

Governor's Budget Overview

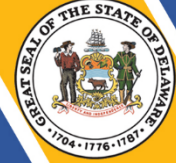


The Governor's proposed Fiscal Year 2022 Operating Budget totals \$4,706.1 million. This budget, in combination with \$260.5 million in dedicated cash for the Recommended Bond and Capital Improvements Act, a \$35.7 million Recommended One-Time Supplemental Appropriations Act, and a recommended \$55.5 million set aside for Grants-in-Aid, is equal to 96.7 percent of available General Fund revenues. The Governor has recommended that \$67.9 million over and above the constitutionally mandated two percent set-aside remain unappropriated and added to the Budget Stabilization Fund for a new balance of \$131.0 million

Historic Investment in Three Priority Areas: Clean Water, Wilmington Education Initiatives and Economic Development

- \$50.0 million to establish a Clean Water Trust account to clean up Delaware's drinking water and waterways. Includes increased funding for low-income and underserved communities. The recommendation is comprised of the following:
 - \$22.5 million for the Drinking Water State Revolving Fund;
 - \$22.5 million for the Clean Water State Revolving Fund; and
 - \$5.0 million for Resource, Conservation and Development.
- \$70.0 million to support education initiatives in the City of Wilmington. This funding will build upon previous year's appropriations and will be directed toward building a new state of the art school on the East Side of Wilmington.
- \$65.0 million to ensure Delaware remains competitive through modernizing infrastructure, focusing on small businesses and fostering a culture of innovation and entrepreneurship. Recommended funding includes:
 - \$20.0 million for the Delaware Strategic Fund. The Fund represents the primary funding source used by the Division of Small Business to provide targeted financial assistance to businesses;
 - \$15.0 million for the Higher Education Economic Development Investment Fund which supplements investments that Delaware's institutes of higher education are making to improve job growth and economic development in the State;
 - \$10.0 million for the Transportation Infrastructure Investment Fund. The Fund provides economic assistance for road improvement and related transportation infrastructure in order to attract new businesses to Delaware or for the expansion of existing Delaware businesses;
 - \$10.0 million to expand laboratory space to help drive bio-tech innovation and entrepreneurship; and
 - \$10.0 million for the Site Readiness Fund so businesses have options to locate and expand in Delaware.

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Better Schools for All Children

- \$10.0 million commitment for the Opportunity Fund to provide additional resources to low-income students and English Learners.
- \$1.0 million for county ombudsperson program to provide intervention regarding disparate discipline, access to school programs, and otherwise unfair treatment of students.
- \$3.0 million to replace expiring federal funding for mental health supports initiated in Fiscal Year 2021.
- \$19.9 million to fund Public Education unit growth.
- \$11.7 million to fund salary steps for Public Education administrators and educators.
- \$200.0 million for Public Education capital projects including Minor Capital Improvements and funding for projects in Wilmington and in the Appoquinimink, Capital, Cape Henlopen, and Indian River school districts.

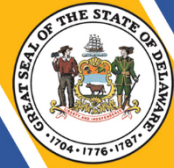
Stronger and Safer Communities

- \$20.0 million for Farmland Preservation and Open Space programs.
- \$5.5 million for the seventh year of the statewide Urban Redevelopment initiative. This program provides funding for Downtown Development Districts, designed to promote healthy and vibrant downtowns as critical components of Delaware's economic well-being and quality of life.
- \$2.7 million in matching funds for projects at Wilmington libraries.
- \$6.0 million to support affordable housing.
- \$4.0 million for the Strong Neighborhoods Housing Fund. The funds are targeted at efforts that support community development and/or transform neighborhoods that are experiencing blight or other forms of stress, including high crime.
- \$8.0 million to preserve historical and recreational sites across Delaware.
- \$11.3 million for public safety communications and critical equipment.
- \$5.5 million for security cameras and infrastructure improvements at Department of Correction facilities.

A Strong and Stable State Workforce

- \$22.7 million to support a \$500 salary increase. This proposal includes funding to phase in a gradual movement to a minimum wage for state employees of \$15/hour.
- \$51.8 million to maintain and upgrade state facilities including renovations to the Carvel State Office Building, the Leonard L. Williams Justice Center, the Herman Holloway Campus, the Public Health Laboratory and addressing the statewide deferred maintenance backlog.
- \$3.5 million to design and begin initial site work on a new Troop 6 on Kirkwood Highway in Wilmington.

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- \$50 million to initiate the next phase, site work and construction, for both the Kent and Sussex County Courthouses.

A Stronger Economy

- \$30.0 million for capital projects at Delaware State University, Delaware Technical Community College and the University of Delaware.
- \$4.0 million for the Riverfront Development Corporation to continue development efforts along the Christina River in Wilmington.
- \$2.5 million for the fifth year of a five-year commitment to the National Institute for Innovation in Manufacturing Biopharmaceuticals. The Institute will focus on bringing safe drugs to market faster and on developing workforce training in biopharmaceuticals.
- \$1.8 million in state match for the fifth year of a five-year commitment to the Rapid Advancement in Process Intensification Deployment project. Funds will establish a new Manufacturing USA Institute at the University of Delaware that will focus on developing new technologies to boost domestic energy productivity and energy efficiency. The goal is to partner with private businesses to enhance efforts by merging commercial and research capabilities.
- \$1.0 million for the fourth year of a five-year commitment to the Center for Clinical and Translational Research initiative. Partner institutions (University of Delaware, Christiana Care and Nemours) will 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 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.
- \$1.0 million for the third year of a five-year commitment to support the State's academic and medical institutions. Through collaborations among the public, private and academic sectors, the grant continues to support biomedical research, encompassing both basic and translational research.
- \$800,000 for the fourth year of a five-year commitment for the Experimental Program to Stimulate Competitive Research - Research Infrastructure Improvement initiative. The program 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.