

State Budget Committee
Meeting Minutes
April 16, 2015

Members:

Senator Luke Kenley, Chairman
Representative Tim Brown
Representative Terry Goodin
Senator Karen Tallian
Brian Bailey, State Budget Director

Alternate Members:

Senator Ryan Mishler
Representative Sheila Klinker
Representative Bob Cherry

Senator Kenley called the meeting to order at 10:00 AM in the Appropriations Committee room located in the Indiana State House. Following introductory remarks, Senator Kenley introduced the January Budget Committee minutes. After brief committee discussion Representative Brown made a motion to adopt the proposed minutes, Senator Tallian seconded the motion. The motion to adopt the January Budget Committee minutes was taken by consent.

The April Agenda was presented and the pertinent comments for the review items are noted as follows:

Revenue Forecast

Senator Kenley asked Tom Jackson of Global Insight what he attributed the 4% growth in Indiana Personal Income from 2014 to 2015. Tom Jackson stated this was from increased employment and growth in high-wage sectors. Senator Kenley stated that these increases in job growth were happening now and we should expect this trend to stabilize in 2016 and 2017, Tom Jackson confirmed.

Senator Kenley asked David Reynolds and Eric Bussis to confirm that the projections showed higher income tax revenue for the state even with lower income tax rate. Eric Bussis stated that this was true although this increase was more than likely due to an adjustment factor from past projections.

Medicaid Forecast

Senator Kenley asked Joe Moser, from FSSA, if the state's Managing Care System was the right decision for the recipients and for state tax dollars. Joe Moser stated that they were confident they would see cost savings and better managed care system.

Ohio River Bridges - IFA/INDOT

Senator Tallian asked the length of the contract and if the \$41M includes the tolling equipment. Jim Stark noted that the contract was 7 years and the contract included all necessary equipment.

Excellence in Performance Awards – DOE

Senator Kenley asked Sarah Pies to clarify that DOE was rewarding 'highly effective' teachers, but not 'effective' teachers. Sarah Pies verified this and stated that there were approximately 1,300 highly effective teachers.

Representative Brown asked if this award was duplicative to the School Performance Grant. Sarah Pies stated that they are separate awards and operate as such.

After the review items were presented and discussed, Senator Kenley asked for a motion to adopt the proposed agenda. Representative Brown motioned to adopt the agenda and Senator Tallian seconded the motion. The proposed agenda was taken on consent.

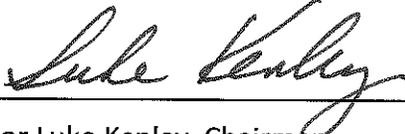
I. Review Items

1. Revenue Forecast
2. Medicaid Forecast
3. Medicaid SPAs - FSSA
4. Ohio River Bridges - IFA/INDOT
5. Excellence in Performance Awards Distributions - DOE
6. GQE Remediation - DOE
7. ISTEP Remediation - DOE
8. Purdue Foundry Projects - IEDC
9. SBIR/STTR State Matching Program – IEDC
10. Certified Tech Park – IEDC

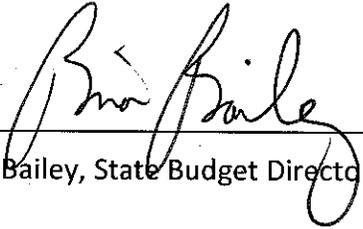
II. Reports Received

1. Expenditure of E911 Fees – State Board of Accounts, I.C. 36-8-16.7-38(e)
2. Special Education Count Letter – Indiana Department of Education, I.C. 20-43-4-4

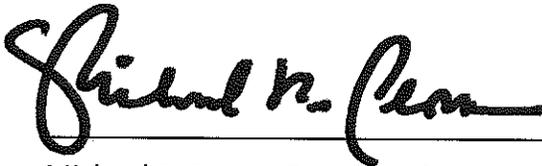
Pursuant to the provisions of IC 4-12-1, the State Budget Committee has reviewed the above items.



Senator Luke Kenley, Chairman



Brian Bailey, State Budget Director



Michael R. Pence, Governor, State of Indiana