



June 30, 2009

## Budget bill passage averts state shutdown

Measure includes agency for Ohio River bridges

*By Lesley Stedman Weidenbener  
lstedman@courier-journal.com*

INDIANAPOLIS — The General Assembly approved a two-year, \$27.8-billion budget plan Tuesday, averting by just hours a partial shutdown of state government that would have closed state parks, casinos and license branches.

Gov. Mitch Daniels signed the bill into law about an hour after the Senate adjourned, ending a special session the governor called after the Democrat-controlled House and Republican-majority Senate failed to reach a budget deal before the original April 29 deadline.

The plan, which offers small increases for public education and flat funding for universities, is projected to leave the state with \$1-billion in reserves at the end of the two-year budget cycle on June 30, 2011. That's thanks in part to more than \$2-billion that Congress sent Indiana as part of the federal stimulus package.

"The biggest winner in Indiana is the taxpayer because legislators are willing to swallow difficult medicine that none of us really want to swallow," said House Minority Leader Brian Bosma, R-Indianapolis. "We have to be frugal when the times are tough and plan for the future."

Democrats said the biggest losers would be schools. Despite an overall increase for education, state funding will be cut for 100 districts in 2010 and even more in 2011, said Rep. Greg Porter, D-Indianapolis.

The budget "is toxic when it comes to public education," Porter said.

The plan authorizes \$333-million in bonding for university construction projects, including a \$22-million education and technology building at Indiana University Southeast. The IUS building was slipped into the final version of the budget bill, having never been approved in either chamber during the special or regular sessions.

"I fought for this building since before the regular session started," said Rep. Ed Clere, R-New Albany. "I wasn't sure whether it would happen, given the tough economic times. I kept bringing it up at every opportunity."

IUS officials said Tuesday the building will include classrooms, labs and advanced technology space and will provide needed space for the School of Education and the Purdue College of Technology.

The budget also creates an Ohio River Bridges Commission to work with Kentucky officials on a plan to govern, finance, construct and maintain the spans. The resulting plan must be approved by the governor and General Assembly, according to the legislation.

The bridges commission was among the concessions majority Senate Republicans offered Democrats in an attempt to win votes for the bill, but Kenley still acknowledged the plan was a largely GOP-

written effort.

That was reflected in the House's 62-37 and the Senate's 34-16 votes.

Democrats mostly voted no. Rep. Vernon Smith, D-Gary, said Democrats who control the House 52-48 "should be ashamed."

"We did not fight for what we believe in," Smith said. "We caved."

There were exceptions. Democratic Sen. Richard Young of Milltown and Reps. Steve Stemler of Jeffersonville, Paul Robertson of Depauw and Dave Cheatham of North Vernon voted for the budget.

"The schools in my district had a net gain," Cheatham said. "I thought if this (the special session) kept going, it would probably get worse."

Clere and Sens. Johnny Nugent of Lawrenceburg and Brent Steele of Bedford also voted yes.

But Democratic Sens. Connie Sipes of New Albany and Jim Lewis of Charlestown, along with Reps. Sandy Blanton of Orleans, Terry Goodin of Crothersville and Dennie Oxley of Taswell, voted no.

Sipes told her colleagues she was growing increasingly resentful of the focus and money the General Assembly gave Indianapolis while ignoring problems in other areas.

The budget includes \$9million a year to help bail out the Marion County Capital Improvement Board, which oversees Indianapolis convention and sports venues. It also allows Marion County to raise several tourism-related taxes to help fund the board's operations.

Sipes has been seeking additional liquor licenses for Clarksville, but legislative leaders refused to consider any alcohol-related legislation, pushing the issues into a summer study committee.

"I have a tough time going back and telling a little town in my district, Clarksville, that I was unable to get something for them that is an economic-development issue that is very important to them," Sipes said. "I'm irritated I didn't get any help."

Oxley said he voted against the budget because it did not adequately fund his schools, but also because of frustration over the help for Indianapolis and lack of economic development for the state.

"My constituents are against the CIB bailout," Oxley said. "We wanted to create jobs for all our areas, and that's not included in this budget."

As lawmakers prepared for Tuesday's votes, the Daniels administration was preparing for the possible shutdown. The governor said last week that without a budget he only had authority to continue emergency and safety operations, including prisons and police.

The possible shutdown seemed to weigh on lawmakers and helped spark the agreement that led to Tuesday's votes.

"If we don't vote to pass this budget, we are going to shut down this state, put people out of work," said an emotional Senate Appropriations Chairman Luke Kenley, R-Noblesville, who implored senators to vote for the bill.

Reporter Lesley Stedman Weidenbener can be reached at (317) 444-2780.

## Additional Facts

Key budget details

**Overall spending:** \$27.8billion over two years, including about \$2billion in federal stimulus funds.

**Education:** Boosts state spending on schools by 1.1 percent in 2010 and 0.3 percent in 2011, but funding changes vary significantly by district. Allows school districts to join the state's health-care program for employees.

**Higher education:** Flat-lines funding for universities using federal stimulus dollars. Authorizes \$333million in projects, including \$22million for an education and technology building at IU Southeast.

**Other provisions:**

Creates an Ohio River Bridges Commission to work with Kentucky officials on a plan to govern, finance, construct and maintain the bridges. The plan must be approved by the governor and General Assembly.

Continues current funding for non-English speaking language programs in schools.

Provides \$4.4million annually for tourism programs.

Provides \$9million a year for Marion County sports and tourism operations and allows Indianapolis officials to raise taxes for additional funding.

Cuts budgets of most state agencies.

Flat-lines home health care program funding.

Cuts public broadcasting slightly.

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