Preliminary End of Session (Summary) Update (July 8)

Updates and Addenda will be posted in coming weeks.

Background

The Second Session of the 153rd General Assembly was characterized by a rapid tempo, multiple complex issues impacting a variety of sectors of our economy and the broader community moving through the legislature simultaneously, and a late-session rush to consider a large number of bills.

During this past session, the General Assembly considered legislation relating to energy and environmental policy, health care, banking and financial services, technology and telecommunications, housing, tax policy, land use, and other issues of interest and concern to the business community.
As always, the New Castle County Chamber of Commerce maintained a daily presence in Legislative Hall and advocated for the interests of our members and the broader community.

Budget Update

FY 2027 State Operating Budget

On June 30, Governor Meyer signed the **FY 2027 State Operating Budget** (SB 335) and the **FY 2027 one-time supplemental spending bill** (SB 336). The FY 2027 operating budget is comprised of **$6.996 billion** in appropriations, a **6.3 percent increase**over FY 2026. A few key items follow:

- **$2.518 billion** (36% of the total budget) for public education, including nearly **$200 million** dedicated to modernizing the funding system and boosting educator pay.

- $1.948 billion in appropriations related to the **Department of Health & Social Services**, which includes a **$128 million** increase to cover surging Medicaid and medical assistance costs.

- A 3% raise for state merit employees, includes raises for education personnel, and puts over $16.2 million toward maintaining state employee health insurance premiums.

- **Supplemental Funds:** SB 336 (one-time supplemental spending bill) includes **$146.2 million** in one-time supplemental investments. This includes **$100 million** directed toward future education formula changes and **$8 million** for the Purchase of Care program.

FY 2027 State Capital Budget

The FY 2027 Capital Budget bill as it passed the House and Senate, included appropriations totaling $1,255,978,059. Depending on the outcome of the July 7 line-item veto of a $35 million item relating to the planned expansion of Legislative Hall, exercised by the Governor (please see below) the final total could change.
A summary of capital appropriations follows [per House Democratic Caucus news announcement dated July 1]:

- $273.3 million to complete road projects statewide, including additional funds to address the roads in the poorest condition.

- $235 million for school construction projects in the Appoquinimink, Brandywine, Colonial, and Red Clay school districts.

- $164.1 million in statewide deferred maintenance, safety enhancement, roof replacement, and other capital improvement projects throughout state facilities.
- $24.6 million for economic development projects in Wilmington, Dover, and Georgetown.
- $24.5 million to support affordable housing programs, with another $10 million for Downtown Development support.
- $20 million toward the Community Reinvestment Fund for capital projects throughout Delaware community, nonprofit, and municipal organizations.
- $13.1 million in Clean and Drinking Water State Revolving Funds, leveraging federal dollars to provide clean water for Delawareans.
- $12 million to improve parks across the state, including Bellevue State Park, White Clay Creek, Cape Henlopen, and statewide trails.
- $8 million dedicated to cover crop investments to improve water quality and soil health throughout the state.
- $8 million to address brownfield sites across the state.
- $2.5 million for statewide library construction.

On **Tuesday**, **July 7**, Governor Meyer exercised a **line item veto** pertaining to the FY 2027 State Capital Budget (HB 500). Following are excerpts from a Tuesday, July 7 press release announcing the Governor's decision [following link to veto message in its entirety]:

> Governor Matt Meyer today exercised his constitutional line-item veto authority to remove the $35 million appropriation for the proposed Legislative Hall expansion project from House Bill 500, the Fiscal Year 2027 Bond and Capital Improvements Act.
>
> The governor returned the bond bill to the General Assembly with his objections. In his veto statement, Meyer noted that the $35 million appropriation represents only the initial funding for a projAlsect expected to cost at least $116 million. He said that while improvements to Legislative Hall's security, accessibility and public participation are important, those needs can be addressed at a lower cost while allowing the state to focus on higher priorities.
>
> "Everywhere I go, Delawareans tell me the same thing: life costs too much," **said Governor Matt Meyer.** "At a time when families are struggling to afford housing, healthcare, and energy bills, I can't justify spending $116 million on a Legislative Hall expansion. Affordability demands accountability, and accountability demands that we put taxpayers first. Affordability starts with setting the right priorities."
>
> The veto applies only to the $35 million appropriation for the Legislative Hall expansion project. The remainder of House Bill 500, which funds schools, affordable housing, transportation, clean water infrastructure, parks, libraries, agriculture and other statewide capital priorities, remains intact.

FY 2027 State Grants-in-Aid Budget

Total appropriations in the **FY 2027 Grants-in-Aid Budget bill** amount to **$99.4 million.** (per Senate Democratic Caucus news announcement dated July 1):

Statewide Emergency Service Supports

- Over $22 million for ongoing paramedic operations in all three counties.
- $15.5 million in statewide fire and ambulance company support to ensure the maintenance and operation of trucks, ambulances, and rescue boats (a 17% increase above last year).
- $3.2 million to provide a one-time allocation of $50,000 each to statewide fire companies and public service ambulances (64 companies in total).

Senior Centers & Veterans Organizations

- Includes over $13.4 million in funding for operations for senior centers and organizations to provide services for senior citizens, including transportation needs for the Kent and Sussex County senior centers.
- Includes $985,000 for veterans' organizations in all three counties (a 17% increase above last year).

Additional Allocations

- $4.2 million in the County Seat Package for Dover, Wilmington, and Georgetown, which host state-owned buildings.
- $2.5 million for law enforcement support, including Local Police Coordination, Aid to Local Law Enforcement, and the Higher Education Public Safety Fund.
- $1 million in one-time supplemental emergency transitional housing assistance through the Department of Health and Social Services.

(SB 337) has passed both house and awaits action by the Governor.

Legislation of Interest and Concern to the Business Community

Appropriations

SB 335 - FY 2027 State Operating Budget Bill

SB 336 - FY 2027 One-Time Supplemental Budget Bill

SB 337 – FY 2027 "Grants-in-Aid" Budget Bill

HB 500 - FY 2027 State Capital Budget Bill

Energy & Environmental Policy (Extended list in addendum)

Note: the following three bills will be addressed as a package in this update.

- HS 1 for HB 233 w/ HA 1, HA 1 to HA 1, HA 3 & SA 2 (Burns) AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO LARGE ENERGY USE FACILITIES.
- HB 310 w/ SA 1 (Heffernan) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO BUSINESS TAX CREDITS AND DEDUCTIONS.
- HB 445 w/ HA 1 & SA 3 (Heffernan) AN ACT TO AMEND TITLE 26 AND TITLE 29 OF THE DELAWARE CODE RELATING TO LARGE ENERGY USE FACILITIES

Status: All three measures have passed both houses and await action by the Governor.
NCC Chamber Position: Opposed

NOTES:

- HS 1 for HB 233 - and two related bills, HB 445 as amended, and HB 310 as amended - have passed both Houses and await action by the Governor. All three bills were opposed by the NCC Chamber of Commerce and a number of business trade organizations and organized labor organizations.

- In the case of HS 1 for HB 233 and HB 445, the NCC Chamber and others opposed the legislation on the grounds that there was insufficient time for proper deliberation, limited engagement with stakeholders on the development of the proposals, and an unnecessary sense of urgency in moving the proposals. A PJM senior executive indicated in writing that there was no July 1 deadline for the passage of the bills. That aside, both bills passed on June 30 in final form.

- Early indications from review and input received on the three bills are not encouraging. They appear to not only serve as an effective bar to investment by the data center industry, but also likely have troubling implications for other industry sectors, as well as our state's competitiveness from a regional, national, and global perspective. Should they enacted, legislation to address the concerns identified may be in order to correct what cannot be addressed during the regulatory promulgation process.

