



MISSOURI ETHICS COMMISSION

P.O. Box 1254

Jefferson City, MO 65102

www.mec.mo.gov

(573) 751-2020 / (800) 392-8660

Julie A. Allen

Executive Director

March 16, 2012

Opinion No. 2012.03.CF.002

Dear

At March 14, 2012 meeting of the Missouri Ethics Commission, your request for an opinion was discussed. The following is the Commission's response to your questions:

Thirty years ago, a democratic luncheon club was created. The club meets for one hour per week on Fridays at noon. In addition to lunch, there is a speaker and time for questions. Occasionally, the club will have a special meeting. The club has bylaws. The club is registered as a continuing committee under Chapter 130, the Missouri Campaign Finance Disclosure Law.

The club has a small annual membership fee in the amount of \$15.00 per person or \$25.00 per family. Additionally, when members pay for their lunch a nominal amount of the lunch charge goes to the club's treasury. The monies are primarily used for club expenses; however, infrequently the club makes small campaign contributions during election years. Also the club has made contributions to the county democratic central committee for advertising. The specific past contributions have been disclosed to the Missouri Ethics Commission. Because of these contributions, it is the understanding of the club that they must organize as a continuing committee.

Recently, members of the club recruited me and elected me to be president of the club for one year. I was unaware that the club had converted to a continuing committee. Shortly thereafter, I became a candidate for State Representative.

With the above background, I have concluded that an Advisory Opinion from the Ethics Commission is necessary. Specifically, Section 130.011 defines a continuing committee as "a committee of continuing existence which is not formed, controlled or directed by a candidate..." The duties of the President are set forth in the bylaws. Additionally, as set forth in the bylaws, actions taken by the club, among other things, require an approval of 3/5 of the members present and voting. Because of the ambiguity of the application of the bylaws and the definition of continuing committee, I have and intend to refrain from voting on any matter whatsoever. I have also requested that the secretary record same in the minutes of our meetings.

In effect, my duties consist of convening the luncheon, recognizing guests, calling for announcements and occasionally giving club awards (plaques). Furthermore, during my one-year term as President, I do not intend to accept any contributions from the club for my campaign for State Representative. Insofar, my questions are:

- 1) *Even though I am a "candidate", am I controlling or directing a continuing committee:*
- 2) *Does the fact that I hold the office of the President affect their legal organization as a continuing committee?*
- 3) *Are there other issues that should be considered?*

This opinion is issued within the context of Missouri's campaign finance law pursuant to Chapter 130, and assumes the facts presented by you in your letter. Section 130.011, RSMo defines a "continuing committee" as:

a committee of continuing existence which is not formed, controlled or directed by a candidate ... whose primary or incidental purpose is to receive contributions or make expenditures to influence or attempt to influence the action of voters whether or not a particular candidate or candidates or a particular ballot measure or measures to be supported or opposed has been determined at the time the committee is required to file any statement or report pursuant to the provisions of this chapter. Such a committee includes, but is not limited to, any committee organized or sponsored by a ... a club or other organization and whose primary purpose is to solicit, accept and use contributions from the members, employees or stockholders of such entity and any individual or group of individuals who accept and use contributions to influence or attempt to influence the action of voters... (emphasis added.)

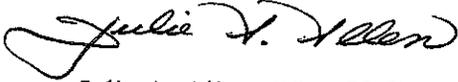
Section 130.011, RSMo which defines "committee" in general states that such associations which are "organized or operated for a primary or principal purpose other than that of influencing or attempting to influence the action of voters" are not committees if they accept no contributions, all expenditures are made from its own funds or property obtained in the usual course of business, and they make no contributions. As you state, your club does make contributions and is registered as a continuing committee.

The continuing committee at issue was registered with the Commission to bring the club into compliance with campaign finance disclosure laws. You are serving as the president of the club and are not serving in any capacity as treasurer or deputy treasurer of the continuing committee.

According to the by-laws, the president is a member of all committees, presides at all meetings of the membership, and has such powers and duties usual to the office and those designated by the membership. The treasurer of the club serves as the financial officer of the organization. In addition any member may move for a proposed campaign contribution; this expenditure requires approval of a 3/5 vote of the membership present. You also represent that your duties consist of convening the luncheon, recognizing guests, calling for announcements and occasionally giving club awards (plaques).

Under the narrow circumstances you present, you are the president of a political luncheon club which is also registered as a continuing committee because it makes contributions, and you have no role in the operations of the continuing committee. Under these circumstances, you do not appear to be controlling or directing the continuing committee.

Sincerely,



Julie A. Allen, CPA, PMP
Executive Director

JAA:sc