

HB 352 -- FINANCIAL STATEMENTS OF CERTAIN LOCAL GOVERNMENTS  
(McGaugh)

COMMITTEE OF ORIGIN: Standing Committee on Local Government

Currently, counties of the first classification without a charter form of government are required to prepare and publish in a qualified paper a financial statement for the previous year by the first Monday in March.

This bill requires all non-charter counties to prepare and publish in a qualified newspaper a financial statement for the previous year by June 30th.

The financial statement also must include the name, office, and current gross annual salary of each elected or appointed county official.

The county clerk or other officer responsible for the preparation of the financial statement must preserve the documents relied upon in the making of the financial statements and provide an electronic copy free of charge to any newspaper requesting a copy of the data.

Newspapers are prohibited from charging any more than the standard rate for advertising to publish these financial statements.

Currently, any political subdivision that fails to file the required annual financial statement with the State Auditor is subject to a fine. This bill exempts any political subdivision that has gross revenues of less than \$5,000 from that fine. It also exempts a political subdivision from the fine if the failure to submit the statement is a result of fraud or other illegal conduct by an officer or employee of the political subdivision if the financial statement is filed within 30 days of the discovery of the fraud or illegal conduct.

If a political subdivision has outstanding fines due when filing its first annual financial statement after August 28, 2025, the Director of the Department of Revenue will make a one-time downward adjustment of the total amount due by no less than 90%. In addition, the Director has the authority to make a one-time downward adjustment to any fine he or she deems uncollectible.

This bill is similar to HB 2571 (2024).