

Filed

SEP 18 2024

Missouri Ethics
Commission

BEFORE THE
MISSOURI ETHICS COMMISSION

MISSOURI ETHICS)
 COMMISSION,)
)
 Petitioner,)
)
 v.)
)
 COMMITTEE TO ELECT J.)
 WATSON, Candidate Committee,)
)
 and)
)
 JOHN WATSON JR, Candidate,)
)
 Respondents.)

Case No. 22-0011-A

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

The Missouri Ethics Commission (“MEC”), together with John Watson Jr. and Committee to Elect J. Watson (“Respondents”), collectively the “parties” jointly stipulate and consent to action as set forth here (the “agreement”).

Respondents acknowledge their right to have this agreement reviewed by counsel. Respondents further acknowledge they have received actual notice of the legal complaint filed by the MEC in this case, have reviewed the contents of the Complaint, and submit to the jurisdiction of the Missouri Ethics Commission.

Respondents further acknowledge 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 at a hearing before the MEC; the right to have all allegations against Respondents 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, Respondents knowingly and voluntarily waive each one of these rights and freely enters into this agreement and agrees to abide by its terms.

I.

The parties mutually agree and stipulate, subject to adoption by the Missouri Ethics Commission, the following shall constitute the Findings of Fact and Conclusions of Law in this matter:

FINDINGS OF FACT

1. John Watson, Jr. was a successful candidate for Ward 18 Committeeman in the City of St. Louis, MO on August 4, 2020.
2. Committee to Elect J. Watson is a candidate committee established with the Missouri Ethics Commission on June 17, 2020.
3. Pursuant to Sections 105.959 and 105.961, RSMo, the Commission's staff audited the reports and statements filed with the Commission and reported the findings to the Commission.
4. Based on the audit report, the Commission determined that there were reasonable grounds to believe that violations of the law had occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

COUNT I

Cash contributions and cash expenditures in excess of limits.

5. On four (4) occasions, Respondents reported receiving loans in cash totaling \$1,780.00, each exceeding the \$100 allowable amount for each cash contribution received.

Report Name	Name	Amount	Date
8 Day Before Primary 8/4/20	John Watson	\$1,100.00	7/2/20
8 Day Before Primary 8/4/20	John Watson	\$280.00	7/17/20
October Quarterly 2020	John Watson	\$200.00	9/22/20
April Quarterly 2021	John Watson	\$200.00	3/29/21
Total		\$1,780.00	

6. Respondents reported five (5) cash withdrawals totaling \$400.00, each one exceeding the \$50 allowable amount for each cash expenditure made.

Report Name	Name	Purpose	Amount	Date
8 Day Before Primary 8/4/20	ATM withdrawal	Donation	\$60.00	7/10/20
8 Day Before Primary 8/4/20	ATM withdrawal	Donation	\$60.00	7/10/20
8 Day Before Primary 8/4/20	ATM withdrawal	Donation	\$60.00	7/10/20
30 Day After Primary 8/4/20	ATM withdrawal	Uhaul	\$100.00	8/14/20
30 Day After Primary 8/4/20	ATM withdrawal	Unknown	\$120.00	8/14/20
Total			\$400.00	

COUNT II

Failure to accurately report beginning and ending money on hand and indebtedness.

7. The beginning money on hand was inaccurately stated on two (2) reports in 2020 and two (2) in 2021.

8. The ending money on hand was inaccurately stated on three (3) reports in 2020 and one (1) in 2021.

9. Due to an error in reporting loans received, the committee inaccurately stated its indebtedness on six (6) reports between 2020 and 2022.

COUNT III

Failure to timely and accurately file campaign finance disclosure reports.

