

Senate Budget Proposal

Fiscal Years 2024/2025



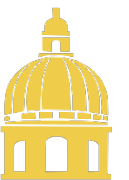
Budget Priorities

- ✓ **Balanced budget**
- ✓ **Historic support for education**
- ✓ **Make one-time investments with long-term benefits**
- ✓ **Maintain strong reserves**

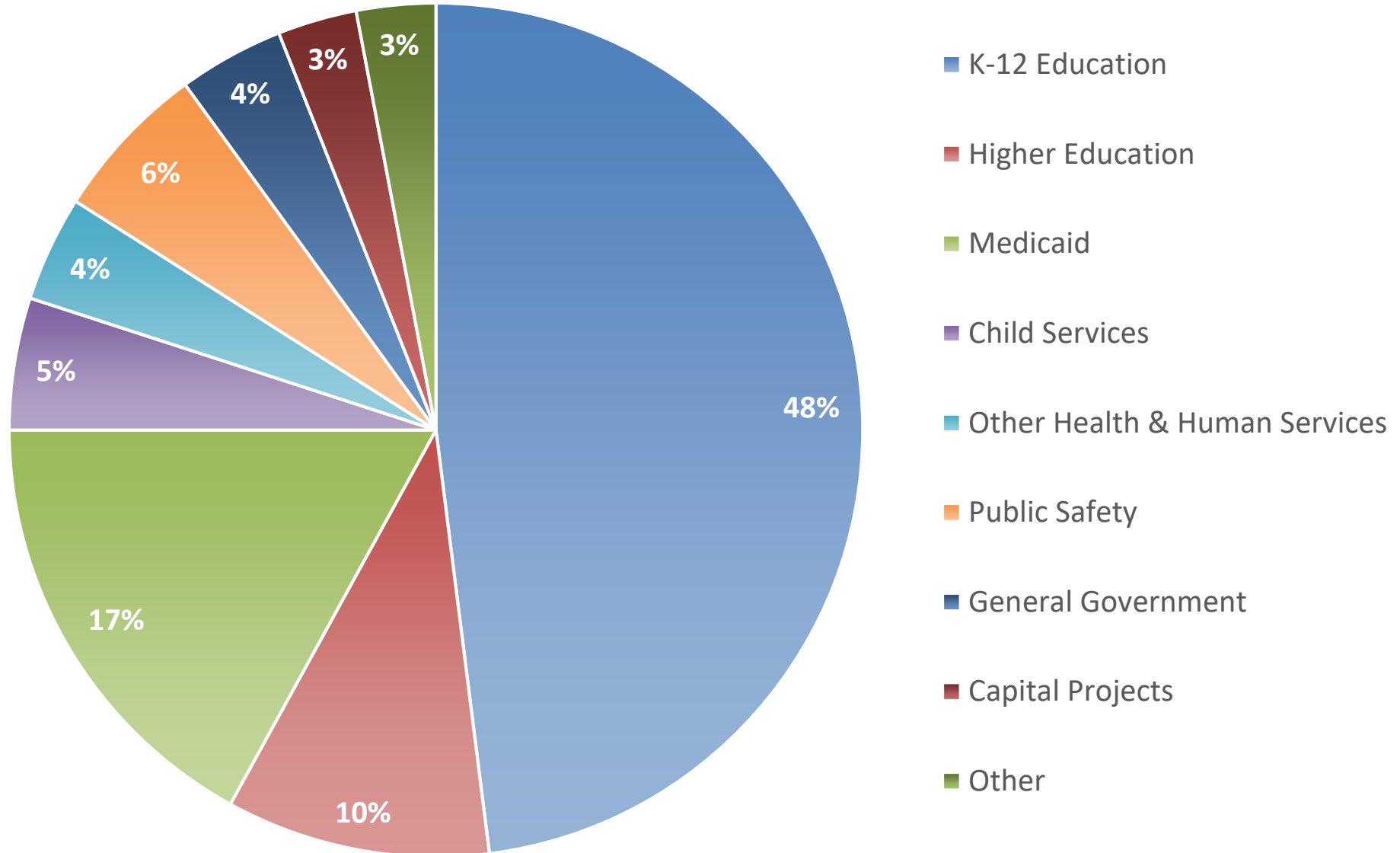


Balanced Budget

- \$43.3 billion two-year budget
- Ongoing revenues exceed ongoing expenditures
- Ends biennium with \$3.2 billion in reserves
 - 13.8% FY 2024
 - 14.7% FY 2025

