

General Assembly Republicans Disappointed with Lack of State Budget

- *GOP Leaders Offered Multiple Options to Arrive at Consensus* -

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Legislative Republicans say they are disillusioned that House and Senate Democrats and Gov. John Carney could not reach a consensus with them to enact a new state budget on time.

The Delaware General Assembly has not failed to have a new budget in place by the start of the fiscal year since the mid-1970s.

“An opportunity to reach a deal was squandered tonight,” said State Senate Minority Whip Greg Lavelle, R-Sharples. “We had substantive discussions with House Democrats about a budget that would have restored funding previously cut from public education and allowed us to enact the annual Grants-In-Aid Bill – all without raising taxes. We believed we had an agreement, but the governor rejected it.”

The Grants-in-Aid – which was stripped of funding by budget-writing Democrats earlier in the week – provides substantial annual assistance to fire companies, senior centers, and dozens of other non-profit organizations serving Delaware communities. The Republican compromise plan restored the funding through a 1.1-percent cut to non-payroll state agencies’ operating expenses; a temporary diversion of a portion of the proceeds from the Regional Greenhouse Gas Initiative (RGGI); the full inclusion of the governor’s recommended adjustments to state employee health care benefits; and other smaller cuts.

“This is the first time in over four decades the state has started the new fiscal year without an annual budget in place, but it was not for a lack of trying on our part,” said State House Minority Leaders Danny Short, R-Seaford. “We tried to be flexible, moved off the ‘final offer’ we made yesterday, and made additional concessions. Unfortunately, it still was not enough.”

Legislative Republicans worked throughout the night, offering different proposals that would both hold the line on taxes, while maintaining needed services, reaching an apparent compromise in the early morning hours of Saturday.

“I don’t know what we need to do to get an agreement with the governor,” said Sen. Gary Simpson (R-Milford). “We approached the situation with creativity and flexibility, offering several different packages. We even offered to drop our proposals to reform prevailing wage, in exchange for checking government growth, holding the line on

taxes, and maintaining needed services for Delawareans. It's profoundly disappointing this did not get done."

"We went to great lengths to have a budget and a Grants-In-Aid Bill done tonight," said Rep. Deborah Hudson, R-Fairthorne. "Both can be done without raising taxes, and we had a proposal to do just that."

With no budget in place, the legislature passed, and the governor signed, a temporary financing bill to keep state government operations running for the next several days, without interruption. Gov. Carney is calling lawmakers back to the capitol (1 p.m., Sunday) to make another attempt to resolve the situation.

"We'll return to Legislative Hall tomorrow and will be seeking the cooperation of our colleagues to get this done," Sen. Lavelle said.