10. Respondents failed to timely file six (6) campaign finance reports and three (3) statements of limited activity.

Report Name	Report Year	Due Date	Date Filed
July Quarterly Report	2020	7/15/20	7/27/20
8 Day Before Primary Election - 8/4/2020	2020	7/27/20	7/28/20
30 Day After Primary Election - 8/4/2020	2020	9/3/20	9/21/20
October Quarterly Report	2020	10/15/20	12/12/20
April Quarterly Report	2021	4/15/21	5/23/22
July Quarterly Report	2021	7/15/21	7/12/22
October Quarterly Report - Limited Activity	2021	10/15/21	7/12/22
January Quarterly Report - Limited Activity	2022	1/17/22	7/12/22
April Quarterly Report - Limited Activity	2022	4/15/22	7/12/22

COUNT IV

Failure to timely and accurately report contributions.

11. Respondents failed to report two (2) contributions totaling \$350.00.

Contributor Name	Amount	Date	Report Not Showing Contribution
Unknown Cash	\$100.00	4/30/21	July Quarterly 2021
Clay Jr. for Congress	\$250.00	8/14/20	30 Day After 8/4/20
Total	\$350.00		

12. Respondents inaccurately reported four (4) contributions totaling \$657.00 from the wrong contributors.

13. Respondents inaccurately reported three (3) in-kind contributions, totaling \$205.00, as expenditures to campaign workers, as they were paid using the candidate's personal funds. On information and belief, these amounts were loans, but were not reported as such. Respondents did report a \$250.00 loan that could not be found in the official depository account.

COUNT V

Failure to timely and accurately report expenditures.

14. Respondents failed to report forty-eight (48) expenditures totaling

\$582.21.

Expenditure Name	Purpose	Amount	Date	Report Not Showing Expenditure
Microsoft 365 P	Microsoft 365 P	\$6.99	7/2/20	8 Day Before 8/4/20
Commerce Bank	ATM fees	\$3.00	7/6/20	8 Day Before 8/4/20
Paddle.net* Pdfconvert	Paddle.net* Pdfconvert	\$6.00	7/7/20	8 Day Before 8/4/20
SC*Software-uc.com	SC*Software-uc.com	\$39.90	7/7/20	8 Day Before 8/4/20
International service fee	International service fee	\$1.20	7/8/20	8 Day Before 8/4/20
Wondershare Hong Kong	Wondershare Hong Kong	\$69.00	7/8/20	8 Day Before 8/4/20
Wondershare Hong Kong	Wondershare Hong Kong	\$4.95	7/8/20	8 Day Before 8/4/20
International service fee	International service fee	\$2.07	7/9/20	8 Day Before 8/4/20
International service fee	International service fee	\$0.15	7/9/20	8 Day Before 8/4/20
Evangeline's St. Louis,	Evangeline's St. Louis,	\$33.58	7/9/20	8 Day Before 8/4/20
Commerce Bank	ATM fees	\$3.00	7/10/20	8 Day Before 8/4/20
ATM foreign fee	ATM foreign fee	\$2.95	7/11/20	8 Day Before 8/4/20
QT 639 St. Louis, MO	QT 639 St. Louis, MO	\$26.00	7/11/20	8 Day Before 8/4/20
Commerce Bank	ATM fees	\$2.50	7/11/20	8 Day Before 8/4/20
ATM DDA Inquiry foreign fee	ATM DDA Inquiry foreign fee	\$2.95	7/12/20	8 Day Before 8/4/20
BP#9799628rally St. Louis, MO	BP#9799628rally St. Louis, MO	\$15.50	7/12/20	8 Day Before 8/4/20
QT 671 St. Louis, MO	QT 671 St. Louis, MO	\$15.02	7/13/20	8 Day Before 8/4/20
McDonald's Brentwood,	McDonald's Brentwood,	\$2.65	7/13/20	8 Day Before 8/4/20
Kingside Diner St. Louis,	Kingside Diner St. Louis,	\$26.92	7/14/20	8 Day Before 8/4/20
Commerce Bank	Paid Itm Od-NSF Chg Eff	\$37.00	7/17/20	8 Day Before 8/4/20
Commerce Bank	Statement fee	\$5.00	7/31/20	8 Day Before 8/4/20
Shante Duncan	Campaign worker	\$50.00	8/1/20	30 Day After 8/4/20
McDonald's St. Louis, MO	McDonald's St. Louis, MO	\$6.65	8/16/20	30 Day After 8/4/20
Soll S Market L St. Louis,	Soll S Market L St. Louis,	\$4.25	8/17/20	30 Day After 8/4/20
Motomart #3356 St. Louis,	Motomart #3356 St. Louis	\$10.00	8/17/20	30 Day After 8/4/20
McDonald's St. Louis, MO	McDonald's St. Louis, MO	\$3.31	8/17/20	30 Day After 8/4/20
Microsoft 365 P	Microsoft 365 P	\$6.99	10/1/20	Apr Quarterly 2021
Microsoft One drive	Microsoft One drive	\$5.99	10/3/20	Apr Quarterly 2021
Paddle.net* Pdfconvert	Paddle.net* Pdfconvert	\$6.00	10/6/20	Apr Quarterly 2021
Chong Wah St. Louis, MO	Chong Wah St. Louis, MO	\$6.50	10/7/20	Apr Quarterly 2021
White Castle St. Louis,	White Castle St. Louis,	\$2.00	10/21/20	Apr Quarterly 2021
White Castle St. Louis,	White Castle St. Louis,	\$1.32	10/23/20	Apr Quarterly 2021
H-Dst.net	H-Dst.net	\$1.95	10/30/20	Apr Quarterly 2021
International service fee	International service fee	\$0.06	11/2/20	Apr Quarterly 2021
White Castle St. Louis,	White Castle St. Louis,	\$1.87	11/28/20	Apr Quarterly 2021
Commerce Bank	Od-NSH Chg Eff.	\$37.00	2/9/21	Apr Quarterly 2021
Commerce Bank	Statement fee	\$5.00	3/31/21	Apr Quarterly 2021
Microsoft One drive	Microsoft One drive	\$5.99	4/3/21	July Quarterly 2021

