

FIRST REGULAR SESSION

# HOUSE JOINT RESOLUTION NO. 21

92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES FRASER, BOYKINS, VILLA, WALTON,  
HUBBARD (Co-sponsors), CURLS AND RIBACK WILSON (25).

Read 1<sup>st</sup> time February 27, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1656L.011

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## JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment to article IX of the Constitution of Missouri relating to education.

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*Be it resolved by the House of Representatives, the Senate concurring therein:*

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2004, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article IX of the Constitution of the state of Missouri:

Section A. Article IX, Constitution of Missouri, is amended by adding thereto one new section, to be known as section 11, to read as follows:

**Section 11. 1. The general assembly shall have power to contract, or to authorize the contracting of, a debt or liability on behalf of the state, and to issue bonds or other evidence of indebtedness therefor, not exceeding in the aggregate two billion dollars, for the purpose of technology and infrastructure upgrading, repairing, remodeling, or rebuilding the elementary and secondary public schools of this state, and for building additions thereto and additional elementary and secondary public school buildings where necessary. No more than twenty-five percent of the increase from such bonds shall be expended in any period of three consecutive fiscal years. The proceeds of the sale or sales of any bonds issued pursuant to this subsection shall be paid into the state treasury and be credited to the "Public School Infrastructure Fund", which is hereby created in the state**

11 treasury. The state board of education shall determine a method by which local school  
12 districts may draw money from the fund on a matching basis as determined by the board.

13       2. All such bonds shall bear interest at a rate not exceeding the rate set by law,  
14 payable semiannually, except that the first interest payable thereon may be paid not later  
15 than one year from the date of issuance, and maturing not later than twenty years from the  
16 date of issuance. Such bonds shall be issued by the state board of fund commissioners in  
17 such amount, from time to time, as may be necessary to fully fund the purposes established  
18 in subsection 1 of this section of the constitution as determined by the general assembly.

19       3. The proceeds of the sale of the bonds shall be expended pursuant to the  
20 provisions of this section of the constitution.

21       4. All such bonds and the interest thereon shall be paid out of the "Public School  
22 Infrastructure Bond Interest and Sinking Fund", which is hereby created in the state  
23 treasury. Upon the issuance of such bonds, or any portion thereof, the state board of fund  
24 commissioners shall notify the commissioner of administration of the amount of money  
25 required, in the remaining portion of the fiscal year during which such bonds shall have  
26 been issued, for the payment of interest on such bonds, and of the amount of money  
27 required for the payment of interest on such bonds in the next succeeding fiscal year, and  
28 for the establishment and maintenance of a sinking fund to pay such bonds as they mature.  
29 Thereafter, within thirty days after the beginning of each fiscal year, the state board of  
30 fund commissioners shall notify the commissioner of administration of the amount of  
31 money required for the payment of interest on such bonds in the next succeeding fiscal year  
32 and for the maintenance of the sinking fund to pay such bonds maturing in the next  
33 succeeding fiscal year.

34       5. So long as there are outstanding bonds or other indebtedness therefor as a result  
35 of the provisions of this section, a surcharge entitled the "ABC education assessment" shall  
36 be added to the state income tax in an amount equal to one-half of one percent of Missouri  
37 taxable income. In the event that the provisions of subsection 10 of this section of the  
38 constitution shall cause monies to be appropriated toward retiring the debt established  
39 herein, the tax rate of the ABC education assessment shall be reduced in the tax year  
40 immediately following to offset the additional monies; provided, however, that the ABC  
41 education assessment tax rate shall not be reduced beyond the level necessary to:

42       (1) Fully pay the principal and interest maturing and accruing on such bonds  
43 during the current fiscal year; and

44       (2) Fund the school district equalization fund and the teacher and student  
45 achievement fund, as provided pursuant to subsection 11 of this section, at a level not less  
46 than the level of contribution to such funds by the provisions of subsection 5 of this section

47 in the most recent prior fiscal year in which the provisions of subsection 10 of this section  
48 were not operative.

49         6. It shall be the duty of the commissioner of administration to transfer, at least  
50 monthly, the proceeds of the state income tax ABC education assessment to the credit of  
51 the public school infrastructure bond interest and sinking fund until there shall have been  
52 transferred to such fund the amount so certified to him or her by the state board of fund  
53 commissioners, as provided in this section of the constitution.