- In sum, while these bills were introduced in response to prospective data center investment in Delaware, their effect appears to reach beyond the data center sector. Creating high bars to investment for that sector alone would have been an issue of concern, but the implications for other industries and the Delaware economy at large make their potential impact even more concerning.

HS 1 for HB 407 w/ HA 1 (Heffernan) AN ACT TO AMEND TITLES 7 AND 30 OF THE DELAWARE CODE RELATING TO THE DELAWARE HAZARDOUS SUBSTANCES CLEANUP ACT AND THE REALTY TRANSFER TAX. **Synopsis:**House Substitute No. 1 for House Bill No. 407, like the original, does all of the following: clarifies the ability of the Department of Natural Resources and Environmental Control (DNREC) to respond to emergent situations, expands the jurisdiction from which DNREC may file to recover costs, and makes certain changes to amounts deposited into the Hazardous Substance Cleanup Act Fund. Section 1 provides definitions for "Abate," "Emergency," and "Removal Action." Section 2 clarifies the ability of the Secretary or their authorized employees or agents to determine if an emergency exists and take immediate action to abate the emergency without obtaining public comment. Section 3 allows the Department to authorize removal actions to address releases without first obtaining public comment, and to incorporate the removal action into any proposed plan of remedial action by DNREC. Section 4 expands the jurisdiction of the courts which DNREC may bring enforcement actions and recover costs. Section 5 increases the civil penalty for each fraudulent act from up to $10,000 to $40,000. Section 6 extends the end date from January 1, 2029, to January 1, 2037, for monies to be deposited into the Hazardous Substance Cleanup Act Fund (the "Fund.") Section 7 provides the effective date of this legislation. This Substitute differs from the original House Bill No. 407 in that it removes references to the realty transfer tax. **Status:** Passed both House and Senate, awaits action by the Governor. **NCC Chamber Position:** Support

HB 470 w/ HA 3 (Osienski) AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO PUBLIC UTILITIES AND BATTERY ENERGY STORAGE SYSTEMS. **Synopsis:** This Act adds a definition of "utility battery energy storage system" to Chapter 10 of Title 26 of the Delaware Code. Under the definition of "utility battery energy storage system," battery storage systems that store electricity from the electric grid and discharge the electricity at a later time are not considered generation or a generation unit for electricity when owned and operated by a public electric utility. This Act also authorizes Delmarva Power to own and operate battery energy storage systems after appropriate review and approval by the Delaware Public Service Commission. To mitigate any cost shifts or negative impacts on ratepayers, the Act requires Delmarva Power to make best efforts to maximize all applicable value streams from any battery energy storage systems, including participating in applicable PJM markets and utilizing its battery energy storage systems to realize potential savings through distribution-level services. **Status:** Passed House on June 18th and assigned to Senate Environment, Energy & Transportation Committee. Did not gain release from committee and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** *Under Review/Monitor*

SB 9 w/ SA 1 & HA 1 (Hansen) AN ACT TO AMEND TITLE 7 OF THE DELAWARE CODE RELATING TO THE PROTECTION OF WETLANDS. **Synopsis:** This Act institutes a State nontidal wetlands program to include additional wetlands that are no longer regulated at the federal level. The State wetlands program will cover both tidal and nontidal wetlands, and in that manner fill in gaps in federal jurisdiction under the Clean Water Act and mitigate the uncertainty surrounding the limits to federal jurisdiction and improve efficiencies in the wetland permitting processes. Section 1 of the Act makes a number of changes to Chapter 66 of Title 7 of the Delaware Code: Section 1 adds definitions to § 6603 of Title 7, including for "aquatic habitat functions and services"; "Community Water Access Structure"; "Delaware Wetland Screening Tool," which is a screening tool o be developed in regulations to determine whether an area has the potential to qualify as a wetland; "Exceptional Value Wetlands", which are wetlands that are unique or high functioning, that support flora or fauna that are endangered or threatened, that are located in public water supply Source Water Protection Areas, or located within designated natural areas; "foot bridge"; "linear utility infrastructure projects"; "mitigation"; "normal residential gardening and lawn and landscape maintenance"; "pilings"; "unique wetlands," meaning wetlands that are categorized by the Department of Natural Resources and Environmental Control (DNREC) as Coastal Plain seasonal ponds, inner-dune depression meadows, peatland fens, Piedmont stream valley wetlands, bald cypress swamps, Atlantic white cedar swamps, or black ash seepage swamps; "voluntary wetland habitat restoration project"; and "wetland walkway". In addition, the definition of "wetlands" is revised to include all tidal and nontidal wetlands in the State, and will be further clarified in regulations adopted by DNREC. Section 1 also amends § 6604 of Title 7 to provide that an applicant for a wetlands permit has the burden of proving whether a proposed activity is within tidal or nontidal wetlands. In addition, […] **Status:** The bill has passed both the House and Senate and awaits action by the Governor, **NCC Chamber Position**: *Monitoring implementation*.

SB 270 (Hansen) AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO PORTABLE SOLAR GENERATION DEVICES. **Synopsis:** his bill makes provision for solar generation of electricity through small portable solar generation devices. The bill defines the term "portable solar generation device" and provides that such devices a) may have a maximum power output per meter of not more than 800 watts; b) are designed to be connected to a building's electrical system through a standard 120-volt alternating current outlet; c) are intended primarily to offset part of the customer's electricity consumption; and d) meet the standards of the National Electrical Code, as adopted by the State Fire Marshal. Portable solar generation devices that meet the requirements of the new section are exempt from any interconnection requirements in Title 26 of the Delaware Code, Chapter 10, unless the customer intends to engage in net metering. The portable solar generation devices must be installed and operated in accordance with the latest revision of IEEE (Institute of Electrical and Electronics Engineers) 1547, which is the primary standard governing the interconnection and interoperability of distributed energy resources. The bill provides that an electric distribution company can not require a customer to obtain its approval before installing or using a portable solar generation device. The bill requires an electric distribution company to establish an online registration system, on or before January 15, 2027, through which its customers must register their portable solar generation devices. The bill also provides that a customer's electric distribution company is not liable for any injury or damage caused by a portable solar generation device. The bill directs the Delaware Sustainable Energy Utility to perform a safety study of portable solar generation devices and provide a report with findings and recommendations for future expansion of these systems in Delaware by January 1, 2027. **Status:** The bill was introduced on March 26 and remains in the Senate Environment, Energy & Transportation Committee. It will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** *Monitor*

SB 326 w/ SA 1 (Hansen) AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO THE PUBLIC SERVICE COMMISSION. **Bill Synopsis:** This bill builds on the customer protections created in Senate Bill 60 in 2025, as follows: 1. Increases transparency in rates and communications by public utilities. 2. Requires regular management audits of certain public utilities and regulatory accounting reviews with each rate case proceeding. 3. Provides greater consistency in the data used by public utilities in rate case proceedings. 4. Limits how much utilities can collect in interim rates before the Commission has ruled on a rate increase request. 5. Prohibits public utilities from recovering certain expenses from ratepayers. 6. Requires the Commission to provide rationale for its decisions in accepting settlement agreements. 7. Puts limits on Delmarva Power's infrastructure spending, which is a major driver of rate increases. Delmarva Power is operating its electric distribution system at a level far in excess of reliability standards set by the Commission. In support of its parent company's strategic goal to increase earnings by increasing rate base, Delmarva Power's annual capital spending leads to frequent rate increase requests to the Commission. Part of Delmarva Power's capital spending includes "non-mandatory projects," which by definition are projects that are not required to maintain system reliability. This bill limits the amount of non-mandatory capital expenses the company may recover from ratepayers in rates and is indexed to the company's rate base, i.e. the value of all its capital assets. Limiting non-mandatory cost recovery will in no way impact Delmarva Power's ability to restore service after storms nor impact its vegetation management (tree trimming) program. **SA 1 to SB 326 Synopsis:** This amendment changes the date by which a utility must provide updated rate summary tables. This amendment also implements a phased in cost cap for the electric distribution company cost cap so as not to impose a reliability risk to electric customers, limiting non-mandatory spending in 2026 and 2027 to an average of the amount that the company has spent in this category for the last 5 years, and to 5% of rate base thereafter. **Status:** The bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Opposed

