

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE JOINT RESOLUTION NO. 36**  
**99TH GENERAL ASSEMBLY**

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Reported from the Committee on Transportation, Infrastructure and Public Safety, April 5, 2018, with recommendation that the Senate Committee Substitute do pass.

ADRIANE D. CROUSE, Secretary.

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**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 transportation funding.

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*Be it resolved by the Senate, the House of Representatives concurring therein:*

That at the next general election to be held in the state of Missouri, on  
2 Tuesday next following the first Monday in November, 2018, or at a special  
3 election to be called by the governor for that purpose, there is hereby submitted  
4 to the qualified voters of this state, for adoption or rejection, the following  
5 amendment to article IV of the Constitution of the state of Missouri:

Section A. Section 30(b), article IV, Constitution of Missouri, is repealed  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

Section 30(b). 1. For the **sole and exclusive** purpose of constructing and  
2 maintaining an adequate system of connected state highways, **until December**  
3 **31, 2019**, all state revenue derived from highway users as an incident to their  
4 use or right to use the highways of the state, including all state license fees and  
5 taxes upon motor vehicles, trailers and motor vehicle fuels, and upon, with  
6 respect to, or on the privilege of the manufacture, receipt, storage, distribution,  
7 sale or use thereof (excepting those portions of the sales tax on motor vehicles  
8 and trailers which are not distributed to the state road fund pursuant to  
9 subsection 2 of this section 30(b) and further excepting all property taxes), less  
10 the (1) actual cost of collection of the department of revenue (but not to exceed  
11 three percent of the particular tax or fee collected), (2) actual cost of refunds for  
12 overpayments and erroneous payments of such taxes and fees and maintaining  
13 retirement programs as permitted by law and (3) actual cost of the state highway  
14 patrol in administering and enforcing any state motor vehicle laws and traffic

15 regulations, shall be deposited in the state road fund which is hereby created  
16 within the state treasury [and]. **Beginning January 1, 2020, all state**  
17 **revenue derived from highway users as an incident to their use or right**  
18 **to use the highways of the state, including all state license fees and**  
19 **taxes upon motor vehicles, trailers, and motor vehicle fuels, and upon,**  
20 **with respect to, or on the privilege of the manufacture, receipt, storage,**  
21 **distribution, sale, or use thereof (excepting those portions of the sales**  
22 **tax on motor vehicles and trailers which are not distributed to the state**  
23 **road fund pursuant to subsection 2 of this section 30(b) and further**  
24 **excepting all property taxes), less the actual cost of refunds for**  
25 **overpayments and erroneous payments of such taxes and fees and**  
26 **maintaining retirement programs as permitted by law shall be**  
27 **deposited in the state road fund. All moneys in the state road fund**  
28 **shall stand appropriated without legislative action to be used and expended by**  
29 the highways and transportation commission for the following purposes, and no  
30 other:

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

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

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

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

45 (2) To reimburse the various counties and other political subdivisions of  
46 the state, except incorporated cities and towns, for money expended by them in  
47 the construction or acquisition of roads and bridges now or hereafter taken over  
48 by the highways and transportation commission as permanent parts of the state  
49 highway system, to the extent of the value to the state of such roads and bridges  
50 at the time taken over, not exceeding in any case the amount expended by such

51 counties and subdivisions in the construction or acquisition of such roads and  
52 bridges, except that the highways and transportation commission may, in its  
53 discretion, repay, or agree to repay, any cash advanced by a county or subdivision  
54 to expedite state road construction or improvement;

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

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

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

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

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

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

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

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

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

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

79 **No revenues or fund balances authorized under this section shall in any**  
80 **way be diverted for purposes other than those specifically authorized**  
81 **by this section.**

82 2. (1) The state sales tax upon the sale of motor vehicles, trailers,  
83 motorcycles, mopeds and motortricycles at the rate provided by law on November  
84 2, 2004, is levied and imposed by this section until the rate is changed by law or  
85 constitutional amendment.

