

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 724

101ST GENERAL ASSEMBLY
2022

4303S.03T

AN ACT

To repeal sections 50.800, 50.810, 50.815, 50.820, and 105.145, RSMo, and to enact in lieu thereof four new sections relating to financial statements of political subdivisions, with penalty provisions.

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

Section A. Sections 50.800, 50.810, 50.815, 50.820, and
2 105.145, RSMo, are repealed and four new sections enacted in
3 lieu thereof, to be known as sections 50.815, 50.820, 105.145,
4 and 164.450, to read as follows:

50.815. 1. On or before [the first Monday in March]
2 **June thirtieth** of each year, the county commission of each
3 county of the first [class not having a charter form of
4 government], **second, third, or fourth classification** shall,
5 with the assistance of the county clerk **or other officer**
6 **responsible for the preparation of the financial statement**,
7 prepare and publish in some newspaper of general circulation
8 published in the county, **as provided under section 493.050**,
9 a financial statement of the county for the year ending the
10 preceding December thirty-first.

11 2. The financial statement shall show at least the
12 following:

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

- 13 (1) A summary of the receipts of each fund of the
14 county for the year;
- 15 (2) A summary of the disbursements and transfers of
16 each fund of the county for the year;
- 17 (3) A statement of the cash balance at the beginning
18 and at the end of the year for each fund of the county;
- 19 (4) A summary of delinquent taxes and other due bills
20 for each fund of the county;
- 21 (5) A summary of warrants of each fund of the county
22 outstanding at the end of the year;
- 23 (6) A statement of bonded indebtedness, if any, at the
24 beginning and at the end of the year for each fund of the
25 county; [and]
- 26 (7) A statement of the tax levies of each fund of the
27 county for the year; **and**
- 28 **(8) The name, office, and current gross annual salary**
29 **of each elected or appointed county official.**
- 30 3. The financial statement need not show specific
31 disbursements, warrants issued, or the names of specific
32 payees **except to comply with subdivision (8) of subsection 2**
33 **of this section**, but every individual warrant, voucher,
34 receipt, court order and all other items, records, documents
35 and other information which are not specifically required to
36 be retained by the officer having initial charge thereof
37 [and which would be required to be included in or to
38 construct a financial statement in the form prescribed for
39 other counties by section 50.800] shall be filed on or
40 before the date of publication of the financial statement
41 prescribed by subsection 1 **of this section** in the office of
42 the county clerk[, and]. The county clerk **or other officer**
43 **responsible for the preparation of the financial statement**
44 shall preserve the same, **shall provide an electronic copy of**

45 **the data used to create the financial statement without**
 46 **charge to any newspaper requesting a copy of such data,** and
 47 shall cause the same to be available for inspection during
 48 normal business hours on the request of any person, for a
 49 period of five years following the date of filing in his **or**
 50 **her** office, after which five-year period these records may
 51 be disposed of according to law unless they are the subject
 52 of a legal suit pending at the expiration of that period.

53 4. At the end of the financial statement, each
 54 commissioner of the county commission and the county clerk
 55 shall sign and append the following certificate:

56 We, _____ , _____ , and _____ , duly
 57 elected commissioners of the county commission of
 58 _____ County, Missouri, and I, _____
 59 _____ , county clerk of that county, certify that the above
 60 and foregoing is a complete and correct statement of
 61 every item of information required in section 50.815
 62 for the year ending December 31, [19] 20 _____ , and
 63 we have checked every receipt from every source and
 64 every disbursement of every kind and to whom and for
 65 what each disbursement was made, and each receipt and
 66 disbursement is accurately included in the above and
 67 foregoing totals. (If for any reason complete and
 68 accurate information is not given the following shall
 69 be added to the certificate.) Exceptions: the above
 70 report is incomplete because proper information was not
 71 available in the following records _____ which are
 72 in the keeping of the following officer or officers
 73 _____ .

74 Date _____

75 _____
 76 _____
 77 _____

78 Commissioners, County Commission

79 _____

80

County Clerk

81 5. Any person falsely certifying to any fact covered
82 by the certificate is liable on his **or her** bond and is
83 guilty of a misdemeanor and, on conviction thereof, shall be
84 punished by a fine of not less than two hundred dollars or
85 more than one thousand dollars, or by confinement in the
86 county jail for a period of not less than thirty days nor
87 more than six months, or by both such fine and confinement.
88 Any person charged with preparing the financial report who
89 willfully or knowingly makes a false report of any record
90 is, in addition to the penalties otherwise provided for in
91 this section, guilty of a felony, and upon conviction
92 thereof shall be sentenced to imprisonment by the division
93 of corrections for a term of not less than two years nor
94 more than five years.

