

FIRST REGULAR SESSION

# SENATE JOINT RESOLUTION NO. 7

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

0472S.01I

KRISTINA MARTIN, Secretary

## JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment to article IV of the Constitution of Missouri, by adding thereto one new section 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  
2 state of Missouri, on Tuesday next following the first Monday  
3 in November, 2024, or at a special election to be called by  
4 the governor for that purpose, there is hereby submitted to  
5 the qualified voters of this state, for adoption or  
6 rejection, the following amendment to article IV of the  
7 Constitution of the state of Missouri:

Section A. Article IV, Constitution of Missouri, is  
2 amended by adding thereto one new section, to be known as  
3 section 23(a), to read as follows:

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

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

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

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

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

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

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

37           2. Total state general revenue appropriations for any  
38 fiscal year shall not exceed total state general revenue  
39 appropriations for the immediately preceding fiscal year by  
40 more than the appropriations growth limit, except that new  
41 or increased tax revenues or fees that are below the limits  
42 in subsection 1, section 18(e), article X of the

43 Constitution of Missouri or receive voter approval shall be  
44 exempted from the calculation of the appropriations growth  
45 limit for the year in which they are passed.

46 3. (1) For each fiscal year in which net general  
47 revenue collections exceed total state general revenue  
48 appropriations allowed under subsection 2 of this section by  
49 more than one percent of total state general revenue  
50 appropriations allowed, there shall be a permanent  
51 elimination of the lowest state income tax rate.

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

55 (3) The commissioner of administration shall notify  
56 the director of revenue or a successor agency to reduce such  
57 rates accordingly and to adjust corresponding income tax  
58 returns to reflect the reduction, and shall direct the  
59 revisor of statutes to note such changes in the published  
60 statutes.

61 4. (1) For each fiscal year after the fiscal year in  
62 which the last state income tax rate elimination is made  
63 pursuant to subsection 3 of this section, the commissioner  
64 of administration shall record the amount by which net  
65 general revenue collections exceeds total state general  
66 revenue appropriations. When the amount recorded exceeds  
67 two and one-half percent of the total state general revenue  
68 appropriations, the top rate of state income tax shall be  
69 reduced by one-quarter of one percent.

70 (2) The commissioner of administration shall perform  
71 the state income tax rate reduction process in subdivision  
72 (1) of this subsection beginning each fiscal year after the  
73 fiscal year in which a rate reduction occurs until the top  
74 state income tax rate is eliminated.

75           (3) The commissioner of administration shall notify  
76 the director of revenue or a successor agency to reduce such  
77 rates accordingly and to adjust corresponding income tax  
78 returns to reflect the reduction, and shall direct the  
79 revisor of statutes to note such changes in the published  
80 statutes.

81           5. Total state general revenue appropriations for any  
82 fiscal year may exceed total state general revenue  
83 appropriations for the immediately preceding fiscal year by  
84 more than the appropriations growth limit only under the  
85 following conditions:

86           (1) The governor declares an emergency, specifying the  
87 nature of the emergency and requesting appropriations to  
88 meet the emergency; and

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

97           6. The total state general revenue appropriations  
98 limit shall not be reduced or increased if the amount of  
99 total state revenues, as defined in section 17, article X of  
100 the Constitution of Missouri, for the prior fiscal year is  
101 less than the amount of total state revenues for the next  
102 preceding fiscal year.

103           7. The general assembly may enact laws implementing  
104 this section.

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

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

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

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