

April 2023 Agenda

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State Budget Committee Agenda
April 19th, 2023, 9:00 AM EST
Indiana Statehouse
Senate Appropriations Committee Room 431
200 W. Washington St., Indianapolis, IN 46204

I. Minutes

1. January 2023 Minutes
2. March 2023 Minutes – Items independently considered by members of the State Budget Committee.

II. Discussion Items

1. Medicaid Forecast
2. Economic Forecast
3. Revenue Forecast
4. Indiana Next Level Fund Semi-Annual Report (IC 8-14-15.1-16)

III. Agency Projects

1. **Department of Corrections (680)** \$ 550,000
Westville Correctional Asbestos Abatement

The Department of Correction (DOC) requests funding to perform mandatory abatement of asbestos of three buildings at the Westville Correctional Facility scheduled for demolition. Abatement prior to demolition is required for compliance with Occupational Safety and Health Administration, Environmental Protection Agency, and the Indiana Department of Environmental Management standards. The three buildings were identified by an environmental consultant as having asbestos, and abatement must be completed by properly licensed and trained companies to ensure safety to staff, incarcerated individuals, and contracted workers. The three buildings in question have reached the end of their useful life and are no longer viable to support the mission of the DOC.

Funding: HEA 1001: 2021 General Fund
(Department of Correction Line Item 19755 - 2023)

2. **Indiana Finance Authority (261)** \$ 54,000,000
South Shore Projects and Funding

The Indiana Finance Authority (IFA) requests funding for the South Shore Rail Projects located in Northwest Indiana. The South Shore Projects consist of the West Lake Corridor and the Double Track Project. These critical infrastructure projects total over \$1.5 billion of construction costs, with approximately a third being paid for by federal grants and the remaining funds coming from a mixture of the Northwest Regional Development

Authority (NWRDA), local units of government, the Northern Indiana Commuter Transportation District (NICTD), and contributions by the State of Indiana through the IFA. The request is consistent with IC 36-7.5-3-5 and funding will be utilized to help continue the construction for the South Shore Projects.

Funding:	HEA 1001: 2015 General Fund (2015 General Fund Leases Construction 19614 - 2023)	\$ 12,000,000
	HEA 1001: 2017 General Fund (General Fund Leases Construction 19701 – 2023)	\$ 18,000,000
	HEA 1001: 2019 General Fund (General Fund Leases Construction 19720 – 2023)	\$ 24,000,000

3. **Indiana Department of Transportation (800)** \$ 10,045,227
 Construction of the Mishawaka Unit and Salt Buildings

The Indiana Department of Transportation (INDOT) requests additional funding for the construction of the Mishawaka unit and salt buildings due to higher-than-expected project bids. This project was previously reviewed by the Budget Committee in December 2022. The existing Mishawaka unit and salt buildings were built in 1967 and have various structural and operational deficiencies that impede INDOT business. The new Mishawaka unit building will be a 7,012 sq. ft. facility whereas the new Mishawaka salt building will be 15,475 sq/ft. The costs estimate to construct the Mishawaka unit and salt account for builder’s risk insurance, permits, site excavation, soil remediation, fill and seeding, asphalt paving, landscaping, and fencing. Further, they include costs for building materials that include but are not limited to concrete block, grout, and masonry reinforcing steel, doors, hardware, paint, furniture, and fixtures. INDOT will also install mechanical, electrical, and plumbing infrastructure in both buildings. The estimates include remediation allowances and contingency for the project. Once the buildings are completed, the existing Mishawaka site will be sold.

Funding:	HEA 1001: ‘Previously Approved’ 2021 State Highway Fund (New Building and Grounds Fund 30515 – 2023)	\$7,100,000
	HEA 1001: ‘Change of Use’ 2021 State Highway Fund (New Building and Grounds Fund 30515 – 2023)	\$ 2,945,227

4. **Indiana Department of Transportation (800)** \$ 380,400
 Architecture and Engineering Fee for renovation of the Bluffton Subdistrict Building

The Indiana Department of Transportation (INDOT) requests additional funding for the architecture and engineering fees for the renovation of the Bluffton Subdistrict Building. The 24-year-old Bluffton Subdistrict Building is experiencing structural and operational defects. The additional fees are needed due to a change in scope of the original project. The original scope of the project only addressed the need to remove and replace the existing pre-cast concrete. The new scope of the project now also includes renovating the buildings administration area, extending a garage bay, and adding on additional rooms.

The architecture and design fees were originally released in October 2020 and the construction funding was originally released in October 2021.

Funding: HEA 1001: 'Previously Approved' 2019 State Highway Fund (New Building and Grounds Fund 30515 – 2023)	\$210,000
Funding: HEA 1001: 'Change of Use' 2019 State Highway Fund (New Building and Grounds Fund 30515 – 2023)	\$170,400

IV. University Projects

- Purdue University – West Lafayette (760)** \$ 25,000,000
 Mechanical Engineering Building Renovation
 Project No. B-1-23-2-14

The Purdue University Board of Trustees requests authorization to proceed with renovating approximately 41,000 gross square feet of existing space on the West Lafayette campus within the Mechanical Engineering Building. This project includes the relocation of instructional labs and classrooms to the ground and first floors to allow for further enrollment growth. Current staff and faculty offices in the building will be converted into new labs and student study space. Mechanical, electrical, and plumbing systems will all be upgraded, including the addition of a new elevator. A new stairway will be added to connect the Mechanical Engineering Building to the Gatewood addition. The project is \$25,000,000 and will be funded with Gift Funds.

Funding: Gift Funds
 CHE Review: January 12, 2023

- Indiana University (750)** \$ 7,700,000
 IUPUI Nursing Skills and Simulation Lab Renovations
 Project No. A-2-23-2-06

The Indiana University Board of Trustees requests authorization to proceed with the renovation of 31,000 gross square feet of the first, second, and third floors of the Nursing building located on the IUPUI campus. The project includes additional lab space, four simulation rooms, ten debrief rooms, and seven practice exam rooms. This project will double existing teaching and simulation capacity and allow IU to grow undergraduate nursing enrollment. The total cost of this project is \$7,700,000 and will be paid for using \$5,200,000 in Gift Funds and \$2,500,000 from Operating Reserves.

Funding: Gift Funds \$5,200,000
 Operating Reserves \$2,500,000
 CHE Review: March 9, 2023

Cost Summary

2015 General Fund	\$12,000,000
2017 General Fund	\$18,000,000
2019 General Fund	\$24,000,000
'Previously Approved' 2019 State Highway Fund	\$210,000
'Change of Use' 2019 State Highway Fund	\$170,400
2021 General Fund	\$550,000
'Previously Approved' 2021 State Highway Fund	\$7,100,000
'Change of Use' 2021 State Highway Fund	\$2,945,227
Gift Funds	\$30,200,000
University Operating Reserves	\$2,500,000
TOTAL	\$97,675,627

V. Review Items

1. Medicaid State Plan Amendments (SPA) and Waivers – *Family and Social Services Administration*
 - i. *School-based Services*
 - ii. *Comprehensive Rehabilitative Management Needs Facility*
 - iii. *Structured Family Caregiving*
 - iv. *Out-of-State Children's Hospital*
2. Medicaid Out of State Children's Hospital Reimbursements - *Family and Social Services Administration*

VI. Reports Received

1. Annual Report, IC 5-33-5-11 – *Indiana Destination Development Corporation* (03/27/2023)
2. Issuance on Waiver of Medicaid Provisions, IC 12-8-1.5-7.5 (b)–*Family and Social Services Administration* (02/16/2023)