

DEPARTMENT OF ECONOMIC DEVELOPMENT

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | FY 2015 REQUEST | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------|-----------------------------------|
| Business and Community Services | \$ 75,865,603 | \$ 137,502,724 | \$ 138,496,681 | \$ 134,135,111 |
| Workforce Development | 112,957,387 | 161,189,037 | 160,483,978 | 162,754,874 |
| Tourism | 12,683,262 | 14,085,073 | 14,097,943 | 24,097,943 |
| Energy | 0 | 0 | 21,625,552 | 21,651,286 |
| Affordable Housing | 3,675,219 | 5,131,178 | 5,381,178 | 5,369,486 |
| Utility Regulation | 13,082,484 | 16,362,355 | 16,564,090 | 16,718,090 |
| Administrative Services | 1,820,880 | 3,118,295 | 3,126,819 | 3,154,217 |
| DEPARTMENTAL TOTAL | \$ 220,084,835 | \$ 337,388,662 * | \$ 359,776,241 | \$ 367,881,007 |
| General Revenue Fund | 37,745,782 | 58,326,086 | 61,721,949 | 82,288,261 |
| Federal Funds | 154,231,776 | 222,906,428 | 231,687,557 | 219,015,652 |
| Other Funds | 28,107,277 | 56,156,148 | 66,366,735 | 66,577,094 |
| Total Full-time Equivalent Employees | 699.84 | 908.75 | 946.75 | 946.75 |
| General Revenue Fund | 13.62 | 42.65 | 70.39 | 70.39 |
| Federal Funds | 394.22 | 558.40 | 576.81 | 576.81 |
| Other Funds | 292.00 | 307.70 | 299.55 | 299.55 |

* Does not include \$134,920 recommended in the Fiscal Year 2014 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Economic Development supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2015 budget provides \$367.9 million for the Department of Economic Development to develop new and expanded business opportunities to facilitate economic growth and provide job training and related services to Missourians. Core functions provided by the Department of Economic Development include:

- Facilitating the location, expansion, retention, and start-up of businesses to help create and retain high-quality employment opportunities for Missourians.
- Designing and administering job training and re-training programs to provide prospective employers with a qualified and productive workforce, and providing unemployed or displaced workers with new skills and opportunities.
- Administering tax credit programs designed to assist with business recruitment, workforce training, and other economic growth opportunities.
- Overseeing and regulating public utility companies to ensure Missourians receive reliable and safe services at reasonable rates.
- Helping facilitate the development of new housing and the redevelopment of existing housing.
- Advocating for the sound development of the travel and tourism industry in Missouri.
- Supporting arts and cultural activities for all Missourians.
- Supporting efforts that advance energy efficiency and the use of diverse energy resources in technologies that contribute to business retention and expansion and new economic opportunities.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY SERVICES**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|--|------------------------|--------------------------|-----------------------------------|
| Missouri Economic Research and Information Center | \$ 1,321,169 | \$ 1,909,011 | \$ 1,939,802 |
| Marketing | 2,922,185 | 5,391,168 | 6,398,454 |
| Sales | 1,077,505 | 1,537,141 | 1,477,796 |
| Finance | 1,006,645 | 1,194,500 | 1,298,611 |
| Compliance | 782,575 | 890,412 | 908,452 |
| International Trade and Investment Offices | 650,000 | 1,710,000 | 1,710,000 |
| Missouri Technology Investment | 1,319,200 | 6,360,000 | 8,360,000 |
| Missouri Small Business and Technology Development Centers | 0 | 700,000 | 700,000 |
| Community Development Block Grant Program | 42,698,543 | 80,000,000 | 70,000,000 |
| Missouri Disaster Case Management Program | 1,744,590 | 2,813,163 | 2,813,163 |
| State Small Business Credit Initiative | 5,880,252 | 9,386,222 | 9,386,222 |
| Community Redevelopment and Assistance | 14,602,916 | 16,738,621 | 18,013,677 |
| Arts and Cultural Development | 1,860,023 | 8,872,486 | 11,128,934 |
| TOTAL | \$ 75,865,603 | \$ 137,502,724 | \$ 134,135,111 |
| PERSONAL SERVICE | | | |
| General Revenue Fund | 306,922 | 1,370,782 | 2,620,734 |
| Federal Funds | 2,207,904 | 3,212,475 | 2,944,897 |
| Other Funds | 1,686,344 | 1,203,703 | 55,496 |
| EXPENSE AND EQUIPMENT | | | |
| General Revenue Fund | 110,157 | 2,000,511 | 3,044,049 |
| Federal Funds | 3,575,570 | 1,810,904 | 1,675,404 |
| Other Funds | 2,907,238 | 4,341,415 | 3,179,675 |
| PROGRAM SPECIFIC DISTRIBUTION | | | |
| General Revenue Fund | 13,031,675 | 26,275,000 | 32,895,000 |
| Federal Funds | 51,052,668 | 95,229,757 | 85,459,679 |
| Other Funds | 987,125 | 2,058,177 | 2,260,177 |
| TOTAL | | | |
| General Revenue Fund | 13,448,754 | 29,646,293 | 38,559,783 |
| Federal Funds | 56,836,142 | 100,253,136 | 90,079,980 |
| Other Funds | 5,580,707 | 7,603,295 | 5,495,348 |
| Total Full-time Equivalent Employees | 102.21 | 135.72 | 134.72 |
| General Revenue Fund | 6.37 | 32.65 | 60.39 |
| Federal Funds | 51.18 | 67.57 | 62.93 |
| Other Funds | 44.66 | 35.50 | 11.40 |

