

HCS SS#2 SCS SJR 16 -- TRANSPORTATION FUNDING

SPONSOR: Kehoe (Hinson)

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Transportation by a vote of 14 to 1.

Upon voter approval, this proposed constitutional amendment raises the state sales and use tax by 1% for a period of 10 years, except for the tax on food. The proceeds from the additional tax are to be used to provide additional moneys for state highway system purposes and uses, city streets, county roads, and state transportation system purposes and uses. The tax measure is temporary and must be resubmitted to the voters every 10 years until the measure is defeated.

Five percent of the sales and use tax proceeds must be deposited into the newly created County Aid Transportation Fund. Moneys in the fund must be apportioned and distributed to the various counties based on the county road mileage and assessed rural land valuation calculation in Article IV Section 30(a) of the Missouri Constitution, except that 5% of the moneys must be distributed to the City of St. Louis. The proceeds distributed to the counties may be used for local highways and bridges, for state highway system purposes, or for county transportation system purposes.

In a similar manner, 5% of the sales and use tax proceeds must be deposited into the newly created Municipal Aid Transportation Fund. Moneys in the fund must be distributed to cities, towns, and villages based on the population ratio calculations in Article IV Section 30(a) of the Missouri Constitution. The proceeds distributed to the cities, towns, and villages may be used for local roads, streets, and bridges; for state highway system purposes, or for city transportation system purposes.

The remaining 90% of the sales and use tax proceeds must be deposited into a newly created Transportation Safety and Job Creation Fund. Moneys in the fund must stand appropriated without legislative action to be used and expended by the Highways and Transportation Commission within the Department of Transportation for state highway system purposes or for state transportation system purposes.

The resolution requires the 1% sales and use tax to expire in 10 years unless renewed by the voters. If the measure is ever disapproved by Missouri voters, the tax will terminate at the end of the year following the election. The resolution prohibits the General Assembly from increasing or decreasing the gasoline tax without voter approval during the period the 1% tax is in effect.

Unless approved by the voters of the state, the commission cannot authorize, own, or operate a toll highway or toll bridge on a state highway or bridge that is in existence on January 1, 2013, while the additional tax is in effect.

The resolution requires the commission to annually submit a report to the Governor, General Assembly, and Joint Committee on Transportation Oversight that includes the status of state highway system and state transportation system projects, programs, and facilities that were approved by the commission and funded from the proceeds of the additional sales and use taxes levied, imposed, and collected under the resolution.

The joint committee must determine from the annual report filed in the fifth calendar year following voter approval of the resolution whether any project, program, or facility on the commission's approved list has not yet been included in the commission's statewide transportation improvement program. After receiving the report and before March 1 of the sixth calendar year following voter approval of the constitutional resolution, the joint committee by a two-thirds majority vote of its members may recommend to the General Assembly suspension of appropriations from the Transportation Safety and Job Creation Fund in an amount that is equivalent to the amount of funds necessary for each specific project, program, or facility that was not included. To preserve the credit rating of state road bonds, including refunding bonds that have been issued or may be issued by the commission, no suspension of appropriations can be authorized on funds determined by the commission to be necessary to pay the principal and interest on any of the bonds; to establish or maintain reserves for the benefit of the bonds; or to fulfill or satisfy other covenants or agreements related to the bonds.

The General Assembly may approve the recommendation of the joint committee by enactment of a concurrent resolution. The resolution may be introduced in either legislative chamber no later than 14 days after receipt of the joint committee's recommendation. The resolution cannot be subject to amendment by either chamber and may only be approved in its entirety. The presiding officer of each legislative chamber in which a concurrent resolution has been introduced must submit it to a vote of the membership not sooner than seven days nor later than 14 days after introduction of the concurrent resolution. The presiding officer of the chamber passing a concurrent resolution must immediately forward the resolution to the other chamber and the presiding officer of that chamber must submit it to a vote of the membership no sooner than seven days nor later than 14 days of its receipt from the other legislative chamber.

Any suspension of the appropriations from the Transportation Safety and Job Creation Fund for a specific project, program, or facility must be null and void when the commission amends its statewide transportation improvement program to include the project, program, and facility identified in the joint committee's recommendation.

PROPONENTS: Supporters say that the state road system is in need of repair and that by 2019 the state will not have moneys available to receive matching federal funds. The legislation will create jobs and economic development through the jobs created in construction and through improved infrastructure that attracts new business. It will allow earmarked transportation funds to be used for multimodal transportation needs.

Testifying for the bill were Senator Kehoe; Department of Transportation; Nolan Jones, Emory Sapp and Sons; Missouri Petroleum Marketers and Convenience Store Association; Missouri Dump Truckers Association; Jim Fitzgerald, N.B. West Contracting; Dirk Elsperman, Tarlton Corp. and Associated General Contractors; Tom Kellerman, Clarkson Construction; Fred Weber Incorporated; Alise Marting, Greater Kansas City Building and Construction Trades Council; Missouri Public Transit Association; Missouri Transportation Alliance; Brent Hugh, Missouri Bicycle Pedestrian Association; Construction Employers Coalition; Missouri Transportation and Development Council; Missouri Trucking Association; SITE Improvement Association; Missouri Port Authority Association; and Missouri Corn Growers Associations.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the resolution said that they were pleased that bicycle and pedestrian facilities are included.

Others testifying were Eric Rogers, Bike Walk Kansas City; and Rhonda Smythe, Trailnet.