

Senate Appropriations Cuts From Governor's Budget 04/08/10

The Senate Appropriations Committee has finished the work it was charged with doing on Missouri's budget for the 2011 fiscal year. The committee made hundreds of individual spending cuts, ranging from just a few dollars for some programs to tens of millions for others.

Governor Jay Nixon had put forth a \$23.86 billion operating budget in January for Missouri's 2011 fiscal year, which begins July 1. Nixon announced a month later that the budget needed to be cut by about \$500 million because of a decline in state tax revenues and uncertainty about federal funding. The committee trimmed \$506 million of general revenue expenses from the budget. Uncertainty over whether Missouri will receive an additional \$300 million of federal stimulus money led Senators to make deeper cuts than the \$500 million necessary to balance the budget.

The latest cuts touched almost every section of the budget, from education, public services and mental health to a technology networks, investigation of contagious disease and independent living centers for the disabled, just to name a few.

As part of their cuts the Senate Appropriation Committee totally eliminated the \$37.5 million Career Ladder program, which pays K-12 teachers between \$1,500 and \$5,000 annually for taking on additional responsibilities such as attending workshops, tutoring, and sponsoring school clubs or groups. This will result in pay cuts for teachers who depend on those funds.

The Senate committee approved cuts in aid for school busing and the Parents as Teachers early childhood development program. The committee also decided to eliminate funding for the Scholars and Fine Arts academies, a pair of three-week summer programs for gifted high school students.

Though they rejected an increase called for by the state's education funding formula, senators preserved the same amount of money for basic K-12 school aid as was appropriated this year, about \$3.4 billion.

The committee also made cuts to hire education funding by cutting the operating funds for public colleges and universities by about \$65 million. This decision breaks a deal Nixon made with the schools to freeze tuition in return for a \$50 million cut in state funding. As a result of a broken agreement students at Missouri's colleges and universities could face tuition increases next school year. This cut would reduce Missouri's aid to state hire education by nearly the maximum amount allowed without needing federal permission under the terms of the federal stimulus package.

The Senate's budget plan also calls for a reduction of 10 percent in aid to support outpatient psychiatric treatment, drug counseling, and crisis services for families with developmentally disabled children. The Associated Press reported the Department of Mental Health said the cuts would affect people whose treatment is not covered by private health insurance or Medicaid. It is estimated that 1,053 people would be denied treatment for substance abuse problems, 594 adults would lose outpatient psychiatric services, an additional 165 adults with psychiatric issues would lose access to housing, 98 children in need of out-of-home treatment because of aggression or self-harm would

not receive psychiatric treatment, and families with developmentally disabled children may not be able to receive in-home aid or short-term placements in group homes when faced with a crisis in managing their children's behavior.

The Senate committee's plan cuts about 35 to 40 health department employees who oversee community and public health programs. The *St. Louis Post Dispatch* reported Margaret Donnelly, director of the Department of Health and Senior Services, said the agency would lose employees who coordinate investigations of communicable diseases such as salmonella and whooping cough, and inspectors who check for health violations at hotels, for example. Vital records staffing also would drop, resulting in possible delays in processing birth and death certificates, Donnelly said.

In addition, rural health clinics and women's health services will see cuts under the Senates plan. Nixon and the Senate committee agreed to close a center for the developmentally disabled in Nevada, transferring residents to group homes or other facilities.

Further cuts include a 10 percent reduction in the funding for public libraries, the State Historical Society, and Amtrak passenger train services between St. Louis and Kansas City. Counties would receive less for incarcerating prisoners who face state charges. The state's reimbursement rate would be reduced by about \$3 a day, to \$19.58 daily. Twenty-one Centers for Independent Living, which help people with disabilities stay in their homes instead of moving to nursing homes would have a \$682,000 cut from the \$3.2 million budget. The Senate plan includes a \$1.74 million cut in the technology network known as MOREnet, which connects public schools, libraries, universities and state government.

Senators also decided to cut the Senate operating budget by about 5 percent, to cut the budgets of some joint House and Senate committees by 10 percent and to reduce their vehicle mileage reimbursements by 5 cents per mile.

Although the decisions are not final, given the severity of the state's financial problems they will be difficult to reverse. So far this fiscal year revenue has fallen 13.3 percent. By June 30, the state is expecting to have collected \$1.3 billion less than it did two years ago.

The budget goes before the full Senate next week. It must then be reconciled with a version already approved by the House that is about \$200 million smaller than Nixon's plan.