



SPONSOR: Rep. Smyk & Sen. Wilson
Reps. Gray, Lynn; Sen. Lawson

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 470

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO REALTY TRANSFER TAXES AND THE DELAWARE LAND AND WATER CONSERVATION TRUST FUND.

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

Section 1. Amend § 5423, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5423. Delaware Land and Water Conservation Trust Fund.

(a) There is created and established under the jurisdiction and control of the Department a trust fund to be known as the Delaware Land and Water Conservation Trust Fund to implement the conservation program described in 65 Del. Laws, c. 212. Within the Conservation Trust Fund there is established an "Endowment Account," and an "Infrastructure Account." The Endowment Account shall be invested in a manner consistent with endowment investment guidelines as approved by the Cash Management Policy Board. Funds in the Conservation Trust Fund shall be applied for the purposes of this subchapter as hereinafter provided.

(b) (1) The corpus of funds remaining on deposit in the Delaware Land and Water Conservation Trust Fund maintained under § 4733 [repealed] of Title 7 on July 13, 1990, shall be deposited in the Endowment Account. Up to 5% ~~7.5%~~ of the value across a 5-year rolling average of the value of the Endowment Account shall be distributed annually as follows: $\frac{2}{3}$ to the Outdoor Recreation, Parks and Trails Program and $\frac{1}{3}$ to the Stewardship Program. Additional deposits shall be made to the Endowment Account from realty transfer taxes as hereinafter provided, from other state funds as the General Assembly may from time to time determine, and from any other public and private sources which may from time to time be made available. The Endowment Account is intended to provide a permanent endowment to accomplish the purposes of this subchapter. The corpus of the Endowment Account shall not be invaded unless for a purpose identified in this section.

(2) On or before December 15 of each fiscal year the State shall transfer ~~\$1,000,000~~ \$2,500,000 of realty transfer taxes to the Infrastructure Account annually.

(3) [Repealed.]

22 (c) (1) Funds for the Open Space Program, and the earnings thereon to be retained therein, shall be applied by the
23 Department to pay the costs of planning, and acquisition and development of property, to achieve the purposes of this
24 subchapter. The program shall be funded by a transfer of ~~\$9,000,000~~ \$17,500,000 of realty transfer taxes into the
25 Endowment Account on or before December 15 of each fiscal year. The annual appropriations to the Endowment Account
26 are intended to provide funds for current expenditure to achieve the purposes of this subchapter although the Department
27 may, in its discretion, accumulate funds for particular project purposes.

SYNOPSIS

This bill increases the annual funding to the Delaware Land and Water Conservation Trust to adjust for inflation. These funding amounts have not been adjusted since 2001. The increase in funding also accommodates increased real estate costs, especially in coastal areas. This bill also allows the Open Space Program to access up to 7.5% of the Endowment fund's 5-year rolling average, up from 5% to supplement purchases beyond the appropriated funds and to augment Program activities in years when the program is not fully funded.