86 (2) One-half of the proceeds from the state sales tax on all motor vehicles,

87 trailers, motorcycles, mopeds and motortricycles shall be dedicated for highway  
88 and transportation use and shall be apportioned and distributed as follows: ten  
89 percent to the counties, fifteen percent to the cities, two percent to be deposited  
90 in the state transportation fund, which is hereby created within the state  
91 treasury to be used in a manner provided by law and seventy-three percent to be  
92 deposited in the state road fund. The amounts apportioned and distributed to the  
93 counties and cities shall be further allocated and used as provided in section 30(a)  
94 of this article. The amounts allocated and distributed to the highways and  
95 transportation commission for the state road fund shall be used as provided in  
96 subsection 1 of this section 30(b). The sales taxes which are apportioned and  
97 distributed pursuant to this subdivision (2) shall not include those taxes levied  
98 and imposed pursuant to sections 43(a) or 47(a) of this article. The term  
99 "proceeds from the state sales tax" as used in this subdivision (2) shall mean and  
100 include all revenues received by the department of revenue from the said sales  
101 tax, reduced only by refunds for overpayments and erroneous payments of such  
102 tax as permitted by law and actual costs of collection by the department of  
103 revenue (but not to exceed three percent of the amount collected).

104 (3) (i) From and after July 1, 2005, through June 30, 2006, twenty-five  
105 percent of the remaining one-half of the proceeds of the state sales tax on all  
106 motor vehicles, trailers, motorcycles, mopeds and motortricycles which is not  
107 distributed by subdivision (2) of subsection 2 of this section 30(b) shall be  
108 deposited in the state road bond fund which is hereby created within the state  
109 treasury; (ii) from and after July 1, 2006, through June 30, 2007, fifty percent of  
110 the aforesaid one-half of the proceeds of the state sales tax on all motor vehicles,  
111 trailers, motorcycles, mopeds and motortricycles which is not distributed by  
112 subdivision (2) of subsection 2 of this section 30(b) shall be deposited in the state  
113 road bond fund; (iii) from and after July 1, 2007, through June 30, 2008,  
114 seventy-five percent of the aforesaid one-half of the proceeds of the state sales tax  
115 on all motor vehicles, trailers, motorcycles, mopeds and motortricycles which is  
116 not distributed by subdivision (2) of subsection 2 of this section 30(b) shall be  
117 deposited in the state road bond fund; and (iv) from and after July 1, 2008, one  
118 hundred percent of the aforesaid one-half of the proceeds of the state sales tax on  
119 all motor vehicles, trailers, motorcycles, mopeds and motortricycles which is not  
120 distributed by subdivision (2) of subsection 2 of this section 30(b) shall be  
121 deposited in the state road bond fund. Moneys deposited in the state road bond  
122 fund are hereby dedicated to and shall only be used to fund the repayment of

123 bonds issued by the highways and transportation commission to fund the  
124 construction and reconstruction of the state highway system or to fund refunding  
125 bonds, except that after January 1, 2009, that portion of the moneys in the state  
126 road bond fund which the commissioner of administration and the highways and  
127 transportation commission each certify is not needed to make payments upon said  
128 bonds or to maintain an adequate reserve for making future payments upon said  
129 bonds may be appropriated to the state road fund. The highways and  
130 transportation commission shall have authority to issue state road bonds for the  
131 uses set forth in this subdivision (3). The net proceeds received from the issuance  
132 of such bonds shall be paid into the state road fund and shall only be used to  
133 fund construction or reconstruction of specific projects for parts of the state  
134 highway system as determined by the highways and transportation  
135 commission. The moneys deposited in the state road bond fund shall only be  
136 withdrawn by appropriation pursuant to this constitution. No obligation for the  
137 payment of moneys so appropriated shall be paid unless the commissioner of  
138 administration certifies it for payment and further certifies that the expenditure  
139 is for a use which is specifically authorized by the provisions of this subdivision  
140 (3). The proceeds of the sales tax which are subject to allocation and deposit into  
141 the state road bond fund pursuant to this subdivision (3) shall not include the  
142 proceeds of the sales tax levied and imposed pursuant to sections 43(a) or 47(a)  
143 of this article nor shall they include the proceeds of that portion of the sales tax  
144 apportioned, distributed and dedicated to the school district trust fund on  
145 November 2, 2004. The term "proceeds from the state sales tax" as used in this  
146 subdivision (3) shall mean and include all revenues received by the department  
147 of revenue from the said sales tax, reduced only by refunds for overpayments and  
148 erroneous payments of such tax as permitted by law and actual costs of collection  
149 by the department of revenue (but not to exceed three percent of the amount  
150 collected).

