



Governor Announces \$47 Million in Expenditure Restrictions

Withholds Impact the Budgets of Nine State Departments

Yesterday afternoon, Governor Mike Parson announced a second round of expenditure restrictions from the budget for SFY 2020, which will end June 30.

These restrictions will impact the operating budgets of nine state agencies, the Attorney General's Office, and the General Assembly. The funding withholds include:

- \$15 million from the Department of Elementary and Secondary Education (DESE) Foundation Formula Prior Year Recalculation.
- \$7 million from DESE transportation.
- \$1.8 million from broadband grants.
- \$1.5 million from the home visiting program in the Children's Division.
- \$4.7 million from Medicaid Transformation initiatives.

During the press conference, Parson said the funding restrictions were needed to ensure a balanced budget in the midst of COVID-related revenue declines and spending needs.

This \$47 million in withholds is in addition to the \$175 million restricted in early April. The first round of restrictions largely impacted higher education.

Governor Parson also announced he signed HB 2456, sponsored by Representative Cody Smith (R-Carthage). This bill was passed during the Legislature's limited activity earlier this month. HB 2456 extends the provider taxes that are essential to leveraging federal funds for Missouri's Medicaid program.

The Governor's withholding announcement comes as the Legislature prepares to convene on April 27 to address the SFY 2021 operating budget and other pending legislation. House and Senate leadership have stated they will pass the SFY 2021 budget by the May 8 constitutional deadline.

The budget bills are sitting on the House calendar for floor debate and amendments.

Once the bills pass the House, they will move to the Senate for committee work and floor debate. Finally, conference committees will be appointed to work out the differences between the House and Senate versions of the budget. Once the conference committee reports are passed by both Chambers, the budget will move to the Governor's desk.