**SCR 39 Task Force Meeting**

**Meeting Minutes**

**27 August 2015 – Buena Vista**

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| Harris McDowell | Senator |
| Melanie George Smith | Representative |
| Michael Morton | Controller General |
| Colin Bonini | Senator |
| Brian Townsend | Senator |
| Harvey Kenton | Representative |
| Trey Paradee | Representative |
| Ann Visalli | Budget Director |
| Meredith Tweedie | Governor’s Office |
| James Taylor | Charter Schools |
| Laure Ergin | University of Delaware |
| David Sheppard | Delaware State University |
| John Baker | Non-Profits |

Meeting was called to order by Senator McDowell at 10:02 am

**Senator McDowell** welcomed and thanked everything for attending the kick off meeting of the SCR 39 Task Force. Introductions were made and a review of the legislation was done.

**Senator Bonini** – We are here to have a discussion on a path forward as it relates to this issue surrounding the three fourths vote in order to appropriate public money to any corporation.

**Senator McDowell** – I don’t think that 4 we are talking about (University of Delaware, Delaware State University, non-profits and the Charter Schools) only have one place to go.

**Senator Townsend** – Another option, while I agree with both Senator McDowell and Senator Bonini, it is not so much the budget that requires a three fourths vote, instead of a “higher” vote.

**Senator McDowell** – I would like to get comment from the 4 effected by this.

**John Taylor** – From our perspective, we don’t see any direct funds given to the Charter Schools as we keep all of our funding in the State Financial Systems and don’t feel that this applies to us.

**Senator McDowell** – Same formula as public schools.

**John Taylor** – Yes, the same formula

**Laure Ergin** – You all know more about the budget process than I and we have been doing this for 100 years - our position is that this doesn’t apply to the University.

**David Sheppard** – I have researched this issue along with the history of the Legislature. When Delaware State was founded back in 1891, it required a three fourths vote in order to appropriate public money, however, Delaware State was a two thirds vote – not following the original language.

**Senator McDowell** – The word “corporation” – what did that mean back in the 1800’s?

**Representative Paradee** – Good point, I am sure it meant something different than today.

**John Baker –** I looked into this; private inurnment? I worked with this on the corporation side.

**Senator Bonini** – I am not trying to cause problems as this isn’t a “Colin” issue. This is about reading our constitution and there is an issue that needs to be resolved.

**Senator McDowell** – So noted

**Representative Paradee** – It would be interesting to know how the definition of “corporation” has changed.

**John Baker** – it all has to do with the IRS code.

Representative Pardee – When did charity corporations start?

**John Baker** – Back in the 20th century

**Representative George Smith** – We can do a constitution amendment to put money into universities. However, I am sure the legislature wasn’t thinking of this agreement for the non-profit/profit world.

**Senator Bonini** – Do we have the authority to do this?

**Representative George Smith** – I am just asking what the right thing to do is. A constitution amendment could be an option.

**Senator Bonini** – We should be doing what the constitution tells us to do.

**Senator McDowell** – We can make decisions on definitions.

**Representative George Smith** – We just need to figure out a path forward.

**Senator McDowell** – Anyone have any additional thoughts?

**Senator Townsend** – I agree with Melanie – What do we believe we think it means, referring to the definition of “corporation” and it not being playing out in a court setting. Do we need a constitution amendment to clarify?

**Senator McDowell** – Are you suggesting this group decide what should be a case here?

**Meredith Tweedie** – I have researched this issue; if we can agree as a group, we can come forth with a recommendation.

**Senator Townsend** – I would much rather not waste judiciary resources and find a resolution,

**Senator McDowell** – I think we can all agree on that.

**Senator Bonini** – This is our constitution.

**Senator McDowell** – I believe that we need to decide on the definition to resolve the problem.

**Meredith Tweedie** – There are several definitions.

**Senator Bonini** – Does that mean anything in the Courts?

**Representative George Smith** – is that what you are looking for?

**Senator Bonini** – Maybe

**John Taylor** – To Representative George Smith’s point, the court would take into account the Legislative history.

**Representative George Smith** – There could be different interpretations as well; however, we need to get to a point where we can agree, to find clarity and move forward. There is no need to go to the Courts.

* Do we set a path forward with getting the definition on corporations?
* Draft a bill changing the definition?
* Constitutional amendment
* Lower/Higher majority for the 4?
* How do we get there?

**Senator McDowell** – I don’t disagree as long as we go down one path.

**Meredith Tweedie** – Would it help to come up with a list of questions – legal definitions?

**Senator McDowell** – that is a valid point but we are not going to hash that out today; does it make sense to structure a path forward.

**Ann Visalli** – Everything you say always makes sense Senator. I would like to add is how to stay focused as a group to get resolution.

**Representative George Smith** – I think the number of non-profits in the budget is a good start; a simple majority for the budget – can we agree? How do we get consensus? I lean towards a simple majority along with history.

**Senator McDowell** – Put the 4 in another bill.

**Ann Visalli** – You are setting precedence here if you were to do that.

**Senator McDowell** – I don’t see anything in this resolution saying we can’t.

**Senator Townsend** – I wouldn’t have worded the resolution in this manner to Ann’s point.

**Senator McDowell** – Let’s take a 1st approach on the definition.

**Representative George Smith** – How do we want this to look?

**Senator Bonini** – 2 things – we don’t think it is a three fourths vote? Do we present this to the Courts?

**Representative George Smith** – No, I like to come back to our next meeting with ideas of what this is going to look like.

**Meredith Tweedie** – Form a subcommittee to come up with recommendations; I am happy to take the lead on this.

**Senator Bonini** – Make our case and as a group endorse it.

**Senator McDowell** – Do I have any objections with forming a subcommittee to come up with recommendations?

**Senator Bonini** – I am more comfortable with a three fourths bill at this point.

**Representative George Smith** – Meredith, will there draft memo before the next meeting?

**Meredith Tweedie** – Yes, I can do this.

**Dawn Hill** – What are we looking at for the next meeting? Mid – October?

**Representative George Smith and Senator McDowell** – Yes

**Senator Bonini** – Thanks

**Senator McDowell** – Motion to adjourn – 11:01