candidate committee exists)	First name & Last name by which candidate is known. <i>Ex: Paid for by (First Name) (Last Name)</i>
Committee	Committee name as required to be registered by Missouri campaign finance law, along with the committee treasurer’s name and title (serving when the material was paid for). <i>Ex: Paid for by (Committee Name), (Treasurer Name), Treasurer</i>
Corporation, Business Entity, Labor Org., Other Org. (not a committee or organized for influencing election(s))	Name of the entity, entity’s principal officer’s name, known title, and mailing address of entity or principal officer (if entity has no mailing address)
Individual(s)	Individual(s) name, & mailing address(es). If more than 5 may print “for a list of sponsors contact (name & address of one individual responsible for having material printed)”. This individual must keep the names and amounts paid by all other individuals.
Must use full name of person &/or entity. Can not use abbreviations or acronyms.	

Federal Laws Govern:

TV & Radio: If you are a broadcast station transmitting matter about a candidate or measure, you must provide sponsor identification in accordance with federal laws. **Federal Candidates:** If you are a person causing matter to be printed or broadcasted about federal candidates, you must provide sponsor identification in accordance with federal laws.

 For more info, see FAQs, brochures & tutorials on our website!

Candidate/Committee Checklist

Once you have decided to form a committee or have met the dollar thresholds requiring you to form a committee, follow the steps below.

See the brochure, *When to Form & Register a Committee*. (Candidates refer to questions 1 & 2.)

Also refer to our booklet, *Campaign Finance Q&A*, as a general guide.

- Select Committee name. Last name of candidate must be included in committee name.
- Select a Treasurer. The treasurer must be 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 a bank account in the committee's name. Committee name and bank account name must match.
- Complete the Statement of Committee Organization form in the Committee Registration Packet or on website and mail to the Missouri Ethics Commission. File the Electronic Filing Agreement found in the Packet.

NOTE: If a local campaign committee for ballot measure, mail to your local election authority.

- MEC Filers: **Read emails sent to you from the MEC!**; they contain reminders of reporting deadlines and other important information.
- Research and establish a plan for proper record-keeping.
- Review contribution limits and restrictions on receiving and making contributions.** See pages 23-26 and the MEC website.
- View MEC tutorials & brochures, register for training.
- Review Reporting Calendars. Print a copy of the Deadlines & Reminders for your specific election from the MEC website.
- File required reports by due dates. (Avoid late fees!)
- After Election:

Unsuccessful candidate:

- If more money on hand than debt, terminate within 30 days and file termination report.
- If more debt than money on hand, can amend to a Debt Service Committee
- If unsuccessful incumbent, contact the MEC

Successful candidate:

- File 30 Day After Election Report **before** being sworn-in;
- Keep committee open, update to new election date on the Statement of Committee Organization form to continue receiving contributions; and
- May use committee funds for necessary and ordinary expenses in connection with duties of office; or
- Terminate the committee

Contribution Limits & Prohibitions

Constitutional Article VIII, Section 23

On November 8, 2016, Missouri voters approved Constitutional Amendment 2 which, among its provisions, imposes campaign contribution limits on certain candidates for state office including statewide offices, legislative offices and judicial offices. The specific constitutional provision is Article VIII, §23.

The Commission issued several opinions regarding Article VIII, §23. The full opinions can be found on the Advisory Opinions page of the MEC website.

Litigation Update: For the most current information refer to the MEC website. The regulated community should continually check for updates.

Frequently Asked Questions

What are the contribution limits and what candidates do the limits apply to?

Article VIII, §23. 3(1), provides a contribution limit of \$2,600 from any person, other than the candidate, to elect an individual to the Missouri state offices of: · Governor · Attorney General · Lieutenant Governor · Secretary of State · State Treasurer · State Judicial Office · State Auditor · Other State Office

Article III, §3, 20(c) provides a contribution limit of:

- \$2,500 to elect an individual to the office of State Senator; and
- \$2,000 to elect an individual to the office of State Representative.

The constitution does not include contribution limits for candidates for local elections; however, local jurisdictions may have their own contribution limits. (See Commission Opinion 2017.02.CF.001)

What elections do contribution limits apply to?

State contribution limits apply to “each” election. A primary election and the succeeding general election shall be considered separate elections.

Are there contribution limits for contributions to political parties?

Political party committees can accept aggregate contributions of \$25,000 per election from persons or committees. The aggregate applies to the party committees at the state, county, municipal, district, ward, and township level combined. In Commission Opinion 2017.02.CF.007, the Commission discussed the election cycle for purposes of the \$25,000 aggregate for political parties.