Labor & Employment Policy

HB 234 (Burns) AN ACT PROPOSING AN AMENDMENT TO ARTICLE I OF THE DELAWARE CONSTITUTION RELATING TO WORKERS' RIGHTS. **Synopsis:** This Act is the first leg of a constitutional amendment that would establish a fundamental right for all employees to organize and to bargain collectively through representatives of their own choosing for the purpose of negotiating wages, hours, and working conditions, and to protect their economic welfare and safety at work. This Act requires a greater than majority vote for passage because § 1 of Article XVI of the Delaware Constitution requires the affirmative vote of two-thirds of the members elected to each house of the General Assembly to amend the Delaware Constitution. In addition, as the first leg of a constitutional amendment, the next General Assembly must pass an act concurring with this Act for it to become part of the Delaware Constitution. **Status:** Voted out of the House Administration Committee on March 25th. *NCC Chamber testified in opposition.* It was placed on the House Ready List but was not brought before the House for consideration and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed

HB 438 (Romer) AN ACT TO AMEND TITLE 19 OF THE DELAWARE CODE RELATING TO SERVICE LETTERS, CHILD-CARE FACILITIES, AND HEALTH-CARE FACILITIES. **Synopsis:** This Act adds the definition of child-serving entity for the purpose of requiring a service letter verification from any child-serving entity where an employee may have worked. "Child-serving entity" is already defined in § 309 of Title 31 and includes DSCYF, residential child-care facilities, public and private schools, youth camps, summer schools, and other entities. If a previous employer fails to respond to a service letter, this Act also requires that the prospective employee report the failure to respond to the DOL. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring implementation.*

HB 374 (Lambert) AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO LARGE PUBLIC WORKS CONTRACTS. **Synopsis:** This Act requires that the Office of Management and Budget prepare an annual report regarding hiring for state large public works projects with an aggregate cost of $3 million or more. The information in these reports will help identify if Delaware workers, particularly individuals who live near a state public works project, are being hired to work on these projects and for how many hours. This information will also inform the Department of Labor regarding the trades for which trainings should be developed, including details such as if there is a need for training that acclimates aging workers to new technology or to develop youth workforce trainings to prepare future generations to meet employer needs. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring implementation.*

HB 273 w/ HA 1 & HA 2 (Morrison) AN ACT TO AMEND TITLE 19 OF THE DELAWARE CODE RELATING TO EMPLOYMENT PRACTICES. **Synopsis:** This Act prohibits employers from asking employees or potential employees about political preferences, including donations the employee makes to candidates for office or political committees. It also prohibits employers from taking any adverse action against an employee based on political affiliation or preference. The prohibition does not apply if a political affiliation or preference is a bona fide occupational qualification of the employment. It also does not apply if employer disclosure of employee contributions is required by federal or state law. **HA 1- PWB Synopsis:** This Amendment to HB 273 makes it an unlawful employment practice for an employer to request information relating to, or to otherwise discriminate against an employee because of, any paid or volunteer work the individual does for a political campaign, committee, or party. **HA 2- PWB Synopsis:** This Amendment adds exceptions to the prohibition on political affiliation discrimination in employment practices. Specifically, this Amendment excludes the following: (1) Political activity during working hours, on the employer's premises, or using the employer's equipment that violates a content-neutral employment rule or policy. (2) An investigation against an employee because of a violation of state, local, or administrative law where the law concerns ethics, conflicts of interest, potential conflicts of interests, or the proper discharge of employee duties. This Amendment also makes technical corrections to conform the Act to the standards of the Delaware Legislative Drafting Manual. NOTE: **"**PWB**"** indicates that an amendment has been placed with the bill in advance of consideration in the pertinent chamber. Both amendments remain PWB as the bill was not brought before the House for consideration before the end of session. Hence, neither are a part of the underlying bill. **Status:** The bill was voted out of the House Labor Committee on April 14th and placed on the House Ready List. It was not brought before the House for consideration before the end of regular session on June 30th. It will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed

SB 241 (Walsh) AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO PROJECT LABOR AGREEMENTS.**Synopsis:** This Act requires that a contract advertised after September 30, 2026, relating to a public works project (project) with an aggregate cost of $5 million or more must include a project labor agreement with the Delaware Building and Construction Trades Council unless the project receives federal funding, the project is for highway construction, or there was only 1 bid for the craft under the contract. A project labor agreement is a type of collective bargaining agreement in the construction industry that is generally negotiated before construction begins. Project labor agreements are intended to provide a legally binding and enforceable contract primarily related to labor conditions and labor-management relations. **Status:** Voted out of Senate Labor Committee on March 11th and placed on Senate Ready List. The bill was not brought before the Senate for consideration and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed

SB 272 w/ SA 1 & HA 1-PWB (Walsh) AN ACT TO AMEND TITLE 14 AND TITLE 29 OF THE DELAWARE CODE RELATING TO PROJECT LABOR AGREEMENTS FOR SCHOOL DISTRICT PUBLIC WORKS CONTRACTS **Synopsis:** This Act requires that if public works project is for a school district and has an aggregate cost of $1 million or more, a contract relating to that public works project, advertised after December 31, 2026, must include a project labor agreement with the Delaware Building and Construction Trades Council unless there was only 1 bid for the craft under the contract. A project labor agreement is a type of collective bargaining agreement in the construction industry that is generally negotiated before construction begins. Project labor agreements are intended to provide a legally binding and enforceable contract primarily related to labor conditions and labor-management relations. The requirements under this Act are not regulatory. Under existing law, school districts must comply with the procurement requirements for State agencies under Chapter 69 of Title 29. As such, the requirements under this Act apply only to contracts where this State is acting as a market participant and has a proprietary interest.**SA 1 to SB 272 Synopsis:** This Amendment changes when a contract relating to a public works project for a school district is required to have a project labor agreement as follows: • Increases the minimum aggregate cost of the public works project from $1 million to $5 million. • Instead of exempting contracts if there was only 1 bid for the craft, the requirement to have a project labor agreement only applies if 2 or more bids for the craft are from a business legally bound to a collective bargaining agreement with the Delaware Building and Construction Trades Council.**HA 1 to SB 272 (PWB) Synopsis:** This Amendment adds an annual reporting requirement to the S.B. 272, as amended. The annual report must include demographic data on employees hired under project labor agreements required by this Act. This Amendment also sunsets this Act on December 31, 2031. Finally, this Amendment increases the minimum aggregate cost of the public works project from $5 million to $10 million. NOTE: **"PWB"** indicates that an amendment has been placed with the bill in advance of consideration in the pertinent chamber. This amendment remains PWB as the bill was not brought before the House for consideration before the end of session. Hence, it is not a part of the underlying bill. **Status:** SB 272 as amended by SA 1 passed the Senate on May 21st, while it was subsequently voted out of the House Labor Committee on May 10th and placed on the House Ready List, it was not brought before the House for consideration before the end of regular session. Absent action during a special session (considered unlikely), it will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed

