

SECOND REGULAR SESSION

SENATE JOINT RESOLUTION NO. 41

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CURLS.

Read 1st time January 8, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

4896S.011

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing section 27(a) of article IV of the Constitution of Missouri, and adopting one new section in lieu thereof relating to the budget reserve fund.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the state of Missouri, on
2 Tuesday next following the first Monday in November, 2014, or at a special
3 election to be called by the governor for that purpose, there is hereby submitted
4 to the qualified voters of this state, for adoption or rejection, the following
5 amendment to article IV of the Constitution of the state of Missouri:

Section A. Section 27(a), article IV, Constitution of Missouri, is repealed
2 and one new section adopted in lieu thereof, to be known as section 27(a), to read
3 as follows:

Section 27(a). 1. There is hereby established within the state treasury a
2 fund to be known as the "Budget Reserve Fund". The balances in the cash
3 operating reserve fund and the budget stabilization fund shall be transferred to
4 the budget reserve fund.

5 2. The commissioner of administration may, throughout any fiscal year,
6 transfer amounts from the budget reserve fund to the general revenue fund or
7 any other state fund without other legislative action if he determines that such
8 amounts are necessary for the cash requirements of this state. Such transfers
9 shall be deemed "cash operating transfers".

10 3. The commissioner of administration shall transfer from the general
11 revenue fund or other recipient fund to the budget reserve fund an amount equal
12 to the cash operating transfer received by such fund pursuant to subsection 2 of

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

13 this section, together with the interest that would have been earned on such
14 amount, prior to May sixteenth of the fiscal year in which the transfer was made.
15 No cash operating transfers out of the budget reserve fund may be made after
16 May fifteenth of any fiscal year.

17 4. Funds in the budget reserve fund shall be invested by the treasurer in
18 the same manner as other state funds are invested. Interest earned on such
19 investments shall be credited to the budget reserve fund. Subject to the
20 provisions of subsection 7 of this section, the unexpended balance in the budget
21 reserve fund at the close of any fiscal year shall remain in the fund.

22 5. In any fiscal year in which the governor reduces the expenditures of the
23 state or any of its agencies below their appropriations in accordance with section
24 27 of this article, or in which there is a budget need due to a disaster, as
25 proclaimed by the governor to be an emergency, the general assembly, upon a
26 request by the governor for an emergency appropriation and by a two-thirds vote
27 of the members elected to each house, may appropriate funds from the budget
28 reserve fund to fulfill the expenditures authorized by any of the existing
29 appropriations which were affected by the governor's decision to reduce
30 expenditures pursuant to section 27 of this article or to meet budget needs due
31 to the disaster. Such expenditures shall be deemed to be for "budget stabilization
32 purposes". The maximum amount which may be appropriated at any one time for
33 such budget stabilization purposes shall be one-half of the sum of the balance in
34 the fund and any amounts appropriated or otherwise owed to the fund, less all
35 amounts owed to the fund for budget stabilization purposes but not yet
36 appropriated for repayment to the fund.

37 6. **[One-third] For the first fiscal year after a transfer is made for**
38 **budget stabilization purposes, the amount transferred or expended**
39 **shall not be required to be repaid to the budget reserve**
40 **fund. Thereafter, one-fifth** of the amount transferred or expended from the
41 budget reserve fund for budget stabilization purposes during any fiscal year,
42 together with interest that would otherwise have been earned on such amount,
43 shall stand appropriated to the budget reserve fund during each of the next
44 **[three] five** fiscal years, and such amount, and any additional amounts which
45 may be appropriated for that purpose, shall be transferred from the fund which
46 received such transfer to the budget reserve fund by the fifteenth day of the fiscal
47 year for each of the next **[three] five** fiscal years or until the full amount, plus
48 interest, has been returned to the budget reserve fund. The maximum amount

49 which may be outstanding at any one time and subject to repayment to the
50 budget reserve fund for budget stabilization purposes shall be one-half of the sum
51 of the balance in the fund and all outstanding amounts appropriated or otherwise
52 owed to the fund.

53 7. If the balance in the budget reserve fund at the close of any fiscal year
54 exceeds seven and one-half percent of the net general revenue collections for the
55 previous fiscal year, the commissioner of administration shall transfer that excess
56 amount to the general revenue fund unless such excess balance is as a result of
57 direct appropriations made by the general assembly for the purpose of increasing
58 the balance of the fund; provided, however, that if the balance in the fund at the
59 close of any fiscal year exceeds ten percent of the net general revenue collections
60 for the previous fiscal year, the commissioner of administration shall transfer the
61 excess amount to the general revenue fund notwithstanding any specific
62 appropriations made to the fund. For purposes of this section, "net general
63 revenue collections" means all revenue deposited into the general revenue fund
64 less refunds and revenues originally deposited into the general revenue fund but
65 designated by law for a specific distribution or transfer to another state fund.

66 8. If the sum of the ending balance of the budget reserve fund in any
67 fiscal year and any amounts owed to the fund pursuant to subsection 6 of this
68 section is less than seven and one-half percent of the net general revenue
69 collections for the same year, the difference shall stand appropriated and shall
70 be transferred from the general revenue fund to the budget reserve fund by the
71 fifteenth day of the succeeding fiscal year.

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