## FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

## **HOUSE JOINT RESOLUTION NO. 37**

## 102ND GENERAL ASSEMBLY

1660H.02C

DANA RADEMAN MILLER, Chief Clerk

## JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing Section 30(b) of Article IV of the Constitution of Missouri, and adopting one new section in lieu thereof relating to the state road fund.

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 2 following the first Monday in November, 2024, 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 IV of the Constitution of the state

5 of Missouri:

Section A. Section 30(b), Article IV, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as Section 30(b), to read as follows:

Section 30(b). 1. For the purpose of constructing and maintaining an adequate system

of connected state highways all state revenue derived from highway users as an incident to

3 their use or right to use the highways of the state, including all state license fees and taxes 4 upon motor vehicles, trailers and motor vehicle fuels, and upon, with respect to, or on the

privilege of the manufacture, receipt, storage, distribution, sale or use thereof (excepting

6 those portions of the sales tax on motor vehicles and trailers which are not distributed to the

state road fund pursuant to subsection 2 of this section 30(b) and further excepting all

property taxes), less the (1) actual cost of collection of the department of revenue (but not to

9 exceed three percent of the particular tax or fee collected), (2) actual cost of refunds for

10 overpayments and erroneous payments of such taxes and fees and maintaining retirement

programs as permitted by law and (3) actual cost of the state highway patrol in administering

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.

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and enforcing any state motor vehicle laws and traffic regulations, shall be deposited in the state road fund which is hereby created within the state treasury and stand appropriated without legislative action to be used and expended by the highways and transportation commission, pursuant to an appropriation by the general assembly, for the following 15 16 purposes, and no other:

First, to the payment of the principal and interest on any outstanding state road bonds. The term state road bonds in this section 30(b) means any bonds or refunding bonds issued by the highways and transportation commission to finance or refinance the construction or reconstruction of the state highway system.

Second, to maintain a balance in the state road fund in the amount deemed necessary to meet the payment of the principal and interest of any state road bonds for the next succeeding twelve months.

The remaining balance in the state road fund shall be used and expended [in the sole discretion of and under the supervision and direction of the highways and transportation commission for the following state highway system uses and purposes and no other:

- (1) To complete and widen or otherwise improve and maintain the state highway system heretofore designated and laid out under existing laws;
- (2) To reimburse the various counties and other political subdivisions of the state, except incorporated cities and towns, for money expended by them in the construction or acquisition of roads and bridges now or hereafter taken over by the highways and transportation commission as permanent parts of the state highway system, to the extent of the value to the state of such roads and bridges at the time taken over, not exceeding in any case the amount expended by such counties and subdivisions in the construction or acquisition of such roads and bridges, except that the highways and transportation commission may, in its discretion, repay, or agree to repay, any cash advanced by a county or subdivision to expedite state road construction or improvement;
- 38 (3) In the discretion of the commission to plan, locate, relocate, establish, acquire, 39 construct and maintain the following:
  - (a) interstate and primary highways within the state;
  - (b) supplementary state highways and bridges in each county of the state;
  - (c) state highways and bridges in, to and through state parks, public areas and reservations, and state institutions now or hereafter established to connect the same with the state highways, and also national, state or local parkways, travelways, tourways, with coordinated facilities:
- 46 (d) any tunnel or interstate bridge or part thereof, where necessary to connect the state highways of this state with those of other states; 47

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- 48 (e) any highway within the state when necessary to comply with any federal law or 49 requirement which is or shall become a condition to the receipt of federal funds;
  - (f) any highway in any city or town which is found necessary as a continuation of any state or federal highway, or any connection therewith, into and through such city or town; and
  - (g) additional state highways, bridges and tunnels, either in congested traffic areas of the state or where needed to facilitate and expedite the movement of through traffic.
  - (4) To acquire materials, equipment and buildings and to employ such personnel as necessary for the purposes described in this subsection 1; [and]
  - (5) For such other purposes and contingencies relating and appertaining to the construction and maintenance of such state highway system as the highways and transportation commission may deem necessary and proper; and
  - (6) The statewide transportation improvement plan, or any successor document, shall be used to establish priorities for project and program funding for the department of transportation.
  - 2. (1) The state sales tax upon the sale of motor vehicles, trailers, motorcycles, mopeds and motortricycles at the rate provided by law on November 2, 2004, is levied and imposed by this section until the rate is changed by law or constitutional amendment.
  - (2) One-half of the proceeds from the state sales tax on all motor vehicles, trailers, motorcycles, mopeds and motortricycles shall be dedicated for highway and transportation use and shall be apportioned and distributed as follows: ten percent to the counties, fifteen percent to the cities, two percent to be deposited in the state transportation fund, which is hereby created within the state treasury to be used in a manner provided by law and seventythree percent to be deposited in the state road fund. The amounts apportioned and distributed to the counties and cities shall be further allocated and used as provided in section 30(a) of this article. The amounts allocated and distributed to the highways and transportation commission for the state road fund shall be used as provided in subsection 1 of this section 30 (b). The sales taxes which are apportioned and distributed pursuant to this subdivision (2) shall not include those taxes levied and imposed pursuant to sections 43(a) or 47(a) of this article. The term "proceeds from the state sales tax" as used in this subdivision (2) shall mean and include all revenues received by the department of revenue from the said sales tax, reduced only by refunds for overpayments and erroneous payments of such tax as permitted by law and actual costs of collection by the department of revenue (but not to exceed three percent of the amount collected).
  - (3) (i) From and after July 1, 2005, through June 30, 2006, twenty-five percent of the remaining one-half of the proceeds of the state sales tax on all motor vehicles, trailers, motorcycles, mopeds and motortricycles which is not distributed by subdivision (2) of subsection 2 of this section 30(b) shall be deposited in the state road bond fund which is