SB 360 (Townsend) AN ACT TO AMEND TITLE 19 OF THE DELAWARE CODE RELATING TO THE FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM. **Synopsis:** This Act changes the eligibility for Delaware's Family and Medical Leave Insurance Program ("Program") by removing the requirement that an individual be employed for at least 12 months by an employer with respect to whom leave is requested. This change would make eligible for the Program individuals who meet the hours-of-service requirement in less than 12 months. **Status:** The bill was introduced (presumably to start discussion) on June 30th, but was not acted on. It will expire at the end of the 153rd General Assembly. It is reasonable to assume that it will be reintroduced in the coming 154th General Assembly which convenes in January. **NCC Chamber Position:** *Under Review/Gathering Input*

Technology & Telecommunications

HB 306 w/ HA 1 & HA 3 **(Romer)** AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE REGARDING COMMUNICATION WITH A COMPUTER.**Synopsis:** This Act makes it an unlawful practice to engage in a commercial transaction with a consumer who interacts with computer technology, under circumstances where a reasonable person would believe that person is engaging with an actual human, without notifying the consumer that the consumer is communicating with a computer and not a human being. It provides a private right of action for damages. It provides that a violation is an unlawful practice and prohibited trade practice. It permits the Attorney General to seek injunctive relief and a civil penalty of not more than $5 million dollars for violations. This Act is effective 180 days after its enactment into law. **HA 1 to HB 306 Synopsis:** This Amendment to House Bill No. 306 provides a safe harbor, which provides that a person is not in violation of the Act if, at the beginning of each interactive session, the person states, in a clear and conspicuous manner, "You are interacting with a computer, not a human. **HA 3 to HB 306 Synopsis:** House Amendment 3 to House Bill 306 clarifies that the amount of damages able to be awarded in a cause of action under the Act is either 1) the amount of actual damages or 2) statutory damages of $1,000, whichever is greater. **Status:** The bill passed the House on May 5 as amended by HA 1 and HA 3. It was subsequently heard by the Senate Banking, Business, Insurance & Technology Committee on June 17th, where the NCC Chamber and others testified in opposition to its release. It did not receive sufficient votes for release. **NCC Chamber Position:** Opposed as written and as currently amended. **NOTE:** The NCC Chamber agreed with the aim of protecting the public from the negligent use or abuse of AI chat bot technology but opposed the original bill due to concerns regarding vague language, lack of clarity for entities seeking good faith compliance, private right of action and class action provisions, and a lack of safer harbor language. Our Chamber testified before the House Technology & Telecommunications Committee on March 10 stating our concerns. The subsequent amendments did not adequately address those concerns; and the NCC Chamber remained opposed to HB 306 as amended by HA 1 and HA 3. The NCC Chamber, joined by the Delaware State Chamber of Commerce and the Central Delaware Chamber of Commerce, drafted and placed an OPED piece in the *Delaware Business Times* and the *Daily State News (Bay-to-Bay News),* stating our concerns. The NCC Chamber continues to support the aims of the sponsor to protect the public; and stands ready to work with Representative Romer and other stakeholders on constructive solutions should she decide to introduce legislation concerning AI chatbots in the 154thGeneral Assembly.

HB 380 w/ HA 2 (Griffith) AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO PERSONAL DATA PRIVACY.**Synopsis:** his Act amends the Delaware Personal Data Privacy Act (DPDPA), Chapter 12D of Title 6, originally enacted in 2023, to more closely align the DPDPA with similar consumer data protection laws enacted in other states. This Act amends the applicability threshold of the DPDPA to entities who process the personal data of not less than 15,000 consumers, which on a population percentage basis closely aligns to thresholds in Connecticut and New Jersey. This Act amends Gramm-Leach-Bliley Act (GLBA) applicability exemptions, adopting approaches to financial data in similar laws in Connecticut, Montana, and Oregon, by exempting all data regulated by GLBA while limiting entity-level exemptions specifically to banks and insurers and their respective affiliates. This Act introduces contracting and due diligence requirements where businesses sell or disclose personal data to third parties and also harmonizes several DPDPA business requirements and consumer rights with personal data privacy laws in other states. This Act also makes technical changes to existing law to conform to the standards of the Delaware Legislative Drafting Manual. **HA 2 to HB 380 Synopsis**: This Amendment contains the same changes to House Bill No. 380 as Amendment 1 to House Bill No. 380, with the exception that it changes exceptions to the disclosure of sensitive data to apply only to the disclosure of sensitive data in a sale of personal data, and clarifies that the chapter does not apply to federal or state chartered banks, credit unions, savings associations, or affiliates or subsidiaries thereof that are principally engaged in financial activities. **Status:** The has passed both the House and Senate and awaits action by the Governor. **NCC Chamber Position:** NCC Chamber sought to amend the legislation. The bill passed the Senate without recommended amending language changes.

HB 381 (Griffith) AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO COMPUTER SECURITY BREACHES.**Synopsis:** This Act amends Chapter 12B of Title 6 relating to Computer Security Breaches to clarify when businesses must provide notice of a computer security breach to the Attorney General. **Status:** Passed both House and Senate and awaits action by the Governor. **NCC Chamber Position:** Monitoring implementation.

HS 1 for HB 453 (Chukwuocha) AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO CONSUMER PROTECTION AND SURVEILLANCE BASED PRICING DISCRIMINATION. **Synopsis:** This House Substitute for House Bill No. 453 prohibits surveillance-based price discrimination by forbidding the use of automated decision systems to set individualized consumer prices based on personal data, metadata, or proxy data, such as device identifiers and digital behavioral patterns, used to infer a consumer's socioeconomic status or urgency of purchase. While the Act establishes safe harbors for discounts based on lawful, objective criteria (e.g., military, student, or senior status), it ensures that rewards and loyalty programs are not used to circumvent these protections by requiring that such discounts remain uniform across membership and are not individualized through algorithmic profiling. This Substitute differs from the original bill by adding a definition of electronic shelving labels and provides language that protects loyalty programs. It also carves out financial services and credit to align with federal regulations, changes the language used for location-based data, discounts for service interruptions, removes the term "risk-relevant data", and provides a safe harbor provision with an opportunity to cure and a sunset date. Finally, this Substitute also includes a severability clause and an effective date of January 1, 2027. **HA 1 to HS 1 for HB 453 (PWB) Synopsis:** This Amendment clarifies the scope of the exceptions to the substitute bill. These amendments include: (1) removing the word "establishment" and inserting "person" in its place; (2) removing the language about usage of consumer purchase history; (3) adding language to ensure scope is not limited to only the listed examples; (4) adding "insurance producer" to the list of exempted persons; and (5) including a definition of financial institution, affiliate, and non-affiliated third party to the list of exemptions. **HA 2 to HS 1 for HB 453 (PWB) Synopsis:** House Amendment No. 2 to House Substitute No. 1 for House Bill No. 453 removes the complete prohibition on digital presentation of price and clarifies when and how a digital presentation of price may be used. **Status:** The original bill was voted out of the House Economic Development, Banking, Insurance & Commerce Committee on June 10. The NCC Chamber testified before the committee in opposition. It was subsequently placed on the House Ready List but was not brought before the House for consideration before the end of regular session and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed as written

