

**Filed**  
**JUL 12 2013**  
Missouri Ethics  
Commission

**BEFORE THE  
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,	)	
	)	
Petitioner,	)	
	)	
v.	)	
	)	
MIKE SAGER,	)	Case No. 12E246
Candidate,	)	
	)	
and	)	
	)	
ELECT MIKE SAGER,	)	
Candidate Committee,	)	
	)	
Respondents.	)	

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND  
ORDER**

This is the final decision and order of the Missouri Ethics Commission following a hearing on a complaint filed by Petitioner by and through counsel, pursuant to Section 105.961, RSMo, and Chapter 536, RSMo. The hearing was conducted before the following members of the Missouri Ethics Commission: Dennis Rose, Louis J. Leonatti, Vernon Dawdy, John Munich, Bill Stoltz, and Charles Weedman.

A closed hearing took place on Friday, July 12, 2013, at the offices of the Missouri Ethics Commission at 3411A Knipp Drive, Jefferson City, Missouri 65109. The Commission was represented by attorney Curt Stokes. Respondents did not appear after receiving actual notice of the complaint and hearing.

The Commission admitted into evidence Petitioner's Exhibits 1 through 4. Having considered all the competent and substantial evidence upon the whole record, the Commission finds Respondents in default and by a vote of 6-0 as follows:

## FINDINGS OF FACT

1. The Missouri Ethics Commission (“the Commission”) is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo.

2. Respondent Mike Sager was an unsuccessful candidate for the Missouri House of Representatives in the August 2012 primary election.

3. Respondent Elect Mike Sager was the candidate committee formed by Respondent Sager for the August 2012 primary election.

4. Pursuant to Section 105.961, RSMo, the Commission’s staff has investigated a complaint filed with the Commission and reported the investigation’s findings to the Commission.

5. Based on the report of the Commission’s staff, the Commission determined that there are reasonable grounds to believe that violations of law occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

6. Respondent Sager has run twice for Missouri State Representative. He ran successfully in 2002 and unsuccessfully in 2004.

7. The Missouri Ethics Commission has issued three orders previously against Respondent Sager.

8. In MEC Case C2394, the Commission recommended a case be closed if Respondent Sager amended a report. When Respondent Sager failed to amend his reports after repeated contacts, the case was referred to the Missouri Attorney General.

9. In MEC Case C4168, the Commission recommended a case be closed if Respondent Sager amended report. The case was referred to the Missouri Attorney General after Respondent Sager failed to amend his reports.

10. In MEC Case A4183, the Commission assessed \$9,000 in fees (which was \$1,000 for each of the nine counts) against Respondent Sager for inappropriately filing limited activity statements in lieu of full disclosure reports, exceeding contribution limits for a debt service committee, inaccurately reporting receipts, expenditures, and loans, and failing to provide documents and bank records.

### COUNT I

#### *Failure to timely file statement of committee organization and termination statement*

##### *Failure to timely file statement of committee organization*

11. Respondents opened an official depository account for the candidate committee in August 2011.

12. On September 1, 2011, Respondents accepted contributions and deposited them into the official depository account.

13. Respondents did not file a statement of exemption pursuant to Section 130.016, RSMo.

14. Respondents filed a statement of committee organization on July 2, 2012, which is 305 days after the committee first deposited contributions into the committee's official depository account.

##### *Failure to timely file termination statement*

15. Respondents were unsuccessful in the August 2012 primary election.

16. Respondents had no indebtedness after the August 2012 primary election.

17. Respondents filed a termination statement with the Missouri Ethics Commission on December 17, 2012, which is forty-one (41) days after the November 2012 general election.

## **COUNT II**

### *Failure to maintain committee records and make committee records available*

18. On November 15, 2012, the Missouri Ethics Commission issued a subpoena to Respondents requesting the records and accounts of receipts and expenditures relating to the August 2012 primary election.
19. The subpoena was served on Respondents.
20. Respondents did not respond to the subpoena.
21. On December 10, 2012, the Commission issued a reminder of the subpoena requesting the records.
22. The reminder was mailed to Respondents.
23. To date, Respondents have not provided any records in response to the subpoena.

## **COUNT III**

### *Failure to timely file campaign finance disclosure reports*

24. Respondents failed to file a January 2012 quarterly disclosure report.
25. Respondents failed to file an April 2012 quarterly disclosure report.
26. Respondents failed to file a "30 Days After" report for the August 2012 primary election.
27. Respondents failed to file an October 2012 quarterly disclosure report.

## CONCLUSIONS OF LAW

### COUNT I

#### *Failure to timely file statement of committee organization and termination statement*

28. Unless exempt under Section 130.016, RSMo, every candidate for the Missouri House of Representatives must form a candidate committee and appoint a treasurer. § 130.021.2, RSMo.

