

FIRST REGULAR SESSION

HOUSE BILL NO. 295

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ST. ONGE.

Read 1st time January 9, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

1041L.01I

AN ACT

To repeal section 226.225, RSMo, and to enact in lieu thereof two new sections relating to state transportation fund bonds.

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

Section A. Section 226.225, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 226.225 and 226.226, to read as follows:

226.225. **1.** There is created in the state treasury a "State Transportation Fund"[. One percent of the sales tax funds designated for highway and transportation use by subsection 2 of section 30(b) of article IV of the state constitution and other funds as are made available by appropriation, grants, bequests or other sources for state transportation purposes other than road and highway construction and maintenance shall be deposited in the state transportation fund. The state transportation fund shall be utilized, as specified by appropriation, by the department of transportation for transportation purposes other than highways. Such purposes may include the locating, relocating, establishing, acquiring, constructing, planning, developing, maintaining or operating public transportation facilities or projects as part of any state or local transportation program, including but not limited to aviation, mass transportation, railroads, ports, waterways, waterborne commerce, and transportation of elderly and handicapped. Funds may be utilized for contracts with any public or private entity to carry out the above or other purposes related to transportation.] , **into which shall be deposited the following:**

(1) The proceeds from the motor vehicle sales tax directed by subdivision (2) of subsection 2 of section 30(b) of article IV of the state constitution;

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.

16 (2) The proceeds derived from the sale of state transportation fund bonds; and
17 (3) Any other funds as are made available by appropriation, grants, bequests, or
18 other sources.

19 2. Moneys deposited in the state transportation fund shall be expended and utilized
20 by the commission, as specified by appropriation, solely for state transportation purposes
21 other than road and highway construction and maintenance. Such purposes may include
22 the planning, location, relocation, establishment, acquisition, construction, maintenance
23 control, operation, development, and financing of public transportation facilities or capital
24 improvements projects as part of any state or local transportation program other than
25 highways, including but not limited to aviation, mass transportation, railroads, ports,
26 waterways, waterborne commerce, transportation of elderly and handicapped, and
27 intermodal connections, except that the first priority for such expenditures, provided that
28 no proceeds from the sale of state transportation fund bonds are used, shall be the payment
29 of the principal and interest on any outstanding state transportation fund bonds issued by
30 the commission under section 226.226 in the amount deemed necessary to meet the
31 principal and interest on such bonds for the next succeeding twelve months.

32 3. As determined by the commission, up to twenty-five percent of any amount of
33 funds appropriated by the general assembly into the state transportation fund shall be used
34 to assist local public transportation providers to meet the local match requirements for
35 federal transit capital grants, provided that the ratio of state and local funds used to
36 provide the local match requirements for such federal transit capital grants shall be no
37 more than fifty percent state and at least fifty percent local.

38 4. Funds appropriated under this section may be utilized for contracts with any
39 public or private entity to carry out the purposes in this section 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, in its discretion, state
2 transportation fund bonds or other evidence of indebtedness in order to provide funds for
3 the purposes specified in subsection 2 of section 226.225.

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

7 3. The proceeds of the sale or sales of any bonds issued under this section shall be
8 paid into the state transportation fund to be expended for the purposes specified under this
9 section and section 226.225 as determined by the commission.

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

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

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