

Budget Committee
September 2025 Agenda

State Budget Committee Agenda
September 17, 2025, 9:30 AM EDT
Indiana State University
Tirey Hall
State Room
220 N. 7th Street
Terre Haute, IN 47809

I. Minutes

1. August 2025 Minutes

II. Agency Projects

1. <u>Integrated Public Safety Commission (286)</u>	\$ 1,958,874
Remote Terminal Unit (RTU) Replacement	

The Integrated Public Safety Commission (IPSC) is requesting funding for the replacement of 189 Remote Terminal Units (RTUs) and their supporting equipment. RTUs are utilized to monitor network reliability and environmental controls. The existing devices are at the end of their useful life and will no longer be supported by the manufacturer after December 31, 2029. Each unit is approximately 11 years old. Once these are no longer supported, no repairs can be made.

Funding:	HEA 1001 – 2023: Integrated Public Safety Communications Fund (Integrated Public Safety 37141 - 2026)	\$ 1,000,000
	HEA 1001 – 2023: Integrated Public Safety Communications Fund (Integrated Public Safety Commission 37110 - 2026)	\$ 958,874

2. <u>Integrated Public Safety Commission (286)</u>	\$ 401,932
Time-Division Multiple Access (TDMA) Licensure & Equipment	

The Integrated Public Safety Commission (IPSC) is requesting funding to upgrade the Westville Facility and Fort Wayne facility to Time-Division Multiple Access (TDMA). TDMA will allow multiple conversations to share the same radio channel, increasing capacity. Westville and Fort Wayne experience a significant number of busy radio channels, creating a delay in mission critical communications. The upgrade to TDMA will double the existing capacity for radio communication channels.

Funding:	HEA 1001 – 2023: Integrated Public Safety Communications Fund (Integrated Public Safety Commission 37110 - 2026)
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3. <u>Department of Natural Resources (300)</u>	\$ 60,000,000
Lilly Endowment Grant Match	

The Department of Natural Resources (DNR) is requesting funding for the Lilly Endowment Grant Match. In June 2024, Indiana State Parks was awarded \$50 million toward a \$60 million project which included \$25 million in renovations for Prophetstown State Park and \$35 million toward the remainder of the entirety of the State Park network. The \$10 million grant match will be used to construct 10 comfort stations and 50 vault toilets across the network of State Parks.

Funding:	HEA 1001 – 2025: General Fund	
	(State Agency Capital Improvement LI 19783 – 2026)	\$10,000,000
	Lilly Endowment Grant	\$50,000,000
4. <u>Department of Natural Resources (300)</u>	\$ 25,000,000	
McCormick's Creek Campground		

The Department of Natural Resources (DNR) division of state parks is requesting funding for the rebuild and rehabilitation of McCormick's Creek Campground following the tornado that hit the campground in 2023. All buildings, utilities, campsites, roads, and recreational structures will need to be reconstructed. The design of the new campground includes 190 sites, Campground Gate House, 3 Playgrounds, and all other necessary structures for the campground to be ready for use.

Funding:	HEA 1001 – 2025: General Fund	
	(State Agency Capital Improvement LI 19783 – 2026)	\$ 18,800,000
	Federal Funds	\$ 6,200,000
5. <u>Department of Natural Resources (300)</u>	\$ 11,008,280	
Potato Creek Lodge Furniture, Fixtures, and Equipment		

The Department of Natural Resources (DNR) division of State Parks is requesting funding for furniture, fixtures, and equipment (FFE) at Potato Creek Lodge. This will include furnishings for 120 guestrooms, corridor and lobby furniture, kitchen equipment, serving equipment, pool and activity center amenities, conference facility furniture, casework, banquet facility supplies, and other related items. The lodge is 2-3 years from completion, but the procurement process is expected to take at least one year for the necessary furniture, fixtures, and equipment.

Funding:	HEA 1001 – 2025: General Fund	
	(State Agency Capital Improvement LI 19783 – 2026)	\$8,008,280
	Indiana State Park Inns Authority	\$3,000,000

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6. <u>Bureau of Motor Vehicles Commission (340)</u>	\$ 2,952,138
Indiana Government Center North 4 th Floor Remodel	

The Bureau of Motor Vehicles Commission (BMVC) requests funding to remodel their existing 60,000 square foot office space. This space has not been renovated in 18 years and will position departments that work closely together in the same area, while relocating departments that require a quiet environment away from the collaborative space. The remodel includes additional meeting space, the replacement of existing workstations, build-out of additional offices, and the relocation of files and cables.

