STATE CAPITOL 201 W. CAPITOL AVENUE, ROOM 216 JEFFERSON CITY, MISSOURI 65101



(573) 751-3222 WWW.GOVERNOR.MO.GOV

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. 2004 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Revenue, the Department of Transportation, and the several divisions and programs thereof 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 4.061

I hereby veto \$38,000, including \$25,333 general revenue, for sales and use tax refunds for which the taxpayer was notified of the expansion of the Department of Revenue's interpretation of the tax base by audit, and for the attendant costs incurred by taxpayers in audit compliance. Sufficient appropriation authority for sales and use tax refunds is already included in other refund lines within the budget. Additionally, this line item may violate Article III, Section 38(a) of the Missouri Constitution.

Said section is vetoed in its entirety. From \$25,333 to \$0 from General Revenue Fund. From \$12,667 to \$0 from Other Funds.

From \$38,000 to \$0 in total for the section.

Section 4.405

I hereby veto \$135,051 federal and other funds for fringe benefits for additional staff to support multimodal operations in aviation. The addition of new FTEs beyond my recommended budget has been limited to a minimal increase.

From \$497,287 to \$452,270 from Multimodal Operations Federal Fund. From \$596,471 to \$506,437 from Aviation Trust Fund.

From \$188,101,681 to \$187,966,630 in total for the section.

Section 4.406

I hereby veto \$37,140 federal and other funds for fringe benefits for additional staff to support multimodal operations in aviation. The addition of new FTEs beyond my recommended budget has been limited to a minimal increase.

From \$131,770 to \$119,390 from Multimodal Operations Federal Fund. From \$158,093 to \$133,333 from Aviation Trust Fund.

From \$58,567,915 to \$58,530,775 in total for the section.

Section 4.455

I hereby veto \$2,197,200 general revenue for repairs, maintenance, and expansion of Route N in Jasper County. 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.

For the repair, maintenance, and expansion of Route N in Jasper County. From \$2,197,200 to \$0 from General Revenue Fund.

I hereby veto \$500,000 general revenue for an extra turn lane for South Shelby High School in Shelby County. 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 is a local responsibility and is not on the State's highway system. Further, the bill language prohibits a local match. State funding for local projects should at a minimum be a shared responsibility between the State and local entity.

For an extra turn lane at Shelby High School. From \$500,000 to \$0 from General Revenue Fund.

From \$44,047,200 to \$41,350,000 in total for the section.

Section 4.456

I hereby veto \$1,866,000 Budget Stabilization Fund for the planning, design, land acquisition, utility relocation, and construction of an exit from U.S. Highway 50 in or near the city of Lone Jack. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, these provisions constitute local or special laws in violation of Article III, Section 40(17), which prohibits the passage of any local or special law authorizing the laying out, opening, altering or maintaining roads, highways, streets or alleys.

For the planning, design, land acquisition, utility relocation, and construction of an exit from U.S. Highway 50 in or near the city of Lone Jack. From \$1,866,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$2,000,000 Budget Stabilization Fund for the planning, design, land acquisition, utility relocation, and construction of a bypass around the city of Hannibal on U.S. Highway 61. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, these provisions constitute local or special laws in violation of Article III, Section 40(17), which prohibits the passage of any local or special law authorizing the laying out, opening, altering or maintaining roads, highways, streets or alleys.

For the planning, design, land acquisition, utility relocation, and construction of a bypass around the city of Hannibal on U.S. Highway 61. From \$2,000,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$2,366,000 Budget Stabilization Fund for road improvements in Lewis County. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, this is a local responsibility and is not on the State's highway system. Further, this appropriation prohibits a local match. State funding for local projects should at a minimum be a shared responsibility between the State and local entity.

For road improvements in Lewis County. From \$2,366,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$1,100,000 Budget Stabilization Fund for a corridor location and environmental impact study for a new west corridor related to Central City Road in Jasper County. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, these provisions constitute local or special laws in violation of Article III, Section 40(17), which prohibits the passage of any local or special law authorizing the laying out, opening, altering or maintaining roads, highways, streets or alleys.

For a corridor location and environmental impact study for a new west corridor related to Central City Road in Jasper County.