See also, Advisory Opinion No. 2017.05.CF.013

Contribution Limits & Prohibitions

Frequently Asked Questions (Continued)

Can a candidate subject to contribution limits receive contributions for the primary and general election at the same time and prior to the primary for the general election? In Commission Opinion 2017.03.CF.012, the Commission stated that state office candidates in a primary election may not receive simultaneous contributions from the same contributor for the primary and general elections in the period leading to the primary election. Therefore, contributions for the general election should not be received until after the primary election.

What rules apply to both state and local candidate committees?

While the 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 (see questions on corporation and labor organization contributions)	<ul style="list-style-type: none">• receive contributions from political action committees/continuing committees subject to contribution limits if they apply• make contributions to political party committees• receive contributions from political party committees

Can a corporate or labor organization contribute to candidate committees, exploratory committees, political party committees or political parties?

No, corporations or labor organizations cannot make direct contributions (monetary or in-kind) to political parties or candidate, exploratory, and political party committees. Examples of in-kind contributions include use of facilities without charge or donating prizes for fundraisers.

Contribution Limits & Prohibitions

Frequently Asked Questions (Continued)

Can corporations and labor organizations contribute to PAC's?

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.

Is a Limited Liability Company considered a corporation?

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.

Can non-citizens or foreign governments make state contributions?

Article VIII, §23.3 (16) states that no Missouri committee shall knowingly accept contributions from:

- Any natural person who is not a citizen of the United States; or
- A foreign government

Contribution Limits & Prohibitions

Frequently Asked Questions (Continued)

Are Political Action Committees (PAC)/Continuing Committees prohibited from receiving contributions from other state committees?

Political action committees/continuing committees are prohibited from receiving contributions from:

- Other political action committees/continuing committees
While the Constitution contains the prohibition, the federal courts have enjoined this provision and therefore, the prohibition of PACs giving to other PACs is not enforced.
- Candidate committees
- Political party committees
- Campaign committees
- Exploratory committees
- Debt service committees

How does Article VIII, Section 23 correspond to Chapter 130 of the Missouri Revised Statutes?

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

What are the penalties for violation of Article VIII, Section 23?

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 &
Investigations**

**Conflict of
Interest**

Lobbying

**Higher
Education**

**Training &
Resources**

Complaints & Investigations

Filing a Complaint

Any individual may file a complaint with the MEC if that individual believes any candidate or other individual has violated campaign finance disclosure laws, personal financial disclosure laws, conflict of interest laws, lobbying laws, or any order, ordinance or resolution dealing with the official conduct of officials or employees.

See §105.957 & §130.054 RSMo for more information.

- Unless a complaint alleges that a candidate has failed to file the appropriate PFD or campaign finance disclosure reports, the Commission shall not accept any other complaint filed against that candidate within sixty (60) days before the primary election until after the date of the general election.
- No complaint can be accepted by the MEC against a candidate within fifteen (15) days prior to the primary or general election in which the candidate is running for office
- A complaint alleging a candidate has violated Article VIII, §23.3 shall be filed within sixty (60) days prior to the primary election until the general election.
- All complaints must be in writing and must be notarized.
- A copy of the complaint will be provided to the individual it is filed against within five (5) days of receipt
- A copy of the complaint form may be downloaded from the MEC's website at www.mec.mo.gov

Commission Investigations

- Investigations are confidential
- Final actions are public



Search **Commission Cases - Final Actions** on our website.
Link Path: Commission Business > Commission Actions

Conflict of Interest

Conflicts of Interest

General provisions of the law (see §105.450-§105.467 RSMo for more information) apply to elected and appointed officials and some employees of the state and political subdivisions of the state. These laws provide that these officials and employees cannot:

- Use their office for financial gain for him/herself, spouse or dependent child(ren) or certain businesses
- Perform a service for the political subdivision for pay of more than \$500 per transaction or \$5,000 per year unless the service is competitively bid and the official, company, or partnership is the lowest bidder (if the official has more than a ten percent (10%) interest in the company or partnership). This also applies to the sale, rent, or lease of property to the political subdivision
- Vote for or against any measure if they have received or have been promised any gift or payment of any item or value on condition of the vote
- Receive anything of value to influence the action of the political subdivision
- No statewide elected official or member of the general assembly shall receive compensation as a paid political consultant from a campaign committee, a continuing committee, or a candidate or candidate committee for statewide office or general assembly.
- **Nepotism:** Name or appoint to public office or employment (includes voting) any person related to the official within the fourth degree by blood or marriage (great grandparent to first cousin).



