

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 762

100TH GENERAL ASSEMBLY

0846H.04P

DANA RADEMAN MILLER, Chief Clerk

---

## AN ACT

To repeal section 139.250, RSMo, and to enact in lieu thereof ten new sections relating to the Missouri municipal government expenditure database, with penalty provisions.

---

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

Section A. Section 139.250, RSMo, is repealed and ten new sections enacted in lieu thereof, to be known as sections 37.1090, 37.1091, 37.1092, 37.1093, 37.1094, 37.1095, 37.1096, 37.1097, 37.1098, and 139.250, to read as follows:

**37.1090. As used in sections 37.1090 to 37.1098, the following terms mean:**

(1) "Expenditure", any monetary payment from a municipality to any vendor including, but not limited to, a payment, distribution, loan, advance, reimbursement, deposit, or gift;

(2) "Municipality", a city, town, or village that is incorporated in accordance with the laws of this state;

(3) "State entity", the general assembly; the supreme court of Missouri; the office of an elected state official; or an agency, board, commission, department, institution, instrumentality, office, or other governmental entity of this state, excluding municipalities, institutions of higher education, and any public employee retirement system;

(4) "Vendor", any person, partnership, corporation, association, organization, state entity, independent contractor, or other party that either:

(a) Sells, leases, or otherwise provides equipment, materials, goods, supplies, or services to a municipality; or

(b) Receives reimbursement from a municipality for any expense.

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.

37.1091. The "Missouri Municipal Government Expenditure Database" is hereby  
2 created and shall be maintained on the Missouri accountability portal, established under  
3 section 37.850, by the office of administration. The database shall be available on the office  
4 of administration website and shall include information about expenditures made during  
5 each fiscal year that begins after December 31, 2021. The database shall be accessible by  
6 members of the public without charge.

37.1092. For each expenditure, the Missouri municipal government expenditure  
2 database shall include the following information:

- 3 (1) The amount of the expenditure;
- 4 (2) The date the expenditure was paid;
- 5 (3) The vendor to whom the expenditure was paid, unless the disclosure of the  
6 vendor's name would violate a confidentiality requirement, in which case the vendor may  
7 be listed as confidential;
- 8 (4) The purpose of the expenditure; and
- 9 (5) The municipality that made the expenditure or requested the expenditure be  
10 made.

37.1093. The Missouri municipal government expenditure database shall provide:

- 2 (1) A database of all expenditures; and
- 3 (2) The ability to download information.

37.1094. 1. Each municipality shall provide electronically transmitted information  
2 to the office of administration, in a format the office requires, for inclusion in the Missouri  
3 municipal government expenditure database regarding each of the municipality's  
4 expenditures biannually. Information regarding the first half of the calendar year shall  
5 be submitted before July thirty-first of such year. Information regarding the second half  
6 of the calendar year shall be submitted before January thirtieth of the year immediately  
7 following such year. No submission shall be required for any expenditures incurred before  
8 January 1, 2022. The office of administration shall provide each municipality with a  
9 template in the format described in section 37.1092 for the purpose of uploading the data.  
10 The office of administration shall have the authority to grant the municipality access for  
11 the purpose of uploading the data.

12 2. Any municipality that fails to timely submit the required expenditure  
13 information to the office of administration shall be subject to a fine of one hundred dollars  
14 per day.

15 3. The office of administration shall report any violation of this section to the  
16 department of revenue. Upon notification from the office of administration that a  
17 municipality failed to timely submit expenditure information as required under this

18 section, the department of revenue shall notify the municipality, by certified mail, that the  
19 expenditure information has not been received. Such notice shall clearly state:

20 (1) The name of the municipality;

21 (2) That the municipality shall be subject to a fine of one hundred dollars per day  
22 if the municipality does not submit the expenditure information to the office of  
23 administration before the thirtieth day following the postmarked date stamped on the  
24 certified mail envelope;

25 (3) That the fine will be enforced and collected as provided under subsection 4 or  
26 5 of section 37.1094; and

27 (4) That the fine will begin accruing on the thirtieth day following the postmarked  
28 date stamped on the certified mail envelope and will continue to accrue until the office of  
29 administration receives the information.

