

**PROPOSED AMENDMENTS TO THE  
CONSTITUTION OF MISSOURI**

**HJR 53 [SS HJR 53]**

**Proposes a constitutional amendment specifying that a person seeking to vote in a public election may be required by general law to provide a valid government-issued photo identification**

**CONSTITUTIONAL AMENDMENT NO. 6.** — (Proposed by the 98th General Assembly, Second Regular Session, HJR 53)

Official Ballot Title:

Shall the Constitution of Missouri be amended to state that voters may be required by law, which may be subject to exception, to verify one's identity, citizenship, and residence by presenting identification that may include valid government-issued photo identification?

The proposed amendment will result in no costs or savings because any potential costs would be due to the enactment of a general law allowed by this proposal. If such a general law is enacted, the potential costs to state and local governments is unknown, but could exceed \$2.1 million annually.

Fair Ballot Language:

A "yes" vote will amend the Missouri Constitution to state that voters may be required by law to verify their identity, citizenship, and residence by presenting identification that may include valid government-issued photo identification. Exceptions to this identification requirement may also be provided by law.

A "no" vote will not amend the Missouri Constitution regarding elections.

If passed, this measure will have no impact on taxes.

**JOINT RESOLUTION** Submitting to the qualified voters of Missouri an amendment to article VIII of the Constitution of Missouri, and adopting one new section relating to elections.

**SECTION**

- A. Enacting clause.
  - 11. Voter identification, authorized to identify voter and verify citizenship and residency—photo identification permitted.
- B. Summary statement.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2014, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for

adoption or rejection, the following amendment to article I of the Constitution of the state of Missouri:

**SECTION A. ENACTING CLAUSE.**— Article VIII, Constitution of Missouri, is amended by adding one new section, to be known as section 11, to read as follows:

**SECTION 11. VOTER IDENTIFICATION, AUTHORIZED TO IDENTIFY VOTER AND VERIFY CITIZENSHIP AND RESIDENCY—PHOTO IDENTIFICATION PERMITTED.**—A person seeking to vote in person in public elections may be required by general law to identify himself or herself and verify his or her qualifications as a citizen of the United States of America and a resident of the state of Missouri by providing election officials with a form of identification, which may include valid government-issued photo identification. Exceptions to the identification requirement may also be provided for by general law.

**SECTION B. SUMMARY STATEMENT.**— Pursuant to Chapter 116 and other applicable constitutional provisions and laws of this state allowing the general assembly to adopt ballot language for the submission of a joint resolution to the voters of this state, the official summary statement of this legislation shall be as follows:

"Shall the Constitution of Missouri be amended to state that voters may be required by law, which may be subject to exception, to verify one's identity, citizenship, and residence by presenting identification that may include valid government-issued photo identification?"

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**SJR 1 [SS SJR 1]**

**EXPLANATION** – Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

**Resubmits the parks and soils tax to a vote of the people starting in 2008.**

**CONSTITUTIONAL AMENDMENT NO. 1.** — (Proposed by Article IV, Section 47(c), Missouri Constitution (SJR 1, 2005))

Official Ballot Title:

Shall Missouri continue for 10 years the one-tenth of one percent sales/use tax that is used for soil and water conservation and for state parks and historic sites, and resubmit this tax to the voters for approval in 10 years?

The measure continues and does not increase the existing sales and use tax of one-tenth of one percent for 10 years. The measure would continue to generate approximately \$90 million annually for soil and water conservation and operation of the state park system.

Fair Ballot Language:

A “yes” vote will continue for 10 years the one-tenth of one percent sales/use tax that is used for soil and water conservation and for state parks and historic sites. This will be resubmitted to the voters for approval in 10 years.

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A "no" vote will not continue this sales/use tax.

If passed, this measure will not increase or decrease taxes.

**JOINT RESOLUTION** Submitting to the qualified voters of Missouri, an amendment repealing section 47(c) of article IV of the Constitution of Missouri, and adopting one new section in lieu thereof relating to the parks and soils tax.

SECTION

- A. Enacting clause.  
47(c). Provisions self-enforcing, exception — not part of general revenue or expense of state — effective and expiration dates.

*Be it resolved by the Senate, the House of Representatives concurring therein:*

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2006, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article IV of the Constitution of the state of Missouri:

**SECTION A. ENACTING CLAUSE.** — Section 47(c), article IV, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 47(c), to read as follows:

**SECTION 47(C). PROVISIONS SELF-ENFORCING, EXCEPTION — NOT PART OF GENERAL REVENUE OR EXPENSE OF STATE — EFFECTIVE AND EXPIRATION DATES.** — [The effective date of this amendment shall be November 8, 1998.] All laws inconsistent with this amendment shall no longer remain in full force and effect after the effective date of this section. All of the provisions of Sections 47(a), 47(b) and 47(c) shall be self-enforcing except that the General Assembly shall adjust brackets for the collection of the sales and use taxes. The additional revenue provided by Sections 47(a), 47(b) and 47(c) shall not be part of the "total state revenue" within the meaning of Sections 17 and 18 of Article X of this Constitution. The expenditure of this additional revenue shall not be an "expense of state government" under Section 20 of Article X of this Constitution. [This Section 47(a), 47(b) and 47(c) shall terminate after ten years following the effective date of this amendment.] **Upon voter approval of this measure in a general election held in 2006, or at a special election to be called by the governor for that purpose, the provisions of this section, 47(b), and 47(a) shall be reauthorized and continue until a general election is held in 2016 or at a special election to be called by the governor for that purpose. Every ten years thereafter, the issue of whether to continue to impose the sales and use tax described in this section shall be resubmitted to the voters for approval. If a majority of the voters fail to approve the continuance of such sales and use tax, Section 47(a), 47(b), and 47(c) shall terminate at the end of the second fiscal year after the last election was held.**

**[Proposed by Initiative Petition]**

*Official Ballot Title:*

**Constitutional Amendment 2**

Shall Missouri law be amended to:

- ! establish limits on campaign contributions by individuals or entities to political parties, political committees, or committees to elect candidates for state or judicial office;
- ! prohibit individuals and entities from intentionally concealing the source of such contributions;
- ! require corporations or labor organizations to meet certain requirements in order to make such contributions; and
- ! provide a complaint process and penalties for any violations of this amendment?

It is estimated this proposal will increase state government costs by at least \$118,000 annually and have an unknown change in costs for local governmental entities. Any potential impact to revenues for state and local governmental entities is unknown.