See **Relationship Chart** on our website.

Use of Public Funds (See §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.

See also page 21 in this Guide for 'paid for by' requirements.



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

Lobbying

Definition and Requirements

A lobbyist is a person who attempts to influence the action of government (see §105.470-105.478 RSMo for more information). There are four types of lobbyists:

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

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

- Annually register 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 No-Expenditure Report and disclosing business relationships with public officials.

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

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.

Reported Lobbyist Expenses

Constitutional Amendment 1, approved by Missouri voters on November 6, 2018, 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.

Lobbyists report monies spent by the lobbyist principal and/or the lobbyist. They report monies spent on behalf of public officials, their staff and employees, spouses, and dependent child(ren).

Reported lobbyist monies spent include:

- Printing & Publication
- Media & Other Advertising
- Travel
- Entertainment
- Honorariums/Gifts
- Meals/Food/Beverages
- Other

Lobbying

New Constitutional Amendment I Members & Employees of the General Assembly

Effective December 6, 2018, pursuant to the passage of Constitutional Amendment 1 by Missouri voters, 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.

Section 105.455, RSMo

Any person that holds a statewide office of governor, lieutenant governor, secretary of state, auditor, treasurer, or attorney general shall not act, serve, or register as a lobbyist until six months after their term of office expires.

Any person that holds an office requiring appointment by the governor and confirmation by the senate, shall not serve, act, or register as a lobbyist until six months after they leave such office.

These provisions apply only to lobbyists employed by a lobbyist principal for pay or other compensation in excess of reimbursement for expenses incurred.

These provisions do not apply to a person acting, serving, or registering as a lobbyist for a state department or agency, even if paid.

Sections 105.465 and 130.097, RSMo

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.

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. (See MEC Opinion 2016.08.L.001)



See *Lobbyist Tutorials & Lobbyist FAQs* on our website.

Higher Education: New Requirement

HIGHER EDUCATION EMPLOYEE SPOUSE TRAVEL EXPENSES (§105.498 RSMo)

Full-time employees of a public institution of higher education must file an out-of-state travel report with the MEC if their spouse had out-of-state travel expenses paid for by the institution. These travel expenses include, but are not limited to:

- Transportation
- Lodging
- Meals

If required, reports must be electronically filed:

Q1 -- January 1 to March 31, 2019

Q2 -- April 1 to June 30, 2019

Q3 -- July 1 to September 30, 2019

Q4 -- October 1 to December 31, 2019



Employees required to file a travel report must obtain an ID and password from the MEC.

Training Resources

Visit the **Educational Resources** page on our website to view the training & webinar schedule, web tutorials, and more!!

Flyers/Brochures

- Conflict of Interest Guide
- Conflict of Interest Relationship Chart
- Guide to Personal Financial Disclosure
- Year at a Glance (Political Subdivision Calendar)
- Campaign Finance—Candidates/Committees
 - After Election Requirements & Debt Service Committees
 - Campaign Committees
 - Campaign Finance Q&A
 - Campaign Materials Identification Requirements (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 & Register a Committee
 - Upcoming Deadlines & Reminders (by election)

Web Tutorials

- Lobbyist (series of 4)
- Ethics Overview (series of 4)
- Campaign Finance—Candidates/Committees
 - Campaign Materials Identification Requirements (Paid-for-by)
 - Candidate Reporting Requirements
 - Forming a Campaign Finance Committee
 - Supplemental Forms—paper filers
 - Following Campaign Money
- Campaign Finance e-filing
 - Reporting for e-filers (series of 4)
 - Import Function Tutorial
 - Overview & Navigational Tutorial
 - Section Wizard Tutorial
- 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

Notes

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 Razdolyanskiy, "Website" by Max Miner, and "Email" by Martha Ormiston. All works listed are from the Noun Project.

Commissioners

Don Summers

Chair

Republican

6th Congressional District

Term expires March 15, 2020

Kim Benjamin

Vice Chair

Democrat

4th Congressional District

Term expires March 15, 2020

George Ratermann

Republican

2nd Congressional District

Term expires March 15, 2020

Wayne Henke

Democrat

3rd Congressional District

Term expires March 15, 2022

Sherman W. "Bill" Birkes, Jr

Republican

7th Congressional District

Term expires March 15, 2022

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 Campaign Finance
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
Fax:	573-526-4506
Help Desk:	helpdesk@mec.mo.gov
Website:	www.mec.mo.gov
Twitter:	Follow us @MOEthics

