

SPECIAL WEEKEND EDITION  
DATA DELAWARE: Saturday, April 18, 2020  
SUBJECT: "General Assembly, where are you?"

DISCLAIMER: This transcript is produced from Data Delaware podcast electronically; the conversion is being offered on a best-efforts basis.

Dace Blaskovitz:

Welcome back to Money and Politics in Delaware. Here he is, welcome back Greg Lavelle.

Greg Lavelle:

Hi Dace. How are you?

Dace Blaskovitz:

I am good and you are arguably our headline act today. If I understood our pre-interview correctly, if I had to put a title to it, "Governor Carney, where are you?" End of quote, giggles aside. Let's start at the beginning. 30 seconds about you, former legislator, Greg Lavelle, in 30 seconds about what you're doing these days.

Greg Lavelle:

Great. I'll put an astringent on that comment, General Assembly, where are you? I work for a small financial consulting company in Newark, lifelong Delawarean, graduated Brandywine High School, University of Delaware and the University of Pennsylvania, and served for 18 years in the General Assembly in both the House and Senate in leadership in both chambers. So, I continue to have a little insight about what goes on and doesn't go on down there. I'm looking forward to our conversation.

Dace Blaskovitz:

Let's go right further jugular here. The COVID Aid Relief and Economic Security Act, which is referred to as CARES, if I understand the link that I believe you sent me from the Tax Foundation, has designated \$1.2 billion to Delaware. So, as best you can, Greg Lavelle, explain what this is all about, what that money is all about, how it will be used, and most of all, where is it at?

Greg Lavelle:

Yeah, I think somebody else should explain that because I know what I can read, but that's a lot of money and I know it's going to come as a big shock to you and your listeners that this is federal money that was put into the CARES Act. I'm glad it's coming, don't get me wrong, but there's lots of strings, no one really seems to know what it's supposed to be used for, COVID-related expenses, and it's not supposed to be used to plug your budget.

Greg Lavelle:

I would argue, if I was Governor Carney to the General Assembly, that almost everything now is COVID-related expenses, short of building a new playground. So, it's based on population and all sorts of different things. The feds don't do anything straight forward. So, about 1 billion is for Delaware and about 200 million is for New Castle County, and I guess Kent and Sussex didn't have the population to get specific appropriations.

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Greg Lavelle:

So, we need to know more about what this is, what it's going to be used for. And if I was Governor Carney, I would be leaning heavily on Senator Carper, Coons and representative Rochester to try to get some flexibility on this if it's not there, because clearly there's expenses related to COVID. It's an understatement, but I hope there's not 1.2 billion in Delaware. And we can talk about the budget a little bit more.

Greg Lavelle:

But I think that an effort should be made to get better guidelines and better flexibility around that money because Washington DC doesn't know what Delaware needs necessarily and they're there to help. And I think President Trump's message, so we should take advantage of that and try to get some flexibility on that money and have accountability around that as well.

Dace Blaskovitz:

Yeah, accountability is a key term. If I remember our conversation correctly, our pre-interview, the governor has anointed three people for oversight, but one of them is not even a state employee, therefore is exempt from FOIA.

Greg Lavelle:

This is the Northeast Regional Coalition. We can call it New York, New Jersey, Connecticut, Pennsylvania, Delaware, and maybe Rhode Island or Connecticut. I can't remember. And so, it makes sense, have the governors speak at each other, adjacent states and all that. Now, we shouldn't be led by the nose by New York because New York's experience is different than ours. But communication is great.

Greg Lavelle:

There's three people formally on this group. Sheila Grant, who's the governor's chief of staff, Kara Odom Walker, who's the secretary of health and social services, who's, by the way, I think been doing a great job. And Kurt Foreman, who's the president of the Delaware Public-Private Partnership. That's not a state agency. This is a public-private partnership that was put in place to try to boost Delaware's economy. And it continues to evolve.

Greg Lavelle:

But Kurt is not a state employee, as I understand. He's responsible to his board, not the governor. He is exempt from FOIA, specifically the DPP. And I was around when the legislation passed specifically exempt from FOIA, and now he's going to have tremendous decision-making and tremendous policy-making, which wasn't the initial idea of the public-private partnership. It was specifically stay out of policy, go recruit companies, work with us. So, these are questions that good guy and all that, that's not the point. But these are serious issues exempt from FOIA.

