



Senate Budget Proposal: Fiscal Years 2020/2021

Sen. Ryan Mishler
Chair, Senate Committee on Appropriations



Budget Priorities

- ✓ Balanced Budget
- ✓ Maintain Strong Reserves
- ✓ Support Students and Teachers
- ✓ Improve Child Protection

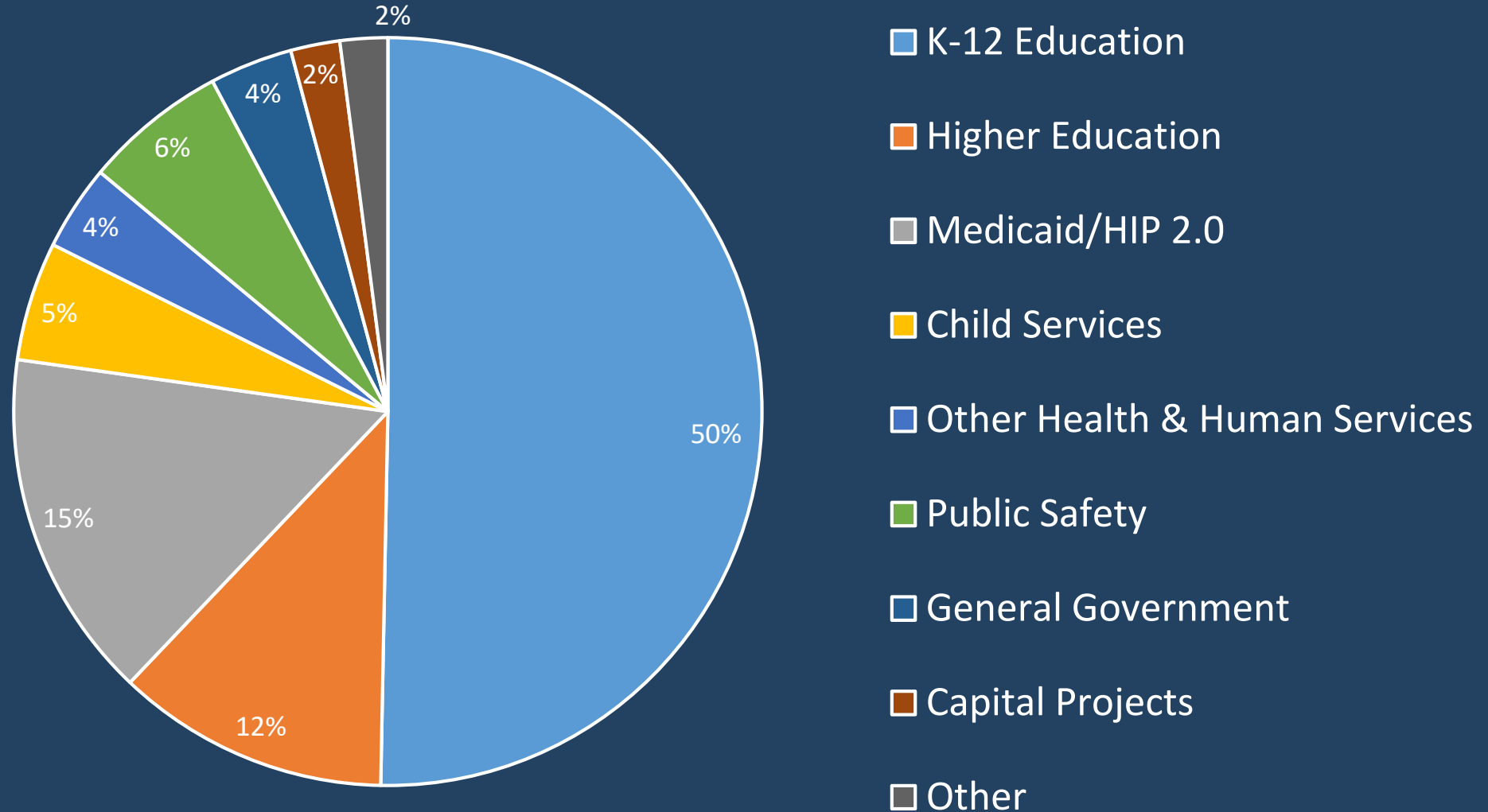


Balanced Budget

- **\$34.6** billion two-year budget
- Ongoing revenues exceed ongoing expenditures
- Ends biennium with **\$2.2** billion in reserves
 - 12.6% in FY 2020
 - 12.5% in FY 2021