Funding: HEA 1001 – 2023: BMV Commission Fund
(2023 BMV Commission 40961 – 2026)

7. <u>Department of Correction (615)</u>	\$15,790,000
Miami Correctional Facility	

The Department of Correction (DOC) is requesting funding for capital improvements necessary to operate a proposed detention facility at Miami Correction Facility in order to facilitate the federal immigration and law enforcement activity. Upon execution of the agreement with the Federal Government, the facility will require a series of infrastructure upgrades and equipment acquisitions, including enhancements to perimeter fencing and lighting, temporary housing structures, modifications to the intake and processing areas, installation of drug detection and drone prevention systems, and x-ray screening equipment.

Funding: HEA 1001 – 2025: State Correctional Facilities
(State Correctional Facilities 12516 - 2026)

III. University Projects

1. <u>Ivy Tech Community College (710)</u>	\$ 2,639,000
Dental Hygiene Suite	
No. D-1-25-1-02	

Ivy Tech Community College in Fort Wayne is requesting authorization to use campus and private funds for the renovation of the old campus bookstore to become a Dental Hygiene Suite. This will expand student employment opportunities and further local partnerships in the healthcare industry. The new Dental Hygiene Suite will significantly improve the quality of education provided and allow for expansion of the program's enrollment. There is currently a waiting list for the program.

CHE Review:	July 23, 2025	
Funding:	Campus Funds	\$ 900,000
	Private Foundation Funds	\$ 1,739,000

Cost Summary

2025 General Fund	\$ 36,808,280
2023 Integrated Public Safety Communications Fund	\$ 2,360,806
2025 State Correctional Facilities Fund	\$ 15,790,000
2023 BMV Commission Fund	\$ 2,952,138
Lilly Endowment Grant	\$ 50,000,000
Federal Funds	\$ 6,200,000
Indiana State Park Inns Authority	\$ 3,000,000
Campus Funds	\$ 900,000
Private Foundation Funds	\$ 1,739,000
Total	\$ 119,750,224

IV. Review Items

1. Voting System Technical Oversight Program Fund Augmentation – *Indiana Secretary of State*
2. Federal Grant Report – *State Budget Agency*
 - I. Department of Health: Technology to Support Services for Victims of Crime
 - II. Department of Health: Services for Victims of Crime
3. SK Hynix IDD – *Indiana Economic Development Corporation*
4. South Bend IDD – *Indiana Economic Development Corporation*
5. Tax Credit Certifications - *Indiana Economic Development Corporation*
6. Medicaid State Plan Amendments (SPA) – *Family and Social Services Administration*
 - I. Program of All-Inclusive Care for the Elderly (PACE)
7. Revolving Loan Fund – *Northern Indiana Regional Development Authority*

V. Discussion Item

1. Medicaid Fiscal Policy Updates – Family and Social Services Administration

VI. Reports Received

1. 2025 IDDC Annual Report – *Indiana Destination Development Corporation* (8.29.2025)
2. Annual Report Concerning Augmentations – *State Budget Agency* (8.29.2025)
3. Water Infrastructure Assistance Biennial Report – *Indiana Finance Authority* (8.29.2025)
4. Medically Complex Conditions Report - Family and Social Services Administration (8.29.2025)
5. Alternative Education Executive Summary 2024-2025 – *Department of Education* (8.29.2025)
6. Indiana Preferences in Public Works and Public Purchasing – *Indiana Department of Transportation* (8.29.2025)
7. 2025 Report to the State Budget Committee – *Ball State University* (8.29.2025)
8. 2025 Annual Report – *Indiana Sports Corporation* (8.29.2025)
9. Origin Park – *River Heritage Conservancy* (8.29.2025)
10. State Educational Institution Status Report – *Purdue University* (9.9.2025)

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Members:

Senator Ryan Mishler, Chair
Senator David Niezgodski
Representative Gregory Porter
Representative Jeff Thompson
Chad Ranney, Budget Director

Alternate Members:

Representative Craig Snow
Senator Fady Qaddoura
Representative Ed DeLaney
Lisa Acobert, Deputy State Budget Director
Courtney Everett, Deputy State Budget Director

Chairman Mishler called the meeting to order at 9:30 AM. Chairman Mishler introduced the August 2025 minutes. Senator Niezgodski motioned to adopt the minutes, Representative Jeff Thompson seconded the motion. The minutes were approved unanimously. All committee members and alternate members introduced themselves. Chairman Mishler introduced the proposed agenda. Director Chad Ranney motioned to remove review item 2 from the agenda due to a scheduling conflict with the Department of Health. Representative Jeff Thompson seconded the motion. The motion passed unanimously. Representative Porter asked if they were to motion for removing items from the agenda now. Chairman Mishler stated that the Department of Health review item was removed now, with an opportunity for amending the agenda later in the meeting. The agenda was placed on the table for discussion.

