**149th GENERAL ASSEMBLY**
**FISCAL NOTE**

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| **BILL:** | **SENATE BILL NO. 257** |
| **SPONSOR:** | **Senator Sokola** |
| **DESCRIPTION:** | **AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO COMPENSATION PAYMENTS FOR CERTAIN EXEMPT PROPERTIES OWNED BY THE STATE.** |

## Assumptions:

1. Effective upon the signature of the Governor.
2. This Act changes the distribution payments to cities with tax-exempt properties owned by the State from solely county seats to any city with a population over 25,000 and more than 20% tax exempt property. It also raises the annual cap on the amount distributed, removes the exclusion of properties owned by Delaware State University and the University of Delaware and adjusts the formula under which these distributions are made.
3. This Act also raises the annual appropriation cap to $3,500,000.
4. Assumes FY 2018 PILOT payments at the current $3.0 million cap amount. The Actual Fiscal Year 18 appropriation is $2,304,434.
5. Payments would be adjusted as follows:

| | Payments at Current Cap level | Payments w/ SB 257 | Net Difference |
|---|---|---|---|
| Wilmington | $ 2,625,498 | $ 2,695,791 | $ 70,293 |
| Dover | 305,874 | 345,044 | 39,169 |
| Georgetown | 68,628 | 80,961 | 12,333 |
| Newark | - | 378,204 | 378,204 |
| Total | $ 3,000,000 | $ 3,500,000 | $ 500,000 |

6. Fiscal Years 2019 through 2021 assume same tax rates and assessed values as Fiscal Year 2018.

## Cost:

| | |
|---|---|
| Fiscal Year 2019 | $500,000 |
| Fiscal Year 2020 | $500,000 |
| Fiscal Year 2021 | $500,000 |

Prepared by Art Jenkins
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