From \$1,100,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$2,500,000 Budget Stabilization Fund for an engineering study related to improvements to upgrade the U.S. Highway 36 corridor to Interstate 72. The General Assembly grossly overappropriated Budget Stabilization Funds.

For an engineering study related to improvements to upgrade the U.S. Highway 36 corridor to Interstate 72.

From \$2,500,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$2,750,000 Budget Stabilization Fund for maintenance, repair, and upgrades to Long Branch Drive in Macon County. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, this is a local responsibility and is not on the State's highway system. Further, this appropriation prohibits a local match. State funding for local projects should at a minimum be a shared responsibility between the State and local entity.

For the maintenance, repair, and upgrades to Long Branch Drive located in Macon County. From \$2,750,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$3,400,000 Budget Stabilization Fund for an environmental impact study relating to improvements on I-70. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, the State is currently investing \$2.8 billion for improvements to Interstate 70.

For an environmental impact study related to improvements to I-70 between Blue Springs/Adams Dairy exit and Buckner Tarsney/Grain Valley exit. From \$3,400,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$2,000,000 Budget Stabilization Fund for the maintenance, repair and upgrades to Shafer Road in Texas and Phelps counties. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, these provisions constitute local or special laws in violation of Article III, Section 40(17), which prohibits the passage of any local or special law authorizing the laying out, opening, altering or maintaining roads, highways, streets or alleys. Further, this is a local responsibility and is not on the State's highway system.

For the maintenance, repair and upgrades to Shafer Road in Texas and Phelps counties. From \$2,000,000 to \$0 from Budget Stabilization Fund.

I hereby veto \$10,000,000 Budget Stabilization Fund for the planning, design, acquisition, and construction of additional passing lanes on U.S. Highway 65 between Buffalo and Warsaw. The General Assembly grossly overappropriated Budget Stabilization Funds.

For the planning, design, acquisition, and construction of additional passing lanes on U.S. Highway 65 between Buffalo and Warsaw. From \$48,000,000 to \$38,000,000 from Budget Stabilization Fund.

From \$288,282,000 to \$260,300,000 in total for the section.

Section 4.485

I hereby veto \$232,847 federal and other funds for additional staff to support multimodal operations in aviation. The addition of new FTEs beyond my recommended budget has been limited to a minimal increase.

Personal Service by \$66,342 from \$857,054 to \$790,712 from Multimodal Operations Federal Fund.

From \$1,127,456 to \$1,061,114 in total from Multimodal Operations Federal Fund.

Personal Service by \$166,505 from \$1,027,913 to \$861,408 from Aviation Trust Fund. From \$1,054,639 to \$888,134 in total from Aviation Trust Fund.

From \$4,475,909 to \$4,243,062 in total for the section.

Section 4.511

I hereby veto \$3,150,000 Budget Stabilization Fund for the development and implementation of an integrated transit planning system and services for seniors, veterans, and the disabled in Platte County, Clay County, and Jefferson City. The General Assembly grossly overappropriated Budget Stabilization Funds. Determinations regarding additional State funding should be made once the program has been established and the effectiveness of the investments have been demonstrated.

From \$6,150,000 to \$3,000,000 from Budget Stabilization Fund.

From \$6,150,000 to \$3,000,000 in total for the section.

Section 4.535

I hereby veto \$2,000,000 Budget Stabilization Fund for the relocation of a fuel farm facility at Rosecrans Memorial Airport. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, this appropriation prohibits a local match. State funding for local projects should at a minimum be a shared responsibility between the State and local entity.

For the relocation of the fuel farm facility at joint-use military and civilian airport located in Buchanan County.

From \$4,000,000 to \$2,000,000 from Budget Stabilization Fund.

From \$35,950,104 to \$33,950,104 in total for the section.

Section 4.551

I hereby veto \$500,000 Budget Stabilization Fund for repairs to a parking lot for the Southeast Missouri Regional Port Authority. The General Assembly grossly over-appropriated the Budget Stabilization Fund.

For repairs to a parking lot at the Southeast Missouri Regional Port Authority in Cape Girardeau County.

From \$1,000,000 to \$500,000 from Budget Stabilization Fund.

From \$5,000,000 to \$4,500,000 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. 2004, except for those items specifically vetoed and not approved.

Respectfully submitted,

Michael L. Parson

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Governor