Indiana Department of Natural Resources

Following the presentation of project 5 by CFO Greg Sorrels, Representative Gregory Porter asked why the agency was requesting dollars for furniture, fixtures, and equipment (FFE) this far ahead of schedule, with an estimated opening happening in 2 to 3 years. Mr. Sorrels responded that there are supply chain issues with certain items needed for the lodge, and the process of furnishing the entire facility will take a considerable amount of time. Chairman Mishler clarified that, moving forward, the cost of FFE will be included in the initial project cost.

Indiana Department of Correction

Following the presentation of agency project 7, Representative Gregory Porter asked to clarify if the Department of Correction (DOC) intended on being paid back for the housing of Immigration and Customs Enforcement (ICE) detainees. Commissioner Lloyd Arnold responded that the federal government was contractually obligated to pay back the Indiana DOC. Representative Porter asked if the Commissioner was aware of the process that the State of Nebraska agreed to participate in at the Work Ethic Camp and if the same process will occur at the Miami Correctional Facility. Commissioner Arnold responded that there were discussions with the Governor's Office regarding housing detainees at the Miami Correctional Facility. Representative Porter clarified his question, asking if there was legislative consultation in deciding to house detainees at the Miami Correctional Facility. Commissioner Arnold responded that the DOC was on the agenda for that reason. Representative Porter asked if there was consultation with legislators in making that decision. Commissioner Arnold responded that session was over by the time these discussions occurred in late July. Representative Ed DeLaney noted that the function of the Budget Committee is to review transactions like this one, asking specifically what this request is for. Commissioner Arnold responded that the discussions with ICE aided the DOC in determining what to ask the Budget Committee for. Commissioner Arnold continued saying that the \$15,790,000 in funding would cover all potential needs the DOC has in taking on the task of housing detainees at Miami Correctional Facility, and that the entire \$15,790,000 may not be used.

Representative DeLaney asked if the Federal Government agreed to pay separately for capital costs incurred because of the project. Commissioner Arnold confirmed the Representative's statement. Representative DeLaney asked where those terms were laid out in the contract. Commissioner Arnold responded that it was included in the per diem rate. Representative DeLaney clarified that there is not a contractual provision that notes the federal government will reimburse the State for capital costs incurred because of the project, and the State will be reimbursed through the daily per diem rate paid per detainee. Representative DeLaney asked if the DOC determined the per diem rate to be sufficient. Commissioner Arnold confirmed that DOC determined per diem rates to be sufficient. Representative DeLaney asked what the daily per diem rate was. Commissioner Arnold responded that the rate was \$291 per day for each detainee. Representative DeLaney asked what rate the State pays a Sheriff when they hold an individual at one of their facilities. Commissioner Arnold responded that the State approved rate was \$42 per day. Representative DeLaney noted that the per diem rate provided by the Federal Government was 7 times higher than the rate the State pays to locals. Representative DeLaney asked if the Commissioner would agree that the State would not take on this project if there was no profit to be made. Commissioner Arnold confirmed that the State would not have taken on the project if there was no profit to be made. Representative DeLaney stated that this was not an economic development project, but instead a project to lock people up and expel them from the country. Representative DeLaney asked what a correctional officer at Miami Correctional Facility is compensated. Commissioner Arnold stated that Correctional Officers make \$22 per hour at Miami Correctional Facility, plus a \$2 an hour stipend for working at a maximum-security facility. Commissioner Arnold added that there would be \$6 per hour increases for this project. Representative DeLaney asked if other Correctional Officers will receive the same rate increase, Commissioner Arnold responded that they would not. Representative DeLaney asked what the personnel capacity was at the Miami Correctional Facility before this project started. Commissioner Arnold responded that the vacancy rate fluctuates between 28% and 40%. Representative DeLaney asked how many officers they would need just for the ICE detainee portion of the facility. Commissioner Arnold noted that 170 would be needed.