Microsoft 365 P	Microsoft 365 P	\$6.99	4/3/21	July Quarterly 2021
Microsoft 365 P	Microsoft 365 P	\$6.99	4/4/21	July Quarterly 2021
ATM withdrawal	ATM withdrawal	\$40.00	4/6/21	July Quarterly 2021
Commerce Bank	ATM fees	\$2.95	4/6/21	July Quarterly 2021
Commerce Bank	ATM fees	\$2.50	4/6/21	July Quarterly 2021
Microsoft One drive	Microsoft One drive	\$5.99	4/27/21	July Quarterly 2021
Microsoft 425-6816830	Microsoft 425-6816831	\$6.99	5/1/21	July Quarterly 2021
ATM withdrawal	ATM withdrawal	\$40.00	5/16/21	July Quarterly 2021
BP#9799628rally St. Louis,	BP#9799628rally St. Louis,	\$3.59	5/19/21	July Quarterly 2021
Commerce Bank	Statement fee	\$5.00	N/A	July Quarterly 2021
Total		\$582.21		

15. Respondents inaccurately reported twelve (12) expenditures totaling \$602.92.

16. Respondents reported five (5) expenditures totaling \$123.81 that could not be found in the official depository account.

CONCLUSIONS OF LAW

COUNT I

Cash contributions and cash expenditures in excess of limits.

17. "No contribution of cash in an amount of more than one hundred dollars shall be made by or accepted from any single contributor for any election by a... candidate committee." § 130.031.1, RSMo.

18. "Each expenditure of more than fifty dollars, except an in-kind expenditure, shall be made by check drawn on the committee's depository and signed by the committee treasurer, deputy treasurer or candidate. A single expenditure from a petty cash fund shall not exceed fifty dollars." § 130.031.2, RSMo.

19. Where Respondents deposited four (4) cash contributions over \$100 each and five (5) cash expenditures over \$50 each, there is probable cause to believe Respondents violated §§ 130.031.1 and 130.031.2 giving this Commission the power to act as permitted under § 105.961.

