

Room 423 - State Capitol Bldg. - Jefferson City, MO 65101 - Contact Barbara Mustoe Phone: (573) 751-2306

Week of May 11, 2009

Additional Funding for Our Communities

Last week, as we completed work on the spending plan for the 2010 fiscal year, I discussed appropriations for the 32nd Senate District contained in the 13 core spending bills that make up a good part of the budget. However, there are several other appropriations bills that we worked on this session. As I have said previously, the appropriations process was complicated this year by the passage of the American Recovery and Reinvestment Act of 2009, a federal attempt at economic stimulus that will ultimately cause more harm than good. Here in Missouri, we worked to use the state funding available through the federal plan in a fiscally responsible way that will be sustainable in the future.

Thanks to work completed by the General Assembly earlier this year through Senate Bill 313, a bipartisan measure I sponsored, we had the ability to draw from two clearly separated types of money during the appropriations process: stabilization dollars and stimulus funds. Stimulus dollars are funds for specifically targeted projects. This includes transportation funding and some projects that are awarded competitively. House Bill 21 contained uses for this funding for FY 2010.

One of the projects included in this bill expands broadband internet opportunities in rural areas of the state, which could include areas of Southwest Missouri. At this time, we are estimating broadband expansion grants for the state could total approximately \$185 million. This, combined with a \$40 million commitment by the state, would amount to \$225 million going towards high-speed network expansion. While many details of the program have yet to be announced on the federal level, we have made it clear that we are committed to expanding this service to rural areas and improving the opportunities in our area.

House Bill 22, which utilized a portion of the federal stabilization dollars we will receive, contains a variety of capital improvement projects throughout the state, including several in our area. Stabilization funds have fewer restrictions and allow states to play a much more active role in addressing individual needs. The bill totals \$600 million, with a little over half coming from this funding. The bill contains \$3 million for a vocational education facility in Joplin, as well as \$1 million for Crowder College for maintenance and repairs on campus.

Another exciting project contained in House Bill 22 is for the Department of Economic Development to offer \$50 million in potentially forgivable loans to expand facilities making and developing battery technology. EaglePicher Inc., a battery manufacturer, has a research and development facility in Joplin and is expected to receive a \$25 million loan, which will essentially become a grant when the company meets certain commitments such as creating at least 500 jobs in the area and spending \$150 million on the project. This expansion is an opportunity to expand high-tech jobs and strengthen the economy in our area.

In the final hours of the 2009 legislative session, we covered a wide range of issues this session, and I am pleased overall with the progress that was made on several significant bills. I will be suspending these weekly columns over the interim, but I will continue to issue news releases as events and items of interest arise.

Senator Gary Nodler represents the people of Newton, Jasper and Dade counties in the Missouri Senate.