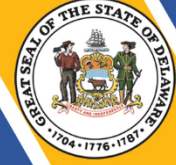


Governor's Budget Overview

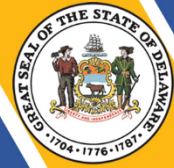


The Governor's proposed Fiscal Year 2024 Operating Budget totals \$5,482.0 million. This budget includes \$664.7 million in dedicated cash for the Recommended Bond and Capital Improvements Act, a \$324.9 million Recommended One-Time Supplemental Appropriations Act including \$51.0 million to the Other Post-Employment Benefits (OPEB) Trust Fund, a recommended \$59.8 million set aside for Grants-in-Aid, and a recommended allocation of \$18.9 million over and above the constitutionally mandated two percent set-aside to remain unappropriated, for a new Budget Stabilization Fund of \$421.5 million. Total appropriations and the Budget Stabilization Fund allocation represent 98.0 percent of available General Fund revenues.

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

- \$53.2 million in state and federal Clean Water investments to improve Delaware's drinking water and water resources, including funding for low-income and underserved communities. The recommendation is comprised of the following:
 - \$3.2 million for the Drinking Water State Revolving Fund;
 - \$18.0 million for the Clean Water State Revolving Fund;
 - \$5.0 million for Resource, Conservation and Development; and
 - \$27.0 million federal funding for clean water and drinking water.
- \$50.0 million to ensure Delaware remains competitive through modernizing infrastructure, focusing on small businesses and fostering a culture of innovation and entrepreneurship. Recommended funding includes:
 - \$25.0 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;
 - \$5.0 million for the Transportation Infrastructure Investment Fund (TIIF). TIIF 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.
- \$12.7 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 and new Dual Generation Center at Pulaski Elementary School.

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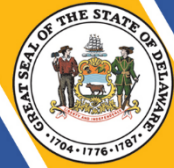
Better Schools for All Children

- \$206.8 million for Public Education capital projects including Minor Capital Improvements, school construction and market pressure funding for projects in Wilmington and in the Appoquinimink, Brandywine, Caesar Rodney, Cape Henlopen, Capital, Christina, Colonial, Indian River, Milford, Seaford, Smyrna, and New Castle County and Sussex Vocational Technical districts.
- \$36.8 million to fund Public Education unit growth.
- \$10.1 million for school safety.
- \$30.0 million for Mental Health Services for Elementary and Middle School students.
- \$3.0 million, for a total of \$10 million, for the Wilmington Learning Collaborative to support students, families, and teachers delivering education in the City of Wilmington.
- \$11.4 million to fund salary steps for Public Education administrators and educators.
- \$15.0 million commitment for the Opportunity Funding to provide additional resources to low-income students and English Learners.
- \$6.1 million for the Early Childhood Assistance Program.

Delaware Families and Safer Communities

- \$111.3 million for Medicaid services growth.
- \$1.9 million to extend post-partum Medicaid coverage.
- \$1.1 million for Behavioral Health Diagnostic Stabilization Unit at Wharton Hall and increase Placement of Children Home Study Services.
- \$20.0 million for Farmland Preservation and Open Space programs.
- \$16.6 million in matching funds for statewide library projects.
- \$11.6 million to preserve historical and recreational sites across Delaware.
- \$48.9 million for security, safety, and infrastructure improvements at Department of Correction facilities.
- \$37.0 million for public safety communications and critical equipment.
- \$36.0 million to support affordable housing.
- \$5.5 million for the eighth 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.
- \$4.0 million for the Strong Neighborhoods Housing Fund, targeted at efforts that support community development and/or transform neighborhoods that are experiencing blight or other forms of stress, including high crime.
- \$20.0 million for Subdivision Street Pavement Management Fund to support direct paving and rehabilitation of community streets.

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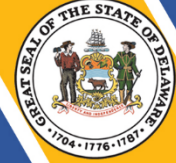
A Strong and Stable Workforce

- \$10.3 million in increased support for childcare providers and workers.
- \$147.9 million for continued efforts towards compensation and pay equity for state employees. This proposal includes funding gradual movement in merit pay scales to more closely align with market wages for state employees, provide no less than 3.0 percent salary increase for all employees, and ensure all of the state's workforce is moving toward a \$15/hour minimum wage.
- \$40.0 million for providing public educators with additional 6.0 percent salary supplement.
- \$14.2 million for funding salary steps for education, higher education and state agencies.
- \$143.2 million increase to support the Group Health Insurance Plan.
- \$51.0 million to support the OPEB Trust Fund liability.
- \$293.9 million to maintain and upgrade state facilities including minor capital improvements and renovations to the Carvel State Office Building, Delaware Hospital for the Chronically Ill, Stockley Center, Legislative Hall, the Leonard L. Williams Justice Center, State Fire Marshal Building, Delaware National Guard Stern Readiness Facility and addressing statewide deferred maintenance.
- \$63.3 million to construct both the Kent and Sussex County Family Courthouses, renovate the historic Customs House in the City of Wilmington and improve the Justice of the Peace and Supreme Court courthouses.
- \$21.0 million to design and begin site work on a new Troop 4 in Georgetown.

A Stronger Economy

- \$60.0 million for capital projects at Delaware State University, Delaware Technical Community College and the University of Delaware.
- \$6.5 million for the Riverfront Development Corporation to continue development efforts along the Christina River in Wilmington.
- \$1.5 million for the first 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.
- \$2.0 million for the first 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.

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- \$800,000 for the first 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.
- \$5.0 million for the first year of a five-year commitment to support the transformation of biopharmaceutical manufacturing in the State and around the country. The biopharmaceutical category includes vaccines, cancer drugs and drugs to treat autoimmune diseases, as well as emerging drugs for cell and gene therapies. The institute will provide for higher quality and safer medicines, being made available faster than ever before, and create quality jobs for the citizens of Delaware.