

HB 2420 -- TAXES FOR ROAD AND STREET PURPOSES

SPONSOR: Kolkmeyer

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Government Efficiency by a vote of 7 to 2.

This bill requires any political subdivision or municipality that imposes a local tax, excise, license or fee under Article IV, Section 30(a) of the Missouri Constitution and enacted after January 1, 2017, to use no less than 90% of the collected funds for the construction, reconstruction, maintenance, and repair of roads and streets and for the payment and interest on indebtedness incurred on account of road and street purposes, and no more than 10% of such funds collected for policing, signing, lighting, and cleaning roads and streets.

This bill is the same as HB 651 (2017).

PROPOSERS: Supporters say that the bill will prevent certain small cities from using road funds for police enforcement purposes which often leads to over-enforcement as a means of gaining general revenue. These local gas taxes often distort the price of gasoline for small convenience stores leading to reduced profits.

Testifying for the bill were Representative Kolkmeyer and the Missouri Petroleum Marketers & Consumer Store Association.

OPPOSERS: There was no opposition voiced to the committee.