The Business and Community Services Division consists of the Missouri Economic Research and Information Center, and the Marketing, Sales, Finance, and Compliance Teams. The Teams also support international export expansion. The Missouri Community Service Commission and the Missouri Technology Corporation are funded through the division's budget. The division partners with the professional economic development community to facilitate the expansion, relocation, and start-up of businesses in the state. The division also partners with local governments, non-profits, community organizations, and private citizens to help develop and grow Missouri's communities.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

MISSOURI ECONOMIC RESEARCH AND INFORMATION CENTER

The responsibilities of the Missouri Economic Research and Information Center (MERIC) include gathering data, conducting applied research, performing innovative analysis, and reporting to policymakers and the public. Staff researches and analyzes labor market trends, employment and unemployment figures, new business start-ups, wages, and the state's targeted industries and economic development initiatives. Staff at MERIC also works in cooperation with the U.S. Department of Labor to conduct research and produce reports on economic conditions and the labor market.

Fiscal Year 2015 Governor's Recommendations

- \$21,942 for pay plan, including \$1,514 general revenue.
- \$8,849 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$521 general revenue.

MARKETING

The Marketing Team is responsible for promoting Missouri in regional, national, and international marketplaces in order to attract capital investment. The Marketing Team supports the Business and Community Services Division by providing all print advertising, publishing, videography, and other media production services.

Fiscal Year 2015 Governor's Recommendations

- \$1,000,000 for export initiatives.
- \$260,252 and two staff to replace federal and Economic Development Advancement Fund revenue that is no longer available.
- \$4,868 for pay plan, including \$2,473 general revenue.
- \$2,418 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$782 general revenue.
- (\$260,252) federal and other funds and (two) staff core reduction from the Fiscal Year 2014 appropriation level.

SALES

The Sales Team is responsible for promoting Missouri communities, infrastructure, and the state's well-trained, dedicated workforce. With an emphasis on creating additional high quality jobs for Missourians, members of the Sales Team work in the field to gain in-depth knowledge of resources and needs in specific regions and have continuous contact with communities and businesses within that region.

Fiscal Year 2015 Governor's Recommendations

- \$438,864 and 7.5 staff to replace federal and Economic Development Advancement Fund revenue that is no longer available.
- \$17,873 for pay plan, including \$17,030 general revenue.
- \$6,126 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$3,882 general revenue.
- (\$438,864) federal and other funds and (7.5) staff core reduction from the Fiscal Year 2014 appropriation level.
- (\$83,344) and (two) staff transferred to the Department of Revenue for tax credit compliance.