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

158           4. The moneys apportioned or distributed under this section to the state

159 road fund, the state transportation fund, the state road bond fund, counties,  
160 cities, towns or villages shall not be included within the definition of "total state  
161 revenues" as that term is used in section 17 of Article X of this constitution nor  
162 be considered as an "expense of state government" as that term is used in section  
163 20 of article X of this constitution.

164 **5. In order to provide for adequate law enforcement on state**  
165 **roads and throughout the state, an additional sales tax of four-tenths**  
166 **of one percent is hereby adopted and imposed upon all sellers for the**  
167 **privilege of selling tangible personal property or rendering taxable**  
168 **services at retail in this state upon the sales and services which now**  
169 **are listed and set forth in, and, except as to the amount of tax, subject**  
170 **to the provisions of and to be collected as provided in the "Sales Tax**  
171 **Law" and subject to the rules and regulations promulgated in**  
172 **connection therewith.**

173 **6. The "Missouri Law Enforcement Trust Fund" is hereby**  
174 **established, and up to ninety percent of all revenues generated by the**  
175 **tax in subsection 5 of this section shall be deposited into the fund. To**  
176 **the extent any amounts in the fund are not appropriated by the general**  
177 **assembly in any fiscal year, such unappropriated funds shall remain in**  
178 **the fund for future appropriations consistent with this section, and no**  
179 **balances shall be diverted or otherwise appropriated except as**  
180 **authorized by this section. No funds shall be expended from the fund**  
181 **prior to July 1, 2019. The general assembly shall appropriate funds**  
182 **from the fund solely as follows:**

183 **(1) To provide for the actual cost of an annual audit of all funds**  
184 **raised or expended under this section; and**

185 **(2) To provide for the actual cost of the state highway patrol in**  
186 **administering and enforcing any state motor vehicle laws or traffic**  
187 **regulations.**

188 **7. The "Missouri Local Law Enforcement Training and Equipment**  
189 **Trust Fund" is hereby established, and ten percent of all revenues**  
190 **generated by the tax in subsection 5 of this section shall be deposited**  
191 **into the fund. To the extent any amounts in the fund are not**  
192 **appropriated by the general assembly in any fiscal year, such**  
193 **unappropriated funds shall remain in the fund for future**  
194 **appropriations consistent with this section, and no balances shall be**  
195 **diverted or otherwise appropriated except as authorized by this**

196 section. No funds shall be expended from the fund prior to July 1,  
197 2019. The general assembly shall appropriate funds from the fund  
198 solely to provide funds for grants solely to municipal and county law  
199 enforcement agencies for equipment and training, law enforcement  
200 services, and to provide for the families of law enforcement officers  
201 killed in the line of duty as authorized by law.

202 8. The state auditor shall annually conduct an audit of the funds  
203 raised and expenditures authorized under subsections 5 to 10 of this  
204 section and shall release the report publicly to the taxpayers.

205 9. Nothing in subsections 5 to 10 of this section shall be  
206 construed to expand the arrest authority of the state highway patrol or  
207 to remove the state highway patrol from the supervision and  
208 administration by the department of public safety, or its successor  
209 agency.

210 10. The provisions of subsections 5 to 10 of this section shall  
211 become effective July 1, 2019.

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

5 "Shall the Missouri Constitution be amended to institute a 0.4%  
6 sales tax for the funding and equipping of the State Highway  
7 Patrol and local law enforcement, and to end the diversion of motor  
8 fuel taxes from the State Road Fund?"

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

5 "If passed, this measure will generate \$37.5 million to the Missouri  
6 Local Law Enforcement Training and Equipment Trust Fund and  
7 \$337.2 million to the Missouri Law Enforcement Trust  
8 Fund. Ending the diversion of motor fuel taxes will generate  
9 \$264.3 million for the State Road Fund."

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