Proposed FY 2020/2021 General Fund Appropriations





K-12 Education: Funding Highlights

- Appropriates **\$14.9 billion** over the biennium to K-12 tuition support
- **\$775 million** increase in total K-12 support over the biennium
- Increases K-12 tuition support by **\$535 million** over the biennium
 - **2.7% increase** in FY 2020 and **2.2% increase** in FY 2021



K-12 Education: Pension Relief

- Directs INPRS to allocate **\$150 million** from Pension Stabilization Account to the Post-96 TRF plan
- Requires school boards to hold a public meeting to disclose how they will spend the savings from the reduced pension contributions



K-12 Education: Teacher Appreciation Grants

- Appropriates **\$90 million over the biennium** for the Teacher Appreciation Grant (TAG) program (**\$30 million increase** over previous budget)
- The TAG program provides cash stipends to effective and highly effective teachers in every school corporation based on ADM count (\$45 per ADM)
 - 1/3 of each school's TAG funding must be provided to teachers with less than 5 years of experience
 - Highly effective teachers get a stipend that is at least 25% larger than effective teachers
 - Up to 50% of the stipend can be added to a teacher's base salary



K-12 Education: Funding Changes

- Total funding per ADM:
 - FY 2019: \$6,727
 - FY 2020: \$6,893
 - FY 2021: \$7,022
- Maintains FY 2019 ratio of complexity to foundation spending per student
- Increases funding for English Language Learners to **\$22.5 million annually** (compared to \$17.5 million in FY 2019)



K-12 Education: Virtual Funding Changes

- Sets virtual student funding at 80% of basic tuition support
- Separates virtual charters from tuition support by creating a new line item appropriation at the current spending level of \$80 million per year
 - Requires the DOE to establish the maximum number of seats and the dollars per ADM for each virtual charter (funding metrics have to be outcome-based)



Other K-12 Education Highlights

- Increases Secured School Safety Grants from \$9 million per year to **\$16.5 million** in FY 2020 and **\$14 million** in FY 2021
 - *School safety referenda available to schools starting in 2021 via SB 127*
- Restructures the CTE grant to include additional dollars to reward persistence (as recommended by the Governor's Workforce Cabinet)
- Overall **4.9% increase** in K-12 tuition support over the biennium



Higher Education: Funding Highlights

- Allocates **\$4.2 billion** over the biennium for higher education
 - **\$69.5 million** increase (compared to FY 2019)
- Fully funds state financial aid programs at **\$761.5 million**
- Funds CHE's recommended capital projects for each state university
- **\$11.6 million** for IU and Purdue regional campus deferred maintenance projects



Department of Child Services

- Makes full DCS budget request amount available:
 - **\$243 million increase** in FY 2020
 - **\$223 million increase** in FY 2021
 - **\$105 million available over the biennium**, if needed, via the Special Transportation Flexibility Fund (IC 4-12-16.5-2)
- Requires DCS to contract with the Public Defender Council and Commission to recruit, train and reimburse public defenders for support of at-risk youth and families
- Allows DCS to enter into voluntary service referral agreements prior to court involvement



Improving Infrastructure

- Funds Gov. Holcomb's Next Level Connections projects:
 - I-69 and U.S. 31
 - Broadband
 - Trails
 - Flights
- Broadband funding targeted for rural communities through the newly established Rural Broadband Fund



Improving Infrastructure

- Establishes the Toll Road Lease Amendment Proceeds Fund for highway improvements in toll road counties:
 - **\$239.4 million** in FY 2019
 - **\$218.1 million** in FY 2020
 - **\$220.8 million** in FY 2021
- Provides **\$20 million** in grants, loans and other financial assistance to aid water infrastructure development and improvements
- **\$12 million per year** to support double tracking and extension of the South Shore Line



Workforce Development

- Provides **\$20 million per year** for the Next Level Jobs Employer Training Grant
- Establishes the Career Navigation and Coaching System fund with **\$2 million per year**
- Doubles the Workforce Ready Grant program from \$2 million to **\$4 million per year**



Improving Health Care and Fighting Drug Abuse

- Fully funds the Medicaid forecast at **\$5 billion over the biennium**
- Increases Recovery Works by \$5 million per year to **\$25 million per year**
- Continues **\$5 million per year** for substance abuse prevention, treatment and enforcement
- Funds the governor's OB Navigator program at **\$3.3 million per year**



Public Safety

- **\$12 million** for a new State Police Lab/Post
- Increases the County Jail Maintenance fund by **\$6 million per year** for level 6 felon housing reimbursement
- **\$1 million per year** to ISP for equipment and training for the investigation of internet crimes against children (SB 3)



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