54         7. If at any time after the issuance of any of such bonds, it shall become apparent  
55 to the commissioner of administration that neither the proceeds of the ABC education  
56 assessment income tax, as aforesaid, nor the provisions of subsection 10 of this section of  
57 the constitution are sufficient for the payment of the principal and interest maturing and  
58 accruing on such bonds during the next succeeding fiscal year, a direct tax shall be levied  
59 upon all taxable real and tangible personal property in the state for the payment of such  
60 bonds and the interest accruing thereon. In such event, it shall be the duty of the  
61 commissioner of administration annually, on or before the first day of July, to determine  
62 the rate of taxation necessary to be levied upon all taxable real and tangible personal  
63 property within the state to raise the amount of money needed to pay the principal of and  
64 interest on such bonds maturing and accruing in the next succeeding fiscal year, taking  
65 into consideration available funds, delinquencies, and costs of collection. The  
66 commissioner of administration shall annually certify the rate of taxation so determined  
67 to the county clerk of each county and to the comptroller or other officer in the city of St.  
68 Louis whose duty it shall be to make up and certify the tax books in which are extended  
69 the ad valorem state taxes. It shall be the duty of such clerks and comptroller or other  
70 proper officer in the city of St. Louis to extend upon the tax books the taxes to be collected  
71 and to certify the same to the collectors of revenue of their respective counties and of the  
72 city of St. Louis, who shall collect such taxes at the same time and in the same manner and  
73 by the same means as are now or may hereafter be provided by law for the collection of  
74 state and county taxes, and to pay the same into the state treasury for the credit of the  
75 public school infrastructure bond interest and sinking fund.

76         8. If at any time the balance in the public school infrastructure bond interest and  
77 sinking fund should be insufficient to pay accruing interest or maturing principal of such  
78 bonds, the state board of fund commissioners shall direct the commissioner of  
79 administration to transfer from the general revenue fund to the public school  
80 infrastructure bond interest and sinking fund the sum required for such purposes, or  
81 either of them, and such sum so transferred shall be reimbursed to the general revenue  
82 fund whenever there may be a balance in the public school infrastructure bond interest

83 and sinking fund in excess of the amount which may then be needed to meet the accruing  
84 interest and maturing principal of such bonds during the next succeeding fiscal year.

85 **9. All funds paid into the public school infrastructure bond interest and sinking**  
86 **fund shall be and stand appropriated without legislative action to the payment of principal**  
87 **and interest of such bonds, there to remain until paid out in discharge of the principal of**  
88 **such bonds and the interest accruing thereon, and no part of such fund shall be used for**  
89 **any other purpose so long as any of the principal of such bonds and the interest thereon**  
90 **shall be unpaid; provided, however, that nothing herein contained shall prevent the**  
91 **reimbursement from the public school infrastructure bond interest and sinking fund to the**  
92 **general revenue fund, as provided in this section.**

93 **10. For any fiscal year in the event that total state revenues exceed the revenue limit**  
94 **established in section 18, article X of this constitution by one percent or more,**  
95 **notwithstanding the provisions of that article of this constitution to the contrary, the excess**  
96 **revenues shall first be appropriated toward retiring any serviceable debt in such fiscal year**  
97 **incurred pursuant to this section of the constitution; any remaining revenue shall be**  
98 **applied to retiring any future debt incurred pursuant to this section of the constitution in**  
99 **any subsequent fiscal year in which there are outstanding bonds or other evidence of**  
100 **indebtedness therefor. After all such outstanding debt is retired, any remaining revenue**  
101 **shall be refunded on a pro rata basis as prescribed in section 18, article X of this**  
102 **constitution.**

103 **11. After the sinking fund and interest requirements of this section have been met,**  
104 **any excess revenue from the ABC education assessment in a fiscal year shall be distributed**  
105 **in equal amounts to two separate funds. Of such funds, fifty percent shall be distributed**  
106 **to the "School District Equalization Fund" which is hereby created in the state treasury**  
107 **and shall be distributed to the public schools of this state on an equal per pupil basis. The**  
108 **remaining fifty percent shall be distributed to the "Teacher and Student Achievement**  
109 **Fund" which is hereby created in the state treasury. Of the funds distributed to the**  
110 **teacher and student achievement fund, one-half shall be used for grant programs to public**  
111 **schools to promote teacher recruitment, retention, and training, and one-half shall be used**  
112 **for grant programs to public schools to enhance student achievement. The department of**  
113 **elementary and secondary education, with the approval of the state board of education,**  
114 **shall establish the criteria for public school districts to receive such funds. Such funds**  
115 **shall be and stand appropriated without legislative action and shall be considered**  
116 **education funds that shall stand alone and not be considered within the scope of any**  
117 **formula for the equalized funding of the free public schools.**