30

31 In the event the expenditure information is received within thirty days of the postmarked  
32 date of the notice, no fine shall accrue or be imposed. The office of administration shall  
33 report receipt of the expenditure information to the department of revenue within ten  
34 business days. Failure of the municipality to submit the required expenditure information  
35 within thirty days of the postmarked date of the notice shall cause the fine to be collected  
36 as provided under subsection 4 or 5 of this section.

37 4. If a municipality collects a sales and use tax, the department of revenue may  
38 collect the fine authorized under the provisions of subsection 2 of this section by offsetting  
39 any sales or use tax distributions owed to the municipality. The fine shall not exceed ten  
40 percent of the total annual sales and use taxes collected by the municipality in the  
41 preceding calendar year. The director of revenue shall retain two percent for the cost of  
42 such collection. The remaining revenues collected from such violations shall be distributed  
43 annually to the schools of the county in the same manner that proceeds for all penalties,  
44 forfeitures, and fines collected for any breach of the penal laws of the state are distributed.

45 5. If a municipality does not collect a sales and use tax, the department of revenue  
46 shall send a copy of the letter of notification of noncompliance to the county that has taxing  
47 authority for the municipality. The county may collect the fine authorized under the  
48 provisions of subsection 2 of this section by withholding taxes collected on behalf of the  
49 municipality. The fine shall not exceed ten percent of the total taxes collected by the county  
50 on behalf of the municipality in the preceding calendar year. The county may retain two  
51 percent of the withheld taxes. The remaining revenues collected from such violations shall  
52 be distributed annually to the schools of the county in the same manner that proceeds for

53 all penalties, forfeitures, and fines collected for any breach of the penal laws of the state  
54 are distributed.

55 6. If a municipality fails to satisfy the reporting requirements of sections 37.1090  
56 to 37.1098 within one year of receiving notification under subsection 3 of this section, the  
57 municipality shall be subject to dissolution.

37.1095. No later than one year after the Missouri municipal government  
2 expenditure database is implemented, the office of administration shall provide, on the  
3 office of administration website, an opportunity for public comment on the utility of the  
4 database.

37.1096. The Missouri municipal government expenditure database shall not  
2 include any confidential information or any information that is not a public record under  
3 the laws of this state. However, the state shall not be liable for the disclosure of a record  
4 in the Missouri municipal government expenditure database that is confidential  
5 information or is not a public record under the laws of this state.

37.1097. Each municipality that has a website shall display on its website a  
2 prominent internet link to the Missouri municipal government expenditure database.

37.1098. The office of administration may adopt rules to implement the provisions  
2 of sections 37.1090 to 37.1098. Any rule or portion of a rule, as that term is defined in  
3 section 536.010, that is created under the authority delegated in this section shall become  
4 effective only if it complies with and is subject to all of the provisions of chapter 536 and,  
5 if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any  
6 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay  
7 the effective date, or to disapprove and annul a rule are subsequently held  
8 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted  
9 after August 28, 2019, shall be invalid and void.

139.250. 1. If any collector or collector-treasurer fails to make payment of the amount  
2 due from him or her on settlement, or in the time and manner prescribed by law, he or she and  
3 his or her sureties shall be liable to pay, as a penalty, ten percent a month on the amount  
4 wrongfully withheld, to be computed from the time the amount ought to have been paid until  
5 actual payment. This section shall apply to all revenue collections made by him or her, whether  
6 for state, county, city, town, district or school taxes, general or special, except that this section  
7 shall not apply to any collections related to taxes paid under protest or as part of a disputed  
8 assessment or to any collections related to the fine authorized under section 37.1094.

9 2. In case of refusal, notice may be served upon the collector or collector-treasurer in  
10 default and his or her sureties, informing them that a motion will be made to the circuit court of  
11 the county for a judgment against the collector and his or her sureties, for all sums of money due

12 from him or her to the state or county, as the case may be, at time of making the motion, together  
13 with the penalty aforesaid.

14 3. The circuit courts of this state may hear and determine all such motions and  
15 proceedings.

16 4. The judgments rendered by the court under the provisions of this section shall have  
17 the same force and effect and be enforced in the same manner that other judgments in the circuit  
18 courts of this state are enforced.

19 5. Proceedings under this section shall be in the state or county, as the case may be. The  
20 notice may be served by any sheriff, coroner, or other person who would be a competent witness,  
21 and shall be served at least five days before the motion is made. The court may compel the  
22 production of all books, papers, records and other documents in the possession of the collector  
23 or others, to be used as evidence in the cause.

✓