FINANCE

The Finance Team is responsible for evaluating community projects for state financial assistance and packaging incentive proposals for companies interested in locating or expanding in Missouri. This team also manages financial tools offered by the department and processes large volumes of financial program applications including those for tax credits, loans, and grants.

Fiscal Year 2015 Governor's Recommendations

- \$866,434 and 17.6 staff to replace federal and Economic Development Advancement Fund revenue that is no longer available.
- \$45,224 and one staff to administer the Amateur Sporting Events Tax Credits Program enacted by SBs 10 and 25 (2013).
- \$40,000 Business Extension Service Team Fund to provide assistance to small businesses through MOSourceLink.
- \$13,347 for pay plan, including \$11,026 general revenue.
- \$5,540 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$3,007 general revenue.
- (\$866,434) federal and other funds and (17.6) staff core reduction from the Fiscal Year 2014 appropriation level.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

COMPLIANCE

The Compliance Team administers the State of Missouri Community Development Block Grant Program for small municipalities. Tax credit and job incentive program compliance functions were transferred to the Department of Revenue per Executive Order 13-02.

Fiscal Year 2015 Governor's Recommendations

- \$72,253 and 1.64 staff to replace federal and Economic Development Advancement Fund revenue that is no longer available.
- \$9,153 for pay plan, including \$1,807 general revenue.
- \$3,887 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$376 general revenue.
- (\$67,253) federal and other funds and (1.64) staff core reduction from the Fiscal Year 2014 appropriation level.

INTERNATIONAL TRADE AND INVESTMENT OFFICES

The purpose of Missouri's International Trade and Investment Offices, located in the United Kingdom, Germany, Canada, Mexico, Brazil, India, China, Japan, Taiwan, Singapore, Hong Kong, and South Korea, is to increase the number of Missouri companies exporting and increase the volume of Missouri exports to international markets. Each office provides trade counseling and technical advice to Missouri interests regarding possible market entry strategies. The International Trade and Investment Offices also provide technical information about Department of Economic Development incentive programs and client solutions, which includes preparing comprehensive investment packages on behalf of the state and its partners.

Fiscal Year 2015 Governor's Recommendations

- \$650,000 to replace Economic Development Advancement Fund revenue that is no longer available.
- (\$650,000) Economic Development Advancement Fund core reduction from the Fiscal Year 2014 appropriation level.

MISSOURI TECHNOLOGY INVESTMENT

The Missouri Technology Corporation (MTC) is a public-private partnership created to promote entrepreneurship and foster the growth of new and emerging high-tech companies. Corporation staff focuses on 21st century bioscience industries that build on Missouri's rich history in agriculture. Staff administers the Missouri Technology Investment Fund in support of the following programs:

Innovation Centers – The innovation centers, located in ten communities throughout the state, provide specialized entrepreneurial and small business support services (and often physical incubator space) to transform new ideas and scientific discoveries into Missouri-based businesses that put Missourians to work. The centers often serve as the hub of entrepreneurial activity in their local communities.

Manufacturing Extension Partnership – The Manufacturing Extension Partnership (MEP) is a public-private partnership which includes the U.S. Department of Commerce's National Institute of Standards and Technology and the University of Missouri System. The MEP assists small- and medium-sized manufacturers throughout the state, including innovation center clients that require manufacturing expertise, by bringing the benefits of new technology to bear on traditional industries. The MEP also helps Missouri manufacturers increase productivity, achieve growth objectives, and obtain necessary quality certifications for exporting Missouri-made products.

Fiscal Year 2015 Governor's Recommendations

- \$2,000,000 to provide assistance to and foster growth in new and emerging high-tech companies.

