



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. 2007 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Economic Development, Department of Commerce and Insurance, Department of Labor and Industrial Relations 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 7.015

I hereby veto \$1,000,000 general revenue for a non-profit organization in St. Louis County that helps families thrive and achieve self-sustainability. 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 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 a non-profit organization that helps families thrive and achieve self-sustainability.

From \$1,000,000 to \$0 from General Revenue Fund.

I hereby veto \$500,000 general revenue for a non-profit organization in St. Louis City that focuses on increasing the number of young community leaders. 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 State funded this project last fiscal year with the intention that it was a one-time investment. 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 a non-profit organization that focuses on increasing the number of young community leaders.
From \$500,000 to \$0 from General Revenue Fund.

I hereby veto \$100,000 general revenue fund for a small business accelerator in Kansas City. 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, funding for similar activities is already included in this budget for the Kansas City area.

For a small business accelerator.
From \$100,000 to \$0 from General Revenue.

I hereby veto \$250,000 Budget Stabilization Fund for a community development corporation that works to strengthen and attract investment that creates and maintains vibrant neighborhoods and commercial districts in St. Louis City. The State funded this project last fiscal year with the intention that it was a one-time investment. Additionally, the General Assembly grossly overappropriated Budget Stabilization Funds.

For a 501(c)(3) community development corporation.
From \$250,000 to \$0 from Budget Stabilization Fund.

From \$7,849,662 to \$5,999,662 in total for the section.

Section 7.025

I hereby veto \$1,000,000 Missouri Technology Investment Fund for a public-private partnership located in Kirksville. The State funded this project last fiscal year with the intention that it was a one-time investment.

For a public-private partnership.
From \$1,000,000 to \$0 from Missouri Technology Investment Fund.

From \$9,500,000 to \$8,500,000 in total for the section.

Section 7.031

I hereby veto \$7,000,000 general revenue for a non-profit innovation community in St. Louis City that focuses on accelerating inclusive economic growth. 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 program was appropriated \$7,000,000 in the Fiscal Year 2024 budget which has been included in House Bill 2017 and reappropriated in Fiscal Year 2025.

Said section is vetoed in its entirety from \$7,000,000 to \$0 from General Revenue Fund.

From \$7,000,000 to \$0 in total for section

Section 7.048

I hereby veto \$1,000,000 Budget Stabilization Fund for economic development and infrastructure projects in Noel. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, the Department of Economic Development's (DED) Regional Engagement Division has responded to the Tyson closure, including engaging with the community, working with the Department of Higher Education and Workforce Development, and coordinating with local partners and leaders in the response. DED also met with local employers to determine the benefits of job fairs and hiring opportunities to absorb some of Tyson's employees. Additionally, DED worked with the Missouri Partnership, which has strategically marketed the Tyson Plant site after an outreach to 1,877 consultants and 1,133 companies. Beyond all of these efforts, the State has been unable to determine the intended use of these specific funds.

Said section is vetoed in its entirety from \$1,000,000 to \$0 from Budget Stabilization Fund.

From \$1,000,000 to \$0 in total for section.

On June 28, 2024 I approved said Senate Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 2007, except for those items specifically vetoed and not approved.

Respectfully submitted,



Michael L. Parson
Governor