FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE JOINT RESOLUTION NO. 14

97TH GENERAL ASSEMBLY

0153H.08C

D. ADAM CRUMBLISS, Chief Clerk

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment to article III of the Constitution of Missouri, and adopting one new section relating to the fifth state building 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, 2014, 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 III of the Constitution of the state of Missouri:

Section A. Article III, Constitution of Missouri, is amended by adding one new section, 2 to be known as section 37(i), to read as follows:

Section 37(i). 1. The general assembly may authorize the contracting of an 2 indebtedness on behalf of the state of Missouri and the issuance of bonds or other evidences 3 of indebtedness not exceeding in the aggregate the sum of one billion two hundred million dollars for the purpose of providing funds for the construction of state buildings, ports, 4 facilities, projects resulting in the reduction of energy costs, projects for rural water 5 6 consortia, existing surface lake projects, and projects for purposes other than higher education and for the construction, renovation, and rebuilding of buildings of institutions 7 8 of higher education including no less than fifteen percent of the proceeds to be allocated to public community colleges, providing additions thereto or additional buildings where 9 necessary, for land acquisition, for construction or purchase of buildings, projects resulting 10 in the reduction of energy costs, and for planning, furnishing, equipping and landscaping 11 such improvements and buildings. The use of bond funds to establish a revolving loan 12 13 program for public elementary and secondary education capital costs where the schools

receiving the funds would be required to repay the funds plus administrative costs over a 14 15 set period of time or through an offset to the school's foundation formula or proposition C payment is authorized. All new construction and/or renovations and alterations of 16 existing buildings and facilities shall comply with the provisions of Title II of the 17 Americans with Disabilities Act, in effect as of March 15, 2012, with the express intention 18 19 of making buildings, facilities, and projects fully accessible to all Missourians. Not less 20 than five hundred million dollars of the proceeds shall be allocated for the construction of 21 state buildings, facilities, projects resulting in the reduction of energy costs, projects for 22 rural water consortia, existing surface lake projects, and projects for purposes other than 23 higher education, of which no less than forty million dollars may be allocated for the 24 maintenance of parks and park facilities. No amount of the proceeds shall be allocated to 25 institutions of higher education or for any non-state project unless such institution or non-26 state project matches at least ten percent of the amount allocated for the project under this 27 section. All new construction and/or renovations and alterations of existing buildings, 28 facilities or projects shall comply with the applicable Titles and provisions of the 29 Americans with Disabilities Act, in effect as of March 15, 2012, with the express intention 30 of making state buildings, parks, park facilities and projects as fully accessible to all 31 Missourians as is feasible given the historic nature of some structures. The use of bond 32 funds for any construction or energy efficiency practices required under general law, or 33 allowed by executive order or agency rule, order, or decision, is authorized. The bonds shall be issued by the state board of fund commissioners from time to time and in such 34 amounts as may be necessary as determined by the general assembly for such purposes. 35 36 The board of fund commissioners shall offer such bonds at public sale, and shall provide 37 such method as it may deem necessary for the advertisement of the sale of each issue of bonds before such bonds are sold. The proceeds of the sale or sales of any bonds issued 38 39 under this section shall be paid into the state treasury and be credited to a fund to be 40 designated the fifth state building fund. The bonds shall be retired serially and by installments within a period not to exceed twenty-five years from their date of issue and 41 42 shall bear interest at a rate or rates not exceeding the rate permitted by law. The proceeds 43 of the sale of the bonds authorized in this section shall be expended for the purposes for 44 which the bonds are authorized to be issued.

2. The bonds and the interest thereon shall be paid out of the "Fifth State Building Fund", which is hereby created, and the payment of such bonds and the interest thereon shall be secured by a pledge of the full faith, credit and resources of the state of Missouri. Upon the issuance of such bonds, or any portion thereof, the state board of fund commissioners shall notify the commissioner of administration of the amount of money

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required, in the remaining portion of the fiscal year during which such bonds shall have been issued, for the payment of interest on the bonds, and of the amount of money required for the payment of interest on the bonds in the following fiscal year, and to pay such bonds as they mature. Thereafter, within thirty days after the beginning of each fiscal year, the state board of fund commissioners shall notify the commissioner of administration of the amount of money required for the payment of interest on the bonds in the following fiscal year and to pay such bonds maturing in the following fiscal year.

57 3. It shall be the duty of the commissioner of administration to transfer at least 58 monthly, from the state general revenue fund or from any other fund established by law 59 for this purpose, after deducting therefrom the proportionate part thereof appropriated 60 for the support of the free public schools, and to credit to the fifth state building fund such 61 sum as may be necessary from time to time until there shall have been transferred to such 62 fund the amount so certified to the commissioner of administration by the state board of 63 fund commissioners, as provided in this section.