MISSOURI SMALL BUSINESS AND TECHNOLOGY DEVELOPMENT CENTERS

The Missouri Small Business & Technology Development Centers (MO SBTDC) are a statewide network that helps businesses, innovators, researchers, and entrepreneurs create and grow companies that contribute to the state's economic development. Through individualized and confidential business counseling and educational opportunities, the MO SBTDC assists companies in managing growth, remaining competitive, commercializing technology, accessing financing, finding new markets, entering international trade, and refining business operations. The MO SBTDC works through partnerships with the state's colleges and universities that host the program and provide matching funds for the federal funding from the U.S. Small Business Administration.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY SERVICES**

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) program is a formula block grant provided to the state of Missouri, 70 percent of which is allocated directly to entitlement cities and 30 percent of which is allocated for non-entitlement areas in the state. DED administers the 30 percent non-entitlement portion of the program by providing grants for community development activities. These activities must benefit at least 51 percent low and moderate income persons, eliminate slum and blight, or meet urgent threats to health and safety. Typical projects include infrastructure expansion, downtown revitalization, housing rehabilitation, housing financing, Americans with Disabilities Act accessibility improvements, and community facility projects.

Fiscal Year 2015 Governor's Recommendations

- (\$10,000,000) federal funds core reduction from the Fiscal Year 2014 appropriation level.

MISSOURI DISASTER CASE MANAGEMENT PROGRAM

The Missouri Disaster Case Management Program provides federal funding for the state to contract with a management agency for case management services related to the disasters that took place in Missouri in the spring and summer of 2011. The management agency subcontracts with small, local provider agencies to assist individuals and families affected by disasters. Case managers help develop recovery plans that will lead to a reasonable level of self-sustainability for affected individuals and families.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

STATE SMALL BUSINESS CREDIT INITIATIVE

The State Small Business Credit Initiative (SSBCI) is a federal initiative that provides funds to states in order to increase the amount of private capital available to small businesses. The SSBCI program in Missouri assists small businesses in accessing credit and venture capital via two programs. The Grow Missouri Loan Participation Fund supports the formation and growth of businesses in the industrial, commercial, agricultural, and recreational sectors. The Missouri Innovation, Development, and Entrepreneurial Advancement (IDEA) seed and venture capital funds promote the formation and growth of businesses that engage in the transfer of science and technology into job creation.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

COMMUNITY REDEVELOPMENT AND ASSISTANCE

Community Redevelopment and Assistance consists of the Missouri Community Service Commission, Missouri Small Business Regulatory Fairness Board, Missouri Military Preparedness and Enhancement Commission, Base Realignment and Closure (BRAC) activities, Missouri Development Finance Board, and Missouri Main Street Program. These programs promote volunteerism and community services, monitor the impact of state regulations on small business, design and implement measures to retain and protect military posts or bases in Missouri, and administer a range of financing programs through revenue bonds, notes, and tax credits.

Fiscal Year 2015 Governor's Recommendations

- \$1,145,000 for current tax increment financing projects.
- \$125,000 for BRAC activities.
- \$3,804 for pay plan, including \$1,138 general revenue.
- \$1,252 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$251 general revenue.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY SERVICES**

ARTS AND CULTURAL DEVELOPMENT

Missouri Arts Council – The Missouri Arts Council oversees the distribution of state and federal funds in support of the arts. Funds are distributed statewide on a matching-grant basis to Missouri nonprofit organizations through a competitive process with specific guidelines, evaluation criteria, and a citizen advisory panel review. Grants are provided in specific arts discipline areas including dance, electronic media, literature, music, theater, visual arts, and folk arts, and in specific program areas including community arts, minority arts, festivals, arts education, touring performances, monthly strategic grants, and capacity building. Council staff provides assistance and expertise in arts and nonprofit management, community development, grant writing, fundraising, marketing, arts education, board development, and program development.

Missouri Humanities Council – The Missouri Humanities Council is the state affiliate of the National Endowment for the Humanities. The council's mission is to help citizens of Missouri explore subjects including history, literature, languages, law, philosophy, and ethics, and consider the ideas that shape and facilitate participatory democracy. Council programs help communities understand and share their unique history, and to utilize those stories as a resource that can generate new economic development opportunities. Programs also help local institutions develop the capacity to engage the public in lifelong learning activities.

Public Television and Public Radio – Funds are distributed to Missouri public television and radio stations for instructional, local programming, and operating assistance.