COUNT II

Failure to accurately report beginning and ending money on hand and indebtedness.

20. Reports shall state “[t]he amount of money, including cash on hand at the beginning of the reporting period [.]” § 130.041.1(2), RSMo.

21. Reports shall state “[t]he total amount of cash on hand as of the closing date of the reporting period covered, including amounts in depository accounts and in petty cash fund[.]” § 130.041.1(5), RSMo.

22. Reports shall state “The total amount of outstanding indebtedness as of the closing date of the reporting period covered.” § 130.041.1(6), RSMo.

23. Where Respondents failed to accurately report the beginning and ending money on hand and indebtedness on several reports between 2020 and 2022, there is probable cause to believe Respondents violated §§ 130.041.1(2), 130.041.1(5), and 130.041.1(6), RSMo giving this Commission the power to act as permitted under § 105.961.

COUNT III

Failure to timely and accurately file campaign finance disclosure reports.

24. Pursuant to Section 130.046.1, RSMo, all committees must file regular campaign finance disclosure reports at the following times and for the following periods:

- (1) Not later than the eighth day before an election for the period closing on the twelfth day before the election if the committee has made any contribution or expenditure either in support or opposition to any candidate or ballot measure;

(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; except that, a successful candidate who takes office prior to the twenty-fifth day after the election shall have complied with the report requirement of this subdivision if a disclosure report is filed by such candidate and any candidate committee under the candidate's control before such candidate takes office, and such report shall be for the period closing on the day before taking office; and

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

25. Pursuant to Section 130.146.5(2), RSMo,

No disclosure report needs to be filed for any reporting period if during that reporting period the committee has neither received contributions aggregating more than five hundred dollars nor made expenditure aggregating more than five hundred dollars and has not received contributions aggregating more than three hundred dollars from any single contributor and if the committee's treasurer files a statement with the appropriate officer that the committee has not exceeded the identified thresholds in the reporting period. Any contributions received or expenditures made which are not reported because this statement is filed in lieu of a disclosure report shall be included in the next disclosure report filed by the committee. This statement shall not be filed in lieu of the report for two or more consecutive disclosure periods if either the contributions received or expenditures made in the aggregate during those reporting periods exceed five hundred dollars.

26. Where Respondents untimely filed six (6) campaign finance reports and three (3) statements of limited activity, there is probable cause to believe Respondents violated § 130.046, RSMo, giving this Commission the power to act as permitted under § 105.961.

COUNT IV

Failure to timely and accurately report contributions.

27. All committees are required to report contributions for each reporting period, receipts for the period, including:

(a) Total amount of all monetary contributions received which can be identified in the committee's records by name and address of each contributor. In addition, the candidate committee shall make a reasonable effort to obtain and report the employer, or occupation if self-employed or notation of retirement, of each person from whom the committee received one or more contributions which in the aggregate total in excess of one hundred dollars and shall make a reasonable effort to obtain and report a description of any contractual relationship over five hundred dollars between the contributor and the state if the candidate is seeking election to a state office or between the contributor and any political subdivision of the state if the candidate is seeking election to another political subdivision of the state;

...

(e) 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;

(f) A listing of each loan received by name and address of the lender and date and amount of the loan. For each loan of more than one hundred dollars, a separate statement shall be attached setting forth the name and address of the lender and each person liable directly, indirectly or contingently, and the date, amount and terms of the loan[.]

§ 130.041.1(3), RSMo.

28. Where Respondents failed to report two (2) contributions, inaccurately reported seven (7) contributions, there is probable cause to believe Respondents violated § 130.041.1(3), RSMo, giving this Commission the power to act as permitted under § 105.961.

COUNT V

Failure to timely and accurately report expenditures.

29. All committees are required to report expenditures for each reporting period, including:

(a) The total dollar amount of expenditures made by check drawn on the committee's depository;

(b) The total dollar amount of expenditures made in cash;

...
(d) 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, together with the date, amount and purpose of each expenditure. Expenditures of one hundred dollars or less may be grouped and listed by categories of expenditure showing the total dollar amount of expenditures in each category, 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[.]