95 [6. The provisions of sections 50.800 and 50.810 do
96 not apply to counties of the first class not having a
97 charter form of government, except as provided in subsection
98 3 of this section.]

 50.820. 1. The statement required by section 50.815
2 shall be set in the standard column width measure which will
3 take the least space and the publisher shall file two proofs
4 of publication with the county commission and the commission
5 shall forward one proof to the state auditor and shall file
6 the other in the office of the commission. **As required**
7 **under section 493.025, a newspaper publishing the statement**
8 **shall charge and receive no more than its regular local**
9 **classified advertising rate, which shall be the rate on the**
10 **newspaper's rate schedule that was offered to the public**
11 **thirty days before the publication of the statement.** The
12 county commission shall [not] pay the publisher [until] upon

13 **the filing of** proof of publication **[is filed]** with the
14 commission **[and]**. **After verification**, the state auditor
15 **[notifies]** **shall notify** the commission that proof of
16 publication has been received and that it complies with the
17 requirements of this section.

18 2. The statement shall be spread on the record of the
19 commission and for this purpose the publisher shall be
20 required to furnish the commission with at least two copies
21 of the statement which may be **[pasted on]** **placed in** the
22 record.

23 3. The state auditor shall notify the county treasurer
24 immediately of the receipt of the proof of publication of
25 the statement. After the first day of **[April]** **July** of each
26 year the county treasurer shall not pay or enter for protest
27 any warrant for the pay of any of the county commission
28 until notice is received from the state auditor that the
29 required proof of publication has been filed. **[Any county**
30 **treasurer paying or entering for protest any warrant for any**
31 **commissioner of the county commission prior to the receipt**
32 **of such notice from the state auditor shall be liable**
33 **therefor on his official bond.]**

34 4. The state auditor shall prepare sample forms for
35 financial statements required by section 50.815 and shall
36 **[mail]** **provide** the same to the county clerk of each county
37 of the first **[class not having a charter form of**
38 **government]**, **second, third, or fourth classification** in this
39 state, but failure of the auditor to supply such forms shall
40 not in any way excuse any person from the performance of any
41 duty imposed by this section or by section 50.815. If any
42 county officer fails, neglects, or refuses to comply with
43 the provisions of this section or section 50.815 **[he]**, **the**
44 **county officer** shall, in addition to other penalties

45 provided by law, be liable on his **or her** official bond for
46 dereliction of duty.

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

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

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

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

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

25 4. The state auditor shall immediately on receipt of
26 each financial report acknowledge the receipt of the report.

27 5. In any fiscal year no member of the governing body
28 of any political subdivision of the state shall receive any
29 compensation or payment of expenses after the end of the
30 time within which the financial statement of the political

31 subdivision is required to be filed with the state auditor
32 and until such time as the notice from the state auditor of
33 the filing of the annual financial report for the fiscal
34 year has been received.

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

40 7. All reports or financial statements hereinabove
41 mentioned shall be considered to be public records.

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

45 9. Any political subdivision that fails to timely
46 submit a copy of the annual financial statement to the state
47 auditor shall be subject to a fine of five hundred dollars
48 per day.

49 10. The state auditor shall report any violation of
50 subsection 9 of this section to the department of revenue.
51 Upon notification from the state auditor's office that a
52 political subdivision failed to timely submit a copy of the
53 annual financial statement, the department of revenue shall
54 notify such political subdivision by certified mail that the
55 statement has not been received. Such notice shall clearly
56 set forth the following:

- 57 (1) The name of the political subdivision;
- 58 (2) That the political subdivision shall be subject to
59 a fine of five hundred dollars per day if the political
60 subdivision does not submit a copy of the annual financial
61 statement to the state auditor's office within thirty days

62 from the postmarked date stamped on the certified mail
63 envelope;

64 (3) That the fine will be enforced and collected as
65 provided under subsection 11 of this section; and

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

70 In the event a copy of the annual financial statement is
71 received within such thirty-day period, no fine shall accrue
72 or be imposed. The state auditor shall report receipt of
73 the financial statement to the department of revenue within
74 ten business days. Failure of the political subdivision to
75 submit the required annual financial statement within such
76 thirty-day period shall cause the fine to be collected as
77 provided under subsection 11 of this section.