29. Such a candidate is exempt only if “neither the aggregate of contributions received nor the aggregate of expenditures made on behalf of such candidate exceeds five hundred dollars and no single contributor, other than the candidate, has contributed more than three hundred twenty-five dollars,” and the candidate files the required exemption statement. § 130.016.1, RSMo.

30. The treasurer must file a statement of committee organization with the appropriate officer within twenty days after becoming a committee, but no later than the date for filing the first report required pursuant to Section 130.046, RSMo.

31. The appropriate officer for a candidate for the Missouri House of Representatives is the Missouri Ethics Commission and the election authority of the municipality or county in which the candidate seeks office. § 130.026.2(2).

32. A committee is “a person or any combination of persons, who accepts contributions or makes expenditures for the primary or incidental purpose of influencing or attempting to influence the action of voters for or against the nomination or election to public office of one or more candidates....” § 130.011(7), RSMo.

33. A committee must file a termination statement within ten days of dissolution. § 130.021.8, RSMo.

34. A candidate committee “shall terminate the later of either thirty days after the general election for a candidate who was not elected or upon the satisfaction of all committee debt after the election.” § 130.011(5), RSMo.

35. There is probable cause to believe that Respondents violated Section 130.021.2, RSMo, by failing to file a statement of committee organization within twenty days of becoming a committee, and that Respondents violated Sections 130.021.8 and 130.011(5), RSMo, by failing to timely file a committee termination statement, and that Respondents did so knowingly.

## COUNT II

### *Failure to maintain committee records and make committee records available*

36. “All records and accounts of receipts and expenditures shall be preserved for at least three years after the date of the election to which the records pertain. Records and accounts regarding supplemental disclosure reports or reports not required pursuant to an election shall be preserved for at least three years after the date of the report to which the records pertain. Such records shall be available for inspection by the campaign finance review board and its duly authorized representatives.” § 130.036.8, RSMo.

37. “Upon refusal by any person to comply with a request for information relevant to an investigation, an investigator may issue a subpoena for any person to appear and give testimony, or for a subpoena duces tecum to produce documentary or other evidence which the investigator deems relevant to a matter under the investigator's inquiry.” § 105.961.8(4), RSMo.

38. There is probable cause to believe that Respondents violated Section 130.036.8, RSMo, by failing to make records and accounts of receipts and expenditures available for inspection, and that Respondents did so knowingly.

### COUNT III

#### *Failure to timely file campaign finance disclosure reports*

39. Respondents were required to file campaign finance disclosure reports at the following times and for the following periods:

...

(2) Not later than the thirtieth day after an election for a period closing on the twenty-fifth day after the election, if the committee has made any contribution or expenditure either in support of or opposition to any candidate or ballot measure... ; and

(3) Not later than the fifteenth day following the close of each calendar quarter.

§ 130.046.1, RSMo.

40. There is probable cause to believe that Respondents violated Section 130.046.1, RSMo, by failing to file four campaign finance disclosure reports, and that Respondents did so knowingly.

**ORDER**

The Missouri Ethics Commission finds probable cause that Respondents violated, and have knowingly violated, Sections 130.021.2, 130.021.8, 130.011(5), 130.036.8, and 130.046.1 RSMo.

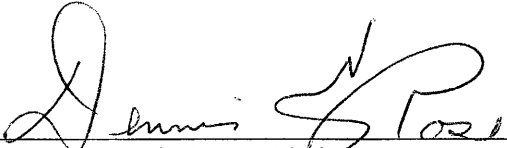
The Missouri Ethics Commission orders a fee be imposed against Respondents Sager and Elect Mike Sager in the amount of \$7,000 pursuant to Section 105.961.4(6), RSMo.

The Commission further orders Respondents to file accurately all necessary campaign finance reports and statements and terminate the committee pursuant to Sections 105.961.4(2) and 105.961.5(3), RSMo.

If any Respondent pays \$700 of that fee within 45 days of the date of this Order and files all required campaign finance disclosure reports, the remainder of the fee will be stayed, subject to the provisions below.

If either Respondent Sager or Respondent Elect Mike Sager commits any further violations of the campaign finance disclosure laws under Chapter 130, RSMo, as amended, within the two year period from the date of this order, then Respondents will be required to pay the balance of the fee as originally imposed by the Commission. The amount of the balance will be due immediately upon final adjudication finding probable cause of such a violation. Respondents Sager and Elect Mike Sager shall be jointly and severally liable for the balance.

SO ORDERED this 12 day of July, 2013.

  
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Dennis Rose, Chairman  
MISSOURI ETHICS COMMISSION