Fiscal Year 2015 Governor's Recommendations

- \$1,800,000 transferred to the Missouri Arts Council pursuant to Section 143.183, RSMo.
- \$300,000 transferred to the Missouri Humanities Council Trust Fund pursuant to Section 143.183, RSMo.
- \$300,000 transferred to the Missouri Public Broadcasting Corporation Special Fund pursuant to Section 143.183, RSMo.
- \$300,000 Missouri Humanities Council Trust Fund for Humanities Council programs.
- \$4,698 federal funds for pay plan.
- \$1,750 federal funds for the remaining pay periods of the Fiscal Year 2014 approved pay plan.
- (\$450,000) core reduction for one-time expenditures, including (\$50,000) general revenue.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
WORKFORCE DEVELOPMENT**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Workforce Development Administration | \$ 13,293,375 | \$ 23,276,202 | \$ 23,652,912 |
| Workforce Programs | 84,907,411 | 97,884,293 | 94,559,293 |
| Missouri Works Job Development Fund | 9,646,979 | 13,959,257 | 18,472,353 |
| Missouri Women's Council | 67,430 | 69,285 | 70,316 |
| Missouri Works Community College Job Retention Training Program | 1,960,931 | 10,000,000 | 10,000,000 |
| Missouri Works Community College New Jobs Training Program | 3,081,261 | 16,000,000 | 16,000,000 |
| TOTAL | \$ 112,957,387 | \$ 161,189,037 | \$ 162,754,874 |
| PERSONAL SERVICE | | | |
| Federal Funds | 11,676,218 | 18,814,193 | 19,191,934 |
| EXPENSE AND EQUIPMENT | | | |
| General Revenue Fund | 1,410,263 | 0 | 0 |
| Federal Funds | 15,658,759 | 5,986,022 | 5,986,022 |
| PROGRAM SPECIFIC DISTRIBUTION | | | |
| General Revenue Fund | 9,840,965 | 14,159,257 | 19,172,353 |
| Federal Funds | 69,328,990 | 96,229,565 | 90,404,565 |
| Other Funds | 5,042,192 | 26,000,000 | 28,000,000 |
| TOTAL | | | |
| General Revenue Fund | 11,251,228 | 14,159,257 | 19,172,353 |
| Federal Funds | 96,663,967 | 121,029,780 | 115,582,521 |
| Other Funds | 5,042,192 | 26,000,000 | 28,000,000 |
| Total Full-time Equivalent Employees | | | |
| Federal Funds | 336.87 | 476.72 | 476.72 |
| Other Funds | 329.58 | 468.72 | 468.72 |
| | 7.29 | 8.00 | 8.00 |

The Division of Workforce Development provides vital reemployment services, including skills training, career connections for job seekers, and human resources assistance for businesses. These services are provided through a collaborative system that includes the Missouri Department of Labor and Industrial Relations - Division of Employment Security, Missouri Career Centers in over 30 locations, 14 local Workforce Investment Boards, and 12 community colleges and other local educational agencies across the state. The workforce system champions ongoing advancements to equip Missouri's workforce with the training and skills needed by employers to compete in a 21st century economy.

WORKFORCE DEVELOPMENT ADMINISTRATION

Missouri's workforce system was authorized and is funded by two pieces of federal job training legislation: the Workforce Investment Act and the Wagner-Peyser Act. The division administers federal job training funds in accordance with federal and state policy.

Fiscal Year 2015 Governor's Recommendations

- \$259,530 federal funds for pay plan.
- \$117,180 federal funds for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

DEPARTMENT OF ECONOMIC DEVELOPMENT WORKFORCE DEVELOPMENT

WORKFORCE PROGRAMS

Missouri's Career Center system provides training and employment services through the coordinated integration of several workforce development programs: Workforce Investment Act, Wagner-Peyser/Employment Services, Trade Adjustment Assistance, Rapid Response, and Missouri Employment and Training Program. While individuals must meet eligibility requirements to receive certain services via these programs, the majority of services—including valuable skills assessments and career counseling—are available to all Missourians at no cost. Services available at Career Centers include referral to job openings, job readiness skill training, referral to classroom or employer training, and payment of support services such as transportation.

