

FIRST REGULAR SESSION

# HOUSE BILL NO. 897

100TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE ROWLAND.

1934H.011

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To repeal sections 105.485 and 105.491, RSMo, and to enact in lieu thereof two new sections relating to financial interest statements, with penalty provisions.

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

Section A. Sections 105.485 and 105.491, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 105.485 and 105.491, to read as follows:

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

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

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.

18 person has filed a separate financial interest statement and the name under which the statement  
19 was filed:

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

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

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

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

46 (5) The name and address of each entity in which such person owned stock, bonds or  
47 other equity interest [~~with a value in excess of ten thousand dollars~~]; except that, if the entity is  
48 a corporation listed on a regulated stock exchange, only the name of the corporation need be  
49 listed; and provided that any member of any board or commission of the state or any political  
50 subdivision who does not receive any compensation for his **or her** services to the state or  
51 political subdivision other than reimbursement for his **or her** actual expenses or a per diem  
52 allowance as prescribed by law for each day of such service need not report interests in publicly  
53 traded corporations or limited partnerships which are listed on a regulated stock exchange or

54 automated quotation system pursuant to this subdivision; and provided further that the provisions  
55 of this subdivision shall not require reporting of any interest in any qualified plan or annuity  
56 pursuant to the Employees' Retirement Income Security Act;

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

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

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

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

77 (a) Paid in the ordinary course of business for businesses described in subdivisions (1),  
78 (2), (5) and (6) of this subsection which are related to the duties of office of such official; or

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

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

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

84 (e) Paid for purely personal purposes which are not related to the person's official duties  
85 by a third person who is not a lobbyist, a lobbyist principal or member, or officer or director of  
86 a member, of any association or entity which employs a lobbyist. The statement shall include  
87 the name and address of such person who paid the expenses, the date such expenses were  
88 incurred, the amount incurred, the location of the travel and lodging, and the nature of the  
89 services rendered or reason for the expenses;

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

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

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

96 (b) Is a lobbyist; or

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

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

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

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

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

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

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

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

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

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

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

105.491. 1. The executive director of the commission shall:

2 (1) Develop and publish forms and printed instructions for use in filing the statements  
3 described in section 105.485;

4 (2) Furnish the necessary forms and instructions to persons required pursuant to the  
5 provisions of sections 105.483 to 105.492 to file financial statements by distributing them to any  
6 other locations the executive director deems necessary to accomplish the purposes of sections  
7 105.483 to 105.492;

8 (3) Maintain a filing system for financial statements filed with the executive director's  
9 office and preserve such statements for a period of not less than five years;

10 (4) Make any financial statement filed with the executive director available for public  
11 inspection and copying within a reasonable time after filing and permit copying of any financial  
12 statement at a reasonable expense to such person; **and**

13 (5) Employ staff and retain such contract services, including legal services to represent  
14 the commission before any state agency or before the courts as the executive director deems  
15 necessary within the limits authorized by appropriation by the general assembly.

16 2. The executive director ~~[and each other filing officer shall keep a public record of all~~  
17 ~~persons inspecting or copying financial statements]~~ **of the commission may make financial**  
18 **interest statements filed with his or her office available on a searchable electronic access**  
19 **system that allows the general public to have open access to the statements.**

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