

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

SENATE JOINT RESOLUTION NO. 25

90TH GENERAL ASSEMBLY

1999

S1707.01T

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 one new section 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, 2000, 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Section A. Section 27(a), article IV, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 27(a), to read as follows: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] **Budget 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 balances in the cash operating reserve fund and the budget stabilization fund shall be transferred to the budget reserve fund.**

[3.] **2.** The commissioner of administration may, throughout any fiscal year, transfer amounts from the [cash operating] **budget** 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. **Such transfers shall be deemed "cash operating transfers".**

[4.] **3.** The commissioner of administration shall transfer from the general revenue fund **or other recipient fund** to the [cash operating] **budget** reserve fund an amount equal to the [amount transferred from the cash operating reserve] **cash operating transfer received by such** 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] **the** fiscal year **in which the transfer was made**. No **cash operating** transfers out of the [cash operating] **budget** reserve fund may be made after May fifteenth of any fiscal year.

[5.] 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.] **4.** Funds in the [cash operating] **budget** 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 budget reserve fund. Subject to the provisions of subsection 7 of this section, the unexpended balance in the budget reserve fund at the close of any fiscal year shall remain in the fund.**

5. 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 reserve 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. Such expenditures shall be deemed to be for "budget

stabilization purposes". The maximum amount which may be appropriated at any one time for such budget stabilization purposes shall be one-half of the sum of the balance in the fund and any amounts appropriated or otherwise owed to the fund, less all amounts owed to the fund for budget stabilization purposes but not yet appropriated for repayment to the fund.

6. One-third of the amount transferred or expended from the budget reserve fund for budget stabilization purposes during any fiscal year, together with interest that would otherwise have been earned on such amount, shall stand appropriated to the budget reserve fund 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 to the budget reserve 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 reserve fund. The maximum amount which may be outstanding at any one time and subject to repayment to the budget reserve fund for budget stabilization purposes shall be one-half of the sum of the balance in the fund and all outstanding amounts appropriated or otherwise owed to the fund.

7. If the balance in the [cash operating] **budget** reserve fund at the close of any fiscal year exceeds [five] **seven and one-half** 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[.] **unless such excess balance is as a result of direct appropriations made by the general assembly for the purpose of increasing the balance of the fund; provided, however, that if the balance in the fund at the close of any fiscal year exceeds ten percent of the net general revenue collections for the previous fiscal year, the commissioner of administration shall transfer the excess amount to the general revenue fund notwithstanding any specific appropriations made to the fund. 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.**

8. If the **sum of the** ending balance of the [cash operating] **budget** reserve fund in any fiscal year [beginning on or after July 1, 1990,] **and any amounts owed to the fund pursuant to subsection 6 of this section** is less than [five] **seven and one-half** 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] **budget** reserve fund by the fifteenth day of the succeeding fiscal year.

✓