STATE CAPITOL

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Michael L. Parson

GOVERNOR STATE OF MISSOURI

June 30, 2023

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

Herewith I return to you Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute for House Bill No. 3 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 and programs thereof, and institutions of higher education 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, 2023, and ending June 30, 2024.

Section 3.103

I hereby veto \$600,000, including \$400,000 general revenue, for the Missouri Returning Heroes Program. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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 7 percent increase, totaling over \$70.8 million. This veto will not impact the tuition paid by veterans who qualify for the Returning Heroes program in any way.

Said section is vetoed in its entirety. From \$400,000 to \$0 from General Revenue Fund. From \$200,000 to \$0 from Lottery Proceeds Fund. From \$600,000 to \$0 in total for this section.

Section 3.130

I hereby veto \$1,000,000 general revenue for a comprehensive counseling and solution generation service. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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, funds from Fiscal Year 2023 have not yet been expended and additional funding is not yet needed. Additionally, although it does not identify a specific vendor, this appropriation appears to describe a specific vendor's platform. The department is subject to state purchasing laws set forth in Chapter 34, RSMo, and must follow those laws when selecting a vendor rather than contracting with a particular vendor.

For a comprehensive counseling and solution generation service. From \$2,000,000 to \$1,000,000 from General Revenue Fund. From \$89,314,845 to \$87,214,845 in total for this section.

Section 3.147

I hereby veto \$16,821,212 general revenue for a performance-based funding model. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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 performance funding model is still under development, and has not yet been adopted or approved by the Coordinating Board for Higher Education.

Said section is vetoed in its entirety from \$16,821,212 to \$0 from General Revenue Fund. From \$16,821,212 to \$0 in total for the section.

Section 3.195

I hereby veto \$5,000,000 general revenue for the statewide operations in the areas of the Agricultural Extension Service. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general

revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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 item provides additional funding for the University of Missouri Extension, which is the responsibility of the University of Missouri's budget. The Fiscal Year 2024 budget approved by the General Assembly includes a 7 percent increase for public four-year institutions of higher education, totaling over \$58.9 million. Additionally, in researching this item it is unclear what the additional funding would be used for.

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

From \$29,075,000 to \$24,075,000 from General Revenue Fund.

I hereby veto \$15,000,000 general revenue for the University of Missouri eMINTS Program for prosocial education training initiatives for school districts and charter schools. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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 eMINTS Program. From \$15,000,000 to \$0 from General Revenue Fund.

From \$509,923,773 to \$489,923,773 in total for the section.

Section 3.220

I hereby veto \$408,536 general revenue for the State Historical Society. The Fiscal Year 2024 budget that was passed by the Missouri General Assembly totals \$53.5 billion, over \$1.7 billion more than my recommended budget. Additionally, the Missouri General Assembly passed legislation which is estimated to result in a loss of ongoing general revenues exceeding \$300 million and increasing ongoing general revenue expenditures by over \$200 million. In addition, Missouri has consistently maintained a AAA bond rating and we will ensure a balanced budget for years to come. In light of all of 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, my recommended budget already provided funds for a salary increase in line with the increase planned to be implemented by the University of Missouri.

From \$4,313,009 to \$3,904,473 from General Revenue Fund. From \$4,313,009 to \$3,904,473 in total for the section.

On June 30, 2023 I approved said Conference Committee Substitute for Senate Committee Substitute for House Committee Substitute House Bill No. 3, except for those items specifically vetoed and not approved.

Respectfully submitted,

Michael L. Parson

Governor