§ 130.041.1(4), RSMo.

30. Where Respondents failed to report forty-eight (48) expenditures, failed to accurately report twelve (12) expenditures, and reported five (5) expenditures that could not be found in the official depository account, there is probable cause to believe Respondents violated § 130.041.1(4), RSMo, giving this Commission the power to act as permitted under § 105.961.

II.

Based on the foregoing, the parties mutually agree and stipulate, subject to adoption by the Missouri Ethics Commission, the following shall constitute the Order issued by the Missouri Ethics Commission in this matter:

CONSENT ORDER

The Missouri Ethics Commission finds probable cause to believe Respondents violated §§ 130.031.1, 130.031.2, 130.041.1, and 130.046, RSMo and pursuant to § 105.961.4, hereby **ORDERS**:

1. Prior to finalizing settlement, Respondents will be required to file and amend reports and statements with the Commission.
2. Respondents shall comply with all relevant sections of Chapter 130.
3. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$6,112.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$971.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
4. Regardless of the stay in paragraph 3 above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fees. The fee will be due immediately upon final adjudication finding that there was probable cause to believe that such Respondent has committed such a violation.
5. Respondents shall be jointly and severally liable for all fees imposed under this order.

III.

1. The parties understand the Missouri Ethics Commission will maintain this agreement as an open record of the Commission.

2. This agreement does not bind the Missouri Ethics Commission or restrict the remedies available concerning any violations not expressly detailed here, including any future violations.

3. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its disposition.

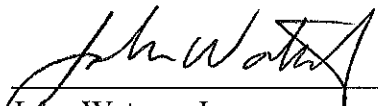
4. Respondents, together with their heirs, assigns, agents, representatives and attorneys, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission, the Commission's respective members, employees, agents and attorneys including former members, employees, agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to Section 536.087, RSMo, as amended, or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Joint Stipulation. The parties acknowledge that this paragraph is severable from the remaining portions of this agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

5. This agreement shall become effective immediately upon (1) the signature of all parties; (2) adoption of the Joint Proposed Findings of Fact, Conclusions of Law by the Missouri Ethics Commission; and (3) issuance of a Final Order by the Commission, without any further action of the parties.

SO AGREED:

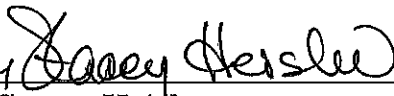
RESPONDENT COMMITTEE TO
ELECT J. WATSON

MISSOURI ETHICS COMMISSION



John Watson, Jr. Date

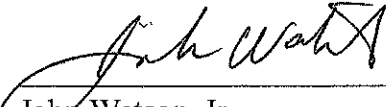
9/11/2024



Stacey Heislen
Interim Executive Director Date


9/18/24

RESPONDENT JOHN WATSON, JR.



John Watson, Jr. Date

9/11/2024



Brian Hamilton
Attorney for Petitioner Date

9/18/24

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Case No. 22-0011-A

CONSENT ORDER

The Missouri Ethics Commission finds probable cause to believe Respondents violated §§ 130.031.1, 130.031.2, 130.041.1, and 130.046, RSMo and pursuant to § 105.961.4, hereby **ORDERS**:

1. Respondents shall comply with all relevant sections of Chapter 130.
2. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$6,112.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$971.00 within forty-five days after the date of the Consent Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.
3. Regardless of the stay in paragraph 2 above, if there is probable cause to believe that any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then the Respondent who committed the violation will be required to pay the remainder of the fees. The fee will be due immediately upon final adjudication finding that there was probable cause to believe that such Respondent has committed such a violation.

4. Respondents shall be jointly and severally liable for all fees imposed under this order.

SO ORDERED this 18th day of September, 2024

Robin Wheeler Sanders

Robin Wheeler Sanders, Chair
Missouri Ethics Commission