

FIRST REGULAR SESSION

SENATE JOINT RESOLUTION NO. 26

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOLSMAN.

Read 1st time February 27, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1539S.011

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing section 27(a) of article IV of the Constitution of Missouri, and adopting two new sections in lieu thereof relating to providing funds for emergencies in this state.

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, 2020, 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Section A. Section 27(a), article IV, Constitution of Missouri, is repealed
2 and two new sections adopted in lieu thereof, to be known as sections 27(a) and
3 27(c), to read as follows:

Section 27(a). 1. There is hereby established within the state treasury a
2 fund to be known as the ["Budget Reserve Fund"] "**Cash Balance Fund**". [The
3 balances in the cash operating reserve fund and the budget stabilization fund
4 shall be transferred to the budget reserve fund.]

5 2. The commissioner of administration may, throughout any fiscal year,
6 transfer amounts from the [budget reserve] **cash balance** fund to the general
7 revenue fund or any other state fund without other legislative action if he **or she**
8 determines that such amounts are necessary for the cash requirements of this
9 state. Such transfers shall be deemed "cash operating transfers".

10 3. The commissioner of administration shall transfer from the general
11 revenue fund or other recipient fund to the [budget reserve] **cash balance** fund
12 an amount equal to the cash operating transfer received by such fund pursuant

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

13 to subsection 2 of this section, together with the interest that would have been
14 earned on such amount, prior to May sixteenth of the fiscal year in which the
15 transfer was made. No cash operating transfers out of the [budget reserve] **cash**
16 **balance** fund may be made after May fifteenth of any fiscal year.

17 4. Funds in the [budget reserve] **cash balance** fund shall be invested by
18 the treasurer in the same manner as other state funds are invested. Interest
19 earned on such investments shall be credited to the [budget reserve] **cash**
20 **balance** fund. Subject to the provisions of subsection [7] 5 of this section, the
21 unexpended balance in the [budget reserve] **cash balance** fund at the close of
22 any fiscal year shall remain in the fund.

23 5. [In any fiscal year in which the governor reduces the expenditures of
24 the state or any of its agencies below their appropriations in accordance with
25 section 27 of this article, or in which there is a budget need due to a disaster, as
26 proclaimed by the governor to be an emergency, the general assembly, upon a
27 request by the governor for an emergency appropriation and by a two-thirds vote
28 of the members elected to each house, may appropriate funds from the budget
29 reserve fund to fulfill the expenditures authorized by any of the existing
30 appropriations which were affected by the governor's decision to reduce
31 expenditures pursuant to section 27 of this article or to meet budget needs due
32 to the disaster. Such expenditures shall be deemed to be for "budget stabilization
33 purposes". The maximum amount which may be appropriated at any one time for
34 such budget stabilization purposes shall be one-half of the sum of the balance in
35 the fund and any amounts appropriated or otherwise owed to the fund, less all
36 amounts owed to the fund for budget stabilization purposes but not yet
37 appropriated for repayment to the fund.

38 6. One-third of the amount transferred or expended from the budget
39 reserve fund for budget stabilization purposes during any fiscal year, together
40 with interest that would otherwise have been earned on such amount, shall stand
41 appropriated to the budget reserve fund during each of the next three fiscal years,
42 and such amount, and any additional amounts which may be appropriated for
43 that purpose, shall be transferred from the fund which received such transfer to
44 the budget reserve fund by the fifteenth day of the fiscal year for each of the next
45 three fiscal years or until the full amount, plus interest, has been returned to the
46 budget reserve fund. The maximum amount which may be outstanding at any
47 one time and subject to repayment to the budget reserve fund for budget
48 stabilization purposes shall be one-half of the sum of the balance in the fund and

49 all outstanding amounts appropriated or otherwise owed to the fund.

50 7.] If the balance in the [budget reserve] **cash balance** fund at the close
51 of any fiscal year exceeds seven and one-half percent of the net general revenue
52 collections for the previous fiscal year, the commissioner of administration shall
53 transfer that excess amount to the general revenue fund unless such excess
54 balance is as a result of direct appropriations made by the general assembly for
55 the purpose of increasing the balance of the fund; provided, however, that if the
56 balance in the fund at the close of any fiscal year exceeds ten percent of the net
57 general revenue collections for the previous fiscal year, the commissioner of
58 administration shall transfer the excess amount to the general revenue fund
59 notwithstanding any specific appropriations made to the fund. For purposes of
60 this section, "net general revenue collections" means all revenue deposited into
61 the general revenue fund less refunds and revenues originally deposited into the
62 general revenue fund but designated by law for a specific distribution or transfer
63 to another state fund.

