

HCS HB 2319 -- SPECIAL TAXING DISTRICTS

SPONSOR: Falkner

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Downsizing State Government by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for HB 2319.

This bill requires special taxing districts, as defined in the bill, that are not otherwise required by law to have an audit performed by a certified public accountant or other qualified auditor, or does not have an audit in conjunction with the audit of its establishing or approving city or county, to have an audit performed annually by an independent certified public accountant.

Additionally, each special taxing district that is required to have an audit annually, as specified in this bill, will individually select its own certified public accountant to perform audits through a fair and competitive bidding process that considers no less than three bids and awards a contract to the lowest or best bidder. Contracts entered under this bill may have a duration of up to five years, and upon the termination of an existing contract the special taxing district will hold a new fair and competitive bidding process to award a subsequent contract.

This bill requires every certified public accountant performing an audit under this bill to compile their findings into a report that will be submitted to the special taxing district that is audited, any city or county in which the special taxing district is located, and the state auditor.

Additionally under this bill, the special taxing district may use a portion of the revenue received under their taxing authority to pay the fees and expenses arising from their contracts with certified public accountants performing the audits required under this bill.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that accountability and transparency are good things, and that levee districts should be added to the bill.

Testifying for the bill were Representative Falkner; Missouri Retailers Association; and the Associated Industries of Missouri.

OPPONENTS: Those who oppose the bill say that audits are already required for some of the districts specified in the bill, and requiring multiple audits is redundant and expensive.

Testifying against the bill were Fire Service Alliance; and the Missouri Ambulance Association.