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions
UPD 08/15/2016

Contents

<u>Overview</u>	2
<u>General</u>	2
<u>Employment/Compensation</u>	3
<u>Employment/Compensation - Former Officials and Employees</u>	4
<u>Financial Gain/Influencing Decisions</u>	6
<u>Hiring/Voting to Hire Individuals Related (Nepotism)</u>	8
<u>Legislators and Statewide Elected Officials</u>	9
<u>Performing Service/Conducting Business with a Political Subdivision</u>	10
<u>Political Appointments</u>	11
<u>Quid Pro Quo</u>	12
<u>Voting</u>	12

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions
UPD 08/15/2016

[Back to Index](#)

Overview

1. **Question:** What laws govern conflict of interest?

Answer: This FAQ includes information specifically from the Missouri Constitution and Missouri Revised Statutes Section 105.450 – 105.467, RSMo. The statutes generally address financial gain by an official, employee, spouse, dependent child, or business of the official or employee. Because the statutes are very specific, the statutory language should always be read. The Missouri Ethics Commission issues advisory opinions on the MEC [website](#).

Conflict of interest laws may also be contained in the statutes which address the agency or political subdivision, including:

- ✓ Chapters 26–30: Executive branch of government
- ✓ Chapters 46–70: Counties, townships, political subdivisions
- ✓ Chapters 71–100: Cities, towns, villages
- ✓ Chapters 190: Emergency services
- ✓ Chapters 347–360: Corporations, associations, partnerships-public bodies
- Chapters 620-680: Other executive departments

State departments, officials and boards and commissions may have a specific conflict of interest policy or order in addition to the statutes. Cities, counties, school districts, and other political subdivisions also adopt local ordinances, charters, laws, policies, and procedures regulating conflict of interest.

General

1. **Question:** Who is required to follow the conflict of interest laws? (Missouri Constitution, Chapter 105, RSMo.)

Answer: The following individuals are named in the Missouri Constitution and Chapter 105 of the Missouri Revised Statutes:

- ✓ Statewide elected officials
- ✓ Elected or appointed public officials
- ✓ Employees of the state and other political subdivisions
- ✓ Members of a political subdivision, governing, and legislative bodies
- ✓ General Assembly members

2. **Question:** What conduct do the conflict of interest laws cover? (Missouri Constitution, Chapter 105, RSMo.)

Answer: Generally, the Missouri Constitution and Missouri Revised Statutes address the following:

- ✓ Employment and compensation in other capacities
- ✓ Financial Gain/Influencing Decisions

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

- ✓ Hiring or voting to hire individuals related by blood or marriage (Nepotism)
- ✓ Performing a service or conducting a business transaction with the political subdivision

Employment/Compensation

1. **Question:** If the political subdivision has adopted a law or ordinance specifically establishing the public official's salary, can the public official be paid wages for additional services performed as the official? (Section 105.454, 105.456 105.458, 105.462, RSMo.)
Answer: No, the public official cannot be paid wages for additional services performed beyond the salary already established by the political subdivision. For example, a Mayor cannot receive additional payments for services as Mayor beyond the official salary.
2. **Question:** Can an elected/appointed public official receive compensation from the political subdivision, for additional employment services performed for the political subdivision? (Section 105,454, 105.456, 105.458, RSMo.)
Answer: No, see Sections 105.454, 105.456, and 105.458 RSMo., for specific requirements. Generally, a public official or employee cannot be paid wages for additional services performed beyond their normal compensation. Other state law and the political subdivisions laws or ordinances may establish specific compensation for an elected/appointed public official or employee; these should also be consulted.
3. **Question:** Can an employee or other elected official of an agency/political subdivision, who has authority to adopt rules or regulations receive compensation from the agency/political subdivision for additional employment services performed for that agency/political subdivision? (Section 105.462(2), RSMo.)
Answer: No, a person described above who has the authority to adopt rules or regulations, other than internal affairs of the agency, cannot be paid for additional services performed beyond their normal compensation. This includes a person authorized to fix any rate, adopt zoning or land use planning regulations or plans, or who participates in or votes on the adoption of any such rule, regulation, rate, or plan.
4. **Question:** Can a school board member also be a paid substitute teacher for the school district? (Missouri Ethics Commission Advisory Opinion 1999.06.107)
Answer: No, the school board member cannot be paid wages for additional services performed beyond their normal compensation.
5. **Question:** Can a Mayor of a 4th Class City also be employed as the City Administrator? (Missouri Ethics Commission Advisory Opinion 2008.09.CI.008)
Answer: No, the Mayor could not retain his elected position and also be employed as City Administrator, and the Mayor is prohibited from assuming the position for one year from leaving office.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

