

AAUP-UD Civic Bulletin #2 (April 4, 2025)

As workers at a large public research university, faculty at the University of Delaware are deeply affected by the policies pursued by state and local governments. This occasional series seeks to inform AAUP-UD members about relevant developments.

~Dael Norwood, History Dept. & AAUP-UD Steering Committee

Legislation of Note

The Delaware General Assembly opened for its 153rd session on January 14, 2025. The session runs to June 30th. The legislature is <u>in recess until April 8, 2025</u>, while the <u>Joint Capital Improvement (Bond) Committee</u> conducts budget hearings.

HB 34 - Student Head Tax Bill

Status: Passed House committee, awaiting consideration by the full House
This legislation "amends the Newark Charter by authorizing the City of Newark to levy and collect a per student, per semester tax on Colleges and Universities that host in person classes which are located within the boundaries of the City of Newark." This bill is out of committee, and now awaits consideration on the House floor. While this legislation has the support of most Newark-area legislators, it still has a high threshold to meet to pass, and will attract significant scrutiny.

- Brianna Hill, "Newark Tries Again to Enact UD Student Head Tax," Spotlight Delaware, March 20, 2025
- Josh Shannon, "House Committee Advances Bill That Would Allow Newark to Tax UD," Newark Post, March 13, 2025

HB 6 - Auditor Subpoena Bill

Status: Passed full House, assigned to Elections & Government Affairs Committee in Senate

Introduced by Newark-area Rep. Osienski, this bill expands the powers of the State Auditor's office, allowing the direct issue of subpoenas. Along with <u>HB 9 w/ HA 1</u> and <u>HB 38 w/ HA 1</u>, it appears to be a direct response to <u>UD administrators' refusal</u> last year to comply with the auditor's request for documentation related to "dual employment" (e.g. a report on individuals holding two taxpayer-funded jobs).

- Karl Baker, "UD Snubs State Auditor, Rekindling Question of Whether It's Public or Private," Spotlight Delaware, September 19, 2024, http://spotlightdelaware.org/2024/09/19/ud-snubs-state-auditor-rekindling-question-of-whether-its-public-or-private/
- Nick Stonesifer, "Bill Seeks to Give Subpoena Power to State Auditor," *Spotlight Delaware*, January 27, 2025, http://spotlightdelaware.org/2025/01/27/delaware-auditor-subpoena-bill/.

HB 9 w/ HA 1- Dual Employment Bill

Status: Passed full House, assigned Elections & Government Affairs Committee in Senate
This bill requires state officials and their supervisors to disclose "dual employment" at other state agencies, "educational and other institutions," or "political subdivisions" to the Public Integrity Commission. Sponsored by Rep. K. Williams, this bill appears (along with HB 6 and HB 38 w/HA 1) to be a response to UD administrators' 2024 refusal to comply with requests from the state auditor.

HB 38 w/ HA 1 - Provide Records on State Officials

Status: Passed full House, assigned to Education Committee in Senate

This legislation requires any "institution of higher education" receiving state funding to provide records on "elected or appointed" state officials employed by the institution. It appears (along with HB 6 and HB 9 w/ HA 1) to be a response to UD administrators' refusal to comply with the state auditor's requests – but does so while carefully not defining "institutions of higher education" as state institutions. Fines for non-compliance start at \$10,000. The bill's lead sponsors are Rep. K. Williams and Sen. T. Paradee, co-chairs of the powerful Joint Finance Committee.

Major Funding Bills: <u>SB 50</u>, <u>HB 100</u>, <u>HB 101</u>, and <u>SB 30</u>

Status: Pending

The mini-bond bill, the statewide general fund appropriation, the one-time appropriations bill, and bond and capital improvements bills, respectively – all of which have a bearing on UD's finances.

SB 50 - "Mini-Bond Bill"

Status: Passed the General Assembly, Signed by Governor

Among other provisions, this "mini-bond bill," reallocates funds originally designated for the deferred maintenance of UD laboratories instead to "campus improvements," including \$4 million for "the design and upgrade of the softball field."

The other bills all remain in draft form, with changes anticipated as the session continues.

HB 100 - General Fund Appropriation

• In current draft, UD is allotted \$151,244.50 (72%, or 108m for "Operations" and 13% for "Scholarships). This is similar to recent years.

HB 101 - One Time Supplemental

• No appropriation for UD in current draft

SB 30 - Bond and Capital Improvements Act

- In current draft, UD is allotted \$40,000,000: 20m for "Biden Hall" and 20m for "Deferred Maintenance"
- At the most recent Joint Capital Improvement Committee hearing, Pres. Assanis requested \$43.5m
 - See: Josh Shannon, "<u>UD Asks State for \$43.5 Million to Build Biden Hall</u>, <u>Renovate Laboratories</u>," *Newark Post*, April 4, 2025,

UD Healthcare Change Affects State Plan

Jacob Owens, "Delaware State Employee Insurance to Rise as UD Splits," *Spotlight Delaware*, April 4, 2025, http://spotlightdelaware.org/2025/04/04/delaware-ghip-insurance-hike/.

"Delaware state employees, retirees and those covered under the state health plan will see an increase in their premiums starting July 1, in part due to the departure of more than 1,000 University of Delaware employees from the plan."

Governor's Budget "Reset"

On March 27, 2025, Gov. Meyer announced his inaugural budget for FY 2026, a "reset" of what former Gov. Carney had proposed late in 2024. Meyer proposes new income tax brackets (for higher earners), increased taxes on tobacco and other state fees, and spending to address affordable housing, K-12 education, and mental health support. (In Delaware, the Governor's office originates the budget that the legislature then debates, amends, and passes).

This budget proposes spending 5.3% of state appropriations on Higher Education, the same as former Gov. Carney's FY26 budget, released in late 2024. Full, specific details regarding the Gov. Meyer's proposed appropriations for the University of Delaware have not been released; nor have there been any public updates to <u>HB 100</u>, the general fund appropriation bill.

Reporting

- Olivia Montes, Amanda Fries, and Kelly Powers, "<u>Tax Hike on Top Earners, More Money for Teachers, Housing. 5 Takeaways from Gov. Meyer's Budget</u>," *The News Journal*, March 27, 2025
- Sarah Mueller, "Del Gov. Matt Meyer Proposes Raising Taxes, Fees in Budget 'Reset' Speech," WHYY, March 27, 2025
- Katie Tabeling, "Meyer's First Budget Includes Personal Income Tax Reforms," Delaware Business Times, March 27, 2025;

Primary Sources

- Gov. Meyer, Fiscal Year 2026 Budget
 Press Release, March 27, 2025
 Budget Presentation (slides)