

Filed
SEP 23 2013
Missouri Ethics
Commission

**BEFORE THE
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,)
)
)
) Petitioner,)
) Case No. 13E055
)
 v.)
)
)
) LEWIS REED,)
) Candidate)
)
)
) and)
)
)
) COMMITTEE TO ELECT REED,)
) Candidate Committee)
)
)
) Respondents.)

**JOINT STIPULATION OF FACTS, WAIVER OF HEARING
BEFORE THE MISSOURI ETHICS COMMISSION, AND
CONSENT ORDER WITH JOINT PROPOSED
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, Reed and Committee to Elect Reed, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in this case, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be represented by counsel; the right to have all charges against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against Respondents; the right to present evidence on Respondents' behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of

these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law, and agree to abide by the terms of this document.

I.

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

JOINT PROPOSED 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 Reed was an unsuccessful candidate in the St. Louis Mayoral race in the Special Primary Election held on March 5, 2013.

3. Respondent Committee to Elect Reed registered as a candidate committee with the Ethics Commission on October 3, 2006. The committee registered again as a debt service committee on April 26, 2013.

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 were 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.

COUNT I

Failure to file 24 hour contribution reports

6. For the March 5, 2013 election, a 24 hour notice of contribution was required to be filed for any late contribution or loan from February 22, 2013 through March 4, 2013.

7. Respondents failed to file two 24 hour notices of contributions for three contributions, totaling \$26,000.00, received on March 2 and March 4, 2013.

8. There is probable cause to believe that Respondents violated Section 130.050.3, RSMo, by failing to timely file two 24 hour notice of contribution reports prior to the March 5, 2013 election, and that Respondents did so knowingly.

COUNT II

Failure to report contributor and expenditure information

9. Respondents filed three reports that did not include either an address, employer, and/or occupation, of contributors as follows:

a. On the 40 Day Before Special Charter Election Report Respondents failed to include the addresses for five contributors giving a total of \$3,750.00. For three of those same contributors Respondents also failed to include employer or occupation information. Respondents have filed an Amended 40 Day Before Special Charter Election Report correcting this information.

b. On the 8 Day Before Special Charter Election Report and amended report Respondents failed to include the addresses for three contributors giving a total of

\$3,500.00 and failed to include employer or occupation information for twenty-one contributors giving a total of \$7,025.00.

c. On the 30 Day After Special Charter Election Report Respondents failed to include the addresses for two contributors giving a total of \$2,000.00 and failed to include employer or occupation information on thirteen contributors giving a total of \$2,800.00. Respondents have filed an Amended 30 Day After Special Charter Election Report but have still failed to include employer or occupation information on two contributors giving a total of \$250.00.

10. Respondents filed three reports that did not include addresses for expenditures, including expenditures to campaign workers, and failed to include the information on amended reports as follows:

a. On the 40 Day Before Special Charter Election Report Respondents failed to include the addresses for one hundred and nineteen expenditures totaling \$38,156.32, including expenditures to campaign workers. Respondents have filed an Amended 40 Day Before Special Charter Election Report correcting this information.

b. On the 8 Day Before Special Charter Election Report and amended report, Respondents failed to include the addresses for one hundred and thirty-one expenditures totaling \$39,452.85, including expenditures to campaign workers.

c. On the 30 Day After Special Charter Election Report, Respondents failed to include the addresses for two hundred and fifty-two expenditures totaling \$83,418.33, including expenditures to campaign workers. Respondents filed an

Amended 30 Day After Special Charter Election report correcting this information.

18. Respondents filed two reports that did not include addresses for contributions made to other committees as follows:

a. On the 8 Day Before Special Charter Election Report Respondents failed to include the addresses of two committees to which Respondents made contributions totaling \$200.00. Respondents have filed an amended 8 Day Before Special Charter Election Report correcting this information.

b. On the 30 Day After Special Charter Election Report Respondents failed to include the address of one committee to which Respondents made a contribution of \$250.00. Respondents have filed an amended 30 Day Before Special Charter Election Report correcting this information.

JOINT PROPOSED CONCLUSIONS OF LAW

COUNT I

Failure to file 24 hour contribution reports

11. According to Section 130.050.3, RSMo:

The receipt of any late contribution or loan of more than two hundred fifty dollars by a candidate committee supporting a candidate for statewide office by any other committee shall be reported to the appropriate office no later than twenty-four hours after receipt. For purposes of this subsection the term "late contribution or loan" means a contribution or loan received after the closing date of the

last disclosure report required to be filed before an election
but received prior to the date of the election itself.

