



NEWS:

Lawmakers Exploring Education Funding in Shadow of Lawsuit

AUGUST 1, 2019 – As a lawsuit threatens to force the county and state governments to act, the House Education Committee is exploring how public education is funded in The First State.

The action filed last January by Delawareans for Educational Opportunity and the NAACP Delaware State Conference of Branches alleges that Delaware officials are failing to properly fund the education of disadvantaged students and are in violation of the state constitutional requirement for an "efficient system of free public schools."

The complaint also challenges how Delaware allocates state funds to school districts, contending that the system fails to provide sufficient funding to balance the differences between rich and poor districts.

Additionally, the lawsuit contends county governments are in violation of a state law requiring them to assess property for taxation at its "true value in money." Kent County last conducted a property assessment 32 years ago -- the most recent of the three counties. New Castle County assessments were last performed in 1983. Sussex County's assessments date back to 1974. In court documents, the plaintiffs observe that the statewide inflation-adjusted median price of a home in Delaware jumped more than a 115% between 1980 and 2010. The lack of assessments has resulted in disparities, with some homeowners paying higher taxes than their wealthier neighbors living in more valuable dwellings.

A motion by the state to dismiss the counts against it was denied in November in a [135-page decision](#).

A recent meeting of the House Education Committee focused on the use of referendums to fund local schools. While Delaware school districts have a limited ability to raise aspects of their property taxes unilaterally, tax hikes supporting major

operational and capital expenses must be approved by residents through a referendum.

Dr. Kevin Carson, who has served as the superintendent of the Cape Henlopen School District and Woodbridge School District, made a presentation to the committee during a public meeting at Legislative Hall.

"I've won referendums and I have lost referendums," Dr. Carson said. "They are tedious and hard and at the end of the day, somebody has won and somebody has lost."

In addition to the challenges faced by districts trying to win voter approval, Dr. Carson said the education funding system is significantly handicapped by the lack of accurate property value assessments. He said a state funding mechanism (known as the equalization formula) designed to level the playing field between rich and poor school districts is dysfunctional and has been frozen for the last decade.

House Education Committee member, State Rep. Mike Smith, R-Pike Creek Valley, said the legislature needs to find solutions to Delaware's school funding challenges that will give citizens a voice in the process. Should the plaintiffs prevail in the pending lawsuit, he said the court will probably force actions on taxpayers that they may not like and will be powerless to change.

"I do not think there are many people in this room that would disagree that the system by which we fund education is broken -- it's not working," said State Rep. Mike Ramone, R-Pike Creek South. He added that online tools and information, which were unavailable during earlier reassessments, could be part of the answer for providing a fair, predictable, and consistent funding system.

State Rep. Ruth Briggs King, R-Georgetown, said any reforms the legislature drafts need to be comprehensive. "I do not want to throw a Band Aid on it," she said. "I think there is a chance to do this more efficiently and more effectively."

However, Rep. Briggs King cautioned that much more work and public input will be required. She said the committee's work earlier this month "is only part of the discussion that needs to occur regarding school funding, school investment, [and] school revenue."

The next meeting of the House Education Committee is slated for 1 p.m. on Wednesday, August 14 at Legislative Hall. The committee will hear a presentation from the Education Commission of the States on "weighted student funding," which is also known as student-based budgeting. The meeting will be open to the public.