Final Action: MEC No. 24-0079-I: Friends of Tim McGrady and Tim McGrady – Springfield, MO

Date: September 17, 2024

The Missouri Ethics Commission took final consideration of the complaint filed against candidate Tim McGrady and his candidate committee, Friends of Tim McGrady, at its September 17, 2024, meeting. The complaint alleged Tim McGrady and his candidate committee accepted contributions from an LLC not registered with the MEC.

Section 130.029.4, RSMo, states (1) Any limited liability company that is duly registered pursuant to chapter 347 and that has not elected to be classified as s corporation under the federal tax code may make contributions to any committee if the limited liability company has:

- (a) Been in existence for at least one year prior to such contribution; and
- (b) Electronically filed with the Missouri Ethics Commission indicating that the limited liability company is a legitimate business with a legitimate business interest and is not created for the sole purpose of making campaign contributions.

Limited liability companies which *are* taxed as a corporation are *not* required to register with the MEC prior to making contributions. The MEC treats these LLCs as a corporation, therefore the same limitations which apply to corporations, such as being prohibited from making contributions to candidate committees, are applied to these LLCs as well.

Upon completion of the investigation, evidence shows that Auto Car Group of Springfield LLC, is a limited liability company registered with the Missouri Secretary of State. Auto Car Group of Springfield LLC is taxed as a corporation and not registered with the MEC. Auto Car Group of Springfield LLC was not required to register with the MEC prior to making campaign contributions.

As Auto Car Group of Springfield LLC is taxed as a corporation, it is prohibited by the Missouri Constitution from making contributions to candidate committees.

However, the MEC did not have jurisdiction to enforce a violation of the Missouri Constitution Article VIII Sec 23, because this complaint was not received within 60 days prior to the August 2024 election in which McGrady was a candidate.

Therefore, the Commission finds no reasonable grounds to support one or more violations of Chapter 130 RSMo and dismiss.

Stacey Heislen Interim Executive Director