



MISSOURI ETHICS COMMISSION

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James Klahr

Executive Director

August 31, 2016

Eric Greitens
Greitens for Missouri
4522 Maryland Ave
St Louis MO 63108

Re: File No. 16-0079-I

Dear Mr. Greitens:

The Missouri Ethics Commission considered the complaint filed against you and Greitens for Missouri at its August 29, 2016 meeting. The Commission reviewed the allegation that Greitens for Missouri accepted a monetary contribution from SEALs for Truth, a Political Action Committee (PAC) registered with the Federal Elections Commission (FEC) but not registered with the Missouri Ethics Commission (MEC). It is alleged that Greitens for Missouri was barred by Section 130.049, RSMo, from accepting the in-kind contributions from SEALs for Truth because the federal PAC failed to file the appropriate reports with MEC.

Staff review of the complaint determined that, on July 15, 2016, SEALs for Truth registered with the FEC. SEALs for Truth has not yet filed a report with FEC but will have a report due on October 15, 2016. On July 18, 2016, SEALs for Truth made a \$1.975 million contribution to Greitens for Missouri. Greitens for Missouri reported the contribution as required by law.

Section 130.049 provides:

An out-of-state committee which according to the provisions of subsection 10 of section 130.021 is not required to file a statement of organization and is not required to file the full disclosure reports required by section 130.041 shall file reports with the Missouri ethics commission according to the provisions of such sections if the committee makes contributions or expenditures in support of or in opposition to candidates or ballot measures in this state in any election covered by this chapter or makes contributions to any committee domiciled in this state. An initial report shall be filed no later than fourteen days prior to the date such out-of-state committee first makes a contribution or expenditure in this state. Such initial report shall state the name and address of the committee receiving such contributions or expenditures. The contributions or expenditures shall be made no later than thirty days prior to the election. The out-of-state committee thereafter shall file copies of the campaign disclosure report required to be filed in the domicile of the committee with the Missouri ethics commission as required by subsections 1 to 3 of section 130.046. No candidate or committee may accept any contribution made by a committee domiciled outside this state unless the provisions of this section are met.

Because Section 130.049 makes reference to Section 130.021.10, RSMo, that provision is provided below:

10. A committee domiciled outside this state shall be required to file a statement of committee organization and appoint a treasurer residing in this state and open an

account in a depository within this state; provided that either of the following conditions prevails:

- (1) The aggregate of all contributions received from persons domiciled in this state exceeds twenty percent in total dollar amount of all funds received by the committee in the preceding twelve months; or
- (2) The aggregate of all contributions and expenditure [sic] made to support or oppose candidates and ballot measures in this state exceeds one thousand five hundred dollars in the current calendar year.

Subsection 11 of Section 130.021 requires that a committee domiciled in this state receiving a contribution of one thousand five hundred dollars or more from any committee domiciled outside the state shall file a disclosure report with the Commission within 48 hours of receiving the contribution if received after the last reporting date before the election.

In this instance, SEALs for Truth contributed \$1.975 million to Greitens for Missouri. This contribution exceeded \$1,500. As a result, Section 130.049 cannot apply to SEALs for Truth because, reading the first sentence of that section, Section 130.049 only applies if the committee **would not be required** to file a Statement of Committee Organization because its level of contributions or expenditures is less than the amounts set out in Section 130.021.10. As noted above, SEALs for Truth's activity exceeded \$1,500.

SEALs for Truth is registered with FEC as a Political Action Committee. Federal law defines a "political committee" to include a committee that receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year.

While MEC determined that SEALs for Truth is not required to separately register as a committee and file campaign finance reports with MEC, its reports filed with FEC are accessible to the public and MEC provides a link to the FEC website for those wanting to see the activity of federal committees.

Here, staff determined that SEALs for Truth has registered with FEC. Further, staff determined that Greitens for Missouri: 1) was able to receive contributions from a committee registered with FEC as a political action committee; and 2) timely filed a 48 Hour Report after receiving the in-kind contributions from SEALs for Truth.

From the facts presented, the Commission finds no reasonable grounds exist to support a violation of Chapter 130, RSMo, and is dismissing the complaint.

Sincerely,



James Klahr
Executive Director