Fair Ballot Language:

A “**yes**” vote will amend the Missouri Constitution to establish limits on campaign contributions by individuals or entities to political parties, political committees, or committees to elect candidates for state or judicial office. This amendment prohibits individuals and entities from intentionally concealing the source of such contributions. This amendment also requires corporations or labor organizations to meet certain requirements in order to make such contributions. This amendment further provides a complaint process and penalties for any violations of this amendment.

A “**no**” vote will not amend the Missouri Constitution to establish limits on campaign contributions.

If passed, this measure will have no impact on taxes.

**Constitutional Amendment 2****Missouri Constitution Article VIII**

*Be it resolved by the people of the state of Missouri that the Constitution be amended:*

One new section is adopted by adding one new section to be known as section 23 of Article VIII to read as follows:

Section 23. 1. This section shall be known as the "Missouri Campaign Contribution Reform Initiative."

2. The people of the State of Missouri hereby find and declare that excessive campaign contributions to political candidates create the potential for corruption and the appearance of corruption; that large campaign contributions made to influence election outcomes allow

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wealthy individuals, corporations and special interest groups to exercise a disproportionate level of influence over the political process; that the rising costs of campaigning for political office prevent qualified citizens from running for political office; that political contributions from corporations and labor organizations are not necessarily an indication of popular support for the corporation's or labor organization's political ideas and can unfairly influence the outcome of Missouri elections; and that the interests of the public are best served by limiting campaign contributions, providing for full and timely disclosure of campaign contributions, and strong enforcement of campaign finance requirements.

3. (1) Except as provided in subdivisions (2), (3) and (4) of this subsection, the amount of contributions made by or accepted from any person other than the candidate in any one election shall not exceed the following:

(a) To elect an individual to the office of governor, lieutenant governor, secretary of state, state treasurer, state auditor, attorney general, office of state senator, office of state representative or any other state or judicial office, two thousand six hundred dollars.

(2) (a) No political party shall accept aggregate contributions from any person that exceed twenty-five thousand dollars per election at the state, county, municipal, district, ward, and township level combined.

(b) No political party shall accept aggregate contributions from any committee that exceed twenty-five thousand dollars per election at the state, county, municipal, district, ward, and township level combined.

(3) (a) It shall be unlawful for a corporation or labor organization to make contributions to a campaign committee, candidate committee, exploratory committee, political party committee or a political party; except that a corporation or labor organization may establish a continuing committee which may accept contributions or dues from members, officers, directors, employees or security holders.

(b) The prohibition contained in subdivision (a) of this subsection shall not apply to a corporation that:

(i) Is formed for the purpose of promoting political ideas and cannot engage in business activities; and

(ii) Has no security holders or other persons with a claim on its assets or income; and

(iii) Was not established by and does not accept contributions from business corporations or labor organizations.

(4) No candidate's candidate committee shall accept contributions from, or make contributions to, another candidate committee, including any candidate committee, or equivalent entity, established under federal law.

(5) Notwithstanding any other subdivision of this subsection to the contrary, a candidate's candidate committee may receive a loan from a financial institution organized under state or federal law if the loan bears the usual and customary interest rate, is made on a basis that assures repayments, is evidenced by a written instrument, and is subject to a due date or amortization schedule. The contribution limits described in this subsection shall not apply to a loan as described in this subdivision.

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(6) No campaign committee, candidate committee, continuing committee, exploratory committee, political party committee, and political party shall accept a contribution in cash exceeding one hundred dollars per election.

(7) No contribution shall be made or accepted, directly or indirectly, in a fictitious name, in the name of another person, or by or through another person in such a manner as to conceal the identity of the actual source of the contribution or the actual recipient. Any person who receives contributions for a committee shall disclose to that committee's treasurer, deputy treasurer or candidate the recipient's own name and address and the name and address of the actual source of each contribution such person has received for that committee.

(8) No anonymous contribution of more than twenty-five dollars shall be made by any person, and no anonymous contribution of more than twenty-five dollars shall be accepted by any candidate or committee. If any anonymous contribution of more than twenty-five dollars is received, it shall be returned immediately to the contributor, if the contributor's identity can be ascertained, and if the contributor's identity cannot be ascertained, the candidate, committee treasurer or deputy treasurer shall immediately transmit that portion of the contribution which exceeds twenty-five dollars to the state treasurer and it shall escheat to the state.

(9) The maximum aggregate amount of anonymous contributions which shall be accepted per election by any committee shall be the greater of five hundred dollars or one percent of the aggregate amount of all contributions received by that committee in the same election. If any anonymous contribution is received which causes the aggregate total of anonymous contributions to exceed the foregoing limitation, it shall be returned immediately to the contributor, if the contributor's identity can be ascertained, and, if the contributor's identity cannot be ascertained, the committee treasurer, deputy treasurer or candidate shall immediately transmit the anonymous contribution to the state treasurer to escheat to the state.

(10) Notwithstanding the provisions of subdivision (9) of this subsection, contributions from individuals whose names and addresses cannot be ascertained which are received from a fund-raising activity or event, such as defined in section 130.011, RSMo, as amended from time to time, shall not be deemed anonymous contributions, provided the following conditions are met:

(a) There are twenty-five or more contributing participants in the activity or event;

(b) The candidate, committee treasurer, deputy treasurer or the person responsible for conducting the activity or event makes an announcement that it is illegal for anyone to make or receive a contribution in excess of one hundred dollars unless the contribution is accompanied by the name and address of the contributor;

(c) The person responsible for conducting the activity or event does not knowingly accept payment from any single person of more than one hundred dollars unless the name and address of the person making such payment is obtained and recorded pursuant to the record-keeping requirements of section 130.036, RSMo, as amended from time to time;

(d) A statement describing the event shall be prepared by the candidate or the treasurer of the committee for whom the funds were raised or by the person responsible for conducting the activity or event and attached to the disclosure report of contributions and expenditures required by section 130.041, RSMo, as amended from time to time. The following information to be listed in the statement is in addition to, not in lieu of, the requirements elsewhere in this chapter relating to the recording and reporting of contributions and expenditures:

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(i) The name and mailing address of the person or persons responsible for conducting the event or activity and the name and address of the candidate or committee for whom the funds were raised;

(ii) The date on which the event occurred;

(iii) The name and address of the location where the event occurred and the approximate number of participants in the event;

(iv) A brief description of the type of event and the fund-raising methods used;

(v) The gross receipts from the event and a listing of the expenditures incident to the event;

(vi) The total dollar amount of contributions received from the event from participants whose names and addresses were not obtained with such contributions and an explanation of why it was not possible to obtain the names and addresses of such participants;

(vii) The total dollar amount of contributions received from contributing participants in the event who are identified by name and address in the records required to be maintained pursuant to section 130.036, RSMo, as amended from time to time.

