

FIRST REGULAR SESSION

# HOUSE BILL NO. 1191

## 95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE PRATT.

2300L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 105.483 and 105.485, RSMo, and to enact in lieu thereof eight new sections relating to teacher and school employee retirement systems.

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

Section A. Sections 105.483 and 105.485, RSMo, are repealed and eight new sections  
2 enacted in lieu thereof, to be known as sections 105.483, 105.485, 169.023, 169.024, 169.025,  
3 169.612, 169.613, and 169.614, to read as follows:

105.483. Each of the following persons shall be required to file a financial interest  
2 statement:

3 (1) Associate circuit judges, circuit court judges, judges of the courts of appeals and of  
4 the supreme court, and candidates for any such office;

5 (2) Persons holding an elective office of the state, whether by election or appointment,  
6 and candidates for such elective office, except those running for or serving as county committee  
7 members for a political party pursuant to section 115.609, RSMo, or section 115.611, RSMo;

8 (3) The principal administrative or deputy officers or assistants serving the governor,  
9 lieutenant governor, secretary of state, state treasurer, state auditor and attorney general, which  
10 officers shall be designated by the respective elected state official;

11 (4) The members of each board or commission and the chief executive officer of each  
12 public entity created pursuant to the constitution or interstate compact or agreement and the  
13 members of each board of regents or curators and the chancellor or president of each state  
14 institution of higher education;

15 (5) The director and each assistant deputy director and the general counsel and the chief  
16 purchasing officer of each department, division and agency of state government;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 (6) Any official or employee of the state authorized by law to promulgate rules and  
18 regulations or authorized by law to vote on the adoption of rules and regulations;

19 (7) Any member of a board or commission created by interstate compact or agreement,  
20 including the executive director and any Missouri resident who is a member of the bi-state  
21 development agency created pursuant to sections 70.370 to 70.440, RSMo;

22 (8) Any board member of a metropolitan sewer district authorized under section 30(a)  
23 of article VI of the state constitution;

24 (9) Any member of a commission appointed or operating pursuant to sections 64.650 to  
25 64.950, RSMo, sections 67.650 to 67.658, RSMo, or sections 70.840 to 70.859, RSMo;

26 (10) The members, the chief executive officer and the chief purchasing officer of each  
27 board or commission which enters into or approves contracts for the expenditure of state funds;

28 (11) Each elected official, candidate for elective office, the chief administrative officer,  
29 the chief purchasing officer and the general counsel, if employed full time, of each political  
30 subdivision with an annual operating budget in excess of one million dollars, and each official  
31 or employee of a political subdivision who is authorized by the governing body of the political  
32 subdivision to promulgate rules and regulations with the force of law or to vote on the adoption  
33 of rules and regulations with the force of law; unless the political subdivision adopts an  
34 ordinance, order or resolution pursuant to subsection 4 of section 105.485;

35 (12) Any person who is designated as a decision-making public servant by any of the  
36 officials or entities listed in subdivision (6) of section 105.450;

37 **(13) Any member of the board appointed or operating under sections 169.010 to**  
38 **169.141, RSMo, or sections 169.600 to 169.715, RSMo.**

105.485. 1. Each financial interest statement required by sections 105.483 to 105.492  
2 shall be on a form prescribed by the commission and shall be signed and verified by a written  
3 declaration that it is made under penalties of perjury; provided, however, the form shall not seek  
4 information which is not specifically required by sections 105.483 to 105.492.

5 2. Each person required to file a financial interest statement pursuant to subdivisions (1)  
6 to [(12)] **(13)** of section 105.483 shall file the following information for himself, his spouse and  
7 dependent children at any time during the period covered by the statement, whether singularly  
8 or collectively; provided, however, that said person, if he does not know and his spouse will not  
9 divulge any information required to be reported by this section concerning the financial interest  
10 of his spouse, shall state on his financial interest statement that he has disclosed that information  
11 known to him and that his spouse has refused or failed to provide other information upon his  
12 bona fide request, and such statement shall be deemed to satisfy the requirements of this section  
13 for such financial interest of his spouse; and provided further if the spouse of any person required  
14 to file a financial interest statement is also required by section 105.483 to file a financial interest

15 statement, the financial interest statement filed by each need not disclose the financial interest  
16 of the other, provided that each financial interest statement shall state that the spouse of the  
17 person has filed a separate financial interest statement and the name under which the statement  
18 was filed:

19 (1) The name and address of each of the employers of such person from whom income  
20 of one thousand dollars or more was received during the year covered by the statement;