6. **Question:** Can a mayor or board member receive per diem payments for work done for the political subdivision? (Missouri Ethics Commission Advisory Opinion 2008.06.CI.004)
Answer: No, a member of a legislative or governing body may not receive payment, including per diem payments for work done for the political subdivision.
7. **Question:** Can a board member of a political subdivision provide volunteer services for the political subdivision? (Missouri Ethics Commission Advisory Opinion 2006.12.106, 2001.01.100)
Answer: Yes, the Board member can provide volunteer services, but may not receive any monetary gain from the political subdivision.
8. **Question:** Can a city administrator or city alderman be paid for performing additional services such as grounds keeping? (Section 105.458, RSMo.)
Answer: The elected or appointed official, serving in an executive or administrative capacity, can be paid for performing services like grounds keeping *as long as* the service is:
- ✓ Not over \$500/transaction/\$5,000* annually *or*
 - ✓ Awarded under contract after public notice, competitive bidding, *and* the official's bid was the lowest received. The official must not participate in the vote to award the contract, request for bidding process, or receive any confidential information related to the bid for services.

This service is not to be confused with employment, as the administrator or alderman *cannot be* otherwise employed by the political subdivision.

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

9. **Question:** Can a retired employee of a school district who is receiving retirement incentive checks, in exchange for performing advisory services for the district, also serve on the school board? (Missouri Ethics Commission Advisory Opinion 2000.03.104)
Answer: No, the retired employee may not serve on the school board while receiving additional compensation in the form of retirement incentives.

Employment/Compensation - Former Officials and Employees

1. **Question:** Can former officials and employees take positions immediately upon leaving public employment which may influence the decisions of their former agencies or departments? (Section 105.454(5), RSMo.)
Answer: No, elected and appointed officials and employees serving in an executive or administrative capacity may not be paid to perform any service for one year after they leave public employment by which they attempt to influence a decision of any agency of the state or political subdivision in which they were an officer, employee, or over which they had supervisory authority.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

2. **Question:** Are there any exceptions to this one- year rule? (Section 105.454(5), RSMo.)
Answer: Yes, former officials and employees may be paid, within one year of leaving public employment, to appear in an adversary proceeding or to prepare or file a public document. Former officials and employees may be employed by other departments, divisions or agencies of the executive branch of state government.

3. **Question:** Can former officials and employees take positions upon leaving employment which directly impact issues they were involved with while in public employment? (Section 105.454(6) RSMo.)
Answer: No, former elected or appointed officials and employees serving in an executive or administrative capacity may not be paid by a person, firm, or corporation in relation to any case, decision, proceeding or application with which they were directly concerned or personally participated in after leaving public service or employment. There is no time period attached to this rule.

4. **Question:** Do the laws relating to employment of former officials and employees apply to all public employees? (Section 105.454, RSMo.)
Answer: No, the laws only apply to elected or appointed officials and employees serving in an executive or administrative capacity. Also, consult Section 105.462, RSMo. for specific requirements for prohibited acts by persons with rulemaking authority.

5. **Question:** Can former officials and employees of a state agency or political subdivision who have power to adopt rules and regulations, take positions immediately upon leaving public employment which may influence their decisions of their former agencies/political subdivisions? (Section 105.454(6), RSMo)
Answer: No, a person described above who has the authority to adopt rules or regulations, other than internal affairs of the agency, cannot be paid to perform any service for one year after they leave the agency with which he/she served as a official or employee by which they attempt to influence a decision or action of which he/she served. This includes a person authorized to fix any rate, adopt zoning or land use planning regulations or plans, or who participates in or votes on the adoption of any such rule, regulation, rate, or plan.

6. **Question:** Can a former state employee division director, be paid to speak about the process the state uses and educate about state processes? (Section 105.454, RSMo.)
Answer: Yes, the former state employee division director may provide speaking and educational services; here, the employee would not be attempting to influence a decision of their former state agency. The statute specifically does not allow a former state employee, who served in an executive or administrative capacity, to be paid for one year from leaving state employment, to attempt to influence a decision of the former division or department.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

7. **Question:** Can a board member of a political subdivision resign and take a paid position within the political subdivision within one year? (Missouri Ethics Commission Advisory Opinion 2009.04.CI.003, 2008.03.CI.001)

Answer: The board member may not perform any service for pay in which he attempts to influence the board of the political subdivision. This may include positions which affect policy such as employment decisions, but does not include purely ministerial positions.

