153rd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**HOUSE BILL NO. 245**
SPONSOR:	**Representative Michael Smith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO LIMITATION ON PUBLIC SCHOOLS' TAX RATE AFTER GENERAL REASSESSMENT.**

Assumptions:

1. This Act becomes effective upon signature of the Governor and shall be retroactive to July 1, 2025.

2. This Act eliminates the provision of code that allows school districts to increase school property tax revenue by up to 10% following a general reassessment, effective for all rates after July 1, 2025.

3. Estimated loss of local revenue was compiled by projected revenue increases as provided by each local education agency. Rate increases from July 1, 2025, and earlier were excluded, as well as rate increases that were approved by a voter referendum. Total projected revenue for all impacted school districts is shown below.

School District	Annual Projected Loss of School Revenue
Appoquinimink	$ 5,000,000
Capital	$ 1,424,000
Christina	$ 18,200,000
Colonial	$ 5,373,448
Delmar	$ 99,664
Indian River	$ 4,675,625
Laurel	$ 211,000
Milford	$ 617,000
Polytech	$ 564,000
Seaford	$ 625,433
Smyrna	$ 623,711
Woodbridge	$ 365,000
Total	**$ 37,778,881**

4. As the Act does not permit new rates to provide any revenue growth, the estimate includes amounts that would have occurred from annual revenue growth prior to the rate change.

5. As no county will undergo a new assessment within the three years of this fiscal note, the same total can be assumed for fiscal years 2026-2028.

Cost:

	Local School Revenue Loss
Fiscal Year 2026:	$ 37,778,881
Fiscal Year 2027:	$ 37,778,881
Fiscal Year 2028:	$ 37,778,881

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