

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND House Bill No. 696, Page 5, Section 67.785, Line 42, by inserting after all of said section  
2 and line the following:

3  
4 "105.145. 1. The following definitions shall be applied to the terms used in this section:

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

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

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

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

19 4. The state auditor shall immediately on receipt of each financial report acknowledge the  
20 receipt of the report.

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

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

29 7. All reports or financial statements hereinabove mentioned shall be considered to be  
30 public records.

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

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

35 10. The state auditor shall report any violation of subsection 9 of this section to the  
36 department of revenue. Upon notification from the state auditor's office that a political subdivision

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1 failed to timely submit a copy of the annual financial statement, the department of revenue shall  
 2 notify such political subdivision by certified mail that the statement has not been received. Such  
 3 notice shall clearly set forth the following:

4 (1) The name of the political subdivision;

5 (2) That the political subdivision shall be subject to a fine of five hundred dollars per day if  
 6 the political subdivision does not submit a copy of the annual financial statement to the state  
 7 auditor's office within thirty days from the postmarked date stamped on the certified mail envelope;

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

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

13  
 14 In the event a copy of the annual financial statement is received within such thirty-day period, no  
 15 fine shall accrue or be imposed. The state auditor shall report receipt of the financial statement to  
 16 the department of revenue within ten business days. Failure of the political subdivision to submit  
 17 the required annual financial statement within such thirty-day period shall cause the fine to be  
 18 collected as provided under subsection 11 of this section.

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

25 12. (1) Any political subdivision that has gross revenues of less than five thousand dollars  
 26 or that has not levied or collected taxes in the fiscal year for which the annual financial statement  
 27 was not timely filed shall not be subject to the fine authorized in this section.

28 (2) Notwithstanding this section or any other law to the contrary, no political subdivision  
 29 with less than five hundred inhabitants shall be subject to the fine authorized in this section, and any  
 30 fine or fines previously assessed but not paid in full shall be deemed void; provided that the annual  
 31 financial statement still is required to be filed timely under this section.

32 13. If a failure to timely submit the annual financial statement is the result of fraud or other  
 33 illegal conduct by an employee or officer of the political subdivision, the political subdivision shall  
 34 not be subject to a fine authorized under this section if the statement is filed within thirty days of the  
 35 discovery of the fraud or illegal conduct. If a fine is assessed and paid prior to the filing of the  
 36 statement, the department of revenue shall refund the fine upon notification from the political  
 37 subdivision.

38 14. If a political subdivision has an outstanding balance for fines or penalties at the time it  
 39 files its first annual financial statement after January 1, 2023, the director of revenue shall make a  
 40 one-time downward adjustment to such outstanding balance in an amount that reduces the  
 41 outstanding balance by no less than ninety percent.

42 15. The director of revenue shall have the authority to make a one-time downward  
 43 adjustment to any outstanding penalty imposed under this section on a political subdivision if the  
 44 director determines the fine is uncollectable. The director of revenue may prescribe rules and  
 45 regulations necessary to carry out the provisions of this subsection. Any rule or portion of a rule, as  
 46 that term is defined in section 536.010, that is created under the authority delegated in this section  
 47 shall become effective only if it complies with and is subject to all of the provisions of chapter 536  
 48 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
 49 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective

1 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
2 rulemaking authority and any rule proposed or adopted after August 28, 2022, shall be invalid and  
3 void."; and

4  
5 Further amend said bill by amending the title, enacting clause, and intersectional references  
6 accordingly.