

April 2024 Minutes

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State Budget Committee Minutes
April 19th, 2024, 09:00 AM EST
Indiana Statehouse
Senate Appropriations Room 431
200 W. Washington St., Indianapolis, IN 46204

Members:

Representative Jeff Thompson, Chair
Representative Gregory Porter
Senator Ryan Mishler
Senator David Niezgodski
Joe Habig, Acting State Budget Director

Alternate Members:

Senator Chris Garten
Senator Fady Qaddoura
Representative Bob Cherry
Lisa Acobert, Deputy State Budget Director

Chairman Jeff Thompson called the meeting to order at 9:00 AM EST.
Chairman Thompson introduced the December 2023 Minutes and revised October 2023 Minutes.
Representative Gregory Porter moved to approve both sets of minutes. Acting Budget Director Joe Habig seconded the motion. Both sets of Minutes were approved by consent.
Chairman Thompson introduced the agenda.

Agency Projects

Department of Corrections

Following the Indiana Department of Corrections presentation by Mr. Kevin Orme, Representative Porter requested details on bidders and awarded contracts, to hold the Department accountable for Diversity, Equity, and Inclusion. Orme replied that the Department works with the Indiana Department of Administration (IDOA) and added that they hold recruitment opportunities with potential vendors. Voicing his dissatisfaction with IDOA, Representative Porter stated that he would continue to question projects funded with taxpayer dollars to hold departments accountable for their diversity goals.

State Board of Accounts

After Ms. Kendra Leatherman's presentation for the State Board of Accounts, Representative Porter asked for clarification on the renovation's funding source, the Dedicated Examinations fund. Leatherman explained that the revenue is recouped from the cost of audits made to local government organizations. Representative Porter expressed concern that funds collected from local government are being used for renovations.

City of South Bend

Senator Niezgodski thanked Mr. Jordan Gathers for his presentation on the South Bend Sports Complex. Senator Niezgodski conveyed that the Complex will significantly benefit the town.

Northeast Indiana Strategic Development Commission

Following Mr. Bill Konyha and Mr. Ryan Twiss' presentation for the Northeast Indiana Strategic Development Commission, Representative Porter asked for clarification on the differences between the Commission and other initiatives like the READI programs. Representative Porter also asked if a study had been proposed to quantify their return on investment. Twiss explained that the Commission can fund both programming and capital expenditures, unlike READI that can only support capital projects. Konyha and Twiss expressed that the Commission wanted to study the return on investment and reaffirmed their responsibility as stewards of tax dollars to make the most of their resources in order to give the State a potentially replicable model.

Indiana Economic Development Corporation

After Mr. Mark Wasky and Mr. Jim Rollins' presentation for the Indiana Economic Development Corporation's READI 2.0 program, several Budget Committee members had questions pertaining to the award amounts and the 2-4% set aside for administrative controls. Wasky explained that many communities came together to lay out their strategic visions for growth and thus the Corporation had to allocate the resources carefully to accommodate every region. Wasky further explained the grant management system used by READI 1.0 and that the 2-4% set aside would be split between the program and their local partners. Chairman Thompson expressed that the Budget Committee expected a detailed report on overhead expenditures from the Corporation.

Department of Administration

Following Mr. Matt Kent's presentation for the Department of Administration, Representative Porter asked if the Budget Committee could receive a report with diversity data once a Department project was 35-40% complete. Chairman Thompson clarified that the Department's diversity goals are not required by code. Representative Porter stated that, while the goals are not required by code, they are promises made by the Department and thus the Budget Committee should ask if the Department is putting forward their reasonable best effort in attaining them. Representative Porter expressed again his dissatisfaction with the Department's efforts at maintaining diversity in their projects.

University Projects

Purdue University

After Ms. Alecia Nafziger's presentation for Purdue University, Representative Porter asked after the University's long-term goal for student housing and if leases were part of Purdue's strategic housing plan. Additionally, Senator Garten asked about the cost per bed for the Fuse Lease and expressed shock over the expense for the Mitchell E. Daniels, Jr. School of Business project's cost for windows. Nafziger stated that the University's goal is to consolidate and have fewer master leases. Nafziger continued, clarifying that the Fuse leases broke out to about \$12,500-\$13,600 per year. Finally, Nafziger explained that the expense number listed for the School of Business project encompassed the total cost, not only construction expenses.