8. **Question:** Can a former alderman be paid by the city to act as a liaison between the city and contractors for a project that the alderman was involved in? (Missouri Ethics Commission Advisory Opinion 2009.01.CI.001)

Answer: No, to the extent that the position could be considered one of attempting to influence the Board of Alderman, the former alderman could not take this position within one year of leaving office.

9. **Question:** Can an ambulance district board member resign and become the paid administrator for the district? (Missouri Ethics Commission Advisory Opinion 2003.01.101)

Answer: No, the board member may not become a paid administrator for one year after leaving office.

Financial Gain/Influencing Decisions

1. **Question:** Can public officials or employees act or vote on decisions which may financially impact themselves or their family? (Section 105.452(4), 105.452(5), and 105.454, RSMo.)

Answer: The statutes provide specific instances that a public official or employee cannot take part in, including:

- ✓ Decisions that may financially impact themselves or their family when the vote would provide them, their spouse, or dependent child a special monetary benefit which is not provided to a larger class. The term special monetary benefit is defined in the statute as "being materially affected in a substantially different manner or degree than the public in general or members of a special class will be affected." (Section 105.452(4), RSMo)
- ✓ An official or employee may not use decision-making authority for the purpose of obtaining a financial gain which materially enriches themselves *or* their spouse or dependent children for the purpose of coercing or extorting from another anything of actual monetary value. (Section 105.452(5), RSMo)
- ✓ Public officials or employees, serving in an executive or administrative capacity, may not participate in any matter where they attempt to influence any decision of any agency of the state or political subdivision when they know the result of the decision *may* be the acceptance of the performance of a service or the sale, rental,

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

or lease of any property to that agency for consideration in excess of \$500 per transaction or \$5,000* annually to:

- Themselves, their spouse, or a dependent child in custody *unless* the transaction is made after public notice, competitive bidding (other than real property), and the bid accepted is the lowest bid *or*
- Any business with which they are associated unless the transaction is made after public notice for real property and public notice or competitive bidding for other property. The official or employee's bid must be the lowest received. This includes officers and members of a Board of Directors doing business with the state or political subdivision. (Section 105.454, RSMO)

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

2. **Question:** What is the definition of a business with which the official or employee is associated? (Section 105.450(3), RSMo)

Answer: Businesses include sole proprietorships; partnerships or joint ventures, other than as a limited partner of a limited partnership; corporations or limited partnerships in which the person is an officer or director, or owns more than 10% of the outstanding shares of any class of stock or partnership units; or trusts. The business relationships include spouses and dependent children.

3. **Question:** Can public officials or employees vote on their own retirement benefits? (Section 105.452, RSMo.)

Answer: Yes, public officials or employees can vote on retirement benefits as long as there is no special monetary benefit and they will be treated as any other member of the retirement class.

4. **Question:** What are the laws relating to confidential information? (Section 105.452, RSMo.)

Answer: Public officials and employees of the state or a political subdivision may not use or disclose confidential information obtained in their official capacity or during employment with the intent of financial gain for themselves, their spouse, dependent children, or any business with which they are associated.

5. **Question:** What are some examples of improperly using or disclosing confidential information?

Answer: Examples include using or disclosing confidential information while competitively bidding for services to be performed for the political subdivision, contract negotiations with a political subdivision, selling or leasing property to a political subdivision, or information learned about litigation involving a political subdivision which may financially benefit the official or employee.

6. **Question:** Can a public official or employee be paid by a third party to influence a decision of the state or political subdivision? (Section 105.454, RSMo.)

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

Answer: No, public officials and employees may not perform services while in office or employed from any person, firm or corporation to influence a decision of any agency of the state, or political subdivision in which they are an officer or employee or over which they have supervisory power.

Hiring/Voting to Hire Individuals Related (Nepotism)

1. **Question:** What is nepotism?

Answer: Nepotism, defined in Article VII, Section 6 of the Missouri Constitution, occurs when a public officer or employee in this state names or appoints to public office or any employment a relative related within the 4th degree, by blood or marriage. You should consult the political subdivision's ordinances, policies, and procedures for any further requirements related to nepotism.

2. **Question:** What is consanguinity and affinity?

Answer: Consanguinity means being related by blood or descended from a common ancestor. Affinity means a relationship by marriage or adoption, not a blood relationship. A relationship by marriage (affinity) terminates if death or divorce occurs.

3. **Question:** How do I know if a relative is within the 4th degree of blood or marriage?