(11) No candidate or committee in this state shall accept contributions from any out-of-state committee unless the out-of-state committee from whom the contributions are received has filed a statement of organization pursuant to section 130.021, RSMo, as amended from time to time, or has filed the reports required by sections 130.049 and 130.050, RSMo, as amended from time to time, whichever is applicable to that committee.

(12) Political action committees shall only receive contributions from individuals; unions; federal political action committees; and corporations, associations, and partnerships formed under chapters 347 to 360, RSMo, as amended from time to time, and shall be prohibited from receiving contributions from other political action committees, candidate committees, political party committees, campaign committees, exploratory committees, or debt service committees. However, candidate committees, political party committees, campaign committees, exploratory committees, and debt service committees shall be allowed to return contributions to a donor political action committee that is the origin of the contribution .

(13) The prohibited committee transfers described in subdivision (12) of this subsection shall not apply to the following committees:

(a) The state house committee per political party designated by the respective majority or minority floor leader of the house of representatives or the chair of the state party if the party does not have majority or minority party status;

(b) The state senate committee per political party designated by the respective majority or minority floor leader of the senate or the chair of the state party if the party does not have majority or minority party status.

(14) No person shall transfer anything of value to any committee with the intent to conceal, from the Missouri ethics commission, the identity of the actual source. Any violation of this subdivision shall be punishable as follows:

(a) For the first violation, the Missouri ethics commission shall notify such person that the transfer to the committee is prohibited under this section within five days of determining that

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the transfer is prohibited, and that such person shall notify the committee to which the funds were transferred that the funds must be returned within ten days of such notification;

(b) For the second violation, the person transferring the funds shall be guilty of a class C misdemeanor;

(c) For the third and subsequent violations, the person transferring the funds shall be guilty of a class D felony.

(15) No person shall make a contribution to a campaign committee, candidate committee, continuing committee, exploratory committee, political party committee, and political party with the expectation that some or all of the amounts of such contribution will be reimbursed by another person. No person shall be reimbursed for a contribution made to any campaign committee, candidate committee, continuing committee, exploratory committee, political party committee, and political party, nor shall any person make such reimbursement expect as provided in subdivision (5) of this subsection.

(16) No campaign committee, candidate committee, continuing committee, exploratory committee, political party committee, and political party shall knowingly accept contributions from:

(a) Any natural person who is not a citizen of the United States;

(b) A foreign government; or

(c) Any foreign corporation that does not have the authority to transact business in this state pursuant to Chapter 347, RSMo, as amended from time to time.

(17) Contributions from persons under fourteen years of age shall be considered made by the parents or guardians of such person and shall be attributed toward any contribution limits prescribed in this chapter. Where the contributor under fourteen years of age has two custodial parents or guardians, fifty percent of the contribution shall be attributed to each parent or guardian, and where such contributor has one custodial parent or guardian, all such contributors shall be attributed to the custodial parent or guardian.

(18) Each limit on contributions described in subdivisions (1), (2)(a), and (2)(b) of this subsection shall be adjusted by an amount based upon the average of the percentage change over a four year period in the United States Bureau of Labor Statistics Consumer Price Index for Kansas City, all items, all consumers, or its successor index, rounded to the nearest lowest twenty-five dollars and the percentage change over a four year period in the United States Bureau of Labor Statistics Consumer Price Index for St. Louis, all items, all consumers, or its successor index, rounded to the nearest lowest twenty-five dollars. The first adjustment shall be done in the first quarter of 2019, and then every four years thereafter. The secretary of state shall calculate such an adjustment in each limit and specify the limits in rules promulgated in accordance with Chapter 536, RSMo, as amended from time to time.

4. (1) Notwithstanding the provisions of subsection 3 of section 105.957, RSMo, as amended from time to time, any natural person may file a complaint with the Missouri ethics commission alleging a violation of the provisions of section 3 of this Article by any candidate for elective office, within sixty days prior to the primary election at which such candidate is running for office, until after the general election. Any such complaint shall be in writing, shall state all facts known by the complainant which have given rise to the complaint, and shall be sworn to, under penalty of perjury, by the complainant.



(2) Within the first business day after receipt of a complaint pursuant to this section, the executive director shall supply a copy of the complaint to the person or entity named in the complaint. The executive director of the Missouri ethics commission shall notify the complainant and the person or entity named in the complaint of the date and time at which the commission shall audit and investigate the allegations contained in the complaint pursuant to subdivision (3) of this subsection.

(3) Within fifteen business days of receipt of a complaint pursuant to this section, the commission shall audit and investigate the allegations contained in the complaint and shall determine by a vote of at least four members of the commission that there are reasonable grounds to believe that a violation of law has occurred within the jurisdiction of the commission. The respondent may reply in writing or in person to the allegations contained in the complaint and may state justifications to dismiss the complaint. The complainant may also present evidence in support of the allegations contained in the complaint, but such evidence shall be limited in scope to the allegations contained in the original complaint, and such complaint may not be supplemented or otherwise enlarged in scope.

(4) If, after audit and investigation of the complaint and upon a vote of at least four members of the commission, the commission determines that there are reasonable grounds to believe that a violation of law has occurred within the jurisdiction of the commission, the commission shall proceed with such complaint as provided by sections 105.957 to 105.963, RSMo, as amended from time to time. If the commission does not determine that there are reasonable grounds to believe that such a violation of law has occurred, the complaint shall be dismissed. If a complaint is dismissed, the fact that such complaint was dismissed, with a statement of the nature of the complaint, shall be made public within twenty-four hours of the commission's action.

(5) Any complaint made pursuant to this section, and all proceedings and actions concerning such a complaint, shall be subject to the provisions of subsection 15 of section 105.961, RSMo, as amended from time to time.

(6) No complaint shall be accepted by the commission within fifteen days prior to the primary or general election at which such candidate is running for office.

5. Any person who knowingly and willfully accepts or makes a contribution in violation of any provision of section 3 of this Article or who knowingly and willfully conceals a contribution by filing a false or incomplete report or by not filing a required report under Chapter 130, RSMo, as amended from time to time, shall be held liable to the state in civil penalties in an amount of at least double and up to five times the amount of any such contribution.

