

GOVERNOR'S BUDGET OVERVIEW

The Governor's proposed Fiscal Year 2018 Operating Budget totals \$4,128.4 million. This budget, in combination with the Recommended Bond and Capital Improvements Act of \$555.3 million and recommended set aside for Grants-in-Aid of \$33.0 million, is within the constitutionally mandated 98 percent limit on appropriations.

Government Efficiency

The proposed budget continues to hold the line on agency personnel growth. There are 1,111 fewer state agency positions in Fiscal Year 2017 as compared to Fiscal Year 2009.

Job Creation, Retention and Economic Growth

The Recommended Bond and Capital Improvement 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.
- \$8.5 million for the fourth 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 small grants.
- \$15.0 million for container cranes and infrastructure improvements at the Diamond State Port Corporation.
- \$2.9 million for the Riverfront Development Corporation to continue development efforts along the Christina River in Wilmington.
- \$2.5 million for the National Institute for Innovation in Manufacturing Biopharmaceuticals (NIIMBL). The institute will focus on bringing safe drugs to market faster and on developing workforce training in biopharmaceuticals.
- \$1.5 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 final 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 fourth year of a five-year commitment to the IDEA Network of Biomedical Research Excellence program. This program is designed to build a statewide infrastructure for research into cancer, neuroscience and cardiovascular diseases.
- \$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.
- \$800,000 for the final 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.

Investing in Delaware's Schools and Youth

- \$28.4 million to fully fund projected Public Education unit growth.
- \$8.0 million to strengthen Delaware's Early Education system through continued funding initiatives established through the federal Early Learning Challenge grant.
- \$9.6 million to fund salary steps for public education and Delaware Technical Community College employees.

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- \$7.5 million to support recommendations of the Wilmington Education Improvement Commission.
- \$412,000 for projected expenditures in the Academic Excellence appropriation to account for unit growth.
- \$120.1 million for Public Education capital projects. Included is Minor Capital Improvements funding and funding for projects in the Brandywine, Caesar Rodney, Cape Henlopen, Christina and New Castle County Vo-Tech school districts, in addition to a \$20.5 million contingency for pending referenda projects.
- \$16.5 million for capital projects at Delaware State University, Delaware Technical Community College and the University of Delaware.

Health and Self Sufficiency for Delawareans

- \$13.3 million for the State's share of the Medicaid program.
- \$9.6 million for the Housing Development Fund (HDF). The HDF provides affordable, decent, safe and sanitary housing to responsible, low and moderate income households.
- \$2.0 million for Substance Use Disorder Services which includes \$715,000 for day programming, \$650,000 for an Assertive Community Treatment team, and \$650,000 for additional sober living residential beds.
- \$2.8 million for projected growth in the Child Care Purchase of Care program.
- \$923,000 for growth in the Birth to Three program.

Enhancing our Quality of Life

- \$5.7 million in matching funds for projects in the Duck Creek, Selbyville, Harrington, Delmar, Millsboro and Rt. 9/13 Garfield Park libraries.
- \$2.5 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.

- \$4.8 million for the continued redevelopment of the NVF site in Yorklyn and the Ft. 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

- \$12.8 million for the construction of a new Troop 7 in eastern Sussex County.
- \$6.35 million for the second year funding for 800 MHz communications system improvements. The funding will support an upgrade of the infrastructure to the national P-25 interoperability standard while also replacing transmitters, microwave and older end-user portable and mobile radio equipment.