Indiana State University

Following Ms. Diann McKee's presentation for Indiana State University's Early Childhood Education Development Center, Senator Garten asked for how many students the Center will be serving and the investment per student. McKee explained that the Center currently has a capacity for 86 children and that the renovation would double that number. McKee further noted that the renovation to meet the child-care standards for that building was a little more extensive than normal.

Indiana University

After Mr. Tom Morrison's presentation for Indiana University, Representative Porter asked if their projects were being bonded and if the bonding rates were getting better. Morrison clarified that the Fesler Hall Renovation was being paid out of cash reserves and the Research Laboratory Renovation is being paid by bonding. Morrison noted that the bonding rate is stabilizing, and that the stabilization has been worked into the University's financing model.

Review Items

Marian University

Following the Marion University's presentation on the Primary Care Scholarship by Mr. Kyle Hattenburg, Senator Niezgodski asked after the demographics. Additionally, Representative Porter asked after the percentage of minority residents that stay in Indiana and serve in rural and urban underserved areas. Hattenburg explained that around 12% of the classes are underrepresented, and the class as a whole is around 65% female. Hattenburg continued, explaining that the University's clinical rotations send students both to urban and rural areas, allowing them experience in both large teaching hospitals and smaller rural clinics. Hattenburg finished by noting that the University is on par, if not a little above, the national average of students staying in Indiana and also serving in underserved areas.

Commission for Higher Education

After the Commission for Higher Education's presentation by Mr. Seth Hinshaw and Ms. Michelle Ashcraft for the Frank O'Bannon Schedule of Awards, several Budget Committee members asked questions pertaining to the details surrounding the April 15th application deadline, the decrease in FAFSA filings, and the Commission's course of action once the grant's reserves are depleted. Ashcraft explained that the April 15th deadline is soft and that many applicants are awarded after that deadline on a first-come, first-served basis. Ashcraft continued, explaining that there was a significant glitch in the FAFSA software preventing students from being able to access the form, leading to a decrease in filings. Finally, Hinshaw clarified the three tools available once their reserves have been depleted: 1) adapting their schedule of awards, 2) lowering the academic incentives of the grant, and 3) excluding applications after the April 15th deadline.

Family and Social Services Administration

Following the Family and Social Services Administration's presentation on their Medicaid State Plan Amendments by Ms. Cora Steinmetz, several Budget Committee members asked for details about, and expressed concern surrounding, the transition from attendant care to structured care that will occur on July 1st. Steinmetz explained the particulars of the transition and delineated the timeline preceding the program's rollout. Steinmetz went over the ways the Administration was attempting to balance operating a financially sustainable Medicaid program with their duty to provide high quality service. Steinmetz

finished by empathizing with anxieties surrounding the transition and expressing the Administration's commitment to communicate both with program leaders and individual families.

After the presentation for FSSA's fees, fines, and penalties by Ms. Jessica Keyes and Mr. Paul Bowling, Senator Garten had questions pertaining to the Disproportionate Share Hospitals (DSH) payment, and the Hospital Assessment Fee (HAF). Bowling explained the eligibility requirements for the DSH payment. Bowling continued, expressing the Administration's willingness to work with hospitals to potentially restructure the HAF, and the Administration's commitment to keeping the General Assembly in the loop for any conversations pertaining to changes to the HAF. Acting Budget Director Habig further clarified that hospitals pay around \$1 with the HAF program and are receiving roughly \$3 in federal match, explaining that the difference between distributions and revenue in the documentation can sometimes be explained by the federal share that's returning to hospitals.

Secretary of State

Following the Secretary of State's presentation on fees, fines, and penalties by Mr. Jerry Bonnet and Mr. Kyle Bonik, Senator Garten asked about the discrepancies between the revenue and expenditures of the Dealer Enforcement Account. Bonnet explained how violations were assessed, and the measures they were taking to train dealerships.