78 11. The department of revenue may collect the fine
79 authorized under the provisions of subsection 9 of this
80 section by offsetting any sales or use tax distributions due
81 to the political subdivision. The director of revenue shall
82 retain two percent for the cost of such collection. The
83 remaining revenues collected from such violations shall be
84 distributed annually to the schools of the county in the
85 same manner that proceeds for all penalties, forfeitures,
86 and fines collected for any breach of the penal laws of the
87 state are distributed.

88 12. Any [transportation development district organized
89 under sections 238.200 to 238.275 having] **political**
90 **subdivision that has** gross revenues of less than five
91 thousand dollars **or that has not levied or collected sales**
92 **or use taxes** in the fiscal year for which the annual

93 financial statement was not timely filed shall not be
94 subject to the fine authorized in this section.

95 13. If a failure to timely submit the annual financial
96 statement is the result of fraud or other illegal conduct by
97 an employee or officer of the political subdivision, the
98 political subdivision shall not be subject to a fine
99 authorized under this section if the statement is filed
100 within thirty days of the discovery of the fraud or illegal
101 conduct. If a fine is assessed and paid prior to the filing
102 of the statement, the department of revenue shall refund the
103 fine upon notification from the political subdivision.

104 14. If a political subdivision has an outstanding
105 balance for fines or penalties at the time it files its
106 first annual financial statement after January 1, 2022, the
107 director of revenue shall make a one-time downward
108 adjustment to such outstanding balance in an amount that
109 reduces the outstanding balance by no less than ninety
110 percent.

111 15. The director of revenue shall have the authority
112 to make a one-time downward adjustment to any outstanding
113 penalty imposed under this section on a political
114 subdivision if the director determines the fine is
115 uncollectable. The director of revenue may prescribe rules
116 and regulations necessary to carry out the provisions of
117 this subsection. Any rule or portion of a rule, as that
118 term is defined in section 536.010, that is created under
119 the authority delegated in this section shall become
120 effective only if it complies with and is subject to all of
121 the provisions of chapter 536 and, if applicable, section
122 536.028. This section and chapter 536 are nonseverable, and
123 if any of the powers vested with the general assembly
124 pursuant to chapter 536 to review, to delay the effective

125 date, or to disapprove and annul a rule are subsequently
126 held unconstitutional, then the grant of rulemaking
127 authority and any rule proposed or adopted after August 28,
128 2021, shall be invalid and void.

164.450. 1. Any school district located in whole or
2 in part in any county with more than four hundred thousand
3 but fewer than five hundred thousand inhabitants that
4 receives voter approval for the issuance of bonds under this
5 chapter shall maintain a detailed accounting of each and
6 every expenditure by the school district for the moneys
7 generated by such issuance. Any such school district shall
8 be required to maintain a budget for each project approved
9 by the school district using moneys from the issuance of
10 bonds. Such budget shall detail the exact cost of the
11 project and the source of all moneys used to fund the
12 project. All information required under this subsection
13 regarding expenditures and budgets shall be maintained and
14 updated on the website of the school district and shall be
15 publicly available.

16 2. Continuation of any project undertaken by a school
17 district as described under subsection 1 of this section
18 shall be halted immediately upon exceeding the budgeted
19 amount of moneys to complete such project by more than ten
20 percent. The continuation of any such project described
21 under this subsection shall not occur until such time as the
22 school district receives voter approval under this chapter
23 for the issuance of further bonded indebtedness specifically
24 for such project.

25 3. Any taxpayer residing within a school district that
26 violates the provisions of this section may seek, and a
27 court shall order, injunctive relief against such school

28 district in any court of competent jurisdiction to enforce
29 the provisions of this section.

[50.800. 1. On or before the first Monday
2 in March of each year, the county commission of
3 each county of the second, third, or fourth
4 class shall prepare and publish in some
5 newspaper as provided for in section 493.050, if
6 there is one, and if not by notices posted in at
7 least ten places in the county, a detailed
8 financial statement of the county for the year
9 ending December thirty-first, preceding.

10 2. The statement shall show the bonded
11 debt of the county, if any, kind of bonds, date
12 of maturity, interest rate, rate of taxation
13 levied for interest and sinking fund and
14 authority for the levy, the total amount of
15 interest and sinking fund that has been
16 collected and interest and sinking fund on hand
17 in cash.

