



**150th GENERAL ASSEMBLY  
FISCAL NOTE**

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**BILL:** HOUSE BILL NO. 3  
**SPONSOR:** Representative Longhurst  
**DESCRIPTION:** AN ACT AUTHORIZING THE OFFICE OF MANAGEMENT AND BUDGET TO PARTNER WITH A FINANCIAL INSTITUTIONS AND COMMUNITY NON-PROFITS TO ESTABLISH A TEMPORARY LOAN PROGRAM FOR DELAWAREANS EMPLOYED BY THE FEDERAL GOVERNMENT WHO ARE AFFECTED BY THE PARTIAL FEDERAL GOVERNMENT SHUTDOWN.

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**Assumptions:**

1. This Act becomes effective upon signature by the Governor.
2. This Act authorizes the Office of Management and Budget (OMB) to collaborate with financial institutions and non-profit providers to establish a temporary loan program for furloughed and unpaid Federal employees as a result of the shutdown caused by a lapse in Federal appropriations.
3. This Act allows State assistance that includes the provision for a loan guarantee that may not exceed \$80,000.
4. According to the Department of Finance, approximately 525 Delaware residents who work for the US federal government are not being paid because of the government closing.
5. Current data indicates that the average employee affected by the shutdown earns an annual salary of between approximately \$70,000 and \$80,000.
6. The Department of Finance estimates that up to 40% or 210 of Delaware's federal workers may be in need of support during the shutdown and would take advantage of the temporary loan program.
7. This analysis assumes an annual interest rate of 2.5% on these temporary loans.
8. This analysis assumes a default rate of 6.0%

**State Cost:**

FY 2019: \$55,500 to \$63,400

FY 2020: \$0

FY 2021: \$0

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