SB 288 (Walsh) AN ACT TO AMEND TITLE 26 OF THE DELAWARE CODE RELATING TO PUBLIC UTILITIES, IN RELATION TO THE RESILIENCY, PUBLIC SAFETY, AND QUALITY OF BROADBAND NETWORKS AND VOICE OVER INTERNET PROTOCOL (VOIP) SERVICE. **Synopsis:** This Act shall be known and may be cited as the "Broadband Resiliency, Public Safety, and Quality Act." This Act confers jurisdiction upon the Delaware Public Service Commission to exercise oversight related to the resiliency, reliability, and public safety of broadband service and Voice Over Internet Protocol (VoIP) networks operating in Delaware. The Act requires the Commission to promulgate regulations to effectuate its oversight authority. The Act grants the Commission the power to investigate, audit, and inspect any broadband service or VoIP provider's facilities to assess compliance with safety and resiliency requirements. The Act also grants the Commission the power to order corrective actions or impose penalties consistent with Chapter 1 of Title 26, if deficiencies are found. The Act requires the Commission to issue an annual report to the Governor, the General Assembly, and the Director and Librarian of the Division of Legislative Services, no later than March 31, summarizing the state of broadband and VoIP resiliency, emergency performance, and recommendations for improvement. The Act also requires the Commission to establish and maintain a public reporting system to receive and document complaints regarding broadband service and Voice over Internet Protocol (VoIP) service quality, network outages, or unsafe conditions associated with communications infrastructure, including deteriorated or abandoned copper plant. The Act also requires the Commission to review and, where appropriate, investigate complaints to determine whether a reported issue presents a risk to public safety or violates applicable standards. The Commission may then require corrective action by the provider and may publish periodic summaries of complaints and resolutions to promote transparency and accountability. **Status:** Introduced on April 21st and assigned to the Senate Environment, Energy & Transportation Committee, the bill was not considered by the Committee and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed as written. **NOTE:** The NCC Chamber thanks Senator Walsh and Representative Osienski for their willingness to engage in dialogue and for remaining open to constructive recommendations.

Taxation and Fiscal Policy

HS 2 for HB 284 (Yearick) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO THE REALTY TRANSFER TAX. **Synopsis:** This Act provides updates to Title 30 relating to the Realty Transfer Tax. First it clarifies that the exception for spouses is not solely limited between a husband and wife and instead applies to spouses in general. It also adds an exception for conveyances between grandparents and their grandchildren or the spouse of such a grandchild. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

HS 1 for HB 274 (Ross Levin)AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO THE CHILD AND DEPENDENT CARE EXPENSE TAX CREDIT. **Synopsis:** Like House Bill No. 274, House Substitute for House Bill No. 274 increases the state child and dependent care expense tax credit from the current 50% match to a full 100% match with the federal child and dependent care expense tax credit. The substitute is different from House Bill No. 274 in that it makes this increase applicable to taxable years beginning on or after January 1, 2027. This Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual. **Status:** The bill remains in the House Appropriations Committee **NCC Chamber Position:** *Under Review/Leaning Supportive*

HB 283 (Hensley) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO THE REALTY TRANSFER TAX. **Synopsis:** This Act provides updates to Title 30 relating to the Realty Transfer Tax. First it clarifies that the exception for spouses is not solely limited between a husband and wife and instead applies to spouses in general. It also adds an exception for conveyances between grandparents and their grandchildren or the spouse of such a grandchild. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

HB 286 (Yearick) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO DECREASING THE STATE'S REALTY TRANSFER TAX RATE OF TAXATION. **Synopsis:** For conveyances having a property value of less than $350,000, the state will not assess a realty transfer tax. This Act also reduces the State's rate of realty transfer tax by 1/4% per year for 4 years, for residential property conveyances having a property value of $350,000 to $500,000. **Status:** The bill remains in the House Appropriations Committee and will expire at the end of the 153rd General Assembly **NCC Chamber Position:** Support

HB 364 (Harris) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO A DELAWARE ENTERTAINMENT PRODUCTION TAX CREDIT. **Synopsis:** This Act creates a film production tax credit. It requires companies to obtain, at their own expense, an independent audit certifying eligible expenditures. The audit must be submitted to the Division of Small Business for approval and allocation of credits. The credit is nonrefundable, transferable, and may be carried forward for up to 5 years. The credit may be applied against personal income tax, corporate income tax, bank franchise tax, and insurance premiums tax. All credit transfers must be approved by the Division of Small Business. This Act further authorizes necessary data sharing among agencies. Applicants and transferees consent to disclosure of credit amounts by virtue of applying or receiving a transfer. This Act also grants regulatory authority to the Division of Small Business and the Secretary of State to administer the annual credit cap; prioritize and manage awards; and issue reports relating to awards and utilization with input from relevant state agencies. The Division of Small Business may create alternative audit procedures for small businesses where a full audit would be prohibitively expensive. This Act sunsets on June 30, 2031, and no applications may be submitted after that date. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

HB 416 (K. Williams) AN TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO THE REALTY TRANSFER TAX **Synopsis:** This Act decreases the realty transfer tax by ¼ of a percent. **Status:** The bill remains in the House Appropriations Committee and will expire at the end of the 153rd General Assembly **NCC Chamber Position:** Support

HB 417 (K. Williams) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO RESTAURANT RETAILER LICENSE REQUIREMENTS AND LICENSE FEES. This Act raises the monthly deduction on taxable gross receipts allowed by restaurants from $100,000 to $250,000. Accordingly, the quarterly deduction allowed for restaurants with gross receipts of no more than 1.5 million in the previous year is increased from $300,000 to $750,000. **Status:** The bill remains in the House Appropriations Committee and will expire at the end of the 153rd General Assembly

HB 474 (K. Williams) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO SHORT-TERM RENTAL LODGING TAX. **Synopsis:** This Act requires that accommodations intermediaries collect short-term rental tax for a municipality. **Status:** The bill remains in the House Economic Development, Banking, Insurance & Commerce Committee and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** *Under Review*

HB 462 (K. Williams) AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO SCHOOL TAXES. **Synopsis:** n 2025, the General Assembly passed House Bill No. 242 (now found at Chapter 135, Volume 85 of the Laws of Delaware), allowing school districts located entirely in New Castle County to use different tax rates for residential and non-residential properties. This Act amends the Delaware Code to continue the authority for non-vocational technical school districts in New Castle County to utilize a residential and non-residential tax rate for school tax purposes. Such a split rate may be established or adjusted in the year after a general reassessment or as part of a referendum. The rate must be uniform for each class of property. Under this Act, the non-residential rate must be at least equal to the residential rate and may be no more than 1.85 times the residential rate. For purposes of the split tax rate, a school district must follow the classifications of the county in which the district is located. Under the transition provisions of this Act, a district that initially established split tax rates under the authority of House Bill No. 242, may continue to use those split rates at the same or a lower ratio between residential and non-residential tax rates established in the 2025-2026 tax year. But if a district's non-residential tax rate for the 2025-2026 tax year was more than 1.85 times the residential tax rate, it must adjust its rates to meet the 1.85 maximum ratio permitted under this Act. The New Castle County Vocational Technical District may not continue the use of different tax rates past the 2025-2026 tax year. The Act also changes the amount a school district must add to its tax rate to account for delinquencies and late payments to "up to 10%" rather than requiring that a school district must add exactly 10% to its tax rate for this purpose. This Act also makes technical corrections to conform this chapter of the Delaware Code to the Delaware Legislative Drafting Manual and strikes references to the City of Wilmington School District, which no longer exists. It also revises § 1913 of Title 14 to reflect current practice. It strikes an outdated requirement in § 1918 of Title 14 that the school districts deliver a copy of the assessment list to the County along with their tax warrant. This is inconsistent with the role of the school districts and with current practice. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

HB 461 (Romer) AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO SCHOOL TAX. **Synopsis:** This Act provides special authority to school districts in New Castle County to reset their tax rate for the