6. (1) Any person who purposely violates the provisions of section 3 of this Article is guilty of a class A misdemeanor.

(2) Notwithstanding any other provision of law which bars prosecutions for any offenses other than a felony unless commenced within one year after the commission of the offense, any offense under the provisions of this section may be prosecuted if the indictment be found or prosecution be instituted within three years after the commission of the alleged offense.

(3) Any prohibition to the contrary notwithstanding, no person shall be deprived of the rights, guarantees, protections or privileges accorded by sections 130.011 to 130.026, 130.031 to 130.068, 130.072, and 130.081, RSMO, as amended from time to time, by any person, corporation, entity or political subdivision.

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7. As used in this section, the following terms have the following meanings:

(1) "Appropriate officer" or "appropriate officers", the person or persons designated in section 130.026, or any successor section, to receive certain required statements and reports;

(2) "Candidate", an individual who seeks nomination or election to public office. The term "candidate" includes an elected officeholder who is the subject of a recall election, an individual who seeks nomination by the individual's political party for election to public office, an individual standing for retention in an election to an office to which the individual was previously appointed, an individual who seeks nomination or election whether or not the specific elective public office to be sought has been finally determined by such individual at the time the individual meets the conditions described in paragraph (a) or (b) of this subdivision, and an individual who is a write-in candidate as defined in subdivision (26) of this section. A candidate shall be deemed to seek nomination or election when the person first:

(a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote the person's candidacy for office; or

(b) Knows or has reason to know that contributions are being received or expenditures are being made or space or facilities are being reserved with the intent to promote the person's candidacy for office; except that, such individual shall not be deemed a candidate if the person files a statement with the appropriate officer within five days after learning of the receipt of contributions, the making of expenditures, or the reservation of space or facilities disavowing the candidacy and stating that the person will not accept nomination or take office if elected; provided that, if the election at which such individual is supported as a candidate is to take place within five days after the person's learning of the above-specified activities, the individual shall file the statement disavowing the candidacy within one day; or

(c) Announces or files a declaration of candidacy for office.

(3) "Cash", currency, coin, United States postage stamps, or any negotiable instrument which can be transferred from one person to another person without the signature or endorsement of the transferor.

(4) "Committee", a person or any combination of persons, who accepts contributions or makes expenditures for the primary or incidental purpose of influencing or attempting to influence the action of voters for or against the nomination or election to public office of one or more candidates or the qualification, passage or defeat of any ballot measure or for the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a committee or for the purpose of contributing funds to another committee.

(5) "Committee", does not include:

(a) A person or combination of persons, if neither the aggregate of expenditures made nor the aggregate of contributions received during a calendar year exceeds five hundred dollars and if no single contributor has contributed more than two hundred fifty dollars of such aggregate contributions;

(b) An individual, other than a candidate, who accepts no contributions and who deals only with the individual's own funds or property;

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(c) A corporation, cooperative association, partnership, proprietorship, or joint venture organized or operated for a primary or principal purpose other than that of influencing or attempting to influence the action of voters for or against the nomination or election to public office of one or more candidates or the qualification, passage or defeat of any ballot measure, and it accepts no contributions, and all expenditures it makes are from its own funds or property obtained in the usual course of business or in any commercial or other transaction and which are not contributions as defined by subdivision (7) of this section;

(d) A labor organization organized or operated for a primary or principal purpose other than that of influencing or attempting to influence the action of voters for or against the nomination or election to public office of one or more candidates, or the qualification, passage, or defeat of any ballot measure, and it accepts no contributions, and expenditures made by the organization are from its own funds or property received from membership dues or membership fees which were given or solicited for the purpose of supporting the normal and usual activities and functions of the organization and which are not contributions as defined by subdivision (7) of this section;

(e) A person who acts as an authorized agent for a committee in soliciting or receiving contributions or in making expenditures or incurring indebtedness on behalf of the committee if such person renders to the committee treasurer or deputy treasurer or candidate, if applicable, an accurate account of each receipt or other transaction in the detail required by the treasurer to comply with all record-keeping and reporting requirements; or

(f) Any department, agency, board, institution or other entity of the state or any of its subdivisions or any officer or employee thereof, acting in the person's official capacity.

(6) The term "committee" includes, but is not limited to, each of the following committees: campaign committee, candidate committee, continuing committee and political party committee:

(a) "Campaign committee", a committee, other than a candidate committee, which shall be formed by an individual or group of individuals to receive contributions or make expenditures and whose sole purpose is to support or oppose the qualification and passage of one or more particular ballot measures in an election or the retention of judges under the nonpartisan court plan, such committee shall be formed no later than thirty days prior to the election for which the committee receives contributions or makes expenditures, and which shall terminate the later of either thirty days after the general election or upon the satisfaction of all committee debt after the general election, except that no committee retiring debt shall engage in any other activities in support of a measure for which the committee was formed;

(b) "Candidate committee", a committee which shall be formed by a candidate to receive contributions or make expenditures in behalf of the person's candidacy and which shall continue in existence for use by an elected candidate or which shall terminate the later of either thirty days after the general election for a candidate who was not elected or upon the satisfaction of all committee debt after the election, except that no committee retiring debt shall engage in any other activities in support of the candidate for which the committee was formed. Any candidate for elective office shall have only one candidate committee for the elective office sought, which is controlled directly by the candidate for the purpose of making expenditures. A candidate committee is presumed to be under the control and direction of the candidate unless the candidate files an affidavit with the appropriate officer stating that the committee is acting without control or direction on the candidate's part;

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(c) "Continuing committee", a committee of continuing existence which is not formed, controlled or directed by a candidate, and is a committee other than a candidate committee or campaign committee, 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. "Continuing committee" includes, but is not limited to, any committee organized or sponsored by a business entity, a labor organization, a professional association, a trade or business association, 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. Such committee shall be formed no later than sixty days prior to the election for which the committee receives contributions or makes expenditures; and

(d) "Connected organization", any organization such as a corporation, a labor organization, a membership organization, a cooperative, or trade or professional association which expends funds or provides services or facilities to establish, administer or maintain a committee or to solicit contributions to a committee from its members, officers, directors, employees or security holders. An organization shall be deemed to be the connected organization if more than fifty percent of the persons making contributions to the committee during the current calendar year are members, officers, directors, employees or security holders of such organization or their spouses.

