

December 2020 Minutes

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State Budget Committee Minutes
December 16, 2020 9:00 A.M. EST
Indiana Statehouse
Senate Chambers
200 W. Washington St., Indianapolis, IN 46202

Members:

Representative Tim Brown, Chair
Senator Ryan Mishler
Representative Gregory Porter
Senator Eddie Melton
Zachary Jackson, State Budget Director

Alternate Members:

Representative Bob Cherry
Representative Carey Hamilton
Senator Liz Brown
Senator Fady Qaddoura
Joe Habig, Deputy Budget Director
Lisa Acobert, Deputy Budget Director

Chairman Tim Brown called the meeting to order at 9:02 A.M. EST.

Following introductions, Chairman Brown introduced Tom Jackson, Principal Economist of IHS Markit, who presented the Indiana Economic Forecast Update.

Ben Tooley, Director of Fiscal Policy of the House Majority Caucus, and Hari Razafindramanana, State Budget Agency Assistant Director, presented the Revenue Forecast Technical Committee's revenue forecast for fiscal years 2022 and 2023.

Allison Taylor, Medicaid Director, and Rob Damler, Principal and Consulting Actuary of Milliman, presented the December 2020 Medicaid Forecast.

During the Federal CARES Act Funding Update presentation by Office of Management and Budget Director Cris Johnston, Senator Liz Brown asked about an audit on a monthly basis or company basis to check for fraud in the Unemployment Insurance Fund. Director Johnston agreed to provide information at a later date.

Senator Eddie Melton asked Director Johnston for a list of minority businesses that have received supplemental support through the PPP and Black Expo partnership. Director Johnston agreed to provide that list.

Following the Federal Cares Act Funding Update, Chairman Brown introduced the minutes of the October 2020 meeting. Representative Gregory Porter motioned to approve the minutes. State Budget Director Zachary Jackson seconded the motion. The October 2020 minutes were adopted by consent of the Committee.

During Commerce Secretary Jim Schellinger's presentation of the GM Stamping Plant Purchase, Senator Brown asked if the Paris flight would return without incentives. Secretary Schellinger offered to check their eligibility for incentives for when it possibly returns in 2022.

After each agenda item was presented and discussed, Senator Eddie Melton motioned to approve the October 2020 agenda. Budget Director Jackson seconded the motion. The agenda was adopted by consent of the Committee.

I. Minutes

1. October 20, 2020

II. Discussion Items

1. Economic Outlook
2. Revenue Forecast
3. Medicaid Forecast
4. Federal CARES Act Funding Update

III. Agency Projects

1. Indiana School for the Deaf (560) \$ 760,000
Raney Hall HVAC Replacement

The Indiana School for the Deaf (ISD) requests funding to replace the HVAC systems in Raney Hall, Buildings 1 and 2. The Indiana State Department of Health and Vincennes University rent out part of these buildings, with the rest of the space used for ISD student classrooms. Both buildings were constructed in 1959 and have combined square footage of 38,671. Both units are over 20 years old and require constant maintenance. As a result, there have been problems with humidity levels due to humidity levels from inadequate cooling and fresh air. This request will replace leaking chilled water coils, various broken units throughout both buildings, and a 125-ton air-cooled chiller. Additionally, this renovation includes converting pneumatic controls to digital.

Funding: HEA 1001: 2019 State Construction Fund
(State Construction Fund – Deaf and Blind R&R 59916 – 2021)

2. Indiana School for the Deaf (560) \$ 834,279
Alumni Hall Roof Repair

The Indiana School for the Deaf (ISD) requests funding to replace Alumni Hall's roof. Alumni Hall was constructed in 1911 and the roof is approximately 34,537 square feet. This space includes student classrooms, the school auditorium, which houses several programs and events, and offices for the school administration. The roof is 25 years old and is constantly leaking. It has been repaired numerous times but has reached the end of its lifespan. All existing roofing will be replaced with new synthetic rubber roofing and shingle roofing, which has an expected lifespan of 25-30 years.

Funding: HEA 1001: 2019 State Construction Fund
(State Construction Fund – Deaf and Blind R&R 59916 – 2021)

3. Indiana War Memorial Commission (315) \$ 1,391,000
Life and Safety Upgrades - Phase 1

The Indiana War Memorial Commission (IWMC) requests funding to fully design this three-phase life and safety project and then perform phase 1 upgrades at the Indiana War Memorial. The Indiana War Memorial was constructed in 1933 and the fire system is not up to current code. Phase 1 includes providing emergency signage, installing fire detection and alarms, relocating exhibits, and reactivating exits for ingress/egress. Phases 2 and 3 will install a fire suppression system and construct additional exits around the building.

