



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. 2011 entitled:

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Social Services 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 11.106

I hereby veto \$450,000 general revenue for a program to support employees engaged in direct care to vulnerable populations. 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.

Said section is vetoed in its entirety from \$450,000 to \$0 from General Revenue Fund.
From \$450,000 to \$0 in total for the section.

Section 11.160

I hereby veto \$660,000 general revenue for an organization whose mission is to improve the quality of life in our communities and enhance educational and economic opportunities for all in St. Louis 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, it appears this item is duplicative of similar services provided within the Departments of Corrections and Social Services.

For an organization whose mission is to improve the quality of life in our communities and enhance educational and economic opportunities for all.
From \$660,000 to \$0 from General Revenue Fund.
From \$27,766,800 to \$27,106,800 in total for the section.

Section 11.232

I hereby veto \$200,000 general revenue for a nonprofit organization founded in 1979 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, the State is unable to determine specific use of this funding. Without detailed information, it would be irresponsible for the State to use taxpayer dollars to fund this increase.

Said section is vetoed in its entirety from \$200,000 to \$0 from General Revenue Fund.
From \$200,000 to \$0 in total for the section.

Section 11.233

I hereby veto \$200,000 general revenue for an alternative education program in St. Louis 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, the adjusted total is similar to that of comparable projects.

For an alternative education program.
From \$700,000 to \$500,000 from General Revenue Fund.
From \$950,000 to \$750,000 in total for the section.

Section 11.235

I hereby veto \$2,000,000 general revenue for a nonprofit organization that provides educational and health services. 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, State funding for local projects should at a minimum be a shared responsibility between the State and local entity. The information provided to my Administration suggests that the local entity does not have sufficient matching funds to support the total amount appropriated. Finally, the adjusted total is more in line with that of similar projects.

For a nonprofit organization in Kansas City that operates a center that provides educational and health services, and hands-on training in fine arts and digital literacy for underserved urban youth.

From \$3,000,000 to \$1,000,000 from General Revenue Fund.

From \$22,980,000 to \$20,980,000 in total for the section.

Section 11.251

I hereby veto \$1,904,000 Temporary Assistance for Needy Families Federal Fund for a cooperatively owned grocery store in St. Louis County. My Administration has previously vetoed this project, and our position has not changed. This is a local responsibility with minimal statewide impact. Other funding mechanisms should be pursued in lieu of earmarked State funding for this project. Additionally, the information provided to my Administration demonstrates that this project may not be eligible for Temporary Assistance for Needy Families Federal Funding.

Said section is vetoed in its entirety from \$1,904,000 to \$0 from Temporary Assistance for Needy Families Federal Fund.

From \$1,904,000 to \$0 in total for the section.

Section 11.261

I hereby veto \$7,000,000 Temporary Assistance for Needy Families Federal Fund to restore a building for a not-for-profit organization in Kansas City to establish programs for non-traditional students. The plain language of the appropriations bill requires that these funds be spent towards “planning, design, purchase, renovations, maintenance, repair, and capital improvements.” Temporary Assistance for Needy Families Federal Funding cannot be disbursed for capital improvement projects.

Said section is vetoed in its entirety from \$7,000,000 to \$0 from Temporary Assistance for Needy Families Federal Fund.

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

Section 11.410

I hereby veto \$1,025,000 general revenue for Family Resource Centers. 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, a majority of these funds were intended to cover staffing costs for this nonprofit organization, which is not an appropriate use of one-time State funding support.

For a Family Resource Center with a primary office location in Independence.
From \$3,798,434 to \$3,498,434 from General Revenue Fund.

For a Family Resource Center with a primary office location in Jefferson City.
From \$4,009,828 to \$3,534,828 from General Revenue Fund.

For a Family Resource Center with a primary office location in St. Louis County.
From \$3,245,302 to \$2,995,302 from General Revenue Fund.

From \$29,675,955 to \$28,650,955 in total for the section.

Section 11.745

I hereby veto \$441,815, including \$152,426 general revenue and \$289,389 Title XIX-Federal Fund for an air ambulance rate increase. 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. This will reduce this rate increase from 90% to 80% of Medicare rates, which is in line with Medicaid rates for other providers.

For all other non-institutional services.
From \$98,831,413 to \$98,678,987 from General Revenue Fund.
From \$224,986,635 to \$224,697,246 from Title XIX-Federal Fund.
From \$392,512,575 to \$392,070,760 in total for the section.

Section 11.760

I hereby veto \$132,272, including \$45,634 general revenue and \$86,638 Title XIX-Federal Fund for an air ambulance rate increase. 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. This will reduce this rate increase from 90% to 80% of Medicare rates, which is in line with Medicaid rates for other providers.

For payment to comprehensive prepaid health care plans.
From \$456,643,391 to \$456,597,757 from General Revenue Fund.
From \$1,360,518,444 to \$1,360,431,806 from Title XIX-Federal Fund.
From \$2,189,664,646 to \$2,189,532,374 in total for the section.

Section 11.771

I hereby veto \$5,000,000 Budget Stabilization Fund for the construction of a hospital in Dunklin County. The General Assembly grossly overappropriated Budget Stabilization Funds. Additionally, without the results of a feasibility study, it is unclear if the county can support the construction and operation of a new hospital.

For a nonprofit healthcare foundation.
From \$10,000,000 to \$5,000,000 from Budget Stabilization Fund.
From \$53,686,000 to \$48,686,000 in total for the section.

Section 11.830

I hereby veto \$320,025 federal funds for an air ambulance rate increase. 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. This will reduce this rate increase from 90% to 80% of Medicare rates, which is in line with Medicaid rates for other providers.

For program distributions related to Section 36(c) of Article IV of the Missouri Constitution.
From \$274,068,527 to \$274,036,524 from FMAP Enhancement-Expansion Fund.
From \$2,593,062,774 to \$2,592,774,752 from Title XIX-Adult Expansion Federal Fund.
From \$3,081,588,542 to \$3,081,268,517 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. 2011, except for those items specifically vetoed and not approved.

Respectfully submitted,



Michael L. Parson
Governor

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