

HCS HJR 23 -- SALES AND USE TAX FOR TRANSPORTATION

SPONSOR: Hinson

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Transportation by a vote of 14 to 0.

Upon voter approval, this proposed constitutional amendment raises the state sales and use tax by 1% for a period of 10 years. The proceeds from the additional tax are to be used for transportation purposes. The tax measure is temporary and must be resubmitted to the voters every 10 years until the measure is defeated.

Five percent of the sales and use tax proceeds will be deposited into the newly created County Aid Transportation Fund. Moneys in the fund must be distributed to the counties based on the county road mileage and assessed rural land valuation calculation in Article IV Section 30(a) of the Missouri Constitution, except that 5% of the moneys will be distributed to the City of St. Louis. The proceeds distributed to the counties may be used for local highways and bridges, for state highway system purposes, or for county transportation system purposes.

In a similar manner, 5% of the sales and use tax proceeds must be deposited into the newly created Municipal Aid Transportation Fund. Moneys in the fund must be distributed to cities, towns and villages based on the population ratio calculations in Article IV Section 30(a) of the Missouri Constitution. The proceeds distributed to the cities, towns, and villages may be used for local roads and streets, for state highway system purposes, or for city transportation system purposes.

The remaining 90% of the sales and use tax proceeds must be deposited into a newly created Transportation Sales Tax Fund. Moneys in the fund may be expended by the Highways and Transportation Commission within the Department of Transportation for state highway system purposes or for state transportation system purposes.

The substitute requires the 1% sales and use tax to expire in 10 years unless renewed by the voters. If the measure is ever disapproved by Missouri voters, the tax will terminate at the end of the year following the election. The substitute prohibits the General Assembly from increasing or decreasing the motor fuel tax without voter approval during the period the 1% tax is in effect.

Unless approved by voters, the commission is prohibited from operating a toll highway or toll bridge on a state highway or bridge in existence on the effective date of this amendment while

the sales and use tax is in effect.

The substitute requires the commission to annually submit a report to the Governor and General Assembly. The report must include the status of state highway system and state transportation system projects, programs, and facilities that were approved by the commission and funded from the proceeds of the additional sales and use taxes levied, imposed, and collected under the resolution.

PROPONENTS: Supporters say that this resolution will create jobs. It is necessary to improve the state's transportation infrastructure so the state can continue to meet the required federal match and receive the maximum amount of federal funds. This resolution will allow the expansion of Interstate 70 between approximately Wentzville and Independence to three lanes.

Testifying for the bill were Representative Hinson; Department of Transportation; Michael DeMent, Integrated Planning Services; Missouri Dump Truckers Association; Fred Weber Inc; AAA Auto Club of Missouri; and Mark Hugh, Missouri Bicycle and Pedestrian Foundation.

OPPONENTS: Those who oppose the bill say that more should be spent on mass transit.

Testifying against the bill were Scott Ogilive, Alderman, City of St. Louis; and Jennifer Allen, Trailnet.