



Charlie Shields
Senate President Pro Tem

MISSOURI GENERAL ASSEMBLY

Ron Richard
Speaker of the House

FOR IMMEDIATE RELEASE

May 7, 2009

Legislature Advances \$23.1 Billion State Budget *Supports \$63 Million Increase for K-12 Education, Plus \$600 Million Investment in Job Creating Infrastructure Projects*

JEFFERSON CITY - Approving funding to run critical functions of state government with an emphasis on improving education, the Missouri General Assembly today advanced thirteen budget bills totaling \$23.1 billion for the fiscal year beginning July 1. The bills include a \$63 million increase for the school foundation formula, as well as the largest budget reserve totaling \$966 million for spending in future budget years.

Sen. Gary Nodler, R-Joplin, is chairman of the Senate Appropriations Committee and handled the budget bills in the Senate. He said the budget reflects Republican leadership's commitment to continue to make education the number one priority.

"We have continued our commitment to fully fund a new school funding formula that gives all our children an equal opportunity for a great education," Nodler said. "We added \$63 million without a tax increase, while increasing higher education funding to make sure more Missouri students can afford an educational experience past high school. This is the fourth year of meeting our promise to fund the new formula for K-12 students and our fourth year in a row to increase funding for higher education, and with setting money aside to weather this down economy, we are making sure we will be able to continue to build on those educational promises next year."

Senate Leader Charlie Shields, R-St. Joseph, thanked Nodler for his continued leadership through a difficult budget year.

"With Sen. Nodler's tremendous leadership, we were able to work together with the House to pass a fiscally responsible budget that protects taxpayers with a nearly billion-dollar reserve, while keeping to our promise that education is our top budget priority."

Representative Allen Icet, R-Wildwood, chairman of the House Budget Committee, noted the budget writers' ability to continue their commitment to education spending without a tax increase stems from responsible fiscal leadership.

"We, unlike many states, are protecting taxpayers by making sure we are not balancing our budget on a bad check from the federal government," Icet said. "By cutting back spending where necessary and living within our means, we continued to improve education funding at all levels without a tax increase."

House Speaker Ron Richard, R-Joplin, commended Icet for his work and commitment to preserving many of the House priorities.

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"As promised, we have passed a balanced and conservative budget. We were able to fully commit to education, designate funding to projects that will create jobs and improve our infrastructure, and we did this all without raising taxes or using stimulus dollars to fill budget gaps," said Richard. "I commend my budget chairman, Allen Icet, for working tirelessly to balance a solid, effective budget. Because of the collaborative efforts in the House and the Senate, we have a budget that will jump start economic recovery and improve the lives of Missouri citizens."

The budget also allows funding of a new program currently under consideration by the Legislature called Show-Me Health Coverage created in Senate Bill 306 that expands health benefits to working parents. Nearly \$147 million is dedicated to fund the new health care program if it receives final legislative approval and is signed into law by Gov. Nixon. The plan would first cover 35,000 Missourians. The Show-Me Health Coverage plan would pay the premiums for health insurance for working parents who earn up to 50 percent the federal poverty level, or \$11,025 for a family of four. Budget leaders said the expansion relies on a new federal drawdown on existing tax dollars that currently pay hospitals for uninsured care.

Shields commended the budget leaders for their work to find a common sense compromise to expand healthcare options for the working poor.

"The Senate is committed to making quality healthcare more available and affordable for all Missourians," he said. "By using this existing funding stream that costs taxpayers nothing more, we are able to help 35,000 low-income, uninsured Missourians gain private healthcare coverage – not welfare – in the first year. Plus, this plan goes far beyond that, ultimately giving us the opportunity in the future to help 200,000 or almost 1 of every 3 uninsured Missourians into coverage."

Lt. Gov. Peter Kinder commended lawmakers for protecting taxpayers in this tough economy.

"Despite a number of obstacles and a weakened economy, Missouri legislators have passed a common sense, conservative budget," Kinder said. "We kept good on our promise to not raise taxes, at the same time we increased funding for education and desperately needed infrastructure projects for our state. We will continue to work in a bipartisan fashion to make quality healthcare more accessible and more affordable. Together, we will responsibly address Missouri's budget during the continued economic downturn."

The Legislature also voted to approve a \$600 million spending bill, including more than \$381 million of federal stimulus money. House Bill 22 appropriates approximately \$110 million to restore funding to university and community college building projects that were halted by Gov. Nixon earlier this year. Those projects include \$31 million for the new Ellis Fischel Cancer Center at the University of Missouri-Columbia that treats cancer patients from across the state. Another \$10.5 million would go to repairs and improvements at vocational schools in Joplin, Kirksville, and Pike County. \$3.3 million would go to build a new National Guard readiness center in Boonville. Veterans would also benefit with improvements to veterans' homes and cemeteries with an influx of \$16 million.

Lawmakers completed the budget one day before the deadline set by the state constitution. The state Fiscal Year 2010 begins July 1, 2009.

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