64 4. If at any time after the issuance of any of the bonds, it shall become apparent to 65 the commissioner of administration that the funds available in the state general revenue fund will not be sufficient for the payment of the sinking fund and interest on outstanding 66 obligations of the state and the principal and interest maturing and accruing on the bonds 67 68 during the following fiscal year, a direct tax shall be levied upon all taxable tangible 69 property in the state for the payment of such bonds and the interest that will accrue thereon. In such event, it shall be the duty of the commissioner of administration annually, 70 on or before the first day of July, to determine the rate of taxation necessary to be levied 71 72 upon all taxable tangible property within the state to raise the amount of money needed 73 to pay the principal of and interest on such bonds maturing and accruing in the following 74 fiscal year, taking into consideration available funds, delinquencies and costs of collection. 75 The commissioner of administration shall annually certify the rate of taxation so 76 determined to the county clerk of each county and to the comptroller or other officer in the city of St. Louis whose duty it shall be to make up and certify the tax books wherein are 77 78 extended the ad valorem state taxes. It shall be the duty of such clerks and the comptroller 79 or other proper officer in the city of St. Louis to extend upon the tax books the taxes to be 80 collected and to certify the same to the collectors of the revenue of their respective counties 81 and of the city of St. Louis, who shall collect such taxes at the same time and in the same 82 manner and by the means as are now or may hereafter be provided by law for the 83 collection of state and county taxes, and to pay the same into the state treasury for the 84 credit of the fifth state building fund.

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85 5. All funds paid into the fifth state building fund shall be and stand appropriated 86 without legislative action to the payment of principal and interest of the bonds, there to remain until paid out in discharge of the principal of such bonds and the interest accruing 87 88 thereon, and no part of such fund shall be used for any other purpose so long as any of the 89 principal of such bonds and the interest thereon shall be unpaid. The general assembly 90 may appropriate in any year such amount from the fifth state building fund as it 91 determines to be necessary for the purposes specified in this section. The general assembly 92 may enact such laws as may be necessary to implement the provisions of this section. The 93 additional revenue provided by this section shall not be part of "total state revenues" in sections 17 and 18 of article X of this constitution. The expenditure of such additional 94 95 revenue shall not be an "expense of state government" under section 20 of article X of this 96 constitution.

97 6. The governor or his or her designated representative shall develop in 98 consultation with the state board of fund commissioners a percentage plan for application 99 by African Americans, women, and other minority businesses in all state bond programs. 100 The governor or his or her designated representative shall develop, in consultation with 101 the state board of fund commissioners, a percentage plan for application by African Americans, women, and other minority businesses, for employment opportunity in the state 102 construction building plan. Such minority business and employment plans shall be filed 103 104 with the Missouri minority business advocacy commission.

105 7. (1) There is hereby created the "Taxpayer Protection Commission". The 106 commission shall consist of five members, with one member appointed by the governor, 107 two members appointed by the president pro tempore of the senate, and two members 108 appointed by the speaker of the house of representatives. Any vacancy shall be filled in the 109 same manner as the original appointment. No member of the commission shall hold any 110 elected office of this state or any political subdivision of the state while serving as a member 111 of the commission. The members of the commission shall choose a chair from among the 112 members.

(2) The commission may regularly employ and fix the compensation of an executive director who shall serve at the pleasure of the commission and who is competent to assume administration of the necessary activities of the commission under the direction of the commission. The commission shall fix the director's duties and compensation. The commission may also employ other persons as it deems necessary to carry out the provisions of this section and as provided by state law enacted under the authority of this section. All such employees of the commission shall be under the supervision of the

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director who shall, as directed by the commission, assign and supervise all work projectsof those employees.

(3) All actions and duties of the board of fund commissioners relating to any bonds
issued under this section and as provided by state law enacted under the authority of this
section shall be performed in conjunction with, and reviewed and approved by and under
the oversight of the commission, as provided in this section.

126 (4) The commission shall have the following duties and powers under this section127 and as provided by state law enacted under the authority of this section:

(a) To oversee and approve any funds appropriated from the fifth state building
bond and interest fund or any project undertaken as a result of such appropriation;

130 (b) To review and approve any bonds authorized to be issued;

131 (c) To inspect any state buildings, facilities, land acquisition, transportation
 132 infrastructure, equipment, and landscaping upon which funds are expended;

(d) To review any expenditure of funds and contracts entered into under any
expenditure of such funds for compliance with this section and provisions of state law
enacted under the authority of this section;

136 (e) To withhold any disbursement of any appropriation from the fifth state building 137 bond and interest fund, or to cancel, terminate, or suspend, in whole or in part, any contract entered into under this section and provisions of state law enacted under the 138 139 authority of this section, in the event the commission determines that a recipient of such 140 funds or a contract authorizing the expenditure of such funds or a project upon which such funds are expended is in noncompliance with this section and provisions of state law 141 142 enacted under the authority of this section until such recipient or contract is in compliance 143 or until other contracts can be made for the completion of the project;

144 (f) To submit an annual report to the governor, attorney general, state auditor, and 145 the general assembly. Such report shall assess, review, and analyze each project financed 146 with any bonds issued under this section to determine whether the costs of the projects are 147 in compliance with this section and state law enacted under the authority of this section, 148 and shall assess, review, and analyze any other topic related to funds expended under this 149 section as the commission or the general assembly deems necessary. The report shall also 150 contain any recommendations the commission deems necessary to ensure funds are 151 expended and projects are managed prudently;

(g) To exercise such other powers or fulfill such other duties deemed necessary and
 prescribed under provisions of state law enacted under the authority of this section.

(5) The commission shall have authority solely over bonding, appropriations, and
 projects undertaken under this section. After all funds in the fifth state building bond and

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- 156 interest fund have been appropriated and all projects undertaken with such appropriated
- 157 funds have been completed, the commission shall be dissolved.