Funding: HEA 1001: 2019 General Fund
(Conservation & Environment R&R 19729 – 2021)

4. Indiana Department of Natural Resources (300) \$ 1,200,000
Redbird State Recreation Area Administrative Building

The Department of Natural Resources requests funding for the design and construction of a new combined administrative office and gatehouse at the Redbird State Recreation Area (RSRA). The current 80 square foot gatehouse design is inadequate and lacks temperature controls for heating and cooling. The new 2,300 square foot administrative building will serve as both the main office for the Off-Road Vehicle Property as well as the RSRA gatehouse. Currently, visitors do not have appropriate access to the property. The new combined building will be at the new entrance of the property and will provide visitors easier access to the RSRA.

Funding: Off-Road Vehicle Fund \$ 240,000
(Department of Natural Resources 39620 – 2020)
Federal Funds \$ 960,000

5. Indiana Economic Development Corporation (260) \$ 25,500,000
GM Stamping Plant Site Purchase

The Indiana Economic Development Corporation (IEDC) requests to transfer funding to its Business Promotion and Innovation fund to purchase the former site of the General Motors stamping plant in Indianapolis. The 91-acre industrial site is in the Southwest corner of downtown Indianapolis and has been vacant since 2011. With this purchase, Elanco, the second-largest independent animal health company in the world, will locate its global headquarters on 45 acres and invest over \$100 million in a new facility while creating over 570 new jobs in the coming years. Elanco, IEDC, and the City of Indianapolis will continue working together to develop the rest of the site, which will include the transfer of 10 acres of water front property to the White River State Park to facilitate its expansion. The total cost of the purchase will be \$25.5 million and will be funded by the Next Level Flights fund, as well as IEDC's Business Promotion and Innovation fund.

Funding:	HEA 1010: 2019 Next Level Connections Fund (Next Level Flights 76150 – 2020 & 2021)	\$ 20,000,000
	HEA 1001: 2019 General Fund (Business Promotion and Innovation Fund 17051 - 2021)	\$ 5,500,000

IV. University Project

1. Purdue University- West Lafayette (760) \$ 2,700,000
Wildlife Area Animal Care Building

The Trustees of Purdue University request authorization to proceed with the planning, financing, construction, and award of construction contracts for the Wildlife Area Animal Care Building. This project includes the construction of a new 4,753 Gross Square Foot ("GSF") facility consisting of six animal care rooms and laboratory space for aquatic and terrestrial species. The new facility will be located seven miles west of Purdue's West Lafayette campus in the 290- acre Purdue Wildlife Area, at 8000 S.R. 26, West Lafayette, Indiana. The project will replace the existing Animal Care Facility – constructed in segments in 1974 and 1993 – which is outdated and would require costly repairs for ongoing use. Further, a new building will enhance Purdue's ability to conduct aquatic and terrestrial species research, ensure compliance with strict animal welfare guidelines, secure federal funding, and maintain Purdue's Wildlife and Fisheries research and educational program.

Funding:	Gift Funds	\$ 2,600,000
	Operating Funds	\$ 100,000
CHE Review:	November 12, 2020	

Cost Summary

2019 General Fund	\$ 6,891,000
2019 State Construction Fund	\$ 1,594,279
Off-Road Vehicle Fund	\$ 240,000
Federal Funds	\$ 960,000
2019 Next Level Connections Fund	\$ 20,000,000
Gift Funds	\$ 2,600,000
Operating Funds	\$ 100,000
Total	\$ 32,385,279

V. Review Items

1. Indiana Sports Corp – Indiana Office of Tourism Development/Indiana Destination Development Corporation
2. EDGE Retention – Indiana Economic Development Corporation
3. Medicaid State Plan Amendment – Family and Social Services Administration
a. Supplemental Rebate Agreement State Plan Amendment
4. Health Care Plan and Other Post-Employment Benefits Modifications for State Police, IC 5-10-8-6 – Indiana State Police
5. Health Care Plan and Other Post-Employment Benefits Modifications for Conservation and Excise Officers, IC 5-10-8-6 – Department of Natural Resources and Alcohol and Tobacco Commission

VI. Reports Received

1. FY20 State Educational Institutions Supplier Diversity Reports, IC 4-13-16.5-3(b)(5) – (11.17.20)
2. Mental Health and Addiction Forensic Treatment Services Grant Program, Section 8A of HEA 1001-2019 – (11.23.20)
3. Interim Report from the Indiana Schools for the Deaf and the Blind/Visually Impaired Task Force, HEA 1443-2019 – (11.17.20)
4. Proposed Changes to the School Corporation Fiscal Indicators, IC 20-19-7-3 – (12.01.20)
5. FY20 Annual Department of Child Services Staffing and Caseload Report, IC 31-25-2-5 – (12.08.20)

Budget Committee
Meeting Minutes
December 2020

A handwritten signature in black ink, appearing to read "T. Brown", written over a horizontal line.

Representative Tim Brown, Chairman

A handwritten signature in black ink, appearing to read "Zachary Jackson", written over a horizontal line.

Mr. Zachary Jackson, State Budget Director