

SECOND REGULAR SESSION

HOUSE BILL NO. 1338

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES ST. ONGE (Sponsor), THRELKELD, VILLA, MUNZLINGER,
BLACK, YAEGER, BIVINS AND FRASER (Co-sponsors).

Read 1st time January 11, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3186L.01I

AN ACT

To repeal section 226.225, RSMo, and to enact in lieu thereof three new sections relating to multimodal transportation capital improvement bonds.

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

Section A. Section 226.225, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 226.225, 226.226, and 226.227, to read as follows:

226.225. **1. There is hereby created in the state treasury a "State Transportation Fund" [One percent of the sales tax funds] into which shall be deposited the following:**

(1) The proceeds from the motor vehicle sales tax designated for highway and transportation use by **subdivision (2) of subsection 2 of section 30(b) of article IV of the state constitution [and];**

(2) The proceeds derived from the sale of state multimodal capital improvement bonds;

(3) The proceeds derived from the imposition of the state sales tax and state use tax on construction materials intended for use on state highway system projects under contracts let by the commission under section 227.100, RSMo, which are required to be deposited in the state transportation fund under section 226.227; and

(4) Any other funds as are made available by appropriation, grants, bequests or other sources.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

14 **2. Moneys deposited in the state transportation fund shall be expended and utilized**
15 **by the commission, as specified by appropriation, solely** for state transportation purposes
16 other than road and highway construction and maintenance [shall be deposited in the state
17 transportation fund. The state transportation fund shall be utilized, as specified by appropriation,
18 by the department of transportation for transportation purposes other than highways]. Such
19 purposes may include the [locating, relocating, establishing, acquiring, constructing, planning,
20 developing, maintaining or operating] **planning, design, development, acquisition,**
21 **construction, reconstruction, improvement, maintenance, and operation of** public
22 transportation facilities or **capital improvement** projects as part of any state or local
23 transportation program **other than highways**, including but not limited to aviation, mass
24 transportation, railroads, ports, waterways, waterborne commerce, and transportation of elderly
25 and handicapped, **except that the first priority for such expenditures, provided that no**
26 **proceeds from the sale of state multimodal capital improvement bonds are used, shall be**
27 **the payment of the principal and interest on any outstanding state multimodal capital**
28 **improvement bonds issued by the commission under section 226.226 in the amount deemed**
29 **necessary to meet the principal and interest on such bonds for the next succeeding twelve**
30 **months.**

31 **3. As determined by the commission, up to twenty-five percent of the proceeds**
32 **derived from the imposition of the state sales tax and state use tax on construction**
33 **materials intended for use on state highway system projects shall be used to assist local**
34 **public transportation providers to meet the local match requirements for federal transit**
35 **capital grants, provided that the ratio of state and local funds used to provide the local**
36 **match requirements for such federal transit capital grants shall be no more than fifty**
37 **percent state and at least fifty percent local.**

38 **4. Funds appropriated under this section** may be utilized for contracts with any public
39 or private entity to carry out the above [or other] purposes related to transportation.

40 **5. All interest earned upon the state transportation fund shall be deposited in and**
41 **to the credit of such fund. Unexpended balances in the state transportation fund are**
42 **exempt from the transfer provisions in section 33.080, RSMo.**

226.226. 1. The commission is authorized to issue bonds or other indebtedness for
2 **the purpose of providing funds for the planning, design, development, acquisition,**
3 **construction, reconstruction, and improvement of public transportation facilities or capital**
4 **improvement projects as part of any state or local transportation program other than**
5 **highways, including but not limited to aviation, mass transportation, railroads, ports,**
6 **waterways, and waterborne commerce as determined by the commission.**

7 **2. The commission shall offer such bonds at public sale or negotiated sale. The**
8 **bonds shall be for a period of not more than thirty-five years from their date of issue and**
9 **shall bear interest at a rate or rates not exceeding the rate permitted by law.**

10 **3. The proceeds of the sale or sales of any bonds issued under this section shall be**
11 **paid into the state transportation fund to be expended for the purposes specified under this**
12 **section and sections 226.225 and 226.227.**

13 **4. Bonds issued under this section shall not be deemed to constitute a debt or**
14 **liability of the state or a pledge of the full faith and credit of the state, and the principal**
15 **and interest on such bonds shall be payable solely from moneys on deposit in the state**
16 **transportation fund. Bonds issued under this section, the interest thereon, or any proceeds**
17 **from such bonds, shall be exempt from taxation in the state of Missouri for all purposes**
18 **except for the state estate tax.**

19 **5. Bonds may be issued for the purpose of refunding, either at maturity or in**
20 **advance of maturity, any bonds issued under this section. The proceeds of such refunding**
21 **bonds may either be applied to the payment of the bonds being refunded or deposited in**
22 **trust and maintained in cash or investments for the retirement of the bonds being**
23 **refunded, as shall be specified by the commission and the authorizing resolution or trust**
24 **indenture securing such refunding bonds. The authorizing resolution or trust indenture**
25 **securing the refunding bonds shall specify the amount and other terms of the refunding**
26 **bonds and may provide that the refunding bonds shall have the same security for their**
27 **payment as provided for the bonds being refunded. The refunding bonds shall be for a**
28 **period of not more than thirty-five years from their date of issue and shall bear interest at**
29 **a rate or rates not exceeding the rate permitted by law.**

226.227. 1. Beginning January 1, 2007, for the purpose of providing additional
2 **moneys to be expended and used by the commission to pay the principal and interest on**
3 **any outstanding state multimodal capital improvement bonds issued by the commission for**
4 **the planning, design, development, acquisition, construction, reconstruction, and**
5 **improvement of public transportation facilities other than highways, including but not**
6 **limited to aviation, mass transportation, railroads, ports, waterways, waterborne**
7 **commerce, and for the purpose of assisting local public transportation providers to meet**
8 **local match requirements for federal transit capital grants, including transportation of the**
9 **elderly and handicapped, as part of any state or local transportation program, the**
10 **department of revenue is directed to deposit in the state transportation fund, less one**
11 **percent of the total amount of proceeds collected to be deposited into the general revenue**
12 **fund for its costs of collection, all of the proceeds derived from the imposition of the state**

- 13 **sales tax and the state use tax on construction materials intended for use on state highway**
14 **system construction projects let by the commission under section 227.100, RSMo.**
15 **2. The provisions of this section terminate on January 1, 2017.**

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