Fiscal Year 2015 Governor's Recommendations

- \$2,000,000 Special Employment Security Fund to provide labor exchange services.
- \$500,000 for the Certified Work Ready Communities Initiative to provide ACT WorkKeys assessments to entering and graduating community college students.
- (\$4,025,000) federal funds core reduction from the Fiscal Year 2014 appropriation level.
- (\$1,800,000) federal funds transferred to the Department of Social Services for the Missouri Employment and Training Program.

MISSOURI WORKS JOB DEVELOPMENT FUND

The Missouri Works Job Development Fund (MWJDF), also known as the Customized Training Program, helps new and expanding businesses by providing and covering the costs of training. In addition, MWJDF provides assistance to existing businesses for the purpose of upgrading workers' skills. The Missouri Works Training Program assists small, medium, and large companies that are either creating jobs or making significant capital investment.

Fiscal Year 2015 Governor's Recommendations

- \$4,500,000 for the Missouri Works Training Program.
- \$10,585 for increased transfers to the Missouri Works Job Development Fund due to pay plan and related fringe increases.
- \$2,511 for increased transfers to the Missouri Works Job Development Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

MISSOURI WOMEN'S COUNCIL

The Missouri Women's Council works closely with other agencies and community-based organizations to connect Missouri women in business and women in the workforce to information and resources. The council prepares a comprehensive resource guide for its constituents and serves as a resource and referral center to help encourage, educate, and support Missouri women as they pursue their economic goals. The Missouri Women's Council portal is designed to connect women to a network of accessible, high quality advisory services, and information ranging from employment and training to information on starting or growing a business. The council also partners with other state and federal organizations in offering programs and events that benefit women entrepreneurs and women in the workforce.

Fiscal Year 2015 Governor's Recommendations

- \$781 federal funds for pay plan.
- \$250 federal funds for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

MISSOURI WORKS COMMUNITY COLLEGE JOB RETENTION TRAINING PROGRAM

The Missouri Works Community College Job Retention Training Program provides an incentive for the retention of existing jobs by providing education and training to employees of Missouri industries. The program is operated locally by community colleges and used in large job retention situations.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
WORKFORCE DEVELOPMENT**

MISSOURI WORKS COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

The Missouri Works Community College New Jobs Training Program provides an incentive for the creation of new jobs by providing education and training of workers for new or expanding industries. The program is operated locally by community colleges and is used to attract a large number of new jobs.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
TOURISM**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Tourism Commission TOTAL | \$ 12,683,262 | \$ 14,085,073 | \$ 24,097,943 |
| PERSONAL SERVICE Other Funds | 18,701 | 0 | 0 |
| EXPENSE AND EQUIPMENT Other Funds | 54,561 | 24,500 | 24,500 |
| PROGRAM SPECIFIC DISTRIBUTION General Revenue Fund | 12,610,000 | 14,060,573 | 24,073,443 |
| TOTAL General Revenue Fund | 12,610,000 | 14,060,573 | 24,073,443 |
| Other Funds | 73,262 | 24,500 | 24,500 |
| Total Full-time Equivalent Employees | 30.24 | 41.00 | 41.00 |
| Other Funds | 30.24 | 41.00 | 41.00 |

The Division of Tourism is responsible for promoting Missouri as a premier destination for domestic and international travelers. The division implements strategic investments in travel promotion with integrated marketing strategies that provide economic benefits for Missouri. Travel promotion programs spur interest in visiting destinations among potential travelers. Stronger travel interest generates more visitors. The division operates nine official welcome centers and works with community-based affiliate welcome centers that meet inspection guidelines. In addition to these duties, the Division of Tourism is responsible for the Missouri Film Office and the support of the Missouri Film Commission. The Commission and Film Office work to establish a reliable and consistent conduit to Missouri for the creative media industry to stimulate new production work across the state.