Answer: There are numerous charts which outline degrees of family relationships available on the Internet or you may use the [Relationship Chart](#) found on the Commission's website. The 4th degree includes a great-great-grandparents, great-aunt or uncle, 1st cousin, great-niece or nephew and great-great-grandchild.

4. **Question:** What is the penalty for nepotism? (Missouri Constitution, Art VII, Section 6)

Answer: The penalty for nepotism is automatic forfeiture of office. Legal action may be pursued to remove the individual from office or employment.

5. **Question:** Can an elected or appointed public official, such as a board member, vote to hire a relative?

Answer: The ability to vote to hire a relative depends on the degree of relationship. The Missouri Constitution prohibits an elected or appointed public official from voting to hire a relative within the 4th degree, by blood or marriage.

6. **Question:** Does nepotism apply to an already existing employee? (Missouri Constitution)

Answer: The constitutional provision applies to the naming or reappointing. The elected or appointed official should not:

- ✓ Reappoint the employee
- ✓ Vote on the appointment or employment

In addition, the political subdivision's policies and procedures should be consulted.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

7. **Question:** Does nepotism apply to an unpaid employee?
Answer: The nepotism provision applies to both unpaid or volunteer positions. See *Mo. Attorney General Opinion 13-1953* and/or *State ex inf. Atty. Gen. v. Shull, 887 S.W. 2d 397, 400 (Mo. 1994)* for more information. (Added 05/16/2012)
8. **Question:** Can a friend or relative of a public employee run for office and be elected to that political subdivision's board/commission? (Missouri Constitution, Chapter 105, RSMo.)
Answer: Yes, there would be no per se violation of the Chapter 105 conflict of interest laws or the Constitution's nepotism clause. However, the elected board/commission member cannot vote to employ or reemploy the relative, if related within the 4th degree by blood or marriage. The board/commission member must recuse themselves from voting on any matter that would directly affect or give special monetary benefit to the family member.
9. **Question:** Can family members be elected to the same governing bodies, boards or commissions? (Missouri Constitution)
Answer: This depends on whether the governing body, board or commission has any laws prohibiting family members from serving. The nepotism clause addresses naming, appointment and employment, not election.
10. **Question:** Can a school board member remain on the board if the spouse becomes employed by the District? (Missouri Ethics Commission Advisory Opinion 2002.01.101)
Answer: Yes, but the board member may not vote to reemploy the spouse and must recuse themselves from any vote which would give a special monetary benefit to the board member or spouse.
11. **Question:** Should a public officer or employee, with a relative (within the 4th degree, by blood or marriage) also employed by the political subdivision vote on items such as wage increases or the budget that would include the relative's salary? (Missouri Ethics Commission Advisory Opinion 2004. 01.101)
Answer: The public officer or employee may vote on items described above since all members of the class receive the same benefit and the public officer or employee is not acting on a matter specifically designed to provide a special monetary benefit to the relative.

Legislators and Statewide Elected Officials

1. **Question:** Can legislators be employed by the State or the political subdivision they represent? (Section 105.456, RSMo.)
Answer: No, members of the Missouri General Assembly may not be employed by any agency of the state or a political subdivision while serving in the State House or Senate.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

2. **Question:** Can legislators or statewide elected officials conduct business with the political subdivision? (Section 105.456, RSMo.)

Answer: Yes, under the following circumstances:

- ✓ If the business was awarded to the legislator, official, or business of the legislator or official after public notice, competitive bidding *and* the award was to the lowest bidder *or*
- ✓ The service, sale/rent/lease of a property, or business transaction conducted with the political subdivision was no greater than \$500 per transaction or \$1,500 annually.

3. **Question:** Can legislators be employed by companies that do business with the state? (Missouri Ethics Commission Advisory Opinion 2009.04.CI.002, 2008.09.CI.007)

Answer: Yes, but legislators should not vote on any measure which would give preferential treatment to the company or special monetary benefit to the legislator, spouse, or dependent child. The legislator must disclose any substantial interest in a bill before voting.

4. **Question:** Can legislators or statewide elected officials purchase, rent or lease property from the state or their District? (Missouri Ethics Commission 2007.02.CI.003)

Answer: Yes, the conflict of interest statutes do not directly address the purchase, rent, or lease of property from a political subdivision. The legislators or statewide elected officials should ensure that they have not acted to give themselves a special monetary benefit or that they are not treated any differently than any member of the general public. They cannot use or disclose confidential information related to the transaction.

Performing Service/Conducting Business with a Political Subdivision

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

1. **Question:** What are the bidding requirements that apply to political subdivisions? (Chapters 50, 105, RSMo.)

