Nothing is politically right that is morally wrong.

Free and fair discussion is the firmest friend of truth.

MISSOURI SENATE
JEFFERSON CITY

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Special Funds for Federal Stimulus Dollars Sent to Governor

Bipartisan Senate Bill Creates Funds for Managing Missouri's Share

JEFFERSON CITY – Any temporary funding the state of Missouri would receive from the federal stimulus plan would now go into one of two special funds under legislation sponsored by Senate Appropriations Chairman Gary Nodler, R-Joplin, and co-sponsored by Sen. Joan Bray, D-St. Louis, ranking Democratic member of the Senate Appropriations Committee.

Senate Leader Charlie Shields signed the bill today after it had received approval from both the House and Senate. It next goes to the governor's desk to await his signature. Nixon has said publicly he is supportive of creating the funds.

"We worked to quickly pass this bill because taxpayers have a right to know how we will spend the federal dollars, making sure we do not begin programs the state cannot sustain when this temporary funding runs out," said Shields, R-St. Joseph.

Nodler and Bray, the bills' co-sponsors, said the new funds would protect taxpayers by bringing transparency and accountability to how the federal dollars are spent.

"Creating this fund is the best way to protect Missouri taxpayers because it makes the funding separate, only lets us spend what we have, and lets taxpayers know exactly what projects and programs we invest in with this one-time funding," said Nodler.

Senate Bill 313 creates two separate funds within the state treasury to receive and retain funds provided under the American Recovery and Reinvestment Act of 2009. Money the state receives from the temporary increase in Medicaid reimbursements as well as any other funds that are awarded to supplement the payments to on-going programs would be deposited into the "Federal Budget Stabilization Fund," while all other funds received under the act will be deposited into the "Federal Stimulus Fund."

"We want to establish these funds in the treasury as soon as possible so they can receive any federal funds the state decides to accept," Nodler said. "We also want to have them established as we write the state's budget for next year, so it is clear what is funded by this temporary money that will run out in two years. The last thing we want to do put ourselves in a situation where we become dependent on a temporary source. These funds are an important key to making sure that doesn't happen."

Additionally, the bill authorizes the state treasurer to create other funds as needed to avoid federal co-mingling regulations.

The bill passed with an emergency clause, meaning the bill would take effect immediately upon the governor's signature.

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