



Gibbons Capitol Report
September 28, 2006

Enhancing Higher Education

This week, the Missouri Higher Education Loan Authority (MoHELA) approved a plan to sell a portion of their assets in order to invest in educational and research facilities on Missouri's college and university campuses. Last week, the Missouri Development Finance Board approved a plan to accept the proceeds from the MoHELA assets sale in order to distribute them to our state's higher education institutions. Now, as the governor and the MoHELA Board has requested, the only step left is approval by the General Assembly.

One Step Closer

I believe the Lewis and Clark Discovery Initiative will receive quick approval by the General Assembly. In the Senate, we debated and passed a spending bill outlining many of the same projects. I felt comfortable endorsing the plan approved by the MoHELA board because the Senate approved a resolution to show our support for the important initiative. We passed Senate Resolution 3048 that expressed our support for the governor to advance the General Assembly's intent. Our approval now serves as more of a belt and suspenders approach.

The Plan's Provisions

The plan invests \$350 million from the partial sale of MoHELA assets. It is an enormous capital investment in Missouri higher education that is long overdue. It will improve the ability of Missouri students to get a world class college education. The new measure provides \$335 million in university capital improvement projects including \$18 million for community colleges. Another \$15 million would be put in an endowment fund for the Missouri Discovery Alliance. The Alliance would be used to commercialize research conducted on Missouri campuses.

What's Next

As the Legislature approves the Lewis and Clark Discovery Initiative that the MoHELA Board adopted this week, we will also work to improve higher education in our state in other ways. As part of the commitment, \$25 million from General Revenue will be spent to expand our existing scholarship opportunities for Missouri students. We will also have new, big ideas that stem from our Interim Committee on the Cost of a College Education. One of these ideas includes creating a funding formula for higher education.

The Lewis and Clark Discovery Initiative coupled with our other funding commitments and ideas all have one thing in common: we want Missouri students to have the opportunity to gain a world class college education at a minimum cost. Nearly two-thirds of students attending a four-year public college or university take on student loans while they are in school. We want to help lower that number so less of our students will be strapped with debt when they enter the workforce. That way, they will have the best possible chance to live their American Dream.