18 3. The statement shall also show
19 separately the total amount of the county and
20 township school funds on hand and loaned out,
21 the amount of penalties, fines, levies,
22 utilities, forfeitures, and any other taxes
23 collected and disbursed or expended during the
24 year and turned into the permanent school fund,
25 the name of each person who has a loan from the
26 permanent school fund, whether county or
27 township, the amount of the loan, date loan was
28 made and date of maturity, description of the
29 security for the loan, amount, if any, of
30 delinquent interest on each loan.

31 4. The statement shall show the total
32 valuation of the county for purposes of
33 taxation, the highest rate of taxation the
34 constitution permits the county commission to
35 levy for purposes of county revenue, the rate
36 levied by the county commission for the year
37 covered by the statement, division of the rate
38 levied among the several funds and total amount
39 of delinquent taxes for all years as of December
40 thirty-first.

41 5. The statement shall show receipts or
42 revenues into each and every fund separately.
43 Each fund shall show the beginning balance of
44 each fund; each source of revenue; the total
45 amount received from each source of revenue; the
46 total amount available in each fund; the total
47 amount of disbursements or expenditures from
48 each fund and the ending balance of each fund as
49 of December thirty-first. The total receipts or
50 revenues for the year into all funds shall be
51 shown in the recapitulation. In counties with
52 the township form of government, each township

53 shall be considered a fund pursuant to this
54 subsection.

55 6. Total disbursements or expenditures
56 shall be shown for warrants issued in each
57 category contained in the forms developed or
58 approved by the state auditor pursuant to
59 section 50.745. Total amount of warrants,
60 person or vendor to whom issued and purpose for
61 which issued shall be shown except as herein
62 provided. Under a separate heading in each fund
63 the statements shall show what warrants are
64 outstanding and unpaid for the lack of funds on
65 that date with appropriate balance or overdraft
66 in each fund as the case may be.

67 7. Warrants issued to pay for the service
68 of election judges and clerks of elections shall
69 be in the following form:

70 Names of judges and clerks of elections at
71 \$ per day (listing the names run in and
72 not listing each name by lines, and at the end
73 of the list of names giving the total of the
74 amount of all the warrants issued for such
75 election services).

76 8. Warrants issued to pay for the service
77 of jurors shall be in the following form:

78 Names of jurors at \$ per day (listing
79 the names run in and not listing each name by
80 lines, and at the end of the list of names
81 giving the total of the amount of all the
82 warrants issued for such election service).

83 9. Warrants to Internal Revenue Service
84 for Social Security and withholding taxes shall
85 be brought into one call.

86 10. Warrants to the director of revenue of
87 Missouri for withholding taxes shall be brought
88 into one call.

89 11. Warrants to the division of employment
90 security shall be brought into one call.

91 12. Warrants to Missouri local government
92 employees' retirement system or other retirement
93 funds for each office shall be brought into one
94 call.

95 13. Warrants for utilities such as gas,
96 water, lights and power shall be brought into
97 one call except that the total shall be shown
98 for each vendor.

99 14. Warrants issued to each telephone
100 company shall be brought into one call for each
101 office in the following form:

102 (Name of Telephone Company for
103 office and total amount of warrants issued).

104 15. Warrants issued to the postmaster for
105 postage shall be brought into one call for each
106 office in the following form:

107 (Postmaster for office and total
108 amount of warrants issued).

109 16. Disbursements or expenditures by road
110 districts shall show the warrants, if warrants
111 have been issued in the same manner as provided
112 for in subsection 5 of this section. If money
113 has been disbursed or expended by overseers the
114 financial statement shall show the total paid by
115 the overseer to each person for the year, and
116 the purpose of each payment. Receipts or
117 revenues into the county distributive school
118 fund shall be listed in detail, disbursements or
119 expenditures shall be listed and the amount of
120 each disbursement or expenditure. If any taxes
121 have been levied by virtue of Section 12(a) of
122 Article X of the Constitution of Missouri the
123 financial statement shall contain the following:

124 By virtue and authority of the
125 discretionary power conferred upon the county
126 commissions of the several counties of this
127 state to levy a tax of not to exceed 35 cents on
128 the \$100 assessed valuation the county
129 commission of _____ County did for the year
130 covered by this report levy a tax rate of _____
131 cents on the \$100 assessed valuation which said
132 tax amounted to \$ _____ and was disbursed or
133 expended as follows:

134 The statement shall show how the money was
135 disbursed or expended and if any part of the sum
136 has not been accounted for in detail under some
137 previous appropriate heading the portion not
138 previously accounted for shall be shown in
139 detail.

