

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 849

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE PFAUTSCH.

1792H.01P

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 50.740 and 105.145, RSMo, and to enact in lieu thereof two new sections relating to the reporting of financial transactions, with a penalty provision.

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

Section A. Sections 50.740 and 105.145, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 50.740 and 105.145, to read as follows:

50.740. 1. It is hereby made the first duty of the county commission in counties of classes three and four at its regular January term to go over the estimates and revise and amend the same in such way as to promote efficiency and economy in county government. The commission may alter or change any estimate as public interest may require and to balance the budget, first giving the person preparing supporting data an opportunity to be heard. After the county commission shall have revised the estimate it shall be the duty of the clerk of said commission forthwith to enter such revised estimate on the record of the said commission and the commission shall forthwith enter thereon its approval.

2. The county clerk shall within five days after the date of approval of such budget estimate file a certified copy thereof with the county treasurer, taking a receipt therefor, and he shall also forward a certified copy thereof to the state auditor by registered mail **or by electronic means under subsection 4 of this section**. The county treasurer shall not pay nor enter protest on any warrant except payroll for the current year until such budget estimate shall have been so filed. If any county treasurer shall pay or enter for protest any warrant except payroll before the budget estimate shall have been filed, as by sections 50.525 to 50.745 provided, the county

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.

16 treasurer shall be liable on the official bond for such act. Immediately upon receipt of the  
17 estimated budget the state auditor shall send to the county clerk the receipt therefor by registered  
18 mail **or by electronic means under subsection 4 of this section.**

19 3. Any order of the county commission of any county authorizing or directing the  
20 issuance of any warrant contrary to any provision of this law shall be void and of no binding  
21 force or effect; and any county clerk, county treasurer, or other officer participating in the  
22 issuance or payment of any such warrant shall be liable therefor upon the official bond.

23 **4. For the purposes of fulfilling their respective requirements under subsection 2**  
24 **of this section, the county clerk and state auditor may correspond with the other by email**  
25 **or other electronic system established by the state auditor for that purpose.**

105.145. 1. The following definitions shall be applied to the terms used in this section:

2 (1) "Governing body", the board, body, or persons in which the powers of a political  
3 subdivision as a body corporate, or otherwise, are vested;

4 (2) "Political subdivision", any agency or unit of this state, except counties and school  
5 districts, which now is, or hereafter shall be, authorized to levy taxes or empowered to cause  
6 taxes to be levied.

7 2. The governing body of each political subdivision in the state shall cause to be  
8 prepared an annual report of the financial transactions of the political subdivision in such  
9 summary form as the state auditor shall prescribe by rule, except that the annual report of  
10 political subdivisions whose cash receipts for the reporting period are ten thousand dollars or less  
11 shall only be required to contain the cash balance at the beginning of the reporting period, a  
12 summary of cash receipts, a summary of cash disbursements and the cash balance at the end of  
13 the reporting period.

14 3. Within such time following the end of the fiscal year as the state auditor shall  
15 prescribe by rule, the governing body of each political subdivision shall cause a copy of the  
16 annual financial report to be remitted to the state auditor.

17 4. The state auditor shall immediately on receipt of each financial report acknowledge  
18 the receipt of the report.

19 5. In any fiscal year no member of the governing body of any political subdivision of the  
20 state shall receive any compensation or payment of expenses after the end of the time within  
21 which the financial statement of the political subdivision is required to be filed with the state  
22 auditor and until such time as the notice from the state auditor of the filing of the annual financial  
23 report for the fiscal year has been received.

24 6. The state auditor shall prepare sample forms for financial reports and shall mail the  
25 same to the political subdivisions of the state. Failure of the auditor to supply such forms shall  
26 not in any way excuse any person from the performance of any duty imposed by this section.

27 7. All reports or financial statements hereinabove mentioned shall be considered to be  
28 public records.

29 8. The provisions of this section apply to the board of directors of every transportation  
30 development district organized under sections 238.200 to 238.275.

31 9. Any ~~[transportation development district]~~ **political subdivision** that fails to timely  
32 submit a copy of the annual financial statement to the state auditor shall be subject to a fine of  
33 five hundred dollars per day.

34 ~~[9]~~ 10. The state auditor shall report any violation of subsection ~~[8]~~ 9 of this section to  
35 the department of revenue. Upon notification from the state auditor's office that a ~~[transportation~~  
36 ~~development district]~~ **political subdivision** failed to timely submit a copy of the annual financial  
37 statement, the department of revenue shall notify such ~~[district]~~ **political subdivision** by certified  
38 mail that the statement has not been received. Such notice shall clearly set forth the following:

39 (1) The name of the ~~[district]~~ **political subdivision**;

40 (2) That the ~~[district]~~ **political subdivision** shall be subject to a fine of five hundred  
41 dollars per day if the ~~[district]~~ **political subdivision** does not submit a copy of the annual  
42 financial statement to the state auditor's office within thirty days from the postmarked date  
43 stamped on the certified mail envelope;

44 (3) That the fine will be enforced and collected as provided under subsection ~~[10]~~ 11 of  
45 this section; and

46 (4) That the fine will begin accruing on the thirty-first day from the postmarked date  
47 stamped on the certified mail envelope and will continue to accrue until the state auditor's office  
48 receives a copy of the financial statement.

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50 In the event a copy of the annual financial statement is received within such thirty-day period,  
51 no fine shall accrue or be imposed. The state auditor shall report receipt of the financial  
52 statement to the department of revenue within ten business days. Failure of the ~~[district]~~  
53 **political subdivision** to submit the required annual financial statement within such thirty-day  
54 period shall cause the fine to be collected as provided under subsection ~~[10]~~ 11 of this section.

55 ~~[10]~~ 11. The department of revenue may collect the fine authorized under the provisions  
56 of subsection ~~[8]~~ 9 of this section by offsetting any sales or use tax distributions due to the  
57 ~~[district]~~ **political subdivision**. The director of revenue shall retain two percent for the cost of  
58 such collection. The remaining revenues collected from such violations shall be distributed  
59 annually to the schools of the county in the same manner that proceeds for all penalties,  
60 forfeitures, and fines collected for any breach of the penal laws of the state are distributed.

61 ~~[11]~~ 12. Any transportation development district organized under sections 238.200 to  
62 238.275 having gross revenues of less than five thousand dollars in the fiscal year for which the

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63 annual financial statement was not timely filed shall not be subject to the fine authorized in this  
64 section.

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