

FIRST REGULAR SESSION

SENATE JOINT RESOLUTION NO. 4

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

Pre-filed December 1, 2018, and ordered printed.

ADRIANE D. CROUSE, Secretary.

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JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment to article IV of the Constitution of Missouri, relating to the state budget.

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, 2020, 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. Article IV, Constitution of Missouri, is amended by adopting
2 one new section, to be known as section 23(a), to read as follows:

Section 23(a). 1. As used in this section, the following terms
2 **mean:**

3 **(1) "Appropriations growth limit", a percentage figure that is the**
4 **greater of zero or the sum of the annual rate of inflation and the**
5 **annual percentage change in the population of Missouri;**

6 **(2) "Emergency", an event or series of events or a state of affairs**
7 **that requires the immediate appropriation of moneys for the health,**
8 **safety, and general welfare of the people;**

9 **(3) "Inflation", the rate of inflation as measured by the Consumer**
10 **Price Index for All Urban Consumers for the United States, semi-annual**
11 **average of the first six months of the current calendar year;**

12 **(4) "Net general revenue collections", all revenue deposited into**
13 **the general revenue fund less refunds and revenues originally**
14 **deposited into the general revenue fund but designated by law for a**
15 **specific distribution or transfer to another state fund as reported by**
16 **the office of administration;**

17 (5) "Population of Missouri", the number of persons residing in
18 the state of Missouri as determined by the United States Census Bureau
19 in the last decennial census including the most recent calendar year
20 update; and

21 (6) "Total state general revenue appropriations", the total of
22 appropriations from net general revenue collections for a fiscal year,
23 including supplemental appropriations from any regular, special, or
24 extraordinary session from the previous fiscal year from net general
25 revenue collections, passed by the general assembly and approved by
26 the governor as reported by the office of administration, except
27 reappropriations, appropriations to pay principal and interest on
28 general obligation bonded indebtedness, and appropriations from
29 general revenue for final court judgments and costs in cases to the
30 extent that the state was not the prevailing party.

31 2. Total state general revenue appropriations for any fiscal year
32 shall not exceed total state general revenue appropriations for the
33 immediately preceding fiscal year by more than the appropriations
34 growth limit, except that new or increased tax revenues or fees that are
35 below the limits in subsection 1, section 18(e), article X of the
36 Constitution of Missouri or receive voter approval shall be exempted
37 from the calculation of the appropriations growth limit for the year in
38 which they are passed.

39 3. (1) For each fiscal year in which net general revenue
40 collections exceed total state general revenue appropriations allowed
41 under subsection 2 of this section by more than one percent of total
42 state general revenue appropriations allowed, there shall be a
43 permanent elimination of the lowest state income tax rate.

44 (2) Notwithstanding the provisions of subdivision (1) of this
45 subsection, there shall be no state income tax rate elimination if there
46 is a single rate in effect.

47 (3) The commissioner of administration shall notify the director
48 of revenue or a successor agency to reduce such rates accordingly and
49 to adjust corresponding income tax returns to reflect the reduction,
50 and shall direct the revisor of statutes to note such changes in the
51 published statutes.

52 4. (1) For each fiscal year after the fiscal year in which the last
53 state income tax rate elimination is made pursuant to subsection 3 of

54 this section, the commissioner of administration shall record the
55 amount by which net general revenue collections exceeds total state
56 general revenue appropriations. When the amount recorded exceeds
57 two and one-half percent of the total state general revenue
58 appropriations, the top rate of state income tax shall be reduced by
59 one-quarter of one percent.

60 (2) The commissioner of administration shall perform the state
61 income tax rate reduction process in subdivision (1) of this subsection
62 beginning each fiscal year after the fiscal year in which a rate
63 reduction occurs until the top state income tax rate is eliminated.

64 (3) The commissioner of administration shall notify the director
65 of revenue or a successor agency to reduce such rates accordingly and
66 to adjust corresponding income tax returns to reflect the reduction,
67 and shall direct the revisor of statutes to note such changes in the
68 published statutes.

69 5. Total state general revenue appropriations for any fiscal year
70 may exceed total state general revenue appropriations for the
71 immediately preceding fiscal year by more than the appropriations
72 growth limit only under the following conditions:

73 (1) The governor declares an emergency, specifying the nature
74 of the emergency and requesting appropriations to meet the emergency;
75 and

76 (2) The general assembly, by a vote of two-thirds of the members
77 elected to serve in each house, enacts and the governor approves a
78 separate bill or bills appropriating moneys to meet the emergency. Any
79 such appropriation bill or bills shall not be included in total state
80 general revenue appropriations for purposes of compliance with
81 subsection 2 of this section for the next succeeding fiscal year.

82 6. The total state general revenue appropriations limit shall not
83 be reduced or increased if the amount of total state revenues, as
84 defined in section 17, article X of the Constitution of Missouri, for the
85 prior fiscal year is less than the amount of total state revenues for the
86 next preceding fiscal year.

87 7. The general assembly may enact laws implementing this
88 section.

Section B. Under section 116.155, RSMo, and other applicable
2 constitutional provisions and laws of this state authorizing the general assembly

3 to adopt ballot language for the submission of this act to the voters of this state,
4 the official ballot title of this act shall be as follows:

5 "Shall the Missouri Constitution be amended to set an appropriations
6 growth limit formula, based on inflation and population, that restricts total state
7 general revenue appropriations and possibly require the reduction of all state
8 income tax rates?".

✓

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Bill

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