(7) "Contribution", a payment, gift, loan, advance, deposit, or donation of money or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification, passage or defeat of any ballot measure, or for the support of any committee supporting or opposing candidates or ballot measures or for paying debts or obligations of any candidate or committee previously incurred for the above purposes. A contribution of anything of value shall be deemed to have a money value equivalent to the fair market value. "Contribution" includes, but is not limited to:

(a) A candidate's own money or property used in support of the person's candidacy other than expense of the candidate's food, lodging, travel, and payment of any fee necessary to the filing for public office;

(b) Payment by any person, other than a candidate or committee, to compensate another person for services rendered to that candidate or committee;

(c) Receipts from the sale of goods and services, including the sale of advertising space in a brochure, booklet, program or pamphlet of a candidate or committee and the sale of tickets or political merchandise;

(d) Receipts from fund-raising events including testimonial affairs;

(e) Any loan, guarantee of a loan, cancellation or forgiveness of a loan or debt or other obligation by a third party, or payment of a loan or debt or other obligation by a third party if the loan or debt or other obligation was contracted, used, or intended, in whole or in part, for use in an election campaign or used or intended for the payment of such debts or obligations of a candidate or committee previously incurred, or which was made or received by a committee;

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(f) Funds received by a committee which are transferred to such committee from another committee or other source, except funds received by a candidate committee as a transfer of funds from another candidate committee controlled by the same candidate but such transfer shall be included in the disclosure reports;

(g) Facilities, office space or equipment supplied by any person to a candidate or committee without charge or at reduced charges, except gratuitous space for meeting purposes which is made available regularly to the public, including other candidates or committees, on an equal basis for similar purposes on the same conditions; and

(h) The direct or indirect payment by any person, other than a connected organization, of the costs of establishing, administering, or maintaining a committee, including legal, accounting and computer services, fund raising and solicitation of contributions for a committee.

(8) "Contribution" does not include:

(a) Ordinary home hospitality or services provided without compensation by individuals volunteering their time in support of or in opposition to a candidate, committee or ballot measure, nor the necessary and ordinary personal expenses of such volunteers incidental to the performance of voluntary activities, so long as no compensation is directly or indirectly asked or given;

(b) An offer or tender of a contribution which is expressly and unconditionally rejected and returned to the donor within ten business days after receipt or transmitted to the state treasurer;

(c) Interest earned on deposit of committee funds; or

(d) The costs incurred by any connected organization listed pursuant to subdivision (4) of subsection 5 of section 130.021, RSMo, as amended from time to time, for establishing, administering or maintaining a committee, or for the solicitation of contributions to a committee which solicitation is solely directed or related to the members, officers, directors, employees or security holders of the connected organization.

(9) "County", any one of the several counties of this state or the city of St. Louis.

(10) "Disclosure report", an itemized report of receipts, expenditures and incurred indebtedness which is prepared on forms approved by the Missouri ethics commission and filed at the times and places prescribed.

(11) "Election", any primary, general or special election held to nominate or elect an individual to public office, to retain or recall an elected officeholder or to submit a ballot measure to the voters, and any caucus or other meeting of a political party or a political party committee at which that party's candidate or candidates for public office are officially selected. A primary election and the succeeding general election shall be considered separate elections.

(12) "Expenditure", a payment, advance, conveyance, deposit, donation or contribution of money or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification or passage of any ballot measure or for the support of any committee which in turn supports or opposes any candidate or ballot measure or for the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a committee; a payment, or an

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agreement or promise to pay, money or anything of value, including a candidate's own money or property, for the purchase of goods, services, property, facilities or anything of value for the purpose of supporting or opposing the nomination or election of any candidate for public office or the qualification or passage of any ballot measure or for the support of any committee which in turn supports or opposes any candidate or ballot measure or for the purpose of paying a previously incurred campaign debt or obligation of a candidate or the debts or obligations of a committee. An expenditure of anything of value shall be deemed to have a money value equivalent to the fair market value. "Expenditure" includes, but is not limited to:

(a) Payment by anyone other than a committee for services of another person rendered to such committee;

(b) The purchase of tickets, goods, services or political merchandise in connection with any testimonial affair or fund-raising event of or for candidates or committees, or the purchase of advertising in a brochure, booklet, program or pamphlet of a candidate or committee;

(c) The transfer of funds by one committee to another committee; and

(d) The direct or indirect payment by any person, other than a connected organization for a committee, of the costs of establishing, administering or maintaining a committee, including legal, accounting and computer services, fund raising and solicitation of contributions for a committee.

(13) "Expenditure" does not include:

(a) Any news story, commentary or editorial which is broadcast or published by any broadcasting station, newspaper, magazine or other periodical without charge to the candidate or to any person supporting or opposing a candidate or ballot measure;

(b) The internal dissemination by any membership organization, proprietorship, labor organization, corporation, association or other entity of information advocating the election or defeat of a candidate or candidates or the passage or defeat of a ballot measure or measures to its directors, officers, members, employees or security holders, provided that the cost incurred is reported pursuant to subsection 2 of section 130.051, RSMo, as amended from time to time;

(c) Repayment of a loan, but such repayment shall be indicated in required reports;

(d) The rendering of voluntary personal services by an individual of the sort commonly performed by volunteer campaign workers and the payment by such individual of the individual's necessary and ordinary personal expenses incidental to such volunteer activity, provided no compensation is, directly or indirectly, asked or given;

(e) The costs incurred by any connected organization listed pursuant to subdivision (4) of subsection 5 of section 130.021, RSMo, as amended from time to time, for establishing, administering or maintaining a committee, or for the solicitation of contributions to a committee which solicitation is solely directed or related to the members, officers, directors, employees or security holders of the connected organization; or

(f) The use of a candidate's own money or property for expense of the candidate's personal food, lodging, travel, and payment of any fee necessary to the filing for public office, if such expense is not reimbursed to the candidate from any source.

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(14) "Exploratory committees", a committee which shall be formed by an individual to receive contributions and make expenditures on behalf of this individual in determining whether or not the individual seeks elective office. Such committee shall terminate no later than December thirty-first of the year prior to the general election for the possible office.

(15) "Fund-raising event", an event such as a dinner, luncheon, reception, coffee, testimonial, rally, auction or similar affair through which contributions are solicited or received by such means as the purchase of tickets, payment of attendance fees, donations for prizes or through the purchase of goods, services or political merchandise.

