

## CHAPTER 509

## FORMERLY

## HOUSE JOINT RESOLUTION NO. 28

A RESOLUTION ESTABLISHING AN EDUCATIONAL FINANCE REFORM  
COMMITTEE.

WHEREAS, in House Bill No. 659, a proposal has been made to eliminate local school property taxes and to restructure the manner in which the State finances public education in Delaware by shifting away from a system whereby the State and federal government provides over 70% of the operating and capital funding and local property tax revenues provide the remainder to a system whereby the State and federal government provides nearly 100% of the funding for schools; and

WHEREAS, in Senate Bill No. 389 and the pending proposal to create a "school construction fund" proposals have been made to dramatically reduce the school property taxes of senior citizens and to reduce the responsibility of local property tax payers to finance major capital project proposed by school districts; and

WHEREAS, these proposals are worthy of consideration as pail *of* a comprehensive and thorough examination of Delaware's system of school finance and school governance; and

WHEREAS, such an examination requires analysis of a myriad *of* complicated financial and policy issues; and

WHEREAS, adequate study of these financial and policy issues requires the assistance of professional staff and consultants; and

WHEREAS, all of these issues are worthy of bipartisan serious consideration over a time period which corresponds to their importance and complexity.

NOW, THEREFORE:

BE IT RESOLVED by the 139th Genera/ Assembly, with the Governor concurring therein:

I. The Education Finance Reform Committee (the "Committee") is hereby established;

2. The Committee shall consist of:

(a) Three members appointed by the Governor, one of whom shall serve as Chairperson, and each of whom shall have expertise in financial, educational, or legal matters;

(b) Three members appointed by *the* President Pro Tempore of the Senate; and

(c) Three members appointed by the Speaker of the House;

(d) One member appointed by the Senate Minority Leadership;

(e) One member appointed by the House Minority Leadership.

3. The Committee shall have the assistance of the *professional and* technical staffs of the Budget Office, the Department of Finance, the Controller General, and Legislative Council and such outside consultants as are necessary for adequate study of the issues and financial consequences of policy changes proposed by the Committee.

4. The Committee shall conduct a thorough examination of Delaware's school finance and governance system and report its recommendations to the Governor and General Assembly on or before February 15, 1999. Such examination shall consider the proposals incorporated in House Bill No. 659, Senate Bill No. 389 and the school construction fund, and such other pertinent education finance issues as are identified as relevant by the members of the Committee.

5. The recommendations of the Committee shall include proposals to address the problems associated with passing local referenda, improving equity across school districts, and providing inflation-sensitive financing for local expenses, and/or to change the allocation of funding between the state and local school districts so as to reduce the local burden on taxpayers. These proposals may incorporate, in part or in whole, the proposals contained in House Bill No. 659, Senate Bill No. 389, the proposal to create a school construction incentive fund, or other proposals that increase state responsibility for school funding.

6. The General Assembly and the Governor agree to reserve an unappropriated sum of \$48 million to finance proposals that may be enacted into law as a result of the recommendations forwarded to the Governor and General Assembly from the Committee. Such monies can only be appropriated with concurrence of both Houses and the Governor.

Approved July 1, 1998