

FIRST REGULAR SESSION

[CORRECTED]

HOUSE JOINT RESOLUTION NO. 17

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE NASHEED.

0602L.01I

D. ADAM CRUMBLISS, Chief Clerk

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 one new section in lieu thereof relating to the budget reserve 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 following the first Monday in November, 2010, 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Section A. Section 27(a), article IV, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 27, to read as follows:

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

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

3. The commissioner of administration shall transfer from the general revenue fund or other recipient fund to the budget reserve fund an amount equal to the cash operating transfer

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.

10 received by such fund pursuant to subsection 2 of this section, together with the interest that
11 would have been earned on such amount, prior to May sixteenth of the **third** fiscal year
12 **following the fiscal year** in which the transfer was made. No cash operating transfers out of the
13 budget reserve fund may be made after May fifteenth of any fiscal year.

14 4. Funds in the budget reserve fund shall be invested by the treasurer in the same manner
15 as other state funds are invested. Interest earned on such investments shall be credited to the
16 budget reserve fund. Subject to the provisions of subsection 7 of this section, the unexpended
17 balance in the budget reserve fund at the close of any fiscal year shall remain in the fund.

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

30 6. One-third of the amount transferred or expended from the budget reserve fund for
31 budget stabilization purposes during any fiscal year, together with interest that would otherwise
32 have been earned on such amount, shall stand appropriated to the budget reserve fund during
33 each of the next three fiscal years **following the third fiscal year after the fiscal year in which**
34 **the amount was transferred or expended for budget stabilization purposes**, and such
35 amount, and any additional amounts which may be appropriated for that purpose, shall be
36 transferred from the fund which received such transfer to the budget reserve fund by the fifteenth
37 day of the fiscal year for each of [the next] **those** three fiscal years or until the full amount, plus
38 interest, has been returned to the budget reserve fund. The maximum amount which may be
39 outstanding at any one time and subject to repayment to the budget reserve fund for budget
40 stabilization purposes shall be one-half of the sum of the balance in the fund and all outstanding
41 amounts appropriated or otherwise owed to the fund.

42 7. If the balance in the budget reserve fund at the close of any fiscal year exceeds seven
43 and one-half percent of the net general revenue collections for the previous fiscal year, the
44 commissioner of administration shall transfer that excess amount to the general revenue fund
45 unless such excess balance is as a result of direct appropriations made by the general assembly

46 for the purpose of increasing the balance of the fund; provided, however, that if the balance in
47 the fund at the close of any fiscal year exceeds ten percent of the net general revenue collections
48 for the previous fiscal year, the commissioner of administration shall transfer the excess amount
49 to the general revenue fund notwithstanding any specific appropriations made to the fund. For
50 purposes of this section, "net general revenue collections" means all revenue deposited into the
51 general revenue fund less refunds and revenues originally deposited into the general revenue
52 fund but designated by law for a specific distribution or transfer to another state fund.

53 8. If the sum of the ending balance of the budget reserve fund in any fiscal year and any
54 amounts owed to the fund pursuant to subsection 6 of this section is less than seven and one-half
55 percent of the net general revenue collections for the same year, the difference shall stand
56 appropriated and shall be transferred from the general revenue fund to the budget reserve fund
57 by the fifteenth day of the succeeding fiscal year.

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