2026-2027 tax year. This authority is necessary because several adjustments to the New Castle County tax roll are continuing to be made after the completion of the general reassessment that took effect for the 2025-2026 tax year. This includes the ongoing adjudication of appeals from the assessment values set in the general reassessment as well as quality control reviews, and potential changes pending in other legislation. This Act allows the New Castle County school districts to adjust the tax rate so that no increase in operating revenue over the prior year will be realized, with two exceptions: (1) revenue increases from approved referenda; and (2) revenue equal to the 5-year average growth rate for each district. The 5-year average growth rates for NCC districts are as follows: (1) Appoquinimink, 3.68%; (2) Brandywine, 0.54%; (3) Christina, 0.32%; (4) Colonial, 1.10%; (5) Red Clay, 0.58%; (6) Smyrna, 0.31%; and (7) New Castle County Vocational Technical, 0.96%. This Act sunsets on March 31, 2027. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

HS 1 for HB 386 w/ HA 1 (PWB) (Hilovsky) AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO PERSONAL INCOME TAX DEDUCTION OR CREDITS APPLICABLE TO QUALIFIED TIP INCOME. **Synopsis:** This Act establishes the Tipped Worker Tax Relief Act to provide targeted state income tax relief to tipped workers in Delaware. It creates a subtraction from income of up to $15,000 of qualified tips. The program sunsets the end of 2029 unless renewed. This legislation promotes fairness, supports workforce retention in the small business community, and addresses affordability challenges without new taxes or mandates on employers. **Status:** The bill was voted out of the House Revenue & Finance Committee on June 17th and placed on the House Ready List. It was not brought before the House for consideration and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** *Under Review/Leaning Supportive*

Healthcare

SS 2 for SB 1 (Townsend) **Synopsis:** his Act amends Titles 16, 18, 29, and 31 of the Delaware Code and Chapter 237, Volume 83 of the Laws of Delaware relating to primary care insurance. Among other things, the Act does the following: Section 1 of the Act amends § 9903 of Title 16 of the Delaware Code to provide that the Health Care Commission, in coordination with the Primary Care Reform Collaborative, will monitor compliance of primary care providers with value-based care delivery models established under the Office of Value-Based Health Care Delivery (OVBHCD). Section 2 of the Act amends § 9904A of Title 16 to remove a time frame limitation for the period during which the Health Care Commission is authorized to request written reports by health insurers regarding progress in adopting and implementing value-based payment models. Under the Act, the PCRC may continue to request such reporting going forward. Section 3 of the Act amends § 329 of Title 18 to provide that administrative penalties for violations of §2503(a)(12), §2503(a)(15), § 3342B, and § 3556A of Title 18 may be equivalent to the amount of the violation, and that penalties imposed for such violations are to be deposited into a Primary Care Fund, which will be used by the Statewide Benefits Office and the Division of Medicaid and Medical Assistance. Section 4 of the Act amends § 334 of Title 18 to clarify that the OVBHCD has the ability to promulgate regulations necessary to accomplish the stated goals of reducing health-care costs […] **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Neutral/Monitoring Implementation* **Note:** The NCC Chamber opposed the original bill (SB 1) as well as SS 1 for SB 1

SS 1 for SB 13 (Pinkney) AN ACT TO AMEND TITLE 6 AND TITLE 16 OF THE DELAWARE CODE RELATING TO HOSPITAL CHARITY CARE AND FINANCIAL ASSISTANCE. **Synopsis:** his Act is a Substitute for Senate Bill No. 13. Like Senate Bill No. 13, this Substitute Act amends Title 16 and Title 6 of the Delaware Code relating to hospital charity care and financial assistance and does the following: (1) Section 1 of the Act amends § 9311 of Title 16 to exempt certain hospitals from the existing charity care requirement and require these hospitals to comply with the new financial assistance requirements under Section 2 of this Act. A hospital that provides exclusively psychiatric services, rehabilitative services, or long-term acute care services remains subject to the charity care requirement. (2) Section 2 of the Act creates a new Subchapter VII of Chapter 99 of Title 16, §§

9961 through 9966, establishing minimum financial assistance standards for hospitals and facility-based providers. The subchapter requires full financial assistance for Delaware residents with household income at or below 300% of the federal poverty level, a 75% discount above 300% and at or below 350%, and a 50% discount above 350% and at or below 400%, and requires each hospital to maintain a medical hardship policy providing a 50% minimum discount with an income ceiling of at least 500% of the federal poverty level. Eligibility determinations are valid for at least 1 year, transfer among hospitals and facility-based providers, and suspend collection activity while an application or appeal is pending. Hospitals must provide notice in languages spoken by more than 5% of the hospital's service area, screen patients for financial assistance, report annually to the Diamond State Hospital Cost Review Board (“Board”), and publish a financial assistance policy addressing presumptive eligibility, the application process, Medicaid coordination, and patient refunds. The Board administers the subchapter and conducts compliance reviews, the Division of Health Care Quality may take licensure action on a finding of noncompliance, […] **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

SB 296 w/ SA 1 (Poore) AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO THE DELAWARE HEALTH FUND. **Synopsis:** This Act adds a new paragraph (c) to § 137 of Title 16, which provides that the Attorney General shall use the Delaware Health Fund to enforce and litigate the Tobacco Master Settlement Agreement and the 2018 Non-Participating Manufacturers (NPM) Adjustment Settlement Agreement (NPMSA) between the State and the tobacco manufacturers pursuant to 16 Del. C. § 137 and 29 Del. C. chs. 60C and D. This Act also adds a new paragraph (i) to § 137, which provides that the Department of Health and Social Services, in consultation with the Division of Public Health, shall administer a competitive grant program to make recommendations for the expenditure of money appropriated from the Delaware Health Fund in accordance with the procedure set forth in paragraph (i) to make recommendations for the award of grants to private organizations, consistent with the purposes and criteria in § 137. This Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual. **Status:** Signed by the Governor **NCC Chamber Position:** *Monitoring Implementation*

SB 313 w/ SA 1 (Mantzavinos) **Synopsis:** This Act protects Delaware’s nonprofit acute care hospitals from acquisition by entities other than charities or not-for-profit entities during a moratorium period. It also permanently subjects the sale or encumbrance of primary facility real estate of a nonprofit acute care hospital to the Attorney General notice and review requirements of the Conversion Act. Section 1 makes two primary changes to the definitions in § 2531 of Title 29. First, it clarifies that a "not-for-profit healthcare conversion transaction" includes those undertaken "directly or indirectly through one or more affiliates." This ensures that the Attorney General’s oversight cannot be circumvented by structuring transactions through shell entities or intermediaries. It provides a new, permanent category of conversion transaction: the sale, transfer, conveyance or lease of a hospital's "primary facility real estate" to a for-profit entity. This change ensures that arrangements involving the land and buildings of an acute care hospital are subject to the same notice and review requirements as a change in corporate control. Finally, Section 1 defines for "acute care hospital" and "primary facility real estate.” Section 2 requires the Attorney General to transmit copies of any Conversion Act notice involving an acute care hospital to the Governor and the Secretary of the Department of Health and Social Services within 10 days of receipt. Section 3 prohibits any person or entity, other than a charity or not-for-profit entity, from entering into a "change of control transaction" involving acquisition of a nonprofit acute care hospital. It defines a "change of control transaction" as the acquisition of the power to direct the hospital's management, policies, or clinical practices, whether through ownership of voting securities, changes in board composition, or by contract. Any transaction of this nature is void and has no legal effect. The prohibition expressly captures incremental acquisition scenarios, including minority stakes, sub-majority governance rights, board appointment rights, and executive officer appointment rights. Section 4 amends § 9304 of Title 16 to prohibit any entity or person other than a charity or not-for-profit entity from submitting, and the Health Resources Board from accepting or processing, an application for a Certificate of Public Review for the construction, development, establishment, or acquisition of an acute care hospital. Any such application is void and of no legal effect. Section 5 provides that Sections 2 through 4 are effective until July 1, 2028, unless terminated sooner or extended by the General Assembly. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

