



**STATE
REPRESENTATIVE
DAN HOUX
54TH DISTRICT**

Committees

**Vice Chair, Rules-Legislative
Oversight
Financial Institutions
Conservation and Natural Resources
Special Committee on Employment
Security
Subcommittee on Short Term
Financial Transactions
Capitol Report
May 11, 2018**



QUICK LINKS:

www.state.mo.us
www.house.mo.gov
www.modot.org

This week I was able to help recognize local community volunteers at the Lt. Governors Senior Service Awards which was held in the Capitol Rotunda. Melissa Gower of Warrensburg was honored for her volunteer efforts with Johnson County 4H, the Master Gardeners and her coordination of Zack's garden. The garden provides fresh health produce to Holden and Warrensburg senior centers. The Johnson County Sheriff's department also contributes considerable volunteer hours to this effort as well. A big thank you to Melissa, 4H and Johnson County Sheriff's department.

Legislative Activities

House and Senate Give Final Approval to State Operating Budget (HBs 2001-2013) in advance of Constitutional deadline

The members of the House and Senate this week gave final approval to a state spending plan that will make a record investment in K-12 public education. The \$28.3 billion state operating budget approved by the General Assembly will fully fund the school foundation formula for the second consecutive year. Additionally, the plan keeps funding stable for Missouri's institutions of higher learning, which will minimize potential tuition increases for students.

The budget as it left the House achieved full funding for K-12 public schools with a \$99 million funding increase. The Senate then reduced that number by approximately \$50 million, but bumped up funding for school transportation by \$25 million. The final version includes the \$99 million increase to achieve full funding, which also includes \$50 million in new funding for early childhood education. The final spending plan also boosts transportation funding by \$10 million.

The governor had recommended a cut of \$68 million for higher education funding in his budget proposal. The spending plan approved by the General Assembly restores this cut in conjunction with a pledge by the state's universities and colleges to raise tuition by no more than 1 percent. Only Missouri Southern State University is exempted from the agreement. Schools must hold to that pledge as long as they receive the funds allotted for them in the budget. If for some reason the funds would be withheld, the schools would be allowed to increase tuition by the rate of inflation. The agreement is a reflection of the commitment of lawmakers to hold down the cost of higher education for students and families.

The final version of the fiscally responsible spending plan is based on a sensible consensus revenue estimate that will avoid shortfalls that could force the governor to withhold funds. This year's budget plan enforces fiscal discipline by holding welfare spending in check. It also includes a budget reserve of \$100 million to allow for emergency spending needs.

The budget approved by the General Assembly also has a strong commitment to transparency. In addition to eliminating all "E"s, which represent open-ended spending limits on funds, the spending plan improves transparency in several other key areas. The budget plan breaks down spending for the state's legal expense fund, which previously had no system in place to track how dollars are spent to pay for settlements and judgments against state agencies. In addition, the spending plan improves transparency for spending within the state's conservation department. The budget also makes a \$34-million fund in the Department of Corrections transparent and accountable for the first time.

In total, the \$28.3 billion spending plan is approximately \$632 million smaller than the plan proposed by the governor.

Other highlights of the FY 2019 Budget include:

Education

- Continued state support for several of Missouri's cooperative higher education programs, including the Cooperative Medical School Program with MU and Missouri State; the Cooperative Dental Program with UMKC and Missouri Southern; the Pharmacy Doctorate Program with UMKC and MSU; and the Cooperative Engineering Program with Missouri S&T and Missouri State.
- Funding increases recommended by the governor for the state's scholarship programs, which include a \$2 million increase for Access Missouri, \$3.5 million in additional funds for the A+ Scholarship Program; and an additional \$1 million for Bright Flight.
- \$2 million increase in funding towards two-year colleges for the Missouri SkillUP Program that provides free job training and employment opportunities for low-income Missourians.
- \$2 million one-time boost in funding for Missouri Southern State University and \$750,000 one-time boost in funding for Harris-Stowe State University.
- \$300,000 in new funding for school safety grants.
- \$250,000 to a new Kindergarten through 3rd Grade reading assessment program for dyslexia diagnoses.

Social Programs

- \$1.8 million increase in funding for the state's independent living centers, which help people with disabilities to increase their independence and their opportunity to participate in day-to-day life within their communities.
- \$4 million in state support for Missouri's Access to Recovery program and peer support, which helps individuals and families struggling with substance use disorders and provides the tools needed for long-term recovery.
- \$5 million in new money to provide community-based services that will allow those battling substance abuse to receive appropriate treatment as an alternative

to prison.

- \$1 million increase for the state's drug treatment courts to partially restore an FY18 cut.
- \$487,000 to increase state support for juvenile advocacy officers under the public defender system.
- \$72 million increase for nursing home reimbursements, an additional \$1 million for developmental disability rebasing, and a 1.5% rate increase for all other Medicaid providers.

Community and Economic Issues

- \$8.5 million increase in funding for the First Steps Program that provides services to families with children, birth to three years of age, with disabilities or developmental delays.
- \$400,000 restoration of proposed cuts to the Missouri National Guard to prevent the closure of several armories.
- \$4 million in funding to make good on the state's commitment to the Biodiesel Producer Incentive Fund.
- A 1% pay increase for state employees starting January 1st, 2019. (Does not include legislators).
- \$7.25 million allocated to reduce air pollution control activities from the state's portion of the settlement with Volkswagen.
- \$3 million to initiate a water resource and reservoir fund for communities with water shortage issues to access.
- \$4.75 million increase over the governor's recommendation for tourism funding.
- \$65 million in federal funds for emergency preparedness through the Community Development Block Grants program.

HB 2017 would appropriate money for capital improvement and other purposes for the several departments of state government. The bill allocates more than \$347 million in funding.

HB 2018 would appropriate money for purposes for the several departments and

offices of state government; for projects involving the maintenance, repair, replacement, and improvement of state buildings and facilities. The bill allocates nearly \$174 million in funding.

I remain in your service,

A handwritten signature in black ink that reads "Dan Houx". The signature is written in a cursive, slightly slanted style.

Dan Houx

Please contact me at:
201 West Capitol Avenue, Room 116A-1
Jefferson City, MO 65101-6806
Phone: 573-751-3850
Email: Dan.Houx@house.mo.gov

If you would like to unsubscribe to this Capitol Report,
Please contact: Dan.Houx@house.mo.gov.