(16) "In-kind contribution" or "in-kind expenditure", a contribution or expenditure in a form other than money.

(17) "Labor organization", any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(18) "Loan", a transfer of money, property or anything of ascertainable monetary value in exchange for an obligation, conditional or not, to repay in whole or in part and which was contracted, used, or intended for use in an election campaign, or which was made or received by a committee or which was contracted, used, or intended to pay previously incurred campaign debts or obligations of a candidate or the debts or obligations of a committee.

(19) "Person", an individual, group of individuals, corporation, partnership, committee, proprietorship, joint venture, any department, agency, board, institution or other entity of the state or any of its political subdivisions, union, labor organization, trade or professional or business association, association, political party or any executive committee thereof, or any other club or organization however constituted or any officer or employee of such entity acting in the person's official capacity.

(20) "Political action committee", a committee of continuing existence which is not formed, controlled or directed by a candidate, and is a committee other than a candidate committee, political party committee, campaign committee, exploratory committee, or debt service committee, 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 business entity, a labor organization, a professional association, a trade or business association, 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. Such committee shall be formed no later than sixty days prior to the election for which the committee receives contributions or makes expenditures.

(21) "Political merchandise", goods such as bumper stickers, pins, hats, ties, jewelry, literature, or other items sold or distributed at a fund-raising event or to the general public for publicity or for the purpose of raising funds to be used in supporting or opposing a candidate for nomination or election or in supporting or opposing the qualification, passage or defeat of a ballot measure.

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(22) "Political party", a political party which has the right under law to have the names of its candidates listed on the ballot in a general election.

(23) "Political party committee", a state, district, county, city, or area committee of a political party, as defined in section 115.603, RSMo, as amended from time to time, which may be organized as a not-for-profit corporation under Missouri law, and which committee is of continuing existence, and has the primary or incidental purpose of receiving contributions and making expenditures to influence or attempt to influence the action of voters on behalf of the political party.

(24) "Public office" or "office", any state, judicial, county, municipal, school or other district, ward, township, or other political subdivision office or any political party office which is filled by a vote of registered voters.

(25) "Write-in candidate", an individual whose name is not printed on the ballot but who otherwise meets the definition of candidate in subdivision (2) of this section.

8. The provisions of this section are self-executing. All of the provisions of this section are severable. If any provision of this section is found by a court of competent jurisdiction to be unconstitutional or unconstitutionally enacted, the remaining provisions of this section shall be and remain valid.

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**[Proposed by Initiative Petition]**

*Official Ballot Title:*

**Constitutional Amendment 3**

Shall Missouri law be amended to:

- ! increase taxes on cigarettes each year through 2020, at which point this additional tax will total 60 cents per pack of 20;
- ! create a fee paid by cigarette wholesalers of 67 cents per pack of 20 on certain cigarettes, which fee shall increase annually; and
- ! deposit funds generated by these taxes and fees into a newly established Early Childhood Health and Education Trust Fund?

When cigarette tax increases are fully implemented, estimated additional revenue to state government is \$263 million to \$374 million annually, with limited estimated implementation costs. The revenue will fund only programs and services allowed by the proposal. The fiscal impact to local governmental entities is unknown.

Fair Ballot Language:

A "yes" vote will amend the Missouri Constitution to increase taxes on cigarettes each year through 2020, at which point this additional tax will total 60 cents per pack of 20. This amendment also creates a fee paid by cigarette wholesalers of 67 cents per pack of 20 on certain cigarettes. This amendment further provides that the funds generated by these taxes and fees shall be deposited into a newly established Early Childhood Health and Education Trust Fund.

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A “no” vote will not amend the Missouri Constitution relating to taxes and fees on cigarettes.

If passed, this measure will increase taxes on cigarettes.

NOTICE: You are advised that the proposed amendment to the constitution changes, repeals, or modifies by implication, or may be construed to change, repeal or modify by implication, Article IV of the Missouri Constitution and the following provisions of the Missouri Revised Statutes-Sections 33.080, 66.340, 66.350, 149.015, 149.021, 149.065, 149.160, 196.1003, 210.102, and 210.320. The proposed amendment enacts four new sections in Article IV of the Missouri Constitution, to be known as Sections 54, 54(a), 54(b), and 54(c).

### Constitutional Amendment 3

#### Missouri Constitution Article IV

*Be it resolved by the people of the state of Missouri that the Constitution be amended:*

Article IV is amended by adopting four new sections to be known as Sections 54, 54(a), 54(b), and 54(c).

Section 54. The provisions of Sections 54 through 54(c) shall be known as the Early Childhood Health and Education Amendment. It shall be the public policy of this state to improve the health and education of children, from birth through age five, and to improve accountability for early childhood health and education funding.

Section 54(a). 1. There is hereby created the Early Childhood Health and Education Trust Fund. The fund shall consist of all moneys collected as provided in Section 54(c) and shall also include the balance of the Coordinating Board for Early Childhood Fund, which shall cease to exist as a discrete fund after its proceeds are transferred into the Early Childhood Health and Education Trust Fund upon the effective date of this section. Interest and moneys earned on the fund shall be deposited in the fund. Moneys in the fund may be invested by the state treasurer, and any income therefrom shall be credited to the fund. Any moneys credited to and deposited in the fund shall be used only for purposes which are authorized by this section, shall not be diverted to any other purpose, and shall not be subject to the provisions of section 33.080, or other similar law. The net proceeds from the moneys collected as provided in Section 54(c) shall constitute new and additional funding for the activities, initiatives, and programs and shall not be used to replace existing funding as of July 1, 2016, for the same or similar activities, initiatives, and programs. The funds deposited in the fund and available for distribution to public and private entities shall be distributed as follows:

a. At least seventy-five percent (75%) of funds shall be disbursed in grants for improving the quality of and increasing access to Missouri early childhood education programs, including preschool, home visitation, parent and family support and education, professional development and training for early childhood development providers, and increasing coordination of and public information about the importance of early childhood development;

b. No less than ten percent (10%) and no more than fifteen percent (15%) of funds shall be disbursed in grants to Missouri hospitals or other health care facilities to improve access to quality early childhood health and development programs, including preventative health care,

obesity prevention, infant mortality prevention, health and developmental screenings for Missouri children ages birth through five; and

c. No less than five percent (5%) and no more than ten percent (10%) of funds shall be disbursed in grants to provide evidenced-based smoking cessation and prevention programs for Missouri pregnant mothers and youth to be used solely for the purpose of establishing, maintaining, and enhancing activities, programs, and initiatives to promote tobacco use quit assistance and prevention, including a comprehensive statewide tobacco control program that incorporates the use of nicotine replacement therapy products regulated as drugs or devices by the United States food and drug administration under Chapter V of the Federal Food, Drug, and Cosmetic Act, and public health for tobacco-related diseases. The comprehensive statewide tobacco control program shall be consistent with the United States Centers for Disease Control and Prevention's, or its successor agency's, best practices and guidelines for tobacco control programs, if any, and shall be designed to be effective to prevent and reduce tobacco use, reduce the public's exposure to secondhand smoke, and identify and eliminate disparities related to tobacco use and its effects among different population groups. The components of the comprehensive statewide tobacco control program shall include, but not be limited to: state and community based interventions, health communication interventions, cessation interventions, surveillance and evaluation, and administration and management.

