

FIRST REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR

# HOUSE JOINT RESOLUTION NO. 14

## 97TH GENERAL ASSEMBLY

0153H.12C

D. ADAM CRUMBLISS, Chief Clerk

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### 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.

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*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, to be known as section 37(i), to read as follows:

**Section 37(i). 1. The general assembly may authorize the contracting of an indebtedness on behalf of the state of Missouri and the issuance of bonds or other evidences of indebtedness not exceeding in the aggregate the sum of one billion two hundred million dollars.**

**2. The bonds shall be issued by the state board of fund commissioners from time to time and in such amounts as may be necessary as determined by the general assembly for such purposes. The board of fund commissioners shall offer such bonds at public sale, and shall provide 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 under this section shall be paid into the state treasury and be credited to a fund to be 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 shall bear interest at a rate or rates not exceeding the rate permitted by law. The proceeds**

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.

14 of the sale of the bonds authorized in this section shall be expended for the purposes for  
15 which the bonds are authorized to be issued.

16 3. The bonds and the interest thereon shall be paid out of the "Fifth State Building  
17 Fund", which is hereby created, and the payment of such bonds and the interest thereon  
18 shall be secured by a pledge of the full faith, credit and resources of the state of Missouri.  
19 Upon the issuance of such bonds, or any portion thereof, the state board of fund  
20 commissioners shall notify the commissioner of administration of the amount of money  
21 required, in the remaining portion of the fiscal year during which such bonds shall have  
22 been issued, for the payment of interest on the bonds, and of the amount of money required  
23 for the payment of interest on the bonds in the following fiscal year, and to pay such bonds  
24 as they mature. Thereafter, within thirty days after the beginning of each fiscal year, the  
25 state board of fund commissioners shall notify the commissioner of administration of the  
26 amount of money required for the payment of interest on the bonds in the following fiscal  
27 year and to pay such bonds maturing in the following fiscal year.

28 4. It shall be the duty of the commissioner of administration to transfer at least  
29 monthly, from the state general revenue fund or from any other fund established by law  
30 for this purpose, after deducting therefrom the proportionate part thereof appropriated  
31 for the support of the free public schools, and to credit to the fifth state building fund such  
32 sum as may be necessary from time to time until there shall have been transferred to such  
33 fund the amount so certified to the commissioner of administration by the state board of  
34 fund commissioners, as provided in this section.

35 5. If at any time after the issuance of any of the bonds, it shall become apparent to  
36 the commissioner of administration that the funds available in the state general revenue  
37 fund will not be sufficient for the payment of the sinking fund and interest on outstanding  
38 obligations of the state and the principal and interest maturing and accruing on the bonds  
39 during the following fiscal year, a direct tax shall be levied upon all taxable tangible  
40 property in the state for the payment of such bonds and the interest that will accrue  
41 thereon. In such event, it shall be the duty of the commissioner of administration annually,  
42 on or before the first day of July, to determine the rate of taxation necessary to be levied  
43 upon all taxable tangible property within the state to raise the amount of money needed  
44 to pay the principal of and interest on such bonds maturing and accruing in the following  
45 fiscal year, taking into consideration available funds, delinquencies and costs of collection.  
46 The commissioner of administration shall annually certify the rate of taxation so  
47 determined to the county clerk of each county and to the comptroller or other officer in the  
48 city of St. Louis whose duty it shall be to make up and certify the tax books wherein are  
49 extended the ad valorem state taxes. It shall be the duty of such clerks and the comptroller

50 or other proper officer in the city of St. Louis to extend upon the tax books the taxes to be  
51 collected and to certify the same to the collectors of the revenue of their respective counties  
52 and of the city of St. Louis, who shall collect such taxes at the same time and in the same  
53 manner and by the means as are now or may hereafter be provided by law for the  
54 collection of state and county taxes, and to pay the same into the state treasury for the  
55 credit of the fifth state building fund.

56 **6. All funds paid into the fifth state building fund shall be and stand appropriated**  
57 **without legislative action to the payment of principal and interest of the bonds, there to**  
58 **remain until paid out in discharge of the principal of such bonds and the interest accruing**  
59 **thereon, and no part of such fund shall be used for any other purpose so long as any of the**  
60 **principal of such bonds and the interest thereon shall be unpaid. The general assembly**  
61 **may appropriate in any year such amount from the fifth state building fund as it**  
62 **determines to be necessary for the purposes specified in this section. The general assembly**  
63 **may enact such laws as may be necessary to implement the provisions of this section. The**  
64 **additional revenue provided by this section shall not be part of "total state revenues" in**  
65 **sections 17 and 18 of article X of this constitution. The expenditure of such additional**  
66 **revenue shall not be an "expense of state government" under section 20 of article X of this**  
67 **constitution.**

68 **7. The bonds shall be used to provide funds for:**

69 **(1) The construction, renovation, and rebuilding of buildings of institutions of**  
70 **higher education in an amount of no more than six hundred million dollars, including no**  
71 **less than twenty percent of the proceeds to be allocated to public community colleges,**  
72 **providing additions thereto or additional buildings where necessary, for land acquisition,**  
73 **for construction or purchase of buildings, and for planning, furnishing, equipping and**  
74 **landscaping such improvements and buildings. No amount of the proceeds shall be**  
75 **allocated to institutions of higher education or for any non-state project unless such**  
76 **institution or non-state project matches at least fifteen percent of the amount allocated for**  
77 **the project under this section;**

78 **(2) The Missouri state capitol building project in an amount of no more than one**  
79 **hundred million dollars;**