140 17. At the end of the statement the person
141 designated by the county commission to prepare
142 the financial statement herein required shall
143 append the following certificate:

144 I, _____, the duly authorized agent
145 appointed by the county commission of _____
146 County, state of Missouri, to
147 prepare for publication the financial
148 statement as required by section 50.800,
149 RSMo, hereby certify that I have diligently
150 checked the records of the county and that
151 the above and foregoing is a complete and
152 correct statement of every item of _____
153 information required in section 50.800,
154 RSMo, for the year ending December 31, _____
155 _____, and especially have I checked every
156 receipt from every source whatsoever and
157 every disbursement or expenditure of every
158 kind and to whom and for what each such
159 disbursement or expenditure was made and
160 that each receipt or revenue and _____
161 disbursement or expenditure is accurately
162 shown. (If for any reason complete and
163 accurate information is not given the
164 following shall be added to the _____
165 certificate.) Exceptions: The above report
166 is incomplete because proper information
167

168 was not available in the following records
169 which are in the keeping of the
170 following officer or officers. The person
171 designated to prepare the financial
172 statement shall give in detail any
incomplete data called for by this section.
173 Date _____

174 Officer designated by county commission to
175 prepare financial statement required by
176 section 50.800, RSMo.

177 Or if no one has been designated said statement
178 having been prepared by the county clerk,
179 signature shall be in the following form:
180 Clerk of the county commission and ex
181 officio officer designated to prepare financial
182 statement required by section 50.800, RSMo.
183 18. Any person falsely certifying to any
184 fact covered by the certificate is liable on his
185 bond and upon conviction of falsely certifying
186 to any fact covered by the certificate is guilty
187 of a misdemeanor and punishable by a fine of not
188 less than two hundred dollars or more than one
189 thousand dollars or by imprisonment in the
190 county jail for not less than thirty days nor
191 more than six months or by both fine and
192 imprisonment. Any person charged with the
193 responsibility of preparing the financial report
194 who willfully or knowingly makes a false report
195 of any record, is, in addition to the penalty
196 otherwise provided for in this law, deemed
197 guilty of a felony and upon conviction shall be
198 sentenced to the penitentiary for not less than
199 two years nor more than five years.]

[50.810. 1. The statement shall be
2 printed in not less than 8-point type, but not
3 more than the smallest point type over 8-point
4 type available and in the standard column width
5 measure that will take the least space. The
6 publisher shall file two proofs of publication
7 with the county commission and the commission
8 shall forward one proof to the state auditor and
9 shall file the other in the office of the
10 commission. The county commission shall not pay
11 the publisher until proof of publication is
12 filed with the commission and shall not pay the
13 person designated to prepare the statement for
14 the preparation of the copy for the statement
15 until the state auditor notifies the commission
16 that proof of publication has been received and
17 that it complies with the requirements of this
18 section.]

19 2. The statement shall be spread on the
20 record of the commission and for this purpose
21 the publisher shall be required to furnish the

22 commission with at least two copies of the
23 statement that may be pasted on the record. The
24 publisher shall itemize the cost of publishing
25 said statement by column inch as properly
26 chargeable to the several funds and shall submit
27 such costs for payment to the county
28 commission. The county commission shall pay out
29 of each fund in the proportion that each item
30 bears to the total cost of publishing said
31 statement and shall issue warrants therefor;
32 provided any part not properly chargeable to any
33 specific fund shall be paid from the county
34 general revenue fund.

35 3. The state auditor shall notify the
36 county treasurer immediately of the receipt of
37 the proof of publication of the statement.
38 After the first of April of each year the county
39 treasurer shall not pay or enter for protest any
40 warrant for the pay of any commissioner of any
41 county commission until notice is received from
42 the state auditor that the required proof of
43 publication has been filed. Any county
44 treasurer paying or entering for protest any
45 warrant for any commissioner of the county
46 commission prior to the receipt of such notice
47 from the state auditor shall be liable on his
48 official bond therefor.

49 4. The state auditor shall prepare sample
50 forms for financial statements and shall mail
51 the same to the county clerks of the several
52 counties in this state. If the county
53 commission employs any person other than a
54 bonded county officer to prepare the financial
55 statement the county commission shall require
56 such person to give bond with good and
57 sufficient sureties in the penal sum of one
58 thousand dollars for the faithful performance of
59 his duty. If any county officer or other person
60 employed to prepare the financial statement
61 herein provided for shall fail, neglect, or
62 refuse to, in any manner, comply with the
63 provisions of this law he shall, in addition to
64 other penalties herein provided, be liable on
65 his official bond for dereliction of duty.]

✓