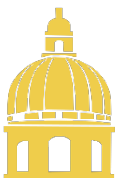


Proposed FY 2024/2025 General Fund Appropriations



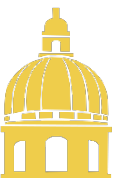
K-12 Education: Funding Highlights

- Appropriates \$17.5 billion over the biennium to K-12 tuition support
- Provides \$2.5 billion additional dollars to K-12 education over the biennium
- Increases K-12 tuition support by \$1.1 billion over the biennium compared to FY 2023
 - 4.68% increase in FY 2024 (\$384 million increase)
 - 9.43% increase in FY 2025 (\$774 million increase)



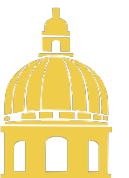
K-12 Education: Funding Changes

- Total funding per ADM:
 - FY 2023: \$7,727
 - FY 2024: \$8,102
 - FY 2025: \$8,463
- Increases special education funding by \$240 million over the biennium
 - 11% in FY 2024
 - Additional 11% in FY 2025
- Includes Non-English Speaking Program in the formula: \$46 million increase over the biennium
 - \$48.5 million in FY 2024
 - \$50.9 million in FY 2025



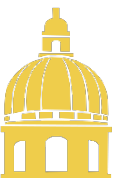
K-12 Education: Funding Changes

- Complexity grant at 62% of foundation - \$95 million increase over biennium
 - 9.7% increase in FY 2024
 - 3.9% increase in FY 2025
- Increases special education line item by \$5 million per year
- Eliminates CTE grants and Honors grants



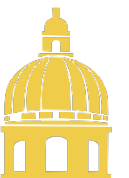
K-12 Education: School Choice

- Starting in CY 2024, allows eligible charter schools to receive a per-student share of incremental property tax collections from a student's home school district
 - Only applies to students who attend a charter school in their home county or a contiguous county
 - Does not apply to virtual, adult or distressed charter schools
 - Each school district's base property tax revenue is calculated from their three year average of CY 2021 through CY 2023
 - School districts would keep all of their base property-tax revenue, only incremental revenue would be shared with charters



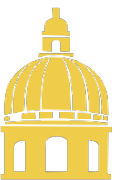
K-12 Education: School Choice

- Charter and Innovation Network School Grant
 - Maintains at \$1,250/ADM in FY 2024
 - Decreases to \$937/ADM in FY 2025
 - \$313/ADM in FY 2025 is the average amount of property tax shared with charters statewide
- Maintains virtual ADM at 85% of foundation



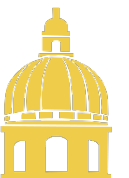
K-12 Education: Other Funding

- Provides an additional contribution of \$1 billion in FY 2023 to the Pre-'96 TRF account
- \$160 million per year for Curricular Material Reimbursement
 - Prohibits schools from charging curricular material rental fees
- \$2 million per year for DOE line items like robotics programs and We the People
- Increases the Secured School Safety Grant by \$5.5 million per year to \$24.6 million per year



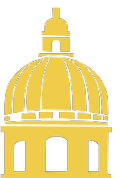
K-12 Education: Other Funding

- Provides \$100 million to Student Learning Recovery Program
- Maintains the pre-K funding to FY 2021 appropriation levels and increases income eligibility for pre-K from 127% to 150% of federal poverty level
- \$10 million for Lilly Endowment Matching Grants for Early Literacy in FY 2023
- Funds Imagination Library Program at \$1.6 million in FY 2024 and \$2.5 million in FY 2025



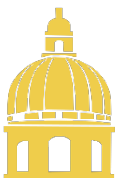
Higher Education

- \$4.4 billion total over the biennium for higher education
- Operating increase of 4% in FY 2024 and 6% in FY 2025
 - New higher education funding formula implementation
 - Ivy Tech Community College will have separate formula
- Funds dual credit enrollment at \$45/credit



