

SECOND REGULAR SESSION

SENATE JOINT RESOLUTION NO. 23

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR ROHRBACH.

Pre-filed December 1, 1997, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S2388.011

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing section 27(a) of article IV of the Constitution of Missouri, relating to certain funds in the state treasury and adopting two new sections in lieu thereof relating to the same subject.

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 Tuesday next following the first Monday in November, 1998, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article IV of the Constitution of the State of Missouri:

Section A. Section 27(a), article IV, Constitution of Missouri, is repealed and two new sections adopted in lieu thereof, to be known as sections 27(a) and 27(c), to read as follows:

Section 27(a). 1. There is hereby established within the state treasury a fund to be known as the "Cash Operating Reserve Fund". [The following moneys shall be transferred or credited to the cash operating reserve fund:

(1) Such amounts as may be appropriated by the general assembly or otherwise credited to the cash operating reserve fund;

(2) Funds transferred into the cash operating reserve fund by the state treasurer as prescribed by this section; and

(3) Any balance in a cash operating reserve fund which has been established by state statutes.

2. Beginning on the fifteenth of July next following the effective date of this section, and on or prior to the fifteenth day of each month thereafter, the state treasurer, shall transfer three-fourths of one percent of the total amount collected in the general revenue fund for the

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

preceding month into the cash operating reserve fund. Such transfers shall continue until the cash operating reserve fund contains an amount equal to five percent of the general revenue fund collections for the preceding fiscal year. At such time the transfers from the general revenue fund shall cease.] **The general assembly may appropriate moneys to the fund.**

[3.] **2.** The commissioner of administration may, throughout any fiscal year, transfer amounts from the cash operating reserve fund to the general revenue fund **or any other state fund** without other legislative action if he determines that such amounts are necessary for the cash requirements of this state.

[4.] **3.** The commissioner of administration shall transfer from the general revenue fund **or other recipient fund** to the cash operating reserve fund an amount equal to the amount transferred from the cash operating reserve fund pursuant to subsection [3] **2** of this section, [but, in any case, the transfer must be made] **together with the interest that would have been earned on such amount**, prior to May sixteenth of any fiscal year. No transfers out of the cash operating reserve fund may be made after May fifteenth of any fiscal year.

[5.] **4.** The balance in the cash operating reserve fund on May sixteenth of each fiscal year shall not be less than the sum of the opening balance of the cash operating reserve fund for that fiscal year plus accrued interest earnings and all amounts appropriated or transferred pursuant to this section into the cash operating reserve fund for the fiscal year.

[6.] **5.** Funds in the cash operating reserve fund which are not needed for current cash requirements of this state shall be invested by the treasurer in the same manner as other state funds are invested. **Interest earned on such investments shall be credited to the cash operating reserve fund. Subject to the provisions of subsection 6 of this section, the unexpended balance in the cash operating reserve fund at the close of any fiscal year shall remain in the fund.**

[7.] **6.** If the balance in the cash operating reserve fund at the close of any fiscal year exceeds five percent of the **net** general revenue [fund] collections for the previous fiscal year, the commissioner of administration shall transfer that excess amount to the general revenue fund. **For the purposes of this section, "net general revenue collections" means all revenue deposited into the general revenue fund less refunds and revenues originally deposited into the general revenue fund but designated by law for a specific distribution or transfer to another state fund.**

[8.] **7.** If the ending balance of the cash operating reserve fund in any fiscal year [beginning on or after July 1, 1990,] is less than five percent of the **net** general revenue collections for the same year, the difference shall stand appropriated and shall be transferred from the general revenue fund to the cash operating reserve fund by the fifteenth day of the succeeding fiscal year.

Section 27(c). 1. The "Budget Stabilization Fund" is hereby created in the state

treasury for use in meeting the program and emergency funding requirements of the state.

2. Moneys in the budget stabilization fund shall be invested by the state treasurer in the same manner as other state funds are invested. Interest earned on such investments shall be credited to the budget stabilization fund.

3. The general assembly may appropriate moneys to the budget stabilization fund until the fund balance equals two and one-half percent of the net general revenue collections for the preceding fiscal year. For purposes of this section, "net general revenue collections" means all revenue deposited into the general revenue fund less refunds and revenues originally deposited into the general revenue fund but designated by law for a specific distribution or transfer to another state fund.

4. One-third of the amount transferred or expended from the budget stabilization fund during any fiscal year, together with interest that would otherwise have been earned on such amount, shall stand appropriated during each of the next three fiscal years, and such amount, and any additional amounts which may be appropriated for that purpose, shall be transferred from the fund which received such transfer or from the general revenue fund to the budget stabilization fund by the fifteenth day of the fiscal year for each of the next three fiscal years or until the full amount, plus interest, has been returned to the budget stabilization fund.

5. If the sum of the ending balance of the budget stabilization fund in any fiscal year and any amounts owed to the fund pursuant to subsection 4 is less than two and one-half percent of the net general revenue collections for the same period, the difference shall stand appropriated and shall be transferred from the general revenue fund to the budget stabilization fund by the fifteenth day of the succeeding fiscal year.

6. If at the close of any fiscal year the balance in the budget stabilization fund shall exceed two and one-half percent of the net general revenue collections for the same period, such excess shall be transferred to the general revenue fund on or before the fifteenth day of the succeeding fiscal year.

7. In any fiscal year in which the governor reduces the expenditures of the state or any of its agencies below their appropriations in accordance with section 27 of this article, or in which there is a budget need due to a disaster, as proclaimed by the governor to be an emergency, the general assembly, upon a request by the governor for an emergency appropriation and by a two-thirds vote of the members elected to each house, may appropriate funds from the budget stabilization fund to fulfill the expenditures authorized by any of the existing appropriations which were affected by the governor's decision to reduce expenditures pursuant to section 27 of this article or to meet budget needs due to the disaster.

8. Any amount appropriated to the governor from the budget stabilization fund

and not expended at the end of any fiscal year shall revert to the fund. Any balance remaining in the budget stabilization fund at the close of any fiscal year equal to or less than two and one-half percent of net general revenue collections shall remain in the fund.

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