Department of Labor

After the Department of Labor's fees, fines, and penalties presentation by Mr. Tony Hardman, Senator Niezgodski asked after the calculations that went into the amount of revenue brought in by collected penalties. Hardman explained the minimum penalty is worth \$100, and the maximum penalty is around \$210,000.

Department of Revenue

Following the Department of Revenue's fees, fines, and penalties presentation by Mr. Collin Davis, Senator Garten asked after the changes to the Department's revenue from fees, fines, and penalties. Davis explained the history behind the penalties and clarified that the Department keeps a percentage of the revenue but that the majority goes to the Indiana State Police.

Department of Insurance

Senator Garten commended the Department of Insurance's approach to fees, fines, and penalties after Ms. Meggan Brumbaugh's presentation.

Indiana Finance Authority

Senator Garten commented on the number of complaints he received about the Ohio River bridge toll operator RiverLink after Indiana Finance Authority's presentation by Mr. Dan Huge. Huge commiserated with Senator Garten about the operator and assured the Budget Committee that changes had been made that will increase efficiency and customer service.

Alcohol and Tobacco Commission

After the Alcohol and Tobacco Commission's presentation by Ms. Ashley Merritt and Mr. Chris Serak, Senator Qaddoura expressed concern over issues the Indianapolis Police Department had been having with some bars and asked for clarification around the rules pertaining to license revocation. Merritt and Serak explained the particulars of how a local police department can work with their local board and the Commission to deal with complaints.

Budget Committee
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After presentations, Senator Qaddoura asked about the procedure for Departments asking for changes in their fees, fines, and penalties. Acting Budget Director Habig clarified that any changes would require review by the Budget Committee and reassured the Committee that the agenda would clearly state when changes are being requested.

The motion to adopt the agenda was approved unanimously.

The meeting was adjourned at 12:59 P.M.

Review Items

1. Primary Care Scholarship – *Marian University*
2. 2024- 2025 Frank O’Bannon Schedule of Awards – *Commission for Higher Education*
3. Regional Mental Health Facility Grants – *Family and Social Services Administration*
4. Medicaid State Plan Amendments – *Family and Social Services Administration*
 - i. *Home and Community-Based Waiver Transition*
5. Fees, Fines, and Penalties
 - i. Family and Social Services Administration
 - I) *Bureau of Developmental Disability Services (BDS) Community Based Services Fines*
 - II) *Bureau of Aging Services Area Agencies on Aging (AAA) Fines*
 - III) *Bureau of Addiction Services Opioid Treatment Program (OTP) Civil Penalties*
 - IV) *Hospital Assessment Fee (HAF)*
 - ii. Secretary of State
 - I) *Offsite Fine*
 - II) *Multiple Issues of Interim Plate Fine*
 - III) *Misuse of Interim Plate Fine*
 - IV) *Issuance of Interim Plates to Salvage Vehicles Fine*
 - V) *Misuse of Dealer Plates Fine*
 - VI) *Failure to Disclose Salvage or Rebuilt Status of Vehicle Fine*
 - VII) *Failure to Maintain Complete Records Fine*
 - VIII) *Failure to Produce Records Fine*
 - IX) *Purchase of Detached Catalytic Converter Without Law Enforcement Affidavit Fine*
 - X) *Failure to Pay Off Trade-In Within 10 Days Fine*
 - XI) *Failure to Collect and Remit Sales Tax Fine*
 - XII) *Failure to Add All Dealer Owners and/or Have All Dealer Owners Submit to a Criminal Background Check Fine*
 - XIII) *Failure to Notify Division of Change of Name/Address/Entity Fine*
 - XIV) *Unauthorized Consignment Sale Fine*
 - XV) *Sunday Sale Fine*
 - XVI) *Business Services Division – Corporation Registration Filings*
 - XVII) *Business Services Division – UCC Finance Statement Filings*
 - XVIII) *Business Services Division – Trademark Registration Filings*
 - XIX) *Business Services Division – Notary Commission administration*
 - XX) *Voting System Violation enforcement civil penalties*
 - XXI) *Securities Division – civil penalties*
 - iii. Indiana Election Division
 - I) *Publication Map Fee*
 - II) *Conference Registration Fee*
 - III) *Commission Section 16(j) Penalty*
 - iv. Department of Labor
 - I) *Indiana Occupational Safety and Health Act Penalty*
 - II) *Placement Agency Penalty*