2. Unless modified by law, eligible administrative expenses shall include only those reasonable and necessary for: (1) Salaries, fringe benefits, expenses, and equipment of staff employed by the Early Childhood Commission, as defined in Section 54(b); (2) Expenses associated with cost sharing of salaries, fringe benefits, expenses, and equipment of staff employed or contracted by the Early Childhood Commission from any other state department or agency of the state; (3) Expenses of the Early Childhood Commission associated with contracting with not-for-profit entities; and (4) Expenses of the Early Childhood Commission associated with audits and outcome evaluations of programs and activities funded under this section. Unless modified by law, no more than three percent (3%) of the moneys deposited in the Early Childhood Health and Education Trust Fund shall be used for administrative expenses. The Commission shall establish guidelines and controls concerning grantees' administrative expenses associated with meeting requirements of grants.

Section 54(b). 1. As of the effective date of this section, the Coordinating Board for Early Childhood shall be reformed and shall be renamed the Early Childhood Commission. On the effective date of this section any of the Coordinating Board's programs, duties, obligations, powers, assets, and liabilities not assumed by the Early Childhood Commission under the express terms of this Section shall, unless otherwise provided by law, be taken up by the Early Childhood Commission. Any employees of the Coordinating Board for Early Childhood shall retain the same status with the Commission on the effective date of this section, and the executive director of the board shall be the first Administrator of the Commission, unless such employees or director are lawfully terminated.

2. In addition to the duties already provided under the laws establishing and governing the Coordinating Board for Early Childhood, the Commission shall also have the duty to administer and make grants from the Early Childhood Health and Education Trust Fund as provided in section 54(a) of this article, as may be provided by law. Only Missouri residents who are also legal residents of the United States are authorized to receive services or benefits from any funds generated by this Amendment, unless otherwise prohibited by state or federal law. All services or programs that derive from funds generated by this Amendment shall be performed in the state of Missouri. Only hospitals and health care facilities operating in the state of Missouri that maintain a license in good standing pursuant to Missouri's hospital or

health care facility licensing laws shall be eligible to receive grants from the Early Childhood Health and Education Trust Fund pursuant to Section 54(a)(1)(b). The Commission shall have the power to hire an Administrator and staff; promulgate rules and regulations; apply for and receive public or private gifts, grants, or appropriations; buy, sell, or lease real and personal property; make disbursements and grants; and any other powers necessary or appropriate to carry out the purposes and duties set out in this Amendment. None of the funds collected, distributed, or allocated from the Early Childhood Health and Education Trust Fund shall be expended, paid or granted to or on behalf of existing or proposed activities, programs, or initiatives that involve abortion services including performing, inducing, or assisting with abortions, as defined in law, or encouraging patients to have abortions, referring patients for abortions not necessary to save the life of the mother, or development of drugs, chemicals, or devices intended to be used to induce an abortion. None of the funds collected, distributed, or allocated from the Early Childhood Health and Education Trust Fund shall be expended, paid or granted to or on behalf of any abortion clinic, abortion clinic operator, or outpatient health care facility that provides abortion services, unless such services are limited to medical emergencies. No funds from the Early Childhood Health and Education Trust Fund shall be used for human cloning or research, clinical trials, or therapies or cures using human embryonic stem cells, as defined in Article III, section 38(d). No funds from the Early Childhood Health and Education Trust Fund shall be used for tobacco related research of any kind. Distributions of funds under this amendment shall not be limited or prohibited by the provisions of Article IX, section 8.

3. The Commission shall establish and maintain a conflict of interest policy for its members and staff. The Commission shall ensure a fair and equitable distribution of funds distributed as grants based on the established residency population of children ages birth through five. The Commission shall establish accountability and audit requirements for all grant recipients, including requirements that success be measured by outcomes for Missouri children and families. Unless modified by law, Commission members shall include: (1) the director or the director's designee from each of the following departments: health and senior services, mental health, and social services; (2) the commissioner or the commissioner's designee from the department of elementary and secondary education; (3) two members of the Missouri general assembly. One member shall be the chairman of the joint committee on education. One member shall be a member of the joint committee on education, shall be from a different party and different legislative chamber than the chairman of the joint committee on education, and shall be appointed by the elected leader, either the speaker of the house of representatives or the president pro tempore of the senate, of the member's legislative chamber; (4) The director of the Missouri head start-state collaborative office; (5) six citizens, representing each of the following areas: early childhood education and development providers, local head start agencies, higher education, business, faith, and medicine. The Governor shall appoint, with the advice and consent of the senate, the three citizens representing the areas of medicine, business, and higher education. The state board of education shall appoint the citizens representing the areas of early childhood education and development providers, local head start agencies, and faith. Commission members shall serve a term of three years. Such citizens shall be eligible to serve two terms. Such citizens that serve a partial term of less than eighteen months shall be eligible to serve the partial term and two full terms. Such citizens that serve a partial term of more than eighteen months shall be eligible to serve the partial term and one full term. No Commissioners shall receive any compensation for their service as a Commissioner.