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Greg Lavelle:

The governor has suspended FOYA in the state of emergency, so you can't even go out and ask what they're doing, and we're not getting much information anyway. So, this is something that I think the General Assembly should also be asking about and inquiring about. And we need better reporting on some of these issues.

Dace Blaskovitz:

The budget has a June 30 deadline. Now, allow me to plug, next week is a Bob Byrd, former chair of DEFAC current member. So, we're going to get a follow-up from Monday's meeting. But you're our guest today with all this turmoil in the budget. You sat there for two decades, nearly two decades. What happens is between now and the end of June on a best guess basis?

Greg Lavelle:

Well, for your listeners and the governor's reported and we'll find out more on Monday from DEFAC that there's a whole deficit of \$500 million to maybe a billion, which makes sense if you close the economy for three or four months, back of the envelope stuff. So, it's a real big, who knows, we need to see plan B, C and D because plan A is not going to work. There is a rainy day fund, \$200 million or so. It's raining hard. We may want to look at that. There's this \$200 million surplus that has been set aside the last couple of years that is available.

Greg Lavelle:

So, I think the governor actually has to propose a brand new budget, and the General Assembly, a brand new budget. For instance, they were proposing raises for everybody, state employees. I don't think that's realistic in this new realm. So, buying some time, May, June, I've heard those discussions, do you come back and do a continuing resolution and come back in July? Well, those are all possibilities, but the budget does have to be passed at some point and it's going to be a challenge to do it.

Greg Lavelle:

Flexibility on that other federal money I think would help because I don't believe you want to be raising taxes in such an uncertain environment because you're not going to raise enough from the "rich" and everybody, not everybody, lots of other people have lost their jobs. It's a shame, all of that. There's no tax money to tax.

Dace Blaskovitz:

Greg, I can't figure it out. You're the smart guy in the room, let's do this together. The state of Delaware had 132 vehicle deaths in 2019 and, gee whiz, we've lost 50 to the virus, 50-ish if you would, half of those in nursing homes. So, the numbers, statistically, are very small. What do we, as a state, state of Delaware, have in common with New Jersey and New York who represent collectively half the deaths? Why did the governor attach our wagon to those two ugly states?

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Greg Lavelle:

Probably from proximity, which actually makes sense. We've read anecdotal stories where New Yorkers and North Jersey, once this thing got clear about what could happen, left in droves, went to Florida, you had people transmitting the virus to other places. So, again, I don't think it's a bad idea to be chatting and communicating with these other states, but you're right, our experiences are different. So, we'll have to see.

Greg Lavelle:

And the good news in the otherwise dark time is human ingenuity, American ingenuity. And we will continue to count on that. Two weeks ago, you would've never guessed what is happening now. Two weeks forward, we don't know what positive...having to go. It doesn't mean the challenge goes away, but perhaps it gets a better management has happened...

Dace Blaskovitz:

90 seconds left. You have exposed things in the past. Dover can be dirty. Talk about the possibilities of the dark side out at Dover.

Greg Lavelle:

My opinion, three bills need to be passed, the budget, the bond bill, and the grant and aid. Really nothing else has to be done. Maryland, in a rush to get out of there, past 600 bills in three days. We can't have that happen in Delaware. I'm under the understanding that the Senate, as a whole, has had conference calls. Sounds like a public meeting to me. That should be talked about. Are they doing that? Should people be allowed to listen in if they're going to do body calls?

Greg Lavelle:

More concerning quite frankly are the caucus calls which aren't public meetings about what's going on. So, we need to hear from particularly the majority in the General Assembly about what are they thinking about, what are their plans, how are they working with the governor to challenge these issues? Because technically, we have about two and a half months left and, technically to pass a budget.

Dace Blaskovitz:

And the McDowell Green Bill?

Greg Lavelle:

Yes, exactly. If they go back into session with two weeks to go, are we going to experience Maryland where all the senior legislators get their pet projects with no public input and no ability for the public to come down and object or support legislation because of social distancing requirements that may still be in place?

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Dace Blaskovitz:

We'll see back next week Money and Politics in Delaware.