Representative DeLaney asked what current staffing numbers were, Commissioner Arnold responded that there were around 300 Correctional Officers. Representative Ed DeLaney noted that the DOC plans to add 170 Correctional Officers, which still falls short of the DOC's staffing goal. Commissioner Arnold

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clarified that they operate at a 20% vacancy rate. Representative Ed DeLaney asked what the staffing goal would be without the ICE detention portion of the facility. Commissioner Arnold responded that staffing would be the same at 300. Representative Ed DeLaney asked if the facility will house only adult males. Commissioner Arnold confirmed that only adult males would be housed at Miami Correctional Facility. Representative Ed DeLaney noted that the contract states that ICE detained aliens are not charged with criminal violations, and he asked if ICE has guaranteed DOC that detainees they bring there will not have criminal charges pending. Commissioner Arnold responded that they will not have charges pending. Representative DeLaney asked to confirm that proper training will be in place for Correctional Officers working in the detention portion of the facility. Commissioner Arnold responded that ICE and DOC have both determined standards for their correctional officers and that proper training will be implemented. Representative Ed DeLaney noted that the project is dependent on federal funding, meaning any change in federal funding could leave DOC in a vulnerable financial position. Senator Qaddoura asked how many detainees are in Indiana DOC facilities. Commissioner Arnold stated that there are 0 detainees in State of Indiana facilities, and clarified that county facilities may house some detainees.

Ivy Tech Community College

University Project 1 mistakenly appeared on the Agenda as a Dental Hygiene Suite renovation at the Fort Wayne campus. Vice President Michalak verbally confirmed that the project was taking place at the Ivy Tech South Bend-Elkhart campus.

Northwest Indiana Regional Development Authority

Following the presentation by President Bethany Hartley, Representative Ed DeLaney asked to clarify the wording in the short-term loan terms, specifically noting the use of the word "matching." President Hartley confirmed that there does need to be some source of funding to match the short-term loan provided by the Northwest Indiana Regional Development Authority (NWIRDA), and that could be in the form of a loan or grant.

Chairman Mishler asked if there was a motion to remove items from the agenda. Representative Gregory Porter motioned to remove agency project 7 from the agenda. Senator Niezgodski seconded the motion. Chairman Mishler took a manual vote on the motion to remove agency project 7 and the votes were as follows:

Representative Gregory Porter: Yes

Director Chad Ranney: No

Chairman Ryan Mishler: No

Representative Jeff Thompson: No

Senator David Niezgodski: Yes

The motion to remove agency project 7 failed 3-2. Chairman Mishler entertained a motion to approve the agenda. Representative Jeff Thompson motioned to approve the agenda. Senator David Niezgodski seconded the motion. The motion passed 4-1.

Family and Social Services Administration

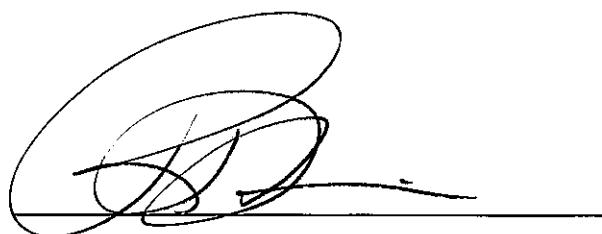
Following the presentation by Secretary Mitch Roob, Senator Qaddoura asked for a status update on HIP 3.0 enrollment and if anyone has been removed from Medicaid over the last few months. Secretary Roob responded that no one has been removed from Medicaid beyond the routine removal of certain recipients that no longer qualify. Senator Qaddoura asked if there were updates on the Managed Care Enrollment form (MCAF). Secretary Roob responded that the Federal Government has determined that dollars are taxed equally, meaning that by the next session, the existing MCAF will not be approved due to the high tax on Medicaid plans and a low tax on non-Medicaid programs. Senator Qaddoura asked if there was a reason to wait for the next Budget cycle to address this, and Secretary Roob responded that FSSA will not know the results from the Centers for Medicare & Medicaid (CMS) until one year out from now, at the minimum. Senator Qaddoura asked if there was any coordination between the Governor's Office, Department of Insurance (DOI), and the Department of Health (DOH) regarding recent decisions on hospitals across the State, including addressing issues with insurance. Senator Qaddoura asked why the forecast did not include the trajectory of expenditures of certain programs for the sake of taxpayers. Secretary Roob responded that FSSA is in a reactionary mode due to ineffective fiscal planning. Representative Gregory Porter asked if there were plans to save Medicaid dollars by curtailing Medicaid options services, such as ABA therapy, offered through the State plan. Secretary Roob responded that he did not have the final recommendations for that, but that there will be changes in administering ABA Therapy and how it is offered through the State Plan. Representative Ed DeLaney asked what the Secretary was willing to share about the planned meeting in Washington, DC with Governor Braun, Secretary Roob, and legislators. Secretary Roob responded that these conversations have always happened in the past and it is about addressing concerns with funding Medicaid. Representative Ed DeLaney noted his concern with changes in childcare initiatives and that the Committee should address that soon.

Representative Jeff Thompson adjourned the meeting at 12:07 PM.

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

Senator Ryan Mishler, Chairman

A handwritten signature in black ink, appearing to read "Chad Ranney", is written over a horizontal line.

Chad Ranney, Budget Director