Section 54(c). 1. In addition to any tax levied upon the sale of cigarettes in this state, a tax shall be levied upon the sale of cigarettes in an amount equal to thirty mills per cigarette (or sixty cents per pack of twenty cigarettes), phased in, in four equal annual increments of seven

and one-half mills (or fifteen cents per pack of twenty cigarettes) on January 1, 2017, January 1, 2018, January 1, 2019 and January 1, 2020. The tax shall be evidenced by stamps which shall be furnished by and purchased from the director or by an impression of the tax by the use of a metering machine when authorized by the director as provided by statute, and the stamps or impression shall be securely affixed to one end of each package in which cigarettes are contained. All cigarettes must be stamped before being sold in this state. For the purpose of allowing compensation for the costs necessarily incurred in affixing the proper tax stamps to each package of cigarettes before making a sale of the cigarettes, each wholesaler purchasing stamps from the director as required by law may purchase the stamps from the director at a reduction of three percent (3%) of the face value of each lot of stamps so purchased, provided that all statutorily required reports have been made. The discount provided in this section shall be the only discount allowed to purchasers from the director. If a purchaser refuses to comply with the laws of the state of Missouri, the director shall require the full face value for stamps purchased until such time as the person has complied with the provisions of the law. The director may permit the use of meter machines in lieu of stamps, for the impress of the tax stamp, and where used a three percent (3%) reduction on the total tax due shall be allowed. The director shall prescribe all rules and regulations governing the use of meter machines and may require a bond in a suitable amount to guarantee payment of the tax. The tax on any cigarettes contained in packages of twenty to be used solely for distribution as samples shall be computed on a per cigarette basis at the rate set forth in this section, and payment of the tax shall be remitted to the director of revenue at such time and in such manner as he may prescribe by rule. Stamped cigarettes in the possession of a wholesaler or retailer before each incremental tax increase under this section is imposed shall not be subject to incremental tax increase before retail sale.

2. a. In addition to the tax provided in section 54(c).1, effective January 1, 2017, an equity assessment fee is imposed upon the first to occur of the following: the purchase, storage, use, consumption, handling, distribution or wholesale sale of each package of twenty (20) cigarettes manufactured by a non-participating manufacturer. The equity assessment fee shall be paid by the wholesaler, and collected by the director of revenue at the same time cigarette tax stamps are purchased from the director of revenue, and the payment and collection of the equity assessment fee shall be subject to the rules and regulations promulgated in connection with the payment and collection of the cigarette tax. The term "Non-participating manufacturer" is defined as a manufacturer that is treated as such under the Master Settlement Agreement entered into by the State of Missouri and certain tobacco manufacturers on November 23, 1998.

b. The rate of the equity assessment fee shall be sixty-seven cents (\$0.67) per package of twenty (20) cigarettes. Beginning with equity assessment fees due in 2018, the equity assessment fee shall be adjusted each year in accordance with the Inflation Adjustment in the Master Settlement Agreement, provided that, in determining the applicable Inflation Adjustment Percentage, inflation from 1999-2017 shall not be included.

c. The fee imposed by this section does not apply to cigarettes or cigarette tobacco products that are sold into another state for resale to consumers outside of this state, provided that the sale is reported to the state into which the cigarettes are sold under 15 U.S.C. Section 376.

d. The fee imposed by this section is in addition to any other privilege, license, fee, or tax required or imposed by state law, provided however that a manufacturer shall not be required to place funds into a qualified escrow fund under Chapter 196 of the Revised Statutes of Missouri for any cigarettes that such manufacturer demonstrates in a filing with the Attorney General that the required amount of fees have been paid under this section.

3. All moneys collected as a result of the taxes and fees imposed by this section shall deposited in the Early Childhood Health and Education Trust Fund as said moneys are received, and shall be kept separate from the general revenue fund as well as any other funds or accounts in the state treasury. The additional actual costs incurred by the state in collecting and enforcing the taxes and fees imposed by this section may be paid from moneys appropriated from the Early Childhood Health and Education Trust Fund for that purpose, but shall not exceed one and one half of one percent (1.5%) of the total moneys collected in that fiscal year. Moneys from the Early Childhood Health and Education Trust Fund shall not be used to pay costs that are not additional actual costs incurred by the state in collecting and enforcing the taxes and fees imposed by this section, except that one percent (1%) of the funds deposited in the fund shall be used by the Director of Public Safety and the Director of Revenue to employ personnel for the sole purpose of criminal tobacco enforcement of existing state laws regarding tobacco products. No funds from the Early Childhood Health and Education Trust Fund shall be used for any lobbying, or for the promotion or support of any tax increase or any other state or local prohibition or limitation on tobacco products, coupons or promotions.

4. On an annual basis, the director of revenue, in consultation with the director of health and senior services, shall determine whether the taxes imposed by section 54(c) have resulted in a decrease in consumption of tobacco products and thereby directly caused a reduction in the amount of moneys collected and deposited into the fair share fund, the health initiatives fund, or the state school moneys fund, revenues generated from local tobacco taxes, or revenues generated from local sales taxes. If a reduction in the amount of moneys collected and deposited into any of those funds or revenues generated from local tobacco taxes or local sales taxes, has been directly caused by the taxes imposed by section 54(c), an amount equal to the amount of moneys that were not collected and deposited into that fund or funds or were not generated by the local tobacco taxes or local sales taxes because of the taxes imposed by this section shall be transferred from the Early Childhood Health and Education Trust Fund as follows: first, to the appropriate political subdivisions, and second to the appropriate fund or funds. The aggregate amount transferred to such political subdivisions and/or funds for any year shall not exceed four percent (4%) of the total moneys collected pursuant to this section during that same year.

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[Proposed by Initiative Petition]

*Official Ballot Title:*

**Constitutional Amendment 4**

Shall the Missouri Constitution be amended to prohibit a new state or local sales/use or other similar tax on any service or transaction that was not subject to a sales/use or similar tax as of January 1, 2015?

Potential costs to state and local governmental entities are unknown, but could be significant. The proposal's passage would impact governmental entity's ability to revise their tax structures. State and local governments expect no savings from this proposal.

Fair Ballot Language:

A "yes" vote will amend the Missouri Constitution to prohibit a new state or local sales/use or other similar tax on any service or transaction. This amendment only

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applies to any service or transaction that was not subject to a sales/use or similar tax as of January 1, 2015.

A “no” vote will not amend the Missouri Constitution to prohibit such state or local sales/use or other similar tax.

If passed, this measure will not increase or decrease taxes.

#### **Constitutional Amendment 4**

##### **Missouri Constitution Article X**

*Be it resolved by the people of the state of Missouri that the Constitution be amended:*

Article X is amended by adding one new section to be known as Section 26, to read as follows:

Section 26. In order to prohibit an increase in the tax burden on the citizens of Missouri, state and local sales and use taxes (or any similar transaction-based tax) shall not be expanded to impose taxes on any service or transaction that was not subject to sales, use or similar transaction-based tax on January 1, 2015.

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