- v. Department of Revenue
 - I) *Civil Penalty for Oversize/Overweight Violations*
 - II) *International Registration Plan (IRP) Temporary Three-Day Trip Permit Fee*
 - III) *30 Day Hunter's Permit Fee*
- vi. Department of Insurance
 - I) *Agent Pre-Licensing Study Program Fee*
 - II) *Bail Law Fees, Fines and Penalty*
 - III) *Certificate of Authority Penalty*
 - IV) *Dental Plan Setting Penalty*
 - V) *Discount Medical Card Program Organizations, Viatical Settlement Providers, and Reinsurance Intermediaries Penalties*
 - VI) *Farm Mutual Insurance Company Penalty*
 - VII) *Health Maintenance Organization and Insurer Violation Penalties*
 - VIII) *Independent Adjuster License Fee and Penalty*
 - IX) *Insurance Administrator Fee and Penalty*
 - X) *Insurance Holding Company System Penalty*
 - XI) *Insurance Producers and Managing General Agents Penalties*
 - XII) *Medical Claims Review Agents and Utilization Review Agents Penalties*
 - XIII) *Navigator and Application Organization Fee*
 - XIV) *Notice of Material Change Penalty*
 - XV) *Patient's Compensation Surcharge and Fine*
 - XVI) *Physical Presence Fee*
 - XVII) *Prescription Drug Rebates Penalty*
 - XVIII) *Professional Employer Organization Penalty*
 - XIX) *Provider Facility/Health Carrier Good Faith Estimates; Health Facility Compensation Penalty*
 - XX) *Foreign Risk Retention Groups Fee*
 - XXI) *Service Contracts Penalty*
 - XXII) *Unfair Competition, Unauthorized, and Foreign Insurers Penalty*
 - XXIII) *Workers Compensation Penalty*
- vii. Department of Health
 - I) *Rural Emergency Hospital Fee - New*
- viii. Indiana Grain Buyers and Warehouse Licensing Agency
 - I) *Failure to Properly Price DP Agreements Fine*
 - II) *Failure to Properly Rectify Deficiency in Minimum Bonding Fine*
 - III) *Failure to Properly Rectify Deficiency in Minimum Current Ratio Fine*
 - IV) *Failure to Properly Rectify Deficiency in Minimum Net Worth Fine*
 - V) *Failure to Timely Provide Information & Materials Fine*
- ix. Civil Rights Commission
 - I) *Civil Penalty for Violations of the Indiana Fair Housing Act*
- x. Law Enforcement Training Board
 - I) *Executive Training ("Chief School") Course Fee*
 - II) *Instructor Development Course Fee*
 - III) *Instructor Recertification Fee*