Answer: The political subdivision should look at their adopted purchasing ordinances and policies for specific requirements as well as Chapter 50, RSMo. – county purchasing; and Chapter 105, RSMo. – public officials.

2. **Question:** Do the conflict of interest statutes state what public notice or competitive bidding rules must be followed by a political subdivision? (Missouri Ethics Commission Advisory Opinion 1998.11.113)

Answer: No, the statutes contain no prescribed method for public notice. In the absence of a specific statute or rule which applies to the political subdivision, the Commission recommends that the required notice be given either through a newspaper advertisement, a public notice place in various areas designated for such, or the notice be given during an official meeting. It is important that the public be made aware of the notice.

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

3. **Question:** Can an elected or appointed public official, employee, or member of the governing body conduct business with the political subdivision? (Section 105.454, 105.458, RSMo.)

Answer: *Only* if the business was awarded to the public official/employee after public notice, competitive bidding, and the award was to the lowest bidder. The public official may perform a service, sale/rent/lease property, or transact business with the political subdivision for no amount greater than \$500 per transaction or \$5,000* a year without bidding/public notice. This requirement applies to officials and employees serving in executive or administrative capacities.

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

4. **Question:** Can an elected or appointed public official, employee, or member of the governing board purchase, rent, or lease property from the political subdivision? (Section 105.452, 105.458 RSMo.)

Answer: The conflict of interest statutes do not directly include bidding and notice requirements for the purchase, rent or lease of property from a political subdivision. The official or employee should ensure that they have not acted to give themselves a special monetary benefit, or that they are not treated any differently than any member of the general public. They cannot use or disclose confidential information related to the transaction. The political subdivision must follow its laws related to bidding and public notice.

5. **Question:** Is there a dollar amount that an elected or appointed public official or employee can conduct business with the political subdivision without competitive bidding and public notice? (Section 105.454, RSMo.)

Answer: Yes, they may perform a service, sale/rent/lease property to the political subdivision, or transact business with the political subdivision for no amount greater than \$500 per transaction or \$5,000* a year.

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

6. **Question:** Do the public notice and competitive bidding laws apply to all officials and employees of the political subdivision? (Section 105.454, 105.456, 105.458, RSMo.)

Answer: The laws specifically apply to:

- ✓ Elected or appointed officials or employees of the state or a political subdivision, serving in executive or administrative capacities
- ✓ Members of general assembly and statewide elected officials
- ✓ Members of governing bodies of political subdivisions

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

7. **Question:** What are the penalties for the public official or employee who violates the Chapter 105 conflict of interest laws and/or their political subdivision's ordinances/policies relating to conducting business?

Answer: A complaint can be filed with the Missouri Ethics Commission against the official or employee. The Commission may assess penalties, including financial penalties, against the official or employee.

Political Appointments

1. **Question:** Can an individual seeking a political appointment promise anything of value in exchange for a political appointment? (Section 105.452.2, RSMo)

Answer: Missouri law states that no elected or appointed official or employee of any political subdivision shall offer, promote, or advocate for a political appointment in exchange for anything of value to any political subdivision. This law applies to existing officials and employees, and only addresses anything of value to the political subdivision.

2. **Question:** Do any laws forbid the making of a political appointment in exchange for something of value? (Section 105.452.1, RSMo.)

Answer: Yes, an elected or appointed official or any employee of the state or a political subdivision may not act, such as making an appointment, by reason of any payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary 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, such as making an appointment.

Quid Pro Quo

1. **Question:** Does Missouri have any laws addressing quid pro quo by a public official or employee? (Section 105.452.1, RSMo.)

Answer: Yes, an elected or appointed official or any employee of the state or a 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 actual pecuniary 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.

Voting

1. **Question:** Can a public official or employee vote on a matter in which they have a financial interest? (Section 105.454, RSMo.)

Answer: Missouri law provides that no elected/appointed official or employee which serves in an executive or administrative capacity may participate in any matter, in which he or she attempts to influence any decision of any agency of the state or political subdivision when he or she knows the result of such decision may be the acceptance of

Missouri Ethics Commission
Conflict of Interest
Frequently Asked Questions

UPD 08/15/2016

[Back to Index](#)

the performance of a service or the sale, rental, or lease of any property to that agency for consideration in excess \$500.00 per transaction or \$5,000.00* per annum to him or her, spouse, a dependent child in custody or to any business with which he or she is associated unless the transaction is made pursuant to a contract made after public notice for real property, and public notice or competitive bidding for other property. The official or employee's bid must be the lowest received. This includes officers and members of a Board of Directors which does business with the state.

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