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MISSOURI BUDGET PROJECT REPORT ALLOWS MISSOURIANS TO TRACK STATE USE OF FEDERAL RECOVERY FUNDS

St. Louis, MO – Today the Missouri Budget Project, a non-profit, non-partisan public policy analysis organization, released a report detailing the State’s use of federal recovery funds. The extensive report lists the amount of funding each state agency received, for what purposes it will be used, and how it will affect the lives of Missourians.

After passage this year of the American Recovery and Reinvestment Act, Missouri was slated to receive nearly \$4 billion in economic recovery funds from the federal government. These funds were allocated to help offset cuts to important programs, which states, including Missouri, might have otherwise been facing, and to help stimulate the economy.

Missouri legislators allocated \$3.82 billion of the federal economic recovery funds through House Bills 21 and 22, as well as through the regular budget bills, House Bills 1-13. The funds will assist with a wide variety of programs, including road construction, K-12 and higher education, child care and Head Start, rural technology, and immunization and nutrition projects, among many others.

Without the federal recovery funds, Missouri was slated to face a \$1 billion deficit for Fiscal Year 2010, according to the Missouri Office of Administration. As our state budget cannot operate in a deficit, Governor Nixon and the Legislature made \$200 million in cuts and used \$800 million from the federal funds for ongoing expenses.

With revenue collections continuing to decline, lawmakers must focus during the next year on long term solutions to ensure Missouri is collecting adequate revenue to cover the state’s ongoing expenses and prevent cuts to critical services.

The report can be found at: www.MoBudget.org

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The Mission of the Missouri Budget Project is: To advance public policies that improve economic opportunities for all Missourians – particularly low and middle-income families – by providing

reliable and objective research, public education and advocacy. More information is available at www.mobudget.org.