SJR 19 w/ SA 1 (Seigfried) DIRECTING THE DEPARTMENT OF HEALTH & SOCIAL SERVICES TO EXPLORE SOLUTIONS RELATED TO THE STATE'S HIGH HEALTH CARE COSTS. **Synopsis:** This Joint Resolution directs the Department of Health & Social Services to explore and consider additional solutions for tackling the State's high cost of health care and to submit a report to the General Assembly by January 1, 2027, that explores the feasibility of additional strategies to lower health care costs. The report will explore updating the current Medicaid outlier methodology, ways to ensure further cost savings for 2027, and the feasibility of a statewide adoption of a global budget or 2-sided risk models, and will evaluate options for a public option or other publicly sponsored coverage strategy. **Status:** This Senate Joint Resolution has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

SB 22 (Townsend) **Synopsis:** Approximately one in five adults report experiencing a mental health condition. At the same time, many individuals continue to face delays or barriers when trying to access care, even when they have insurance coverage. Delays, denials, or truncation of treatment leave families and their doctors battling for coverage instead of focusing on treatment and recovery. Families must pay out of pocket for care, on top of premiums for coverage they are not receiving. Further, Delawareans are five times more likely to go out-of-network for mental health care than for primary care, resulting in higher costs. This Act, known as the Fair Standards in Mental Health Care Act, builds on previous work to advance mental health parity and aims to ensure patients with private insurance can access timely, evidence-based mental health and substance use disorder care in Delaware. This Act supports improved access to mental health disorder and substance use disorder treatment by: 1. Adding and refining key terms, including definitions of mental health disorders and substance use disorders, level of care criteria, medically necessary treatment, utilization review and utilization review criteria to ensure consistency with widely accepted clinical standards of treatment and service intensity determination. This bill forges gold-standard clinical guidelines through requiring insurers to use transparent, evidence-based standards from independent experts, including the American Academy of Child and Adolescent Psychiatry. 2. Requiring coverage for all medically necessary treatment, including emergency services and all clinically appropriate levels of care. This bill ends prior authorization delays for mental health and guarantees emergency mental health coverage, just as Delaware already does for addiction treatment. 3. Requiring at least one formulation of certain FDA-approved medications to treat substance use disorders to be placed on the lowest-cost tier of drug formularies. 4. Prohibiting discrimination against individuals with current or predicted mental health disorders or substance use disorders. 5. Requiring carriers to arrange coverage of medically necessary out-of-network services without additional cost to the enrollee if in-network options are unavailable within applicable network access standards, thus ensuring real network access. 6. Removing language currently in the code barring a private right of action for violations of 18 Del. Code § 3343. In addition, the Act clarifies that carriers must provide nonquantitative treatment limitation parity analysis (NQTL parity analysis) that they are required to have completed under federal law to health care providers and current and prospective covered persons, free of charge, upon request. This Act applies to individual health insurance policies under Chapter 33 of Title 18 and group and blanket health insurance policies under Chapter 35 of Title 18. This Act applies to all policies, contracts, or certificates issued, renewed, modified, altered, amended, or reissued after December 31, 2027. This Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Monitoring Implementation*

HB 17 w/ HA 1 (Harris) AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO CERTIFICATE OF PUBLIC REVIEW. **Synopsis:** This Act repeals the requirement that a person must apply for a certificate of public review prior to the acquisition of major medical equipment. A certificate of public review may still be required if the acquisition meets the capital expenditure threshold under § 9304(a)(2) of Title 16. This Act also makes technical corrections to conform with the Delaware Legislative Drafting Manual and restores a missing word to § 9304(a)(2) of Title 16. **Status:** Signed by the Governor on May 12. **NCC Chamber Position:** Support

Banking & Financial Services

HB 315 (K. Williams) AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO CREDIT CARD FEES. **Synopsis:** This Act prohibits payment card networks from establishing or charging transaction fees on tips on credit card transactions. Violations are punishable by a penalty of $1,000 per electronic transaction and the wrongful fees must be refunded. **Status:** Voted out of House Economic Development, Banking, Insurance & Commerce Committee on March 10 and placed on House Ready List. It was not brought before the House for consideration and will expire at the end of the 153rd General Assembly **NCC Chamber Position:** Opposed

SS 1 for SB 16 (Mantzavinos) AN ACT TO AMEND TITLE 5 OF THE DELAWARE CODE RELATING TO DELAWARE BANKS AND TRUST COMPANIES. **Synopsis:** This Act is a substitute for Senate Bill No. 16. This Act differs from the original bill in two ways: (1) Clarifying this Act requires a greater than majority vote for enactment. (2) Providing that Section 5 of this Act is to be implemented the earlier of 1 year from the enactment date or notice by the State Banking Commissioner that final regulations have been published and promulgated. This Act, known as the "Delaware Banking Modernization Act of 2026," amends Title 5 of the Delaware Code to update and modernize various provisions of the Delaware Banking Code. The Act addresses digital assets, expands the State Bank Commissioner's authority, modernizes corporate governance and organizational requirements for state chartered banks and trust companies, facilitates interstate trust company operations and conversions, and expands the authority of out-of-state financial institutions to act as fiduciaries in Delaware. […] **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

SS 1 for SB 18 w/ SA 1 & HA 2 (Mantzavinos) **Synopsis:** This Act repeals the existing Chapter 23 of Title 5 and replaces it with the "Delaware Money Transmission and Virtual Currency Modernization Act." This Act modernizes the State's regulatory framework for money transmission and addresses the emergence of virtual currency. The Act allows the State Bank Commissioner to coordinate with other states in the licensing and supervision of money transmitters, utilizing the NMLS system. The Act establishes new safety and soundness standards, including a tiered net worth requirement based on total assets and updates surety bond requirements scaled to a licensee's average daily money transmission liability. The Act standardizes receipt requirements for both fiat and virtual currency transactions, provides a 10-day refund window for certain transmissions, and establishes specific disclosure rules for payroll processing services. This Act provides a 6-month window for general compliance and a 1-year period for licensees to meet new net worth and permissible investment standards. This Act creates new regulatory framework for virtual currency business activity. It defines virtual currency and virtual currency business activity. It mandates specific consumer disclosures regarding the risks of virtual currency and establishes that virtual currency held by a licensee is a pro rata property interest not subject to the claims of the licensee's creditors. The Act allows the Commissioner to adopt rules and regulations for the administration of this chapter. The Act is to be implemented the earlier of 1 year from the date of the Act's enactment or notice from the State Banking Commissioner that final regulations have been promulgated. This Act requires a greater than majority vote for passage because § 1 of Article IX of the Delaware Constitution requires the affirmative vote of two-thirds of the members elected to each house of the General Assembly to amend the general corporation law. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