Fiscal Year 2015 Governor's Recommendations

- \$10,000,000 for Missouri tourism promotion.
- \$12,870 for increased transfers to the Division of Tourism Supplemental Revenue Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
ENERGY**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Division of Energy Operations | \$ 0 | \$ 0 | \$ 2,524,286 |
| Division of Energy Services | 0 | 0 | 19,127,000 |
| TOTAL | \$ 0 | \$ 0 | \$ 21,651,286 |
| PERSONAL SERVICE | | | |
| Federal Funds | 0 | 0 | 1,224,257 |
| Other Funds | 0 | 0 | 673,274 |
| EXPENSE AND EQUIPMENT | | | |
| General Revenue | 0 | 0 | 14,610 |
| Federal Funds | 0 | 0 | 511,326 |
| Other Funds | 0 | 0 | 2,289,520 |
| PROGRAM SPECIFIC DISTRIBUTION | | | |
| Federal Funds | 0 | 0 | 9,978,799 |
| Other Funds | 0 | 0 | 6,959,500 |
| TOTAL | | | |
| General Revenue | 0 | 0 | 14,610 |
| Federal Funds | 0 | 0 | 11,714,382 |
| Other Funds | 0 | 0 | 9,922,294 |
| Total Full-time Equivalent Employees | | | |
| Federal Funds | 0.00 | 0.00 | 37.00 |
| Other Funds | 0.00 | 0.00 | 23.05 |
| | 0.00 | 0.00 | 13.95 |

The Division of Energy assists, educates, and encourages Missourians to advance the efficient use of diverse energy resources to provide for a healthier environment and achieve greater energy security for future generations. The Division of Energy was transferred from the Department of Natural Resources per Executive Order 13-03.

Fiscal Year 2015 Governor's Recommendations

- \$21,616,295 and 37 staff transferred from the Department of Natural Resources, including \$14,610 general revenue.
- \$25,734 federal and other funds for pay plan.
- \$9,257 federal and other funds for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
AFFORDABLE HOUSING**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Missouri Housing Trust | \$ 3,343,807 | \$ 4,450,000 | \$ 4,450,000 |
| Manufactured Housing Program | <u>331,412</u> | <u>681,178</u> | <u>919,486</u> |
| TOTAL | \$ 3,675,219 | \$ 5,131,178 | \$ 5,369,486 |
| PERSONAL SERVICE | 259,022 | 348,232 | 353,020 |
| EXPENSE AND EQUIPMENT | 56,754 | 120,946 | 354,466 |
| PROGRAM SPECIFIC DISTRIBUTION | 3,359,443 | 4,662,000 | 4,662,000 |
| TOTAL | | | |
| Other Funds | 3,675,219 | 5,131,178 | 5,369,486 |
| Total Full-time Equivalent Employees | 6.77 | 8.00 | 8.00 |
| Other Funds | 6.77 | 8.00 | 8.00 |

MISSOURI HOUSING TRUST FUND

The Missouri Housing Development Commission administers the Missouri Housing Trust Fund, which provides grants to housing service providers to help meet the needs of very low income families and individuals. Funding is available for a variety of housing needs, such as homeless prevention, rehabilitation or construction of rental housing, rental assistance, and home repair. The Missouri Housing Trust Fund is funded through a \$3 recording fee authorized in Section 59.319, RSMo.

Fiscal Year 2015 Governor's Recommendations

Continue funding at the current level.

MANUFACTURED HOUSING PROGRAM

Under the jurisdiction of the Public Service Commission, the staff of the Manufactured Housing Program oversees the annual registration of home installers, dealers, and manufacturers of new manufactured homes and modular units. Program staff also enforces construction and safety standards, conducts code inspections, addresses consumer complaints, and enforces home set-up and tie-down requirements.

Fiscal Year 2015 Governor's Recommendations

- \$250,000 Manufactured Housing Fund for computer software.
- \$4,788 Manufactured Housing Fund for pay plan.
- (\$16,480) Manufactured Housing Fund core reduction for one-time expenditures.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
UTILITY REGULATION**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Office of Public Counsel | \$ 689,852 | \$ 705,783 | \$ 867,430 |
| Public Service Commission | <u>12,392,632</u> | <u>15,656,572</u> | <u>15,850,660</u> |
| TOTAL | \$ 13,082,484 | \$ 16,362,355 | \$ 16,718,090 |
| PERSONAL SERVICE | | | |
| Federal Funds | 0 | 89,599 | 18,552 |
| Other Funds | 10,441,668 | 11,122,663 | 11,474,816 |
| EXPENSE AND EQUIPMENT | | | |
| Federal Funds | 0 | 13,189 | 84,488 |
| Other Funds | 2,640,816 | 5,136,904 | 5,140,234 |
| TOTAL | | | |
| Federal Funds | 0 | 102,788 | 103,040 |
| Other Funds | 13,082,484 | 16,259,567 | 16,615,050 |
| Total Full-time Equivalent Employees | | | |
| Federal Funds | 194.05 | 208.00 | 210.00 |
| Other Funds | 0.00 | 2.00 | 2.00 |
| Other Funds | 194.05 | 206.00 | 208.00 |