- IV) *Pre-Basic Course Fee*
- V) *Refresher Course Fee*
- VI) *Tier I Course Fee*
- VII) *Tier I Tuition Student Course Fee*
- VIII) *Tier II Course Fee*
- IX) *Tier III Course Fee*
- X) *Waiver Course Fee*
- xi. *Indiana State Police*
 - I) *Crash Photograph(s) Fee*
 - II) *Accident Report Fee*
 - III) *Law Enforcement Recordings Fee*
 - IV) *Criminal History Fees*
- xii. *Indiana Finance Authority*
 - I) *Ohio River Bridge Toll and Penalties*
- xiii. *Utility Regulatory Commission*
 - I) *Video Franchise Application Fee*
 - II) *Court Reporter Transcript Fees*
 - III) *Municipal Utility Case Expense*
 - IV) *Surcharge for Hearing Impaired Services*
 - V) *Telecommunications Universal Service Fee*
 - VI) *IC 8-1-26 (811) Violations and Penalties*
 - VII) *Pipeline Safety Penalties*
 - VIII) *Slamming and Cramming Penalty*
 - IX) *Telecommunications or Video Franchisee Failure to Provide Service Penalty*
 - X) *Unlawful Limitation of Access by Competing CSPs Penalty*
 - XI) *Penalty Compelling Production of Books and Records*
- xiv. *Alcohol and Tobacco Commission*
 - I) *Alcohol permittees and tobacco sales certificate holders Penalty*
 - II) *Type II gaming endorsement or license Penalty*
 - III) *Retailer Civil Penalty for Tobacco Distributorship*
 - IV) *Vaper Pen and e-liquid Civil Penalty*
 - V) *Tobacco Offense Civil Penalties*
- xv. *Professional Licensing Agency*
 - I) *Late Renewal Fees*
 - II) *Dental Continuing Education Sponsor Application Fee*
 - III) *Physical Therapist Re-Examination Fee*
 - IV) *Anesthesiologist Assistant Renewal Fee*
 - V) *Plumbing Temporary Contractor Application Fee*
 - VI) *Pharmacy Technician-in-Training Application Fee*
 - VII) *Remote Dispensing Facility Application Fee*
 - VIII) *Wholesale Facility Remodel Application Fee*
 - IX) *Home Medical Dispenser Change of Ownership App Fee*
 - X) *Home Medical Dispenser Change of Location Fee*
 - XI) *Home Medical Dispenser Application Fee*
 - XII) *Barber Renewal Fee*

- XIII) *Beauty Culture Unlicensed Practice Penalty*
- XIV) *Beauty Culture Failure to Display License Penalty*
- XV) *Beauty Culture Failure to Maintain License Penalty*
- XVI) *Beauty Culture Practice Outside a Licensed Facility Penalty*
- XVII) *Unlicensed Tanning Facility Penalty*
- XVIII) *Accountancy Fine*
- XIX) *Architects & Landscape Architects Fine*
- XX) *Athletic Trainers Fine*
- XXI) *Auctioneers Fine*
- XXII) *Behavior Analyst Fine*
- XXIII) *Behavioral Health and Human Services Fine*
- XXIV) *Chiropractors Fine*
- XXV) *Cosmetology & Barber Fine*
- XXVI) *Dentistry Fine*
- XXVII) *Engineering Fine*
- XXVIII) *Funeral & Cemetery Fine*
- XXIX) *Health Facility Administrators Fine*
- XXX) *Hearing Aid Dealers Fine*
- XXXI) *Home Inspectors Fine*
- XXXII) *Manufactured Home Installers Fine*
- XXXIII) *Massage Therapy Fine*
- XXXIV) *Medical (Physicians & Osteopathic Physicians) Fine*
- XXXV) *Midwifery Fine*
- XXXVI) *Nursing Fine*
- XXXVII) *Occupational Therapy Fine*
- XXXVIII) *Optometry Fine*
- XXXIX) *Pharmacy Fine*
- XL) *Physical Therapy Fine*
- XLI) *Physician Assistant Fine*
- XLII) *Plumbing Fine*
- XLIII) *Podiatric Medicine Fine*
- XLIV) *Private Investigator & Security Guard Fine*
- XLV) *Psychology Fine*
- XLVI) *Real Estate Fine*
- XLVII) *Real Estate Appraisers Fine*
- XLVIII) *Respiratory Care Fine*
- XLIX) *Speech Language Pathology and Audiology Fine*
- L) *Surveyors Fine*
- LI) *Behavior Analyst Schedule – New*
- LII) *Convictions of Concern – New*

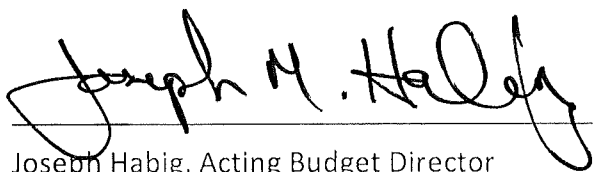
Reports Received

1. *On My Way Pre-K Annual Report, IC 12-17.2-7.2-13 – Family and Social Services Administration (03-01-2024)*
2. *Special Education Program Enrollment Report, IC 20-43-4-4 – Department of Education (03-01-2024)*

State Budget Committee
Meeting Minutes
April 2024



Representative Jeff Thompson, Chairman



Joseph Habig, Acting Budget Director