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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. 2006 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Agriculture, Department of Natural Resources, Department of Conservation, and the several divisions and programs thereof and for the expenses, grants, refunds, distributions, and capital improvements projects involving the repair, replacement, and maintenance of state buildings and facilities of the Department of Natural Resources 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 6.020

I hereby veto \$152,816 general revenue for two additional cattle barn sales reporters. 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.

Personal Service by \$90,816 from \$196,928 to \$106,112 from General Revenue Fund. Expense and Equipment by \$62,000 from \$93,500 to \$31,500 from General Revenue Fund. From \$290,428 to \$137,612 in total from General Revenue Fund.

I hereby veto \$50,000 general revenue for an urban agriculture education 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. The State funded this project last fiscal year with the intention that it was a one-time investment.

For an urban agricultural educational development program. From \$50,000 to \$0 from General Revenue Fund.

I hereby veto \$50,000 general revenue for a youth agricultural entrepreneurship 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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, this program provides one-time funding to support ongoing program costs, which could jeopardize the program's future sustainability. The State funded this project last fiscal year with the intention that it was a one-time investment.

For a youth agricultural entrepreneurship program. From \$50,000 to \$0 from General Revenue Fund.

I hereby veto \$100,000 general revenue for a non-profit charitable organization that produces and distributes free organic vegetables at a two-acre garden site to seniors, veterans, youth, and low-income families with the goal of raising health levels. 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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 a non-profit charitable organization that produces and distributes free organic vegetables. From \$100,000 to \$0 from General Revenue Fund.

From \$5,290,981 to \$4,938,165 in total for the section

Section 6.021

I hereby veto \$2,500,000 Budget Stabilization Fund for a grant program for an agronomic research farm facility. The General Assembly grossly overappropriated Budget Stabilization Funds. Further, my Administration has previously vetoed this project, and our position has not changed.

Said section is vetoed in its entirety from \$2,500,000 to \$0 from Budget Stabilization Fund. From \$2,500,000 to \$0 in total for the section.

Section 6.080

I hereby veto \$498,946 Agriculture Protection Fund for expansion of the Meat and Poultry Inspection program. This is not an allowable use of the Agriculture Protection Fund.

Personal Service by \$218,086 from \$493,086 to \$275,000 from Agriculture Protection Fund. Expense and Equipment by \$280,860 from \$333,322 to \$52,462 from Agriculture Protection Fund.

From \$826,408 to \$327,462 in total from Agriculture Protection Fund.

From \$12,688,891 to \$12,189,945 in total for the section.

Section 6.100

I hereby veto \$600,000 Agriculture Protection Fund for a Feed Control Laboratory remodel and equipment replacement. This is not an allowable use of the Agriculture Protection Fund.

Expense and Equipment by \$600,000 from \$1,643,728 to \$1,043,728 from Agriculture Protection Fund.

From \$4,497,211 to \$3,897,211 in total from Agriculture Protection Fund.

From \$7,514,325 to \$6,914,325 in total for the section.

Section 6.237

I hereby veto \$470,821 general revenue for sewer improvements in Desloge. 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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 State funding combined with \$500,000 local funding is sufficient to complete this project.

For a sewer project in Desloge. From \$970,821 to \$500,000 from General Revenue Fund.

I hereby veto \$3,400,000 general revenue for water infrastructure improvements and projects in Pike 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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, Pike County submitted an application for State Revolving Funds to the Department of Natural Resources and are on the Intended Use Plan (IUP) fundable list for a loan and grant package. Those funding sources should be exhausted before pursuit of an earmark in the State budget.

For water infrastructure improvements and projects in Pike County. From \$3,400,000 to \$0 from General Revenue Fund.

I hereby veto \$350,000 general revenue for watershed and stormwater management and erosion mediation in Wildwood. 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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, this is a local responsibility with minimal statewide impact. Other funding mechanisms should be pursued in lieu of earmarked State funding for this project.

For watershed and stormwater management and erosion mediation in Wildwood. From \$350,000 to \$0 from General Revenue Fund.

I hereby veto \$1,000,000 general revenue for sewer upgrades to a nursing facility in Clarence. 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. Maintaining a balanced budget that keeps future obligations in mind allows the State to maintain a AAA bond rating. 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, the State is unable to determine the specific project scope. Without detailed information, it would be irresponsible for the State to use taxpayer dollars to fund this project.

For sewer infrastructure improvements to a nursing facility in Clarence. From \$1,000,000 to \$0 from General Revenue Fund.

From \$7,620,821 to \$2,400,000 in total for the section.

Section 6.356

I hereby veto \$502,000 Historic Preservation Revolving Fund for a non-profit historical society organization of a cemetery, museum, and facility. This appropriation conflicts with existing substantive law regarding allowable use and distribution of the Historic Preservation Revolving Fund. Additionally, the demographic language is not specific enough to identify where this project is located.

Said section is vetoed in its entirety from \$502,000 to \$0 from Historic Preservation Revolving Fund.

From \$502,000 to \$0 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. 2006, except for those items specifically vetoed and not approved.

Respectfully submitted,

Michael L. Parson

Governor