

STATE OF DELAWARE



**EXECUTIVE DEPARTMENT
DOVER**

EXECUTIVE ORDER
NUMBER TWO

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: THE DELAWARE ECONOMIC AND
FINANCIAL ADVISORY COUNCIL

WHEREAS, the State of Delaware has maintained a reputation for fiscal prudence and budgetary restraint, even during times of economic hardship; and

WHEREAS, a bipartisan commitment to balanced budgets and sound financial planning has fostered this reputation and must be continued; and

WHEREAS, this bipartisan commitment has been reflected in Delaware's constitutional limitation on state government expenditures, its elimination of short-term borrowing and its statutory limits on the State's indebtedness; and

WHEREAS, this bipartisan commitment has been strengthened and reinforced by the availability of credible, nonpartisan and expert projections of the State's revenues and expenditures and of important national and state economic trends; and

WHEREAS, these important functions have been provided by the Delaware Economic and Financial Advisory Council ("DEFAC"), which was created in 1977 by Governor DuPont and continued in 1985 by Governor Castle; and

WHEREAS, DEFAC has provided a sound basis upon which to make determinations regarding the State's operating and capital budgets; and

WHEREAS, DEFAC can aid in the important effort of integrating the policymaking and financial planning functions of state government so that the long-term fiscal implications of administrative, budgetary and legislative alternatives are considered before those alternatives are adopted as state policy; and

WHEREAS, DEFAC's effectiveness can be enhanced by formalizing its authority to project the revenues of and expenditures from the Transportation Trust Fund, and by requiring DEFAC to produce a longer-term revenue and expenditure forecast once a year for use by the Governor in preparing his annual budget.

NOW, THEREFORE, I, THOMAS R. CARPER, by the authority vested in me as Governor of the State of Delaware, do hereby declare and order that:

1. DEFAC is continued.
2. DEFAC shall consist of at least 25 members appointed by the Governor to serve during his pleasure. The membership of DEFAC shall broadly represent both the public and private sectors of the State's economy. The Governor shall designate a Chairperson of DEFAC from among its members.
3. DEFAC shall:
 - (a) Meet on a regular basis as determined by the Chairperson;
 - (b) Serve in a general advisory capacity to the Governor and the Department of Finance;
 - (c) Advise the Governor and the Secretary of Finance of the overall financial condition of the State of Delaware;
 - (d) Advise the Governor and the Secretary of Finance of current and projected economic conditions and trends, particularly as they affect the State of Delaware;

(e) Submit to the Governor, the Secretary of Finance, the Controller General and the General Assembly, not later than the 25th day of September, December, March, April and May, and the 20th day of June, estimates as follows:

(1) General Fund and Transportation Trust Fund revenue by major categories for the current fiscal year;

(2) General Fund and Transportation Trust Fund revenue by major categories for the succeeding two fiscal years;

(3) General Fund and Transportation Trust Fund expenditures for the current fiscal year;

(4) General Fund and Transportation Trust Fund expenditures for the succeeding two fiscal years;

(f) Submit to the Governor, the Secretary of Finance, the Controller General and the General Assembly, not later than the 1st day of October, estimates as follows:

(1) General Fund and Transportation Trust Fund revenue by major categories for the current fiscal year and the succeeding four fiscal years;

(2) General Fund and Transportation Trust Fund expenditures for the current fiscal year and the succeeding four fiscal years;

(g) Advise the Governor and the Secretary of Finance on the tax policy of the State;

(h) Perform the responsibilities imposed upon it by the Delaware Code with respect to statutory limits on the State of Delaware's indebtedness, and otherwise advise the Governor and the Secretary of Finance on the issuance of debt by the State of Delaware; and

(i) Undertake an education process for itself and for the public at large concerning the financial condition of the State of Delaware and the issues involved therein.

4. The DEFAC estimates required by subparagraph (3)(e) of this Executive Order shall constitute the Governor's revenue estimates in compliance with Section 6534, Title 29 of the Delaware Code.

5. All state agencies shall cooperate in providing data and assistance to DEFAC, including, but not limited to, statistics, reports, projections and testimony, as requested by the Chairperson of DEFAC and approved by the Secretary of Finance.

6. Upon request of the Chairperson of DEFAC, the Department of Finance and such other state agencies as deemed appropriate by the Secretary of Finance, shall provide such staff and financial support to the activities of DEFAC as are approved by the Secretary of Finance.

7. Executive Order Number Four issued by Governor Castle is hereby rescinded.

APPROVED this 12th day of March, 1993.


Governor

ATTEST:


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