## SECOND REGULAR SESSION

## SENATE BILL NO. 1060

## 99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SIFTON.

Read 1st time February 28, 2018, and ordered printed.

6690S.01I

ADRIANE D. CROUSE, Secretary.

## AN ACT

To amend chapter 34, RSMo, by adding thereto three new sections relating to disclosures required by entities entering into contracts with a public agency.

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

Section A. Chapter 34, RSMo, is amended by adding thereto three new

- 2 sections, to be known as sections 34.400, 34.410, and 34.420, to read as follows:
  - 34.400. 1. Sections 34.400 to 34.420 shall be known as the
- 2 "Transparency in Government Contracting Act".
- 2. As used in sections 34.400 to 34.420, the following terms shall mean:
- 5 (1) "Contract", any agreement for the purchase of supplies or
- 6 services, or the sale or lease of any real property, for consideration in
- 7 excess of five thousand dollars per transaction or per annum;
- 8 (2) "Political organization", any not-for-profit organization that
- 9 qualifies for tax exempt status under Section 501(c)(4) of the United
- 10 States Internal Revenue Code, but shall not include any committee or
- 11 other organization that is required to file a report of contributions and
- 12 expenditures with the Missouri ethics commission;
- 13 (3) "Public agency", the state of Missouri, its departments,
- 14 agencies, boards, commissions, and institutions, and any political
- 15 subdivisions, districts, or entities authorized by law to enter into
- 16 contracts paid for by public funds; and
- 17 (4) "Substantial interest", more than ten percent ownership by
- 18 the individual, the individual's spouse, or the individual's dependent
- 19 children.
  - 34.410. 1. Any person, corporation, association, firm,
  - e partnership, proprietorship, or business entity of any kind or character

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3 entering into a contract with a public agency shall disclose any 4 payments made to a political organization.

- 2. Any person with a substantial interest in a corporation, association, firm, partnership, proprietorship, or business entity of any kind or character entering into a contract with a public agency shall disclose any payments made of five hundred dollars or more annually to a political organization.
- 34.420. 1. The disclosures required in section 34.410 shall be made on a form prescribed by the commissioner of administration and shall be signed and verified by a written declaration that it is made under penalty of perjury. Such disclosure shall be filed with the office of administration no later than the effective date of the contract and shall include all payments made in the twelve months prior to the effective date of the contract.
- 8 2. Any person or entity required to file a disclosure under 9 section 34.210 shall annually file a new disclosure for any year in which 10 the contract is in effect.
- 3. The commissioner of administration shall make all documents filed under this section publicly available on the Missouri accountability portal established under section 37.850.
- 4. Failure to timely file a disclosure required under section 34.410 shall be considered a material breach of the contract without further evidence, and in addition to all remedies therefor, including vendor suspension and debarment, the contractor shall be subject to liquidated damages equal to five percent of the total contract price, and any payments on the contract due to the contractor shall be held until the contractor makes the required filing. The liquidated damages may, at the discretion of the public agency, be deducted from any payments due the contractor.

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