64 6. If the sum of the ending balance of the [budget reserve] **cash balance**
65 fund in any fiscal year [and any amounts owed to the fund pursuant to subsection
66 6 of this section] is less than seven and one-half percent of the net general
67 revenue collections for the same year, the difference shall stand appropriated and
68 shall be transferred from the general revenue fund to the [budget reserve] **cash**
69 **balance** fund by the fifteenth day of the succeeding fiscal year.

Section 27(c). 1. There is hereby established within the state
2 **treasury a fund to be known as the "State Disaster and Emergency**
3 **Fund", which shall consist of moneys collected under subsection 5 of**
4 **this section. Funds in the state disaster and emergency fund shall be**
5 **invested by the treasurer in the same manner as other state funds are**
6 **invested. Interest earned on such investments shall be credited to the**
7 **state disaster and emergency fund. Subject to the provisions of**
8 **subsection 6 of this section, the unexpended balance in the state**
9 **disaster and emergency fund at the close of any fiscal year shall remain**
10 **in the fund.**

11 2. (1) In any fiscal year in which the governor reduces the
12 expenditures of the state or any of its agencies below their
13 appropriations in accordance with section 27 of this article, or in which
14 there is a budget need due to a disaster, as proclaimed under
15 subdivision (2) of this subsection, the general assembly may

16 appropriate funds from the state disaster and emergency fund to fulfill
17 the expenditures authorized by any of the existing appropriations
18 which were affected by the governor's decision to reduce expenditures
19 pursuant to section 27 of this article or to meet budget needs due to the
20 disaster.

21 (2) A disaster may be declared for the purposes of authorizing an
22 appropriation from the state disaster and emergency fund solely by:

23 (a) A proclamation by the governor; or

24 (b) A two-thirds vote of the members elected to each house of the
25 general assembly.

26 3. There is hereby established within the state treasury a fund
27 to be known as the "Local Disaster and Emergency Fund", which shall
28 consist of moneys collected under subsection 5 of this section. Funds
29 in the local disaster and emergency fund shall be invested by the
30 treasurer in the same manner as other state funds are
31 invested. Interest earned on such investments shall be credited to the
32 local disaster and emergency fund. Subject to the provisions of
33 subsection 6 of this section, the unexpended balance in the local
34 disaster and emergency fund at the close of any fiscal year shall remain
35 in the fund.

36 4. (1) Upon a declaration of a disaster under subdivision (2) of
37 subsection 2 of this section, counties, cities, and other municipalities
38 in this state may apply to the department of public safety, or any
39 successor agency, to receive grants from the local disaster and
40 emergency fund. The department may issue a grant with the approval
41 of the governor if such grant request does not exceed the lesser of ten
42 million dollars or five percent of the balance of the local disaster and
43 emergency fund.

44 (2) If a grant request made under subdivision (1) of this
45 subsection exceeds the lesser of ten million dollars or five percent of
46 the balance of the local disaster and emergency fund, the department
47 may only issue such grant with an appropriation made from the state
48 disaster and emergency fund with the approval of a majority vote of the
49 members elected to each house of the general assembly.

50 5. (1) For the purpose of providing funds for disasters and other
51 emergencies in this state, an additional sales tax of one-tenth of one
52 percent is hereby levied and imposed upon all sellers for the privilege

53 of selling tangible personal property or rendering taxable services at
54 retail in this state upon the sales and services which now are or
55 hereafter are listed and set forth in, and, except as to the amount of
56 tax, subject to the provisions of and to be collected as provided in the
57 "Sales Tax Law" and subject to the rules and regulations promulgated
58 in connection therewith; and an additional use tax of one-tenth of one
59 percent is levied and imposed for the privilege of storing, using or
60 consuming within this state any article of tangible personal property
61 as set forth and provided in the "Compensating Use Tax Law" and,
62 except as to the amount of the tax, subject to the provisions of and to
63 be collected as provided in the "Compensating Use Tax Law" and
64 subject to the rules and regulations promulgated in connection
65 therewith.

66 (2) Twenty percent of the tax collected under this subsection
67 shall be deposited in the local disaster and emergency fund established
68 under subsection 3 of this section and shall stand appropriated without
69 further legislative action to the department of public safety solely for
70 the purpose of providing grants under subsection 4 of this section, and
71 eighty percent of the tax collected under this subsection shall be
72 deposited in the state disaster and emergency fund established under
73 subsection 1 of this section.

74 6. (1) If the balance in the local disaster and emergency fund at
75 the close of any fiscal year exceeds one hundred million dollars, the
76 excess amount shall be transferred to the state disaster and emergency
77 fund.

78 (2) If the balance in the state disaster and emergency fund at the
79 close of any fiscal year exceeds four hundred million dollars, the excess
80 amount shall be transferred to the general revenue fund.

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