

SECOND REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 84

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KORMAN.

6224H.011

D. ADAM CRUMBLISS, 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 sales taxes dedicated to state highways, with a referendum clause.

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, 2018, 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 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Section A. Section 30(b), article IV, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 30(b), to read as follows: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 **sole and exclusive** purpose of constructing and maintaining an adequate system of connected state highways all state revenue derived from highway users as an incident to their use or right to use the highways of the state, including all state license fees and taxes 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 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 exceed three percent of the particular tax or fee collected), (2)]~~ actual cost of refunds for 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 and enforcing any state~~

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.

12 ~~motor vehicle laws and traffic regulations]~~, shall be deposited in the state road fund which is
13 hereby created within the state treasury and stand appropriated without legislative action to be
14 used and expended by the highways and transportation commission for the following purposes,
15 and no other:

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

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

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

26 (1) To complete and widen or otherwise improve and maintain the state highway system
27 heretofore designated and laid out under existing laws;

28 (2) To reimburse the various counties and other political subdivisions of the state, except
29 incorporated cities and towns, for money expended by them in the construction or acquisition
30 of roads and bridges now or hereafter taken over by the highways and transportation commission
31 as permanent parts of the state highway system, to the extent of the value to the state of such
32 roads and bridges at the time taken over, not exceeding in any case the amount expended by such
33 counties and subdivisions in the construction or acquisition of such roads and bridges, except
34 that the highways and transportation commission may, in its discretion, repay, or agree to repay,
35 any cash advanced by a county or subdivision to expedite state road construction or
36 improvement;

37 (3) In the discretion of the commission to plan, locate, relocate, establish, acquire,
38 construct and maintain the following:

39 (a) interstate and primary highways within the state;

40 (b) supplementary state highways and bridges in each county of the state;

41 (c) state highways and bridges in, to and through state parks, public areas and
42 reservations, and state institutions now or hereafter established to connect the same with the state
43 highways, and also national, state or local parkways, travelways, tourways, with coordinated
44 facilities;

45 (d) any tunnel or interstate bridge or part thereof, where necessary to connect the state
46 highways of this state with those of other states;

47 (e) any highway within the state when necessary to comply with any federal law or
48 requirement which is or shall become a condition to the receipt of federal funds;

49 (f) any highway in any city or town which is found necessary as a continuation of any
50 state or federal highway, or any connection therewith, into and through such city or town; and

51 (g) additional state highways, bridges and tunnels, either in congested traffic areas of the
52 state or where needed to facilitate and expedite the movement of through traffic.

53 (4) To acquire materials, equipment and buildings and to employ such personnel as
54 necessary for the purposes described in this subsection 1; and

55 (5) For such other purposes and contingencies relating and appertaining to the
56 construction and maintenance of such state highway system as the highways and transportation
57 commission may deem necessary and proper.

58 2. (1) The state sales tax upon the sale of motor vehicles, trailers, motorcycles, mopeds
59 and motortricycles at the rate provided by law on November 2, 2004, is levied and imposed by
60 this section until the rate is changed by law or constitutional amendment.

61 (2) One-half of the proceeds from the state sales tax on all motor vehicles, trailers,
62 motorcycles, mopeds and motortricycles shall be dedicated for highway and transportation use
63 and shall be apportioned and distributed as follows: ten percent to the counties, fifteen percent
64 to the cities, two percent to be deposited in the state transportation fund, which is hereby created
65 within the state treasury to be used in a manner provided by law and seventy-three percent to be
66 deposited in the state road fund. The amounts apportioned and distributed to the counties and
67 cities shall be further allocated and used as provided in section 30(a) of this article. The amounts
68 allocated and distributed to the highways and transportation commission for the state road fund
69 shall be used as provided in subsection 1 of this section 30(b). The sales taxes which are
70 apportioned and distributed pursuant to this subdivision (2) shall not include those taxes levied
71 and imposed pursuant to sections 43(a) or 47(a) of this article. The term "proceeds from the state
72 sales tax" as used in this subdivision (2) shall mean and include all revenues received by the
73 department of revenue from the said sales tax, reduced only by refunds for overpayments and
74 erroneous payments of such tax as permitted by law and actual costs of collection by the
75 department of revenue (but not to exceed three percent of the amount collected).

76 (3) (i) From and after July 1, 2005, through June 30, 2006, twenty-five percent of the
77 remaining one-half of the proceeds of the state sales tax on all motor vehicles, trailers,
78 motorcycles, mopeds and motortricycles which is not distributed by subdivision (2) of subsection
79 2 of this section 30(b) shall be deposited in the state road bond fund which is hereby created
80 within the state treasury; (ii) from and after July 1, 2006, through June 30, 2007, fifty percent of
81 the aforesaid one-half of the proceeds of the state sales tax on all motor vehicles, trailers,
82 motorcycles, mopeds and motortricycles which is not distributed by subdivision (2) of subsection

