



Missouri Highways and Transportation Commission Policies

Category: FINANCIAL
Subcategory: Local Transportation Funding
Sub-subcategory: Maintenance of Effort

LOCAL TRANSPORTATION FUNDING – MAINTENANCE OF EFFORT

Commentary:

On May 14, 2014 the General Assembly passed House Joint Resolution 68. This resolution will put forward a temporary $\frac{3}{4}$ of a cent sales tax for transportation that will be considered by voters in Missouri. The sales tax is temporary as it is only for ten years, at which time the tax will be reconsidered by Missouri voters for renewal. The revenues generated from the $\frac{3}{4}$ of a cent sales tax can be used for any transportation purpose, not just roads and bridges. On May 23, 2014, the Governor called for the resolution to be placed on the August 5, 2014 ballot. On June 2, 2014 the Secretary of State certified the resolution as Constitutional Amendment 7.

Constitutional Amendment 7 mandates the Missouri Highways and Transportation Commission develop a list of projects that would be completed should the measure pass. The public had until July 3, 2014 to review and provide comment on the draft list of projects to be delivered in the next 10 years with the new revenue. The project list was presented to the Commission for their approval at their July 9, 2014 meeting.

The measure provides that 90 percent of the revenue, an estimated \$480 million annually, will go toward state transportation initiatives. Ten percent, or an estimated \$54 million annually, will be distributed to cities and counties for transportation projects that meet the needs of residents and businesses. If the measure passes, it will be effective on January 1, 2015.

The Commission is committed to ensuring Constitutional Amendment 7 provides additional funding for transportation and delivers currently unfunded projects, programs and facilities. To assist with that effort, the Commission requires agencies or local governments that will receive a portion of the Commission's share (90%) of Constitutional Amendment 7 revenues to certify funding for transportation projects, programs, and facilities. If the agency or local government does not maintain the level of effort certified, the Commission may, at its discretion, prohibit the agency or local government from receiving additional state transportation funding. The Director is authorized to establish procedures and directives necessary to implement the maintenance of effort policy. Notwithstanding the provisions of this policy, all issues deemed by the Director to be unique, sensitive, and/or potentially controversial will be submitted to the Commission.

Effective Date: July 9, 2014
Supersedes Policy Dated:
Last Reaffirmed:
Date of Origin: July 9, 2014
Related Commission Minutes: June 25, 2014, and July 9, 2014