

FAC mtg

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Update: Budget

Yesterday, the Missouri House of Representatives finalized its version of the state budget for fiscal year 2020. The current version of the 2020 budget contains good news for Missouri's schools. Here are the highlights:

1) Full Funding of the Formula: The House has proposed full funding for the foundation formula by adding approximately \$61.4 million in new money. The \$61.4 million needed for full funding of the formula was caused by the

recalculation of the State Adequacy Target (SAT) and increased ADA due to the expansion of early childhood programs. If this money comes to fruition, it is believed that the SAT will be \$6,375 for next school year.

2) Transportation Funding: As you know, the governor recommended that school transportation be increased by \$10 million for next year for a total appropriation of \$112.5 million. However, the House reduced the governor's recommendation for transportation funding by \$5 million, thus, instead of a \$10 million increase, it would only be a \$5 million increase. Under the House's proposal, the total appropriation for school transportation would be \$107.5 million for fiscal year 2020.

3) Proposition C: As you know, Proposition C is a dedicated tax. The governor and the House both believe additional funding from this dedicated tax will increase \$40.9 million for fiscal year 2020.

4) Early Childhood Special Education: The House agreed with the governor's recommendation regarding an increase in the funding for early childhood special education. The funding increase is \$3 million for fiscal year 2020. This is a mandatory fund increase.

5) Flat Funding for Public Placement: The House agreed with the governor's proposal that the Public Placement Fund remain at \$5.625 million in total funding.

In all, education officials have to be pleased with these proposed increases. However, please note that these numbers are subject to change as the Senate Appropriations Committee will now have an opportunity to modify the budget. As you know, after the Senate Appropriations Committee makes changes, the budget will then be debated on the Senate floor where additional modifications can be made before being voted on by the entire Senate. As the budget process unfolds, you can be sure that our office will provide updates.