



Michael L. Parson

GOVERNOR
STATE OF MISSOURI

June 28, 2024

TO THE SECRETARY OF STATE
OF THE STATE OF MISSOURI
102nd GENERAL ASSEMBLY
SECOND REGULAR SESSION

Herewith I return to you Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2003 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Higher Education and Workforce Development, the several divisions, programs, and institutions of higher education included therein to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2024, and ending June 30, 2025.

Section 3.103

I hereby veto \$1,043,401 general revenue for the Missouri Returning Heroes Program. This veto will not impact the tuition paid by veterans who qualify for the Returning Heroes program in any way. The passage of SB 727 (2024) will cost the State an estimated \$400 million more annually for K-12 education once fully implemented. Fully funding the K-12 foundation formula alone in Fiscal Year 2026 is currently estimated to cost an additional \$300 million over the Fiscal Year 2025 appropriation level. Beyond this addition of nearly one billion dollars in annual obligated funding through 2031, the General Assembly spent nearly \$300 million more general revenue than my Fiscal Year 2025 recommended budget in their Truly Agreed and Finally Passed budget. My Administration has consistently prioritized the State's fiscal stability – not only for today, but for years to come. While the State may have a fund balance this fiscal year, we must maintain a balanced budget that keeps future obligations in mind, ensuring the State can maintain a AAA bond rating and continue to meet its statutory and constitutional obligations in the years to come. In light of all these factors, I have vetoed this provision in an effort to help ensure the financial stability of Missouri beyond my Administration and the current General Assembly.

Further, higher education institutions currently fund this program and the budget approved by the General Assembly for the public institutions included a 3 percent increase, totaling over \$32.5 million.

Said section is vetoed in its entirety from \$1,043,401 to \$0 from General Revenue Fund.

From \$1,043,401 to \$0 in total for this section.

Section 3.170

I hereby veto \$1,340,500 general revenue for Missouri State University-West Plains for expansion of the Nursing and Allied Health Program. The passage of SB 727 (2024) will cost the State an estimated \$400 million more annually for K-12 education once fully implemented. Fully funding the K-12 foundation formula alone in Fiscal Year 2026 is currently estimated to cost an additional \$300 million over the Fiscal Year 2025 appropriation level. Beyond this addition of nearly one billion dollars in annual obligated funding through 2031, the General Assembly spent nearly \$300 million more general revenue than my Fiscal Year 2025 recommended budget in their Truly Agreed and Finally Passed budget. My Administration has consistently prioritized the State's fiscal stability – not only for today, but for years to come. While the State may have a fund balance this fiscal year, we must maintain a balanced budget that keeps future obligations in mind, ensuring the State can maintain a AAA bond rating and continue to meet its statutory and constitutional obligations in the years to come. In light of all these factors, I have vetoed this provision in an effort to help ensure the financial stability of Missouri beyond my Administration and the current General Assembly. Additionally, in 2023, Missouri State University-West Plains was awarded a grant to help fund expansion of its nursing program as part of a special appropriation to the Missouri State Board of Nursing.

For expansion of the Nursing and Allied Health Program.
From \$1,850,000 to \$509,500 from General Revenue Fund.

From \$115,783,027 to \$114,442,527 in total for the section.

Section 3.175

I hereby veto \$1,000,000 Job Development and Training Fund for the Lincoln University Hemp Institute Program. This is not an eligible use of the Job Development and Training Fund.

For the Lincoln University Hemp Institute Program.
From \$1,000,000 to \$0 from Job Development and Training Fund.

From \$37,455,618 to \$36,455,618 in total for the section.

Section 3.205

I hereby veto \$5,000,000 general revenue for the statewide operations in the areas of the Agricultural Extension Service. The passage of SB 727 (2024) will cost the State an estimated \$400 million more annually for K-12 education once fully implemented. Fully funding the K-12 foundation formula alone in Fiscal Year 2026 is currently estimated to cost an additional \$300 million over the Fiscal Year 2025 appropriation level. Beyond this addition of nearly one billion dollars in annual obligated funding through 2031, the General Assembly spent nearly \$300 million more general revenue than my Fiscal Year 2025 recommended budget in their Truly Agreed and Finally Passed budget. My Administration has consistently prioritized the State's fiscal stability – not only for today, but for years to come. While the State may have a fund balance this fiscal year, we must maintain a balanced budget that keeps future obligations in mind, ensuring the State can maintain a AAA bond rating and continue to meet its statutory and constitutional obligations in the years to come. In light of all these factors, I have vetoed this provision in an effort to help ensure the financial stability of Missouri beyond my Administration and the current General Assembly. Additionally, this provides one-time funding to support ongoing program costs, which could jeopardize the program's future sustainability. Further, this item provides additional funding for the University of Missouri Extension, which is the responsibility of the University of Missouri's budget. The Fiscal Year 2025 budget approved by the General Assembly includes a 3 percent increase for public four-year institutions of higher education, totaling over \$27.1 million.

For the purpose of funding the federal match requirement and the statewide operations in the areas of the Agricultural Extension Service.

From \$29,797,250 to \$24,797,250 from General Revenue Fund.

From \$509,677,886 to \$504,677,886 in total for the section.

Section 3.230

I hereby veto \$611,407 general revenue for the State Historical Society, including \$423,512 for cost-of-living adjustment, \$137,895 for additional staff, and \$50,000 for digital records. The passage of SB 727 (2024) will cost the State an estimated \$400 million more annually for K-12 education once fully implemented. Fully funding the K-12 foundation formula alone in Fiscal Year 2026 is currently estimated to cost an additional \$300 million over the Fiscal Year 2025 appropriation level. Beyond this addition of nearly one billion dollars in annual obligated funding through 2031, the General Assembly spent nearly \$300 million more general revenue than my Fiscal Year 2025 recommended budget in their Truly Agreed and Finally Passed budget. My Administration has consistently prioritized the State's fiscal stability – not only for today, but for years to come. While the State may have a fund balance this fiscal year, we must maintain a balanced budget that keeps future obligations in mind, ensuring the State can maintain a AAA bond rating and continue to meet its statutory and constitutional obligations in the years to come. In light of all these factors, I have vetoed this provision in an effort to help ensure the financial stability of Missouri beyond my Administration and the current General Assembly.

Additionally, the budget already includes a 3.2% cost of living increase for State Historical Society employees, which matches the increase given to State employees.

From \$5,207,879 to \$4,596,472 from General Revenue Fund.

From \$5,207,879 to \$4,596,472 in total for the section.

On June 28, 2024 I approved said Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2003, except for those items specifically vetoed and not approved.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael L. Parson", is centered on the page. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael L. Parson
Governor