

DENNIS P. WILLIAMS
STATE REPRESENTATIVE
First District



HOUSE OF REPRESENTATIVES
STATE OF DELAWARE
LEGISLATIVE HALL
DOVER, DELAWARE 19901

COMMITTEES
Appropriations, Chair
Joint Finance, Chair
Judiciary
Corrections
Public Safety & Homeland
Security

Appropriations Committee
Meeting Minutes
June 23, 2010

Chairman D.P. Williams called the meeting to order at 12:45 p.m. Members present included Representatives Johnson, George, and Thornburg. For a list of guests present, please see attached.

After calling the meeting to order, Chairman D.P. Williams chose to address **HB 414 AN ACT TO PROVIDE A SUPPLEMENTAL APPROPRIATION FOR THE FISCAL YEAR ENDING JUNE 30, 2011 TO THE DEPARTMENT OF TRANSPORTATION FOR THE PURPOSE OF PROVIDING ADDITIONAL FUNDING FOR MUNICIPAL STREET AID** and recognized Rep. D. Short as the bill's sponsor. Rep. D. Short explained that this bill provided a supplemental appropriation of up to \$4,000,000 of escheat funds as projected by DEFAC at its June 2010 meeting, for Municipal Street Aid. These funds are in addition to the budget appropriation. This will help municipalities that lost such funding last year.

Rep. Johnson commented that this should be a moot point this year because it should go through bond bill. He also explained that he felt this legislation was usurping some of the bond committee's authority.

Rep. D. P. Williams took some responsibility for the problems with the street aid funding last year. He explained that it was very unfair to the city of Wilmington and that as the Joint Finance Committee Chair he should have known what was going on. Rep. D. P. Williams said that some of the issues with the street aid last year were due to the fact that some revenue measures had not been passed. He also explained that he felt really uncomfortable with what happened last year and that without municipalities the state would not exist.

Rep. Thornburg voiced her support for the bill.

Bob Maxwell stated that the legislature has had to deal with difficult issues and had to make drastic cuts last year. He asked the members of the committee if they knew of any other program that was cut 100% last year like this one was. Mr. Maxwell appreciated the Governor's efforts of putting \$4 million back into the budget for street aid. Rep. D. P. Williams said that with all due respect it was because of the efforts of the JFC that the \$4 million was put back into the budget. Mr. Maxwell thanked the sponsor of the legislation

and explained that this was an appeal to the legislature, and anything they could do to help would be greatly appreciated.

Rep. D. P. Williams said that legislators know what is going on with the municipalities, and it is his commitment to them to motion to release this bill. He said that if it does not get released, he will go to the bond committee next year.

Rep. George asked if this issue was brought before the bond committee before it came to this committee. Rep. D. Short explained that he had brought it to some of the bond members and that this issue was being discussed in their meeting today. Rep. George explained that she asked her question because of some concern about following the right procedure.

Rep. J. Johnson stated that he understands the municipalities and their concerns. He explained that last year was his first year on JFC, and he took a lot of heat for some of his decisions. He articulated that he did not want to bypass the whole system because of an error that bond bill made last year.

Rep. Thornburg said she understood Rep. Johnson's concerns but clarified that if any legislation has a fiscal note of this magnitude it is suppose to come before this committee.

Rep. D. Short agreed with the procedural issue but explained that the point of this legislation was to elevate the issue so that it would be discussed.

Mayor John J. Shwed, from the town of Laurel, explained that his little community last year lost \$90,000, which was a lot of money for them. He explained that anything the legislature can give them will help.

Bob Ricker, president of Sussex County Association of Towns, explained how his organization had to raise taxes last year because their town is falling to pieces. He also explained how the cut last year put the towns' backs up against a wall. Mr. Ricker wanted to clarify that the money they would be receiving would be used to create jobs.

Mayor Jim Ford, from the city of Lewes, reiterated the statements and sentiments of the other members of the public. He also explained that he understands the challenges that legislators face here. Mayor Ford stated that he would like this bill to be released so it can move forward.

Gene Dvornick, Town Manager of Georgetown, gave a handout to the committee members and discussed it. The handout is attached for further review.

Kyle Sonnenberg, City Manager of Newark, explained that since Newark operates on a calendar fiscal year the cut last year came in the middle of their year and because of this it had drastic effects.

Rep. D. P. Williams said it was unfair that the cities did not know about the cut last year and expressed his aggravation over the whole situation.

Rep. D. P. Williams motioned to release the bill from committee; Rep. Thornburg seconded the motion. The bill did not receive enough votes to be released from committee.

Rep. George said she appreciates all the needs of the communities and her dissenting vote did not have to do with the need for the bill. She explained that no one has the right context to make a decision on this and that the communities might get what they want if they go through the right process.

Rep. D. P. Williams stated that he is going to propose to put another \$1 million into the bond bill tomorrow night when they meet. He expressed his anger with this situation. Rep. D. P. Williams said that he feels that the municipalities always get the short end of the stick.

George Wright, Executive Director of the Delaware League of Local Governments, wanted to clarify that \$6 million was cut last year so even if they received the \$4 million they would still be short.

Rep. D. P. Williams adjourned the meeting at 1:15 p.m.

Respectfully Submitted by,

Morgan DiGravina