

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILLS NOS. 930 & 947

94TH GENERAL ASSEMBLY

Reported from the Committee on Governmental Accountability and Fiscal Oversight, February 21, 2008, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

4251S.02C

AN ACT

To repeal sections 144.805 and 305.230, RSMo, and to enact in lieu thereof two new sections relating to the state aviation trust fund.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 144.805 and 305.230, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 144.805 and 305.230, to
3 read as follows:

144.805. 1. In addition to the exemptions granted pursuant to the
2 provisions of section 144.030, there shall also be specifically exempted from the
3 provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, and section
4 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
5 32.085, RSMo, and from the computation of the tax levied, assessed or payable
6 pursuant to sections 144.010 to 144.525, sections 144.600 to 144.748, and section
7 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
8 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to common
9 carriers engaged in the interstate air transportation of passengers and cargo, and
10 the storage, use and consumption of such aviation jet fuel by such common
11 carriers, if such common carrier has first paid to the state of Missouri, in
12 accordance with the provisions of this chapter, state sales and use taxes pursuant
13 to the foregoing provisions and applicable to the purchase, storage, use or
14 consumption of such aviation jet fuel in a maximum and aggregate amount of one
15 million five hundred thousand dollars of state sales and use taxes in such
16 calendar year.

17 2. To qualify for the exemption prescribed in subsection 1 of this section,

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 the common carrier shall furnish to the seller a certificate in writing to the effect
19 that an exemption pursuant to this section is applicable to the aviation jet fuel
20 so purchased, stored, used and consumed. The director of revenue shall permit
21 any such common carrier to enter into a direct-pay agreement with the
22 department of revenue, pursuant to which such common carrier may pay directly
23 to the department of revenue any applicable sales and use taxes on such aviation
24 jet fuel up to the maximum aggregate amount of one million five hundred
25 thousand dollars in each calendar year. The director of revenue shall adopt
26 appropriate rules and regulations to implement the provisions of this section, and
27 to permit appropriate claims for refunds of any excess sales and use taxes
28 collected in calendar year 1993 or any subsequent year with respect to any such
29 common carrier and aviation jet fuel.

30 3. The provisions of this section shall apply to all purchases and deliveries
31 of aviation jet fuel from and after May 10, 1993.

32 4. All sales and use tax revenues upon aviation jet fuel received pursuant
33 to this chapter, less the amounts specifically designated pursuant to the
34 constitution or pursuant to section 144.701 for other purposes, shall be deposited
35 to the credit of the aviation trust fund established pursuant to section [305.230]
36 **155.090**, RSMo[; provided however, the amount of such state sales and use tax
37 revenues deposited to the credit of such aviation trust fund shall not exceed six
38 million dollars in each calendar year].

39 5. The provisions of this section and section 144.807 shall expire on
40 December 31, 2013.

305.230. 1. The state highways and transportation commission shall
2 administer an aeronautics program within this state. The commission shall
3 encourage, foster and participate with the political subdivisions of this state in
4 the promotion and development of aeronautics. The commission may provide
5 financial assistance in the form of grants from funds appropriated for such
6 purpose to any political subdivision or instrumentality of this state acting
7 independently or jointly or to the owner or owners of any privately owned airport
8 designated as a reliever by the Federal Aviation Administration for the planning,
9 acquisition, construction, improvement or maintenance of airports, or for other
10 aeronautical purposes.

11 2. Any political subdivision or instrumentality of this state or the owner
12 or owners of any privately owned airport designated as a reliever by the Federal
13 Aviation Administration receiving state funds for the purchase, construction, or

14 improvement, except maintenance, of an airport shall agree before any funds are
15 paid to it to control by ownership or lease the airport for a period equal to the
16 useful life of the project as determined by the commission following the last
17 payment of state or federal funds to it. In the event an airport authority ceases
18 to exist for any reason, this obligation shall be carried out by the governing body
19 which created the authority.

20 3. Unless otherwise provided, grants to political subdivisions,
21 instrumentalities or to the owner or owners of any privately owned airport
22 designated as a reliever by the Federal Aviation Administration shall be made
23 from the aviation trust fund. In making grants, the commission shall consider
24 whether the local community has given financial support to the airport in the
25 past. Priority shall be given to airports with local funding for the past five years
26 with no reduction in such funding. The aviation trust fund is a revolving trust
27 fund exempt from the provisions of section 33.080, RSMo, relating to the transfer
28 of funds to the general revenue funds of the state by the state treasurer. All
29 interest earned upon the balance in the aviation trust fund shall be deposited to
30 the credit of the same fund.

