



SPONSOR: Rep. Jaques & Sen. Sokola & Sen. Townsend  
Rep. Baumbach

HOUSE OF REPRESENTATIVES  
149th GENERAL ASSEMBLY

HOUSE BILL NO. 213

AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO LOCAL SCHOOL TAXES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 1914, Title 14, of the Delaware Code by making deletions as shown by strike through and  
2 insertions as shown by underline as follows:

3 (a) The school board of any district, which has for 1 year levied a local tax under this chapter, may continue  
4 annually, without a further election or referendum, to levy such local tax not exceeding in amount the tax originally  
5 authorized by an election if said original authorization was on the basis of an amount of tax, or not to exceed the rate of tax  
6 originally authorized by an election if said original authorization was on the rate of taxation, each together with an added 10  
7 percent for delinquencies and costs of collection as provided in § 1913 of this title.

8 (b) In addition to subsection (a) of this section, notwithstanding any other provision of this title, beginning with  
9 the tax year 2018 and all tax years thereafter, a school board may also every two years increase the rate or amount of tax  
10 originally authorized in an election by an amount not to exceed the higher of (1) a rate equal to the percentage change in the  
11 CPI-W as determined by the Bureau of Labor Statistics in the Department of Labor, or (2) a rate of 3% every two years  
12 without a further election or referendum. This subsection shall not apply to tax levies for major capital improvements as  
13 defined in Chapter 17 of this title and tuition programs as defined in Chapter 6 of this title. School boards may request a tax  
14 increase higher than those provisions listed above, but will require a referendum approved by the taxpayers. If the tax rate is  
15 increased under this section, state funding shall not be decreased in any subsequent tax year based on the levy of this tax.

16 (c) In addition to subsection (b) of this section, notwithstanding any other provision of this title, beginning with  
17 the tax year 2018 and all years thereafter, a school board may elect a one-time rate increase of the tax originally authorized  
18 in an election by an amount to ensure that a school district has a sufficient ending balance as defined as one month of local  
19 payroll as of October 15. Local expenditure growth shall not exceed 3.5% for a minimum of two fiscal years upon electing  
20 a rate increase under this section.

SYNOPSIS

This bill creates a mechanism by which school boards may increase funds for a school district without a referendum.