21 (2) The name and address of each sole proprietorship which he owned; the name, address  
22 and the general nature of the business conducted of each general partnership and joint venture  
23 in which he was a partner or participant; the name and address of each partner or coparticipant  
24 for each partnership or joint venture unless such names and addresses are filed by the partnership  
25 or joint venture with the secretary of state; the name, address and general nature of the business  
26 conducted of any closely held corporation or limited partnership in which the person owned ten  
27 percent or more of any class of the outstanding stock or limited partners' units; and the name of  
28 any publicly traded corporation or limited partnership which is listed on a regulated stock  
29 exchange or automated quotation system in which the person owned two percent or more of any  
30 class of outstanding stock, limited partnership units or other equity interests;

31 (3) The name and address of any other source not reported pursuant to subdivisions (1)  
32 and (2) and subdivisions (4) to (9) of this subsection from which such person received one  
33 thousand dollars or more of income during the year covered by the statement, including, but not  
34 limited to, any income otherwise required to be reported on any tax return such person is required  
35 by law to file; except that only the name of any publicly traded corporation or limited partnership  
36 which is listed on a regulated stock exchange or automated quotation system need be reported  
37 pursuant to this subdivision;

38 (4) The location by county, the subclassification for property tax assessment purposes,  
39 the approximate size and a description of the major improvements and use for each parcel of real  
40 property in the state, other than the individual's personal residence, having a fair market value  
41 of ten thousand dollars or more in which such person held a vested interest including a leasehold  
42 for a term of ten years or longer, and, if the property was transferred during the year covered by  
43 the statement, the name and address of the persons furnishing or receiving consideration for such  
44 transfer;

45 (5) The name and address of each entity in which such person owned stock, bonds or  
46 other equity interest with a value in excess of ten thousand dollars; except that, if the entity is a  
47 corporation listed on a regulated stock exchange, only the name of the corporation need be listed;  
48 and provided that any member of any board or commission of the state or any political  
49 subdivision who does not receive any compensation for his services to the state or political  
50 subdivision other than reimbursement for his actual expenses or a per diem allowance as

51 prescribed by law for each day of such service need not report interests in publicly traded  
52 corporations or limited partnerships which are listed on a regulated stock exchange or automated  
53 quotation system pursuant to this subdivision; and provided further that the provisions of this  
54 subdivision shall not require reporting of any interest in any qualified plan or annuity pursuant  
55 to the Employees' Retirement Income Security Act;

56 (6) The name and address of each corporation for which such person served in the  
57 capacity of a director, officer or receiver;

58 (7) The name and address of each not-for-profit corporation and each association,  
59 organization, or union, whether incorporated or not, except not-for-profit corporations formed  
60 to provide church services, fraternal organizations or service clubs from which the officer or  
61 employee draws no remuneration, in which such person was an officer, director, employee or  
62 trustee at any time during the year covered by the statement, and for each such organization, a  
63 general description of the nature and purpose of the organization;

64 (8) The name and address of each source from which such person received a gift or gifts,  
65 or honorarium or honoraria in excess of two hundred dollars in value per source during the year  
66 covered by the statement other than gifts from persons within the third degree of consanguinity  
67 or affinity of the person filing the financial interest statement. For the purposes of this section,  
68 a "gift" shall not be construed to mean political contributions otherwise required to be reported  
69 by law or hospitality such as food, beverages or admissions to social, art, or sporting events or  
70 the like, or informational material. For the purposes of this section, a "gift" shall include gifts  
71 to or by creditors of the individual for the purpose of canceling, reducing or otherwise forgiving  
72 the indebtedness of the individual to that creditor;

73 (9) The lodging and travel expenses provided by any third person for expenses incurred  
74 outside the state of Missouri whether by gift or in relation to the duties of office of such official,  
75 except that such statement shall not include travel or lodging expenses:

76 (a) Paid in the ordinary course of business for businesses described in subdivisions (1),  
77 (2), (5) and (6) of this subsection which are related to the duties of office of such official; or

78 (b) For which the official may be reimbursed as provided by law; or

79 (c) Paid by persons related by the third degree of consanguinity or affinity to the person  
80 filing the statement; or

81 (d) Expenses which are reported by the campaign committee or candidate committee of  
82 the person filing the statement pursuant to the provisions of chapter 130, RSMo; or

83 (e) Paid for purely personal purposes which are not related to the person's official duties  
84 by a third person who is not a lobbyist, a lobbyist principal or member, or officer or director of  
85 a member, of any association or entity which employs a lobbyist. The statement shall include  
86 the name and address of such person who paid the expenses, the date such expenses were

87 incurred, the amount incurred, the location of the travel and lodging, and the nature of the  
88 services rendered or reason for the expenses;

89 (10) The assets in any revocable trust of which the individual is the settlor if such assets  
90 would otherwise be required to be reported under this section;

91 (11) The name, position and relationship of any relative within the first degree of  
92 consanguinity or affinity to any other person who:

93 (a) Is employed by the state of Missouri, by a political subdivision of the state or special  
94 district, as defined in section 115.013, RSMo, of the state of Missouri;

95 (b) Is a lobbyist; or

96 (c) Is a fee agent of the department of revenue;

97 (12) The name and address of each campaign committee, political committee, candidate  
98 committee, or continuing committee for which such person or any corporation listed on such  
99 person's financial interest statement received payment; and

100 (13) For members of the general assembly or any statewide elected public official, their  
101 spouses, and their dependent children, whether any state tax credits were claimed on the  
102 member's, spouse's, or dependent child's most recent state income tax return.