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hereby created within the state treasury; (ii) from and after July 1, 2006, through June 30, 2007, fifty percent of the aforesaid one-half of the proceeds of the state sales tax on all motor 86 87 vehicles, trailers, motorcycles, mopeds and motortricycles which is not distributed by subdivision (2) of subsection 2 of this section 30(b) shall be deposited in the state road bond 88 89 fund; (iii) from and after July 1, 2007, through June 30, 2008, seventy-five percent of the aforesaid one-half of the proceeds of the state sales tax on all motor vehicles, trailers, 90 91 motorcycles, mopeds and motortricycles which is not distributed by subdivision (2) of 92 subsection 2 of this section 30(b) shall be deposited in the state road bond fund; and (iv) from 93 and after July 1, 2008, one hundred percent of the aforesaid one-half of the proceeds of the state sales tax on all motor vehicles, trailers, motorcycles, mopeds and motortricycles which 95 is not distributed by subdivision (2) of subsection 2 of this section 30(b) shall be deposited in the state road bond fund. Moneys deposited in the state road bond fund are hereby dedicated 97 to and shall only be used to fund the repayment of bonds issued by the highways and 98 transportation commission to fund the construction and reconstruction of the state highway system or to fund refunding bonds, except that after January 1, 2009, that portion of the moneys in the state road bond fund which the commissioner of administration and the 100 101 highways and transportation commission each certify is not needed to make payments upon 102 said bonds or to maintain an adequate reserve for making future payments upon said bonds 103 may be appropriated to the state road fund. The highways and transportation commission 104 shall have authority to issue state road bonds for the uses set forth in this subdivision (3). The 105 net proceeds received from the issuance of such bonds shall be paid into the state road fund 106 and shall only be used to fund construction or reconstruction of specific projects for parts of 107 the state highway system as determined by the highways and transportation commission. The 108 moneys deposited in the state road bond fund shall only be withdrawn by appropriation 109 pursuant to this constitution. No obligation for the payment of moneys so appropriated shall be paid unless the commissioner of administration certifies it for payment and further certifies 110 that the expenditure is for a use which is specifically authorized by the provisions of this 111 112 subdivision (3). The proceeds of the sales tax which are subject to allocation and deposit into 113 the state road bond fund pursuant to this subdivision (3) shall not include the proceeds of the sales tax levied and imposed pursuant to sections 43(a) or 47(a) of this article nor shall they 115 include the proceeds of that portion of the sales tax apportioned, distributed and dedicated to the school district trust fund on November 2, 2004. The term "proceeds from the state sales 117 tax" as used in this subdivision (3) shall mean and include all revenues received by the 118 department of revenue from the said sales tax, reduced only by refunds for overpayments and 119 erroneous payments of such tax as permitted by law and actual costs of collection by the 120 department of revenue (but not to exceed three percent of the amount collected).

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3. After January 1, 1980, any increase in state license fees and taxes on motor vehicles, trailers, motorcycles, mopeds and motortricycles other than those taxes distributed pursuant to subsection 2 of this section 30(b) shall be distributed as follows: ten percent to the counties, fifteen percent to the cities and seventy-five percent to be deposited in the state road fund. The amounts distributed shall be apportioned and distributed to the counties and cities as provided in section 30(a) of this article, to be used for highway purposes.

4. The moneys apportioned or distributed under this section to the state road fund, the state transportation fund, the state road bond fund, counties, cities, towns or villages shall not be included within the definition of "total state revenues" as that term is used in section 17 of Article X of this constitution nor be considered as an "expense of state government" as that term is used in section 20 of article X of this constitution.

Section B. Pursuant to chapter 116, and other applicable constitutional provisions and laws of this state allowing the general assembly to adopt ballot language for the submission of this joint resolution to the voters of this state, the official summary statement of this resolution shall be as follows:

"Shall the Missouri Constitution be amended to subject the department of transportation to budgetary oversight and transparency and require the department of transportation to submit its annual budget to the General Assembly for approval in the same manner as all other state departments?".

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