

GOVERNOR'S BUDGET OVERVIEW

The Governor's Fiscal Year 2016 Recommended Budget maintains core services provided to Delawareans in the areas of education, healthcare, public safety and quality of life. The Governor's proposed Fiscal Year 2016 Operating Budget totals \$3,900.0 million. This budget, in combination with the Recommended Bond and Capital Improvements Act of \$385.8 million and recommended set aside for Grants-in-Aid of \$45.4 million, is within the constitutionally mandated 98.0 percent limit on appropriations.

Government Efficiency

The proposed budget represents an increase of just 2.37 percent over the Fiscal Year 2015 operating budget and continues to hold the line on agency personnel growth. There are 1,021 fewer state agency positions in Fiscal Year 2015 compared to Fiscal Year 2009. The Fiscal Year 2016 Governor's Recommended Budget includes an additional reduction of 100 state agency positions with savings of \$5.5 million.

Job Creation, Retention and Economic Growth

The Recommended Bond and Capital Improvements Act contains several funding initiatives designed to enhance Delaware's economy and generate jobs. These include:

- \$10.0 million for the Delaware Strategic Fund. The Delaware Strategic Fund represents the primary funding source used by the Delaware Economic Development Office to provide targeted financial assistance to businesses. Recent projects supported through the Delaware Strategic Fund include grants to companies such as Kuraray America, Perdue Foods, SLM Corporation, Navient and Bayhealth Medical Center.
- \$10.0 million for a container crane and infrastructure improvements at the Diamond State Port Corporation.
- \$3.15 million for the Riverfront Development Corporation to continue development efforts along the Christina River in Wilmington.
- \$1.0 million for the second year of funding for the Delaware Cyber Initiative (DCI). This initiative is a partnership between the State's higher education institutions, the private sector and the State to develop a workforce and research location targeting the area of cyber security. There is a significant need for trained cyber security graduates critical to large financial services and military employers important to the region. This funding will assist in the planning, design and start-up costs of DCI on the STAR campus.

- \$1.0 million to leverage Federal Research and Development Matching grants. This program offers funding support to federally - sponsored research grant proposals developed by Delaware State University, Delaware Technical and Community College and the University of Delaware.
- \$1.0 million for the Fraunhofer Center for Molecular Biotechnology (CMB) Vaccine Development. This funding is intended to create high-tech, high-impact jobs, spin-off businesses, new partnerships and alliances and enable CMB to leverage its unique technologies in the biotech marketplace.
- \$1.0 million for the third year of a five-year commitment to the Center for Clinical and Translational Research (DE-CTR) initiative. DE-CTR will enable partner institutions (University of Delaware, Christiana Care and Nemours) to develop new methods to translate research discoveries to community health settings and will leverage \$20.0 million in funding from the National Institutes of Health.
- \$1.0 million in state match for the second year of a five-year commitment to the IDeA Network of Biomedical Research Excellence program. This program is designed to build a statewide infrastructure in facilities for research into cancer, neuroscience and cardiovascular diseases.
- \$800.0 for the third year of a five-year commitment for the Experimental Program to Stimulate Competitive Research - Research Infrastructure Improvement (EPSCoR-RII) initiative. EPSCoR-RII provides infrastructure to support research and educational programs for Delaware's water and energy challenges and will leverage \$20.0 million in funding from the National Science Foundation.
- \$1.0 million for the Bioscience Center for Advanced Technology. The Center fosters academic industry research partnerships to support local bioscience businesses and help Delaware recruit, retain and create science-based jobs.

Investing in Delaware's Schools and Youth

- \$15.3 million to fully fund an additional 76 units for the 2014 - 2015 school year and a projected growth of 110 units for the 2015 - 2016 school year.
- \$10.2 million to fund salary steps for public education and Delaware Technical and Community College employees.

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- \$9.5 million to continue the commitment to Public Education including:
 - District supports such as Response to Intervention, English Language Learners (ELL) and student safety initiatives.
 - Targeting resources to High Need Schools.
 - Supporting educators across the State.
 - Modernizing and enhancing student learning.
 - Improved collaboration through Performance Management.
 - College and Career Readiness.
- \$3.1 million to support STARS, Delaware's Quality Rating and Improvement System for early care and education.
- \$2.3 million for a projected increase in expenditures for pupil transportation.
- \$2.1 million for projected expenditures in the Academic Excellence appropriation to account for unit growth.
- \$945.1 for an increase to the education paraprofessional pay scale.
- \$89.0 million for public education capital projects, which includes Minor Capital Improvements funding and funding for projects in the Caesar Rodney, Cape Henlopen, Delmar, Lake Forest, Milford, New Castle County Vo-Tech, Polytech, Red Clay and Smyrna school districts.
- \$21.0 million for capital projects at Delaware State University, Delaware Technical and Community College and the University of Delaware.

Health and Self Sufficiency for Delawareans

- \$10.0 million for the Housing Development Fund (HDF). The HDF provides affordable, decent, safe and sanitary housing to responsible, low- and moderate-income households.
- \$5.2 million for placements in the Division of Developmental Disabilities Services comprised of:
 - \$3.7 million for community residential placements. These funds will allow additional individuals with developmental disabilities to reside in a neighborhood group home, apartment, shared living arrangement or supported living; and

- \$1.5 million for special school graduates. This funding will support an estimated 150 additional special school graduates to be placed in community day programs and supported employment.

- \$4.5 million for Substance Use Disorder Services. Using national best practices, these funds will support enhanced assessment, monitoring and individualized treatment to those grappling with addiction.
- \$3.2 million for community-based services for individuals with serious and persistent mental illness.

Enhancing our Quality of Life

- \$7.0 million for the second year of the statewide Urban Redevelopment initiative. This initiative will strengthen and enhance downtown areas by incentivizing rehabilitation and construction in designated Downtown Development Districts in amounts not to exceed 20 percent of the total project cost. In addition, up to \$1.0 million of this funding may be used for local downtown grants, in amounts not to exceed \$150.0 per locality in a one year period.
- \$5.0 million in matching funds for projects in the Lewes, Delmar, Harrington and the Rt 9/13 Garfield Park libraries.
- \$3.0 million for Statewide Trails and Pathways. Funding will continue the initiative to provide an interconnected network of shared-use pathways and trails that will support non-motorized travel and recreational trail opportunities.
- \$3.5 million for the redevelopment of the NVF site in Yorklyn and the Fort DuPont site in Delaware City.
- \$1.8 million for the Drinking Water State Revolving Fund. This program makes funds available to finance infrastructure improvements of local drinking water systems.
- \$1.4 million in matching funds for the Clean Water State Revolving Fund. This program provides assistance in the form of low-interest loans and grants for water quality projects, as well as municipal wastewater treatment projects.

Ensuring Public Safety

- \$2.7 million to provide additional program space for offenders housed at the James T. Vaughn Correctional Center comprised of:
 - \$1.5 million for an Automotive Skills facility; and

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- \$1.2 million for cafeteria renovations to develop a Culinary Arts program.
- \$1.8 million for facility improvements at the Delaware State Police Indoor Firing Range.
- \$1.8 million for the replacement of state and local police Live Scan fingerprint equipment.
- \$1.1 million for renovations to the Delaware National Guard Readiness Center in Georgetown.
- \$889.5 for an addition to the New Castle County Fire School.