103 3. For the purposes of subdivisions (1), (2) and (3) of subsection 2 of this section, an  
104 individual shall be deemed to have received a salary from his employer or income from any  
105 source at the time when he shall receive a negotiable instrument whether or not payable at a later  
106 date and at the time when under the practice of his employer or the terms of an agreement he has  
107 earned or is entitled to anything of actual value whether or not delivery of the value is deferred  
108 or right to it has vested. The term income as used in this section shall have the same meaning  
109 as provided in the Internal Revenue Code of 1986, and amendments thereto, as the same may be  
110 or becomes effective, at any time or from time to time for the taxable year, provided that income  
111 shall not be considered received or earned for purposes of this section from a partnership or sole  
112 proprietorship until such income is converted from business to personal use.

113 4. Each official, officer or employee or candidate of any political subdivision described  
114 in subdivision (11) of section 105.483 shall be required to file a financial interest statement as  
115 required by subsection 2 of this section, unless the political subdivision biennially adopts an  
116 ordinance, order or resolution at an open meeting by September fifteenth of the preceding year,  
117 which establishes and makes public its own method of disclosing potential conflicts of interest  
118 and substantial interests and therefore excludes the political subdivision or district and its  
119 officers and employees from the requirements of subsection 2 of this section. A certified copy  
120 of the ordinance, order or resolution shall be sent to the commission within ten days of its  
121 adoption. The commission shall assist any political subdivision in developing forms to complete

122 the requirements of this subsection. The ordinance, order or resolution shall contain, at a  
123 minimum, the following requirements with respect to disclosure of substantial interests:

124 (1) Disclosure in writing of the following described transactions, if any such transactions  
125 were engaged in during the calendar year:

126 (a) For such person, and all persons within the first degree of consanguinity or affinity  
127 of such person, the date and the identities of the parties to each transaction with a total value in  
128 excess of five hundred dollars, if any, that such person had with the political subdivision, other  
129 than compensation received as an employee or payment of any tax, fee or penalty due to the  
130 political subdivision, and other than transfers for no consideration to the political subdivision;

131 (b) The date and the identities of the parties to each transaction known to the person with  
132 a total value in excess of five hundred dollars, if any, that any business entity in which such  
133 person had a substantial interest, had with the political subdivision, other than payment of any  
134 tax, fee or penalty due to the political subdivision or transactions involving payment for  
135 providing utility service to the political subdivision, and other than transfers for no consideration  
136 to the political subdivision;

137 (2) The chief administrative officer and chief purchasing officer of such political  
138 subdivision shall disclose in writing the information described in subdivisions (1), (2) and (6)  
139 of subsection 2 of this section;

140 (3) Disclosure of such other financial interests applicable to officials, officers and  
141 employees of the political subdivision, as may be required by the ordinance or resolution;

142 (4) Duplicate disclosure reports made pursuant to this subsection shall be filed with the  
143 commission and the governing body of the political subdivision. The clerk of such governing  
144 body shall maintain such disclosure reports available for public inspection and copying during  
145 normal business hours.

**169.023. All board members appointed under section 169.020 shall file financial  
2 interest statements under section 105.483, RSMo.**

**169.024. 1. The system shall not pay for gasoline use related to personal mileage  
2 by a person working for the system or a board member using company vehicles. If a  
3 person working for the system or a board member violates this section, the cost of the  
4 gasoline shall be reimbursed to the system.**

**5 2. The system shall not pay or reimburse a person working for the system or a  
6 board member for alcoholic beverages.**

**169.025. The board shall create a subcommittee to review travel reimbursement  
2 policies. The subcommittee shall ensure travel decisions will not result in higher travel  
3 expenses, ultimately increasing members' costs.**

169.612. All board members appointed under section 169.020 shall file financial  
2 interest statements under section 105.483, RSMo.

169.613. 1. The system shall not pay for gasoline use related to personal mileage  
2 by a person working for the system or a board member using company vehicles. If a  
3 person working for the system or a board member violates this section, the cost of the  
4 gasoline shall be reimbursed to the system.

5 2. The system shall not pay or reimburse a person working for the system or a  
6 board member for alcoholic beverages.

169.614. The board shall create a subcommittee to review travel reimbursement  
2 policies. The subcommittee shall ensure travel decisions will not result in higher travel  
3 expenses, ultimately increasing members' costs.

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