

# STATE OF DELAWARE



## EXECUTIVE DEPARTMENT DOVER

EXECUTIVE ORDER  
NUMBER Seventy two

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: ESTABLISHMENT OF THE EQUALIZATION REVIEW COMMITTEE

WHEREAS, on May 25, 1989, Senate Bill 153 became law without my signature; and,

WHEREAS, this legislation adversely impacts the Division III-Equalization formula which up to this time had successfully promoted Delaware's responsibility to insure that the quality of a public education is not dependent solely on the fiscal capacity of a local school district; and,

WHEREAS, Division III-Equalization funding was never intended to operate as an entitlement program or as an incentive system for the wealthier districts to raise additional revenues; and,

WHEREAS, the reallocation of funds that can occur as a result of the required assessment-to-sales price studies or periodic county-wide property reassessments are necessary in order to insure that the state is fulfilling its responsibility; and,

WHEREAS, I also recognize that the manner in which the formula currently operates does not provide a reliable level of predictability due to the fact that windfall gains and equally substantial decreases can occur with little advance warning; and,

WHEREAS, Senate Bill 153 extends into perpetuity what had previously been proposed as a one year hold harmless provision by imposing a floor below which the State contributions may not fall; and,

WHEREAS, given that the committee provided for by Chapter 1707(f) of Title 14 Delaware Code has never been convened, I am therefore establishing a group to address this issue.

NOW, THEREFORE, I, MICHAEL N. CASTLE, by virtue of the authority vested in me as Governor of the State of Delaware, do hereby declare and order that:

1. There is hereby created the Equalization Review Committee, to be composed of the following persons:

- a. a member of the State Board of Education to be appointed by the President of the Board and who shall serve as the chairperson of the committee;
- b. the Chairpersons of the Senate and House of Representatives Education Committees;
- c. three local school district superintendents, one from each county, to be appointed by the Governor;
- d. the Secretary of Finance;
- e. the Director of the Office of the Budget;
- f. a representative of the Delaware State Education Association to be appointed by the President of the Association; and,
- g. a representative of the Governor.

2. The Equalization Review Committee is charged with the following responsibilities:

- a. First, to develop a plan that will restore equity and promote stability in the apportionment of equalization funds.
- b. Second, to determine whether the required assessment-to-sales price study should be conducted more frequently than on the twice-per-decade basis provided by current law.
- c. And, third, to make any other recommendations regarding equalization and education financing that the committee deems appropriate for consideration.

3. The Committee shall report its findings to the Governor by December 15, 1989.

APPROVED this 2 nd day of June, 1989.



Michael N. Castle  
Governor

ATTEST:

Maile  
Secretary of State