

LEGISLATIVE PRIORITY

Busy Spring Ahead in Dover

BY JAMES DECHENE

WITH THE GENERAL ASSEMBLY back in session after a 5-week break for Joint Finance Committee hearings, members return with a laundry list of issues to occupy their time and energies between now and June 30.

Although it won't be front of mind for a few months, the FY2019 budget will take center stage later this spring. With a DEFAC forecast of a 6% increase in revenue over last year, and a Governor's recommended budget increase of 3.49% over last year, the challenge legislators face is to hold off on spending the full 6% on new programs for the future. It is important to note that while DEFAC projects a relative boon this year, next year that revenue increase shows at under 2%, as does the year after that. Expenses, without new programs, are expected to grow at 3% or greater. Full disclosure, while I was briefly a physics major in college, I quickly realized I was no good at math, hence the switch to a non-math reliant major and career choice—even still, I can tell these numbers don't add up. The ongoing budget challenges can't be ignored in comparatively easy times, and now is the time to start making the hard choices to put Delaware on a sustainable path moving forward.

There are a slew of other bills and issues awaiting either action or possible introduction that will impact the business community this year:

- The creation of a Grant in Aid committee to establish benchmarks and metrics surrounding how Delaware non-profits will receive aid
- Changing how Delaware's casinos are taxed, reflecting increased competition from surrounding states and unsustainable tax rates
- Another proposed minimum wage increase, this time to \$8.75 in October 2018, raising to \$9.25 in October 2019
- A sustainability bill that would have the Secretary of State's

office issue "Sustainability Certificates" for companies willing to pay a fee

In addition to all these bills, there are a number of longstanding issues awaiting resolution:

- Addressing the deferred maintenance and long-term capital improvement needs at DelTech



- Resetting the Unemployment Insurance percentage funding the Blue Collar Training Fund
- Putting the HSCA fund, which provides aid to remediate brownfields in Delaware, on surer footing in the long term, as each dollar invested sees an \$18 return on investment

There are bound to be other legislative and regulatory issues that crop up between now and June, but the above provides a fairly good road map on what to expect. Left unmentioned, for now, is a pending election year cycle due to gear up in earnest this spring, bringing with it a predictable, if not necessarily sensible, approach towards legislation intended to position legislators favorably with their respective bases. It does make for an interesting June 30, though.