31 4. The moneys in the aviation trust fund shall be administered by the
32 commission and, when appropriated, shall be used for the following purposes:

33 (1) As matching funds on an up to ninety percent state/ten percent local
34 basis, except in the case where federal funds are being matched, when the ratio
35 of state and local funds used to match the federal funds shall be fifty percent
36 state/fifty percent local:

37 (a) For preventive maintenance of runways, taxiways and aircraft parking
38 areas, and for emergency repairs of the same;

39 (b) For the acquisition of land for the development and improvement of
40 airports;

41 (c) For the earthwork and drainage necessary for the construction,
42 reconstruction or repair of runways, taxiways, and aircraft parking areas;

43 (d) For the construction, or restoration of runways, taxiways, or aircraft
44 parking areas;

45 (e) For the acquisition of land or easements necessary to satisfy Federal
46 Aviation Administration safety requirements;

47 (f) For the identification, marking or removal of natural or manmade
48 obstructions to airport control zone surfaces and safety areas;

49 (g) For the installation of runway, taxiway, boundary, ramp, or

50 obstruction lights, together with any work directly related to the electrical
51 equipment;

52 (h) For the erection of fencing on or around the perimeter of an airport;

53 (i) For purchase, installation or repair of air navigational and landing aid
54 facilities and communication equipment;

55 (j) For engineering related to a project funded under the provisions of this
56 section and technical studies or consultation related to aeronautics;

57 (k) For airport planning projects including master plans and site selection
58 for development of new airports, for updating or establishing master plans and
59 airport layout plans at existing airports;

60 (l) For the purchase, installation, or repair of safety equipment and such
61 other capital improvements and equipment as may be required for the safe and
62 efficient operation of the airport;

63 **(m) If at least six million dollars is deposited into the aviation**
64 **trust fund in the previous calendar year, up to two million dollars may**
65 **be expended annually upon the study or promotion of expanded**
66 **domestic or international scheduled commercial service, the study or**
67 **promotion of intrastate scheduled commercial service, or to assist**
68 **airport sponsors participating in a federally funded air service**
69 **program supporting intrastate scheduled commercial service;**

70 (2) As total funds, with no local match:

71 (a) For providing air markers, windsocks, and other items determined to
72 be in the interest of the safety of the general flying public;

73 (b) For the printing and distribution of state aeronautical charts and state
74 airport directories on an annual basis, and a newsletter on a quarterly basis or
75 the publishing and distribution of any public interest information deemed
76 necessary by the commission;

77 (c) For the conducting of aviation safety workshops;

78 (d) For the promotion of aerospace education;

79 (3) As total funds with no local match, up to five hundred thousand
80 dollars per year may be used for the cost of operating existing air traffic control
81 towers that do not receive funding from the Federal Aviation Administration or
82 the United States Department of Defense, except no more than one hundred
83 sixty-seven thousand dollars per year may be used for any individual control
84 tower.

85 **(4) As total funds with a local match, up to five hundred**

86 **thousand dollars per year may be used for air traffic control towers**
87 **partially funded by the federal government under a cost-share**
88 **program. Any expenditures under this program require a non-federal**
89 **match, comprised of a ratio of fifty percent state and fifty percent local**
90 **funds. No more than one hundred thousand dollars per year may be**
91 **expended for any individual control tower.**

92 5. In the event of a natural or manmade disaster which closes any runway
93 or renders inoperative any electronic or visual landing aid at an airport, any
94 funds appropriated for the purpose of capital improvements or maintenance of
95 airports may be made immediately available for necessary repairs once they are
96 approved by the commission. For projects designated as emergencies by the
97 commission, all requirements relating to normal procurement of engineering and
98 construction services are waived.

99 6. As used in this section, the term "instrumentality of the state" shall
100 mean any state educational institution as defined in section 176.010, RSMo, or
101 any state agency which owned or operated an airport on January 1, 1997, and
102 continues to own or operate such airport.

Bill ✓

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