OFFICE OF PUBLIC COUNSEL

The Office of Public Counsel is the state's consumer advocate in matters of utility ratemaking and regulation. Attorneys and technical staff analyze utility rate cases and provide testimony and cross-examination in hearings held before the Public Service Commission. The Public Counsel also has the right to appeal Public Service Commission cases through the court system. Through the Ombudsman for Property Rights, the Public Counsel provides guidance to citizens regarding the condemnation process and procedures.

Fiscal Year 2015 Governor's Recommendations

- \$150,235 Public Service Commission Fund and two staff to provide additional representation in proceedings before the Public Service Commission.
- \$8,412 Public Service Commission Fund for pay plan.
- \$3,000 Public Service Commission Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

PUBLIC SERVICE COMMISSION

The Public Service Commission (PSC) regulates the rates and practices of investor-owned gas, electric, water, and sewer utilities. The commission has limited regulatory authority over investor-owned telephone companies. The PSC also administers safety standards for the rural electric cooperatives and municipal gas systems, maintains a registry of state video service providers, and registers Voice over Internet Protocol (VoIP) service providers. In addition, the PSC administers the Relay Missouri service, which gives hearing-impaired citizens access to the telephone network.

Fiscal Year 2015 Governor's Recommendations

- \$145,588 federal and other funds for pay plan.
- \$48,500 Public Service Commission Fund for the remaining pay periods of the Fiscal Year 2014 approved pay plan.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
ADMINISTRATIVE SERVICES**

FINANCIAL SUMMARY

| | FY 2013 EXPENDITURE | FY 2014 APPROPRIATION | GOVERNOR RECOMMENDS FY 2015 |
|---|------------------------|--------------------------|-----------------------------------|
| Administrative Services TOTAL | \$ 1,820,880 | \$ 3,118,295 | \$ 3,154,217 |
| PERSONAL SERVICE | | | |
| General Revenue Fund | 387,026 | 405,311 | 413,420 |
| Federal Funds | 649,361 | 1,094,139 | 1,113,261 |
| Other Funds | 511,857 | 525,371 | 796,679 |
| EXPENSE AND EQUIPMENT | | | |
| General Revenue Fund | 48,774 | 54,652 | 54,652 |
| Federal Funds | 82,306 | 426,585 | 422,468 |
| Other Funds | 141,556 | 612,236 | 353,736 |
| PROGRAM SPECIFIC DISTRIBUTION | | | |
| Other Funds | 0 | 1 | 1 |
| TOTAL | | | |
| General Revenue Fund | 435,800 | 459,963 | 468,072 |
| Federal Funds | 731,667 | 1,520,724 | 1,535,729 |
| Other Funds | 653,413 | 1,137,608 | 1,150,416 |
| Total Full-time Equivalent Employees | 28.70 | 38.31 | 38.31 |
| General Revenue Fund | 7.25 | 10.00 | 10.00 |
| Federal Funds | 12.46 | 19.11 | 19.11 |
| Other Funds | 8.99 | 9.20 | 9.20 |

The Administrative Services Division provides direction and guidance to the department. This division aligns the work of each of the other divisions through coordinated policy development, legislative planning, legal assistance, communications, and public information. The Administrative Services Division also provides centralized support in the areas of financial systems, personnel functions, budget, and general services.

Fiscal Year 2015 Governor's Recommendations

- \$31,515 for pay plan, including \$5,608 general revenue.
- \$8,524 for the remaining pay periods of the Fiscal Year 2014 approved pay plan, including \$2,501 general revenue.
- (\$4,117) federal funds core reduction from the Fiscal Year 2014 appropriation level.