80 **(3) The maintenance of public state parks and public state park facilities in an**  
81 **amount no less than forty million dollars; and**

82 **(4) The mental health facilities capital improvement fund, created in subsection 8**  
83 **of this section, in an amount of no more than two hundred million dollars unless funded**  
84 **by any other legislation, in which case such amount will remain in the state building and**  
85 **infrastructure revolving fund.**

86           **8. There is hereby created in the state treasury a dedicated fund known as the**  
87 **“Mental Health Facilities Capital Improvement Fund” for the purposes of constructing a**  
88 **new mental health facility in a county of the first classification with more than forty**  
89 **thousand but fewer than fifty thousand inhabitants and with a home rule city with more**  
90 **than twelve thousand one hundred but fewer than twelve thousand two hundred**  
91 **inhabitants as the county seat. The state treasurer shall be custodian of the fund. The**  
92 **fund shall receive all moneys which may be appropriated or otherwise credited to it by the**  
93 **general assembly and also shall receive any gifts, contributions, grants, or bequests**  
94 **received from federal, private, or other sources. Notwithstanding the provisions of section**  
95 **33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall**  
96 **not revert to the credit of the general revenue fund. The state treasurer shall invest**  
97 **moneys in the fund in the same manner as other funds are invested. Any interest and**  
98 **moneys earned on such investments shall be credited to the fund.**

99           **9. There is hereby created in the state treasury the “Public Elementary and**  
100 **Secondary Education Revolving Fund”, which shall consist of bond funds collected under**  
101 **this section in an amount of no more than twenty million dollars. The department of**  
102 **elementary and secondary education shall administer the fund. The state treasurer shall**  
103 **be custodian of the fund and may approve disbursements. The fund shall be a dedicated**  
104 **fund and, upon appropriation, money in the fund shall be used solely for the purpose of**  
105 **providing for public elementary and secondary education capital costs. Schools receiving**  
106 **the funds shall repay the funds plus administrative costs over a set period of time or**  
107 **through an offset to the school’s foundation formula or proposition C payment.**  
108 **Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining**  
109 **in the fund at the end of the biennium shall not revert to the credit of the general revenue**  
110 **fund. The state treasurer shall invest moneys in the fund in the same manner as other**  
111 **funds are invested. Any interest and moneys earned on such investments shall be credited**  
112 **to the fund.**

113           **10. There is hereby created in the state treasury the “State Building and**  
114 **Infrastructure Revolving Fund”, which shall consist of the excess balance of bond funds**  
115 **collected under this section. The state treasurer shall be custodian of the fund and may**  
116 **approve disbursements. The fund shall be a dedicated fund and, upon appropriation,**  
117 **money in the fund shall be used solely for the purpose of the construction of state**  
118 **buildings, ports, facilities, infrastructure, projects for rural water consortia, State**  
119 **Historical Society, existing surface lake projects, utilities infrastructure, and projects for**  
120 **purposes other than higher education. Nothing in this fund shall be used for any purpose**  
121 **or contingency relating or pertaining to the construction and maintenance of the state**

122 highway system. The use of bond funds for any construction or energy efficiency practices  
123 required under general law, or allowed by executive order or agency rule, order, or  
124 decision, is authorized. Notwithstanding the provisions of section 33.080 to the contrary,  
125 any moneys remaining in the fund at the end of the biennium shall not revert to the credit  
126 of the general revenue fund. The state treasurer shall invest moneys in the fund in the  
127 same manner as other funds are invested. Any interest and moneys earned on such  
128 investments shall be credited to the fund.

129       **11. (1) There is hereby created the "Taxpayer Protection Commission". The**  
130 **commission shall consist of five members, with one member appointed by the governor,**  
131 **two members appointed by the president pro tempore of the senate, and two members**  
132 **appointed by the speaker of the house of representatives. Any vacancy shall be filled in the**  
133 **same manner as the original appointment. No member of the commission shall hold any**  
134 **elected office of this state or any political subdivision of the state while serving as a member**  
135 **of the commission. The members of the commission shall choose a chair from among the**  
136 **members.**

137       **(2) The commission may regularly employ and fix the compensation of an executive**  
138 **director who shall serve at the pleasure of the commission and who is competent to assume**  
139 **administration of the necessary activities of the commission under the direction of the**  
140 **commission. The commission shall fix the director's duties and compensation. The**  
141 **commission may also employ other persons as it deems necessary to carry out the**  
142 **provisions of this section and as provided by state law enacted under the authority of this**  
143 **section. All such employees of the commission shall be under the supervision of the**  
144 **director who shall, as directed by the commission, assign and supervise all work projects**  
145 **of those employees.**

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

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

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

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

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

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

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

168 (f) To submit an annual report to the governor, attorney general, state auditor, and  
169 the general assembly. Such report shall assess, review, and analyze each project financed  
170 with any bonds issued under this section to determine whether the costs of the projects are  
171 in compliance with this section and state law enacted under the authority of this section,  
172 and shall assess, review, and analyze any other topic related to funds expended under this  
173 section as the commission or the general assembly deems necessary. The report shall also  
174 contain any recommendations the commission deems necessary to ensure funds are  
175 expended and projects are managed prudently; and

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

178 (5) The commission shall have authority solely over bonding, appropriations, and  
179 projects undertaken under this section. After all funds in the fifth state building bond and  
180 interest fund have been appropriated and all projects undertaken with such appropriated  
181 funds have been completed, the commission shall be dissolved.

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