83 2 of this section 30(b) shall be deposited in the state road bond fund; (iii) from and after July 1,
84 2007, through June 30, 2008, seventy-five percent of the aforesaid one-half of the proceeds of
85 the state sales tax on all motor vehicles, trailers, motorcycles, mopeds and motortricycles which
86 is not distributed by subdivision (2) of subsection 2 of this section 30(b) shall be deposited in the
87 state road bond fund; and (iv) from and after July 1, 2008, one hundred percent of the aforesaid
88 one-half of the proceeds of the state sales tax on all motor vehicles, trailers, motorcycles, mopeds
89 and motortricycles which is not distributed by subdivision (2) of subsection 2 of this section
90 30(b) shall be deposited in the state road bond fund. Moneys deposited in the state road bond
91 fund are hereby dedicated to and shall only be used to fund the repayment of bonds issued by the
92 highways and transportation commission to fund the construction and reconstruction of the state
93 highway system or to fund refunding bonds, except that after January 1, 2009, that portion of the
94 moneys in the state road bond fund which the commissioner of administration and the highways
95 and transportation commission each certify is not needed to make payments upon said bonds or
96 to maintain an adequate reserve for making future payments upon said bonds may be
97 appropriated to the state road fund. The highways and transportation commission shall have
98 authority to issue state road bonds for the uses set forth in this subdivision (3). The net proceeds
99 received from the issuance of such bonds shall be paid into the state road fund and shall only be
100 used to fund construction or reconstruction of specific projects for parts of the state highway
101 system as determined by the highways and transportation commission. The moneys deposited
102 in the state road bond fund shall only be withdrawn by appropriation pursuant to this
103 constitution. No obligation for the payment of moneys so appropriated shall be paid unless the
104 commissioner of administration certifies it for payment and further certifies that the expenditure
105 is for a use which is specifically authorized by the provisions of this subdivision (3). The
106 proceeds of the sales tax which are subject to allocation and deposit into the state road bond fund
107 pursuant to this subdivision (3) shall not include the proceeds of the sales tax levied and imposed
108 pursuant to sections 43(a) or 47(a) of this article nor shall they include the proceeds of that
109 portion of the sales tax apportioned, distributed and dedicated to the school district trust fund on
110 November 2, 2004. The term "proceeds from the state sales tax" as used in this subdivision (3)
111 shall mean and include all revenues received by the department of revenue from the said sales
112 tax, reduced only by refunds for overpayments and erroneous payments of such tax as permitted
113 by law and actual costs of collection by the department of revenue (but not to exceed three
114 percent of the amount collected).

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

119 amounts distributed shall be apportioned and distributed to the counties and cities as provided
120 in section 30(a) of this article, to be used for highway purposes.

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

126 **5. In order to provide adequate law enforcement on state roads and throughout the**
127 **state, an additional sales tax of four-tenths of one percent is hereby levied and imposed**
128 **upon all sellers for the privilege of selling tangible personal property or rendering taxable**
129 **services at retail in this state upon the sales and services that are now or hereafter subject**
130 **to the provisions of the "Sales Tax Law", to be collected as provided therein and subject**
131 **to the rules and regulations related thereto, and an additional use tax of four-tenths of one**
132 **percent is hereby levied and imposed for the privilege of storing, using, or consuming**
133 **within this state any article of tangible personal property that is subject to the provisions**
134 **of the "Compensating Use Tax Law", to be collected as provided therein and subject to the**
135 **rules and regulations related thereto. Revenues generated by this subsection shall be**
136 **deposited in the Missouri law enforcement fund.**

137 6. The "Missouri Law Enforcement Fund" is hereby established. To the extent any
138 moneys in the fund are not appropriated by the general assembly in any year, such moneys
139 shall remain in the fund for future appropriations. No balances shall be diverted or
140 otherwise appropriated except as authorized by this subsection. The general assembly
141 shall appropriate moneys in the fund solely as follows:

142 (1) To provide for the actual costs of an annual audit of all funds raised or
143 expended under this section;

144 (2) To provide for the actual costs of the state highway patrol in administering and
145 enforcing any state motor vehicle laws or traffic regulations or for such other state
146 highway patrol functions as the legislature deems appropriate;

147 (3) To provide funds for grants to municipal and county law enforcement agencies
148 for equipment and training; and

149 (4) To provide for the families of law enforcement officers killed in the line of duty
150 as authorized by law.

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152 **In any given year, such funding shall not exceed ten percent of the revenue generated**
153 **under subsection 5 of this section in that year.**

154 **7. The state auditor shall annually audit and examine the collection of moneys and**
155 **expenditures authorized under this section to determine whether such collections and**
156 **appropriations are consistent with the provisions of this section. The state auditor shall**
157 **submit his or her findings to the general assembly of each year.**

Section B. Section A of this act is hereby submitted to the qualified voters of this state
2 for approval or rejection at an election, which is hereby ordered and which shall be held and
3 conducted on the Tuesday immediately following the first Monday in November, 2018, or at a
4 special election to be called by the governor for that purpose, pursuant to the applicable laws and
5 constitutional provisions of this state for the submission of referendum measures by the general
6 assembly. If approved by a majority of the votes cast thereon and not otherwise, the repeal and
7 reenactment of article IV, section 30(b) of the Constitution of Missouri of this act shall become
8 effective on July 1, 2019.

Section C. Under chapter 116, RSMo, and other applicable constitutional provisions and
2 laws of this state allowing the general assembly to adopt ballot language for the submission of
3 a referendum to the voters of this state, the official summary statement of the referendum
4 submitted under section B of this act shall be as follows:

5 "Shall the Missouri Constitution be changed to require the state auditor to audit certain
6 funds annually and be changed to impose a four-tenths of a percent sales tax dedicated to the
7 Missouri State Highway Patrol, families of law enforcement killed in the line of duty, and grants
8 for local law enforcement training and equipment?"

Section D. Under chapter 116, RSMo, and other applicable constitutional provisions and
2 laws of this state allowing the general assembly to adopt ballot language for the submission of
3 a referendum to the voters of this state, the official fiscal note summary of the referendum
4 submitted under section B of this act shall be as follows:

5 "This change is expected to raise approximately \$286 million annually with a one-time
6 cost of \$79,000. Local governments estimate no costs or savings."

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