SS 2 for SB 19 w/ SA 2 (Mantzavinos) **Synopsis:** This Act is a second substitute for Senate Bill No. 19. This substitute bill differs from Senate Bill No. 19 by doing the following: (1) Reorganizing the proposed "Delaware Payment Stablecoins Act" as Chapter 35 of Title 5, rather than Chapter 40 as originally proposed in Senate Bill No. 19. (2) Creating § 3508, which restricts non-financial public companies from issuing payment stablecoins. (3) Creating § 3518, which establishes a voluntary registration pathway for digital asset service providers rather than through the licensing process as originally proposed in Senate Bill No. 19. (4) Creating § 3556, which establishes procedures for the insolvency of a payment stablecoin issuer. (5) Creating a new definition of “control” to better align with the bill. (6) Expanding the definition of “registered public accounting firm” to include certified public accounting firms that meet the standards established by the Delaware Board of Accountancy. (7) Making appropriate technical corrections to conform to the standards of the Delaware Legislative Drafting Manual. Senate Substitute No. 2 for Senate Bill No. 19 establishes the Delaware Payment Stablecoin Act under Title 5 of the Delaware Code. It creates a licensing framework for payment stablecoin issuers and digital asset service providers operating with or on behalf of Delaware residents. The Act adopts definitions drawn from the federal Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), Pub. L. 119-27, and from the Office of the Comptroller of the Currency's proposed rulemaking implementing that statute (Docket ID OCC-2025-0372), where those definitions do not duplicate existing Delaware law. The Act establishes reserve requirements including reserve shortfall remediation cascades, mandatory redemption timing standards, capital standards, anti-money laundering obligations, data privacy statutory floors, change-in-control notice procedures, custody safeguards, a federal-to-state charter conversion pathway, and strong preemption provisions. The State Bank Commissioner is directed to promulgate implementing regulations within specified timeframes to align Delaware's framework with evolving federal standards. This Act requires a greater than majority vote for passage because § 1 of Article IX of the Delaware Constitution requires the affirmative vote of two-thirds of the members elected to each house of the General Assembly to enact or amend the general incorporation law. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** Support

HB 441 (Romer) AN ACT TO AMEND TITLE 6 OF THE DELAWARE CODE RELATING TO CRYPTOCURRENCY KIOSKS. **Synopsis:** This Act prohibits cryptocurrency kiosks and mandates removal of existing cryptocurrency kiosks within 90 days of the effective date of the Act. A violation of the Act is an unlawful practice and prohibited trade practice. This Act also prohibits the circumvention of the kiosk ban through cashier-assisted or point-of-sale cryptocurrency transactions and extends liability to persons who facilitate such transactions or knowingly allow such activity to occur on their premises. Violators are subject to injunctive relief, a civil penalty not to exceed $10,000, and a private right of action for damages caused by the violation. **Status:** The bill passed the House on June 17. It remains in the Senate Banking, Business, Insurance & Technology Committee **NCC Chamber Position:** *Under Review*

Housing & Land Use

SS 2 for SB 23 (Huxtable) AN ACT TO AMEND TITLE 9, TITLE 22, AND TITLE 29 OF THE DELAWARE CODE RELATING TO HOUSING SUPPLY AND HOUSING AFFORDABILITY. **Synopsis:** This Act aims to increase this State’s supply of housing. Despite rapid development, Delaware is facing a significant and growing shortage of affordable housing. Senate Joint Resolution No. 8 of the 1st session of the 153rd General Assembly created a pilot program designed to encourage local zoning reform efforts that would help increase affordable housing. While several local jurisdictions have taken advantage of the assistance offered by Senate Joint Resolution 8, the scope of the problem is statewide, and it will take more than isolated local reform to scale up housing production, particularly affordable housing production, to the degree necessary to meet this State’s needs. This Act seeks to address those needs by increasing access to housing for all income levels while allowing local jurisdictions the flexibility to develop their own strategies for doing so. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Under Review/Monitoring Implementation*

HB 460 (Romer) AN ACT TO AMEND TITLE 9 OF THE DELAWARE CODE RELATING TO BUILDING PERMIT INFORMATION. **Synopsis:** This Act updates the Delaware Code section that requires municipalities in New Castle County to submit permit data to the County government. The Act clarifies that such information should be submitted monthly in a manner prescribed by the County and that only closed permits where a certificate of occupancy has issued should be reported. If a municipality fails to timely report permit data it must submit a report to the County and the General Assembly detailing the reason for the omission, what steps are being taken to address the problem, and when the information will be submitted. This permit data is necessary for the County to ensure the accuracy of property assessments. **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position:** *Under Review/Monitoring Implementation*

HS 1 for HB 450 (Bush) AN ACT TO AMEND TITLE 9, TITLE 17, TITLE 22, AND TITLE 29 OF THE DELAWARE CODE RELATING TO LAND USE. **Synopsis: T**his Act is a Substitute for House Bill No. 450. Like House Bill No. 450, this Substitute Act is to be known as the Reforming Opportunities and Accelerated Development for Delaware Act ("ROAD-DE Act") and will make significant changes to Delaware's land use permitting process by building on Governor Meyer's Executive Order No. 18, which created the Permitting Accelerator to reform policies, processes, and procedures that have accumulated over decades and are holding back jobs, housing, and other critical infrastructure statewide. In 2019, a study of Delaware's permitting process was undertaken. The study concluded that Delaware's permitting process was significantly longer and more challenging than those of surrounding states in the region. In 2025, this State began digitizing permitting processes. […] **Status:** This bill has passed both houses and awaits action by the Governor. **NCC Chamber Position: Support**

General Business Concerns

HB 454 (Phillips) AN ACT TO AMEND TITLE 10 OF THE DELAWARE CODE RELATING TO INDIVIDUALS EXPERIENCING HOMELESSNESS. **Synopsis:** Because Delaware lacks an adequate amount of emergency shelter beds, housing support services, and affordable housing units, only 952 out of 7,131 households that contacted the Housing Alliance Delaware's homelessness hotline in 2024 were referred to housing assistance. Without adequate shelter available, thousands of individuals experiencing homelessness are forced to seek shelter on the streets, parks, parking lots, and sidewalks, which puts them in constant conflict with local residents, businesses, and the police. Instead of providing adequate housing, local governments are using emergency services, hospital services, and the criminal justice system to remove unhoused individuals from public spaces, exacerbating the barriers unhoused individuals face to achieve stable housing and wasting taxpayer money. This Act seeks to incentivize localities to coordinate or create adequate emergency housing, permanent housing, and wrap-around services for individuals experiencing homelessness, which will ease the financial burden placed on emergency services, hospitals, and the criminal justice system, while providing unhoused individuals stability and dignity. To that end, this Act does the following: 1. Permits an individual experiencing homelessness to conduct life sustaining activities in public, so long as such activities do not obstruct the normal movement of pedestrian or vehicular traffic in such a manner that creates a hazard to others, unless adequate alternative indoor space is available to the individual in a given jurisdiction and has been offered to the individual, including transportation for the individual and their belongings. 2. Mandates that an individual experiencing homelessness receive the same degree of protection for personal property stored in public places as personal property stored in a private dwelling, which includes protections against unreasonable search and seizure. 3. Prohibits the State or local jurisdiction from requiring an individual experiencing homelessness to move a motor vehicle or a recreational vehicle provided that the vehicle is parked on public property and the vehicle is not parked in a position to obstruct the normal movement of traffic or create a hazard to other traffic upon the highway. 4. Provides that, if a motor vehicle or recreational vehicle must be moved because the vehicle is obstructing normal movement of traffic or creates a hazard to other traffic on the roadway, the individual experiencing homelessness must be permitted to relocate the vehicle before a parking ticket is issued or the vehicle is towed. This Act does not prohibit State and local governments from making and enforcing reasonable time restrictions on public spaces (including public parks and parking lots) so long as those time restrictions apply to everyone and are not disproportionately enforced against individuals experiencing homelessness. The Attorney General may commence a civil action against any State or local government, government agency, or government official that violates this Act and this Act also contains a private right of action. No monetary or punitive damages may be awarded under this Act. This Act specifically waives sovereign immunity. This Act is named in honor of Dr.

DeBorah Gilbert White **Status:** Introduced on June 4 and assigned to the House Housing Committee. The bill remains in committee and will expire at the end of the 153rd General Assembly. **NCC Chamber Position:** Opposed