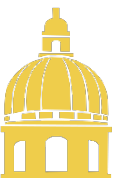
Higher Education

- Cash funds top priority capital project for each state educational institution in FY 2023
- Funds College Success Program at \$10 million over biennium for minority and first generation low-income students attending a public or private four year post secondary educational institution
- Increases state financial aid by \$23.9 million over the biennium
 - Next Generation Hoosier Educators Scholarship increased by about \$6 million per year
 - Increases workforce ready grants under CHE by about \$5 million per year and under DWD by \$3 million per year
- Increases Graduate Medical Education by \$2 million year



Health and Human Services

- Fully funds Medicaid forecast at \$7.5 billion over the biennium (\$2 billion biennial increase)
- Funds community mental health (SB 1) at \$35 million
 - \$15 million in FY 2024
 - \$20 million in FY 2025
- Funds Governor's Public Health Commission (SB 4)
 - \$75 million in FY 2024
 - \$150 million in FY 2025



Health and Human Services

- Funds Real Alternatives at \$3 million per year
- Continues funding at the increased level from SEA 2 (ss) for Nurse Family Partnership at \$15 million per year
 - \$10 million increase per year
- Appropriates \$1 million per year in new money for veteran suicide prevention



Department of Child Services

- Increases funding for child services
 - \$7.38 million per year redirected from DCS to fund a new DCS Legal Counsel Pilot Program
- Requires DCS to provide the following amounts to pro-family organizations from their administration fund:
 - \$2 million per year to Boys and Girls Club Indiana Alliance
 - \$350,000 per year to All Pro Dad
- Increases Family and Children Fund by \$18.8 million in FY 2024 and \$19.7 million in FY 2025 for home and community-based rate increases per DCS rate study initiated in 2022



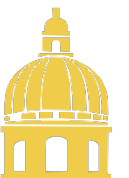
Public Safety

- Provides \$95.3 million over the biennium to increase the ISP and DNR conservation and excise officers salary matrices and to increase probationary trooper pay to the same level as first year trooper pay
- Appropriates \$5 million in FY 2024 for NW Indiana Law Enforcement Academy
- Funds local firefighter training facilities at \$13.1 million in FY 2024
- \$10 million in FY 2024 for Regional Mental Health Facility Grants



Economic Development

- Funds Collaborative Communities at \$500 million over the biennium
- Funds IEDC site acquisition at \$150 million in FY 2024
- Increases funding for Manufacturing Readiness Grants by \$10 million per year, \$40 million total over biennium
- Provides \$10 million over the biennium for sports and tourism bid fund



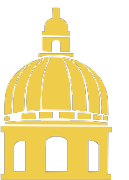
Economic Development

- \$600 million over the biennium for the IEDC Deal Closing Fund
- Funds direct flights at \$5 million per year
- Provides \$2.5 million per year for the Employer Child Care Expenditure Credit



General Government

- For all agencies and branches of government, provides an average salary increase of 12% instead of 14.5% under Governor's Compensation Study
- Funds Homelessness Prevention Grants at \$5 million in FY 2024
- Increases adult education line item by \$7 million in FY 2024 and \$19 million in FY 2025



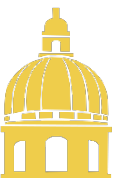
General Government

- Provides \$4 million per year for Clean Water Indiana
- Funds Veterans Career and Relocation Assistance at \$4 million over the biennium
- Doubles appropriation for food banks from \$1 million per year to \$2 million per year
- Funds Next Level Trails at \$30 million in FY 2024



One-Time State Investments

- Makes the following capital appropriations in FY 2023
 - \$800 million for Westville Correctional Facility
 - \$253 million for the Indiana School for the Blind and Visually Impaired Project
 - \$97 million for State Archives Building
 - \$100 million for Potato Creek State Park Inn Project
- Funds Residential Housing Infrastructure Assistance (HB 1005) at \$75 million
 - \$50 million in FY 2024
 - \$25 million in FY 2025
- \$89 million appropriated for the Amateur Sports Facility



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