

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR

HOUSE JOINT RESOLUTION NO. 14

97TH GENERAL ASSEMBLY

0153H.12P

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, 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

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.

13 shall bear interest at a rate or rates not exceeding the rate permitted by law. The proceeds
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. The governor or his or her designated representative shall develop in**
130 **consultation with the state board of fund commissioners a percentage plan for application**
131 **by African Americans, women, and other minority businesses in all state bond programs.**
132 **The governor or his or her designated representative shall develop, in consultation with**
133 **the state board of fund commissioners, a percentage plan for application by African**
134 **Americans, women, and other minority businesses, for employment opportunity in the state**
135 **construction building plan. Such minority business and employment plans shall be filed**
136 **with the Missouri minority business advocacy commission.**

137 **12. (1) There is hereby created the "Taxpayer Protection Commission". The**
138 **commission shall consist of five members, with one member appointed by the governor,**
139 **two members appointed by the president pro tempore of the senate, and two members**
140 **appointed by the speaker of the house of representatives. Any vacancy shall be filled in the**
141 **same manner as the original appointment. No member of the commission shall hold any**
142 **elected office of this state or any political subdivision of the state while serving as a member**
143 **of the commission. The members of the commission shall choose a chair from among the**
144 **members.**

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

154 **(3) All actions and duties of the board of fund commissioners relating to any bonds**
155 **issued under this section and as provided by state law enacted under the authority of this**

156 section shall be performed in conjunction with, and reviewed and approved by and under
157 the oversight of the commission, as provided in this section.

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

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

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

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

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

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

176 (f) To submit an annual report to the governor, attorney general, state auditor, and
177 the general assembly. Such report shall assess, review, and analyze each project financed
178 with any bonds issued under this section to determine whether the costs of the projects are
179 in compliance with this section and state law enacted under the authority of this section,
180 and shall assess, review, and analyze any other topic related to funds expended under this
181 section as the commission or the general assembly deems necessary. The report shall also
182 contain any recommendations the commission deems necessary to ensure funds are
183 expended and projects are managed prudently; and

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

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

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