12. There is probable cause to believe that Respondents violated Section 130.050.3, RSMo, by failing to timely file two 24 hour notice of contribution reports prior to the March 5, 2013 election, and that Respondents did so knowingly.

COUNT II

Failure to report contributor and expenditure information

13. Section 130.041.1(3)(e), RSMo specifies that a committee shall report “a separate listing by name and address and employer, or occupation if self-employed or notation of retirement, of each person from whom the committee received contributions, in money or any other thing of value, aggregating more than one hundred dollars, together with the date and amount of each such contribution.”

14. No candidate or candidate committee may accept any contribution, except as provided Section 130.031.6, RSMo, without “a separate listing by name, address, employer or occupation if self-employed, of each person from whom the committee received one or more contributions, in money or other things of value, which in the aggregate total in excess of \$25.00, together with the date and amount of each such contribution.” § 130.120, RSMo.

15. Section 130.041.1(4)(d), RSMo, likewise requires “every committee to report the full name and mailing address of each person to whom an expenditure of money or any other thing of value in the amount of more than one hundred dollars has been made, contracted for or incurred..., except that the report shall contain an itemized listing of each payment made to campaign workers by name, address, date, amount and purpose of each payment and the aggregate amount paid to each such worker....”

16. Section 130.041.1(8), RSMo requires “a separate listing by full name and address of any committee including a candidate committee controlled by the same candidate for which a transfer of funds or a contribution in any amount has been made during the reporting period, together with the date and amount of each such transfer or contribution....”

17. There is probable cause to believe that Respondents violated Sections 130.041.1(3)(e), 130.120, 130.041.1(4)(d), and 130.041.1(8), RSMo, by failing to report contributor addresses, employers and/or occupations on three reports, by failing to report expenditure addresses on three reports, and by failing to include address information for contributions Respondents made to other committees on two reports, and that Respondents did so knowingly.

II.

Based on the foregoing, the parties hereto mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:

1. The parties to this Joint Stipulation understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.

2. The Commission shall issue its Consent Order in the form attached hereto as Exhibit A.

a. Respondents shall comply with all relevant sections of Chapter 130, RSMo.

b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$3,000, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$300 of that fee within forty-five days after the date of the Order, the remainder of the fee will be stayed, subject to the provisions below. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

c. If either Respondent Reed or Committee to Elect Reed commits any further violation or violations of the campaign finance laws under Chapter 130, RSMo, within the two year period from the date of this order, then both Respondents will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that Respondent has committed such a violation.

d. Respondents Reed and Committee to Elect Reed shall be jointly and severally liable for all fees imposed under this order.

3. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

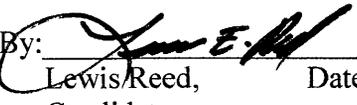
4. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, a claim for attorney's fees whatsoever which Respondents or Respondents' attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

SO AGREED:

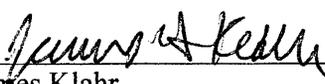
RESPONDENT LEWIS REED

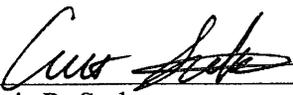
By:  9/16/13
Lewis Reed Date

RESPONDENT COMMITTEE TO ELECT REED

By:  9/16/13
Lewis Reed, Date
Candidate

PETITIONER MISSOURI ETHICS COMMISSION

By:  9/23/13
James Klahr Date
Executive Director

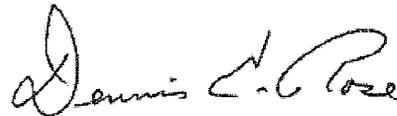
By:  9/23/13
Curtis R. Stokes Date
Attorney for Petitioner

stayed, subject to the provisions below. The fee will be paid by check or money order made payable to the Missouri Ethics Commission and sent to the Missouri Ethics Commission.

3. If either Respondent Reed or Committee to Elect Reed commits any further violations of the campaign finance laws pursuant to Chapter 130, RSMo, as amended, within the two year period from the date of this order, then Respondents will be required to pay the remainder of the fee as originally imposed by the Commission. The fee will be due immediately upon final adjudication finding that Respondent committed such a violation.
4. Respondents Reed and Committee to Elect Reed shall be jointly and severally liable for all fees imposed under this order.

SO ORDERED this 23rd day of September,
2013

By:



Dennis Rose, Chair
Missouri Ethics Commission