



GOVERNOR OF MISSOURI

JEFFERSON CITY

65102

JEREMIAH W. (JAY) NIXON  
GOVERNOR

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July 14, 2010

TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 entitled:

AN ACT

To repeal section 160.254, RSMo, and to enact in lieu thereof three new sections relating to funds established in the state treasury to receive federal funds, with an emergency clause.

I disapprove of Senate Committee Substitute for House Committee Substitute for House Bill No. 1903. My reasons for disapproval are as follows:

Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 creates two new accounts in the state treasury to receive federal funds under the American Recovery and Reinvestment Act of 2009. These new accounts would receive extension of the temporary increase in the Medicaid Federal Medical Assistance Percentage (FMAP) and moneys awarded to the state under the Race to the Top program. This expansion of funds in the state treasury is unnecessary and duplicative of legislation passed during the 2009 session. House Committee Substitute for Senate Committee Substitute for Senate Bill No. 313 passed during the First Regular Session of the 95<sup>th</sup> General Assembly created the Federal Budget Stabilization Fund and the Federal Stimulus Fund. These existing funds are the appropriate accounts to receive FMAP extension and Race to the Top funds.

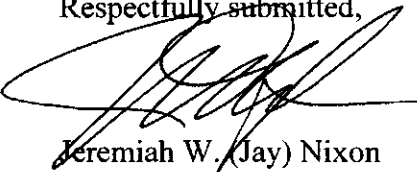
In addition to Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 needlessly creating duplicative funds in the state treasury, the legislation also presents mechanical challenges. Under the bill, the Joint Committee on Education must approve the distribution of Race to the Top funds. This intrusion by the legislative branch into the duties of the executive branch is inconsistent with Article IV, Section 28 of the Missouri Constitution. Moreover, it is anticipated that the United States Department of Education will announce the

next round of Race to the Top awards in September, 2010. If Missouri is successful, adherence to the violative approval process contained in Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 would unnecessarily delay the distribution of funds to the school districts of this state.

Finally, Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 provides that moneys remaining in the Race to the Top Fund at the end of the biennium shall revert to the credit of the general revenue fund. Such a transfer would violate federal law and subject the State of Missouri to possible sanctions by the federal government.

In accordance with the above stated reasons for disapproval, I am returning Senate Committee Substitute for House Committee Substitute for House Bill No. 1903 without my approval.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jay Nixon", written over a horizontal line.

Jeremiah W. (Jay) Nixon  
Governor