



THE COMMITTEE OF 100

FYI

August 9, 2017

Strategic Fund is not "corporate welfare."

Published in The News Journal, July 28, 2017



I take issue with the [views expressed by the editorial board](#) of the News Journal and [Representative John Kowalko](#) characterizing the Strategic Fund grant to Sallie Mae as "corporate welfare."

Funding awarded through the Strategic Fund is predicated on the creation of jobs and the anticipation of income tax and other revenues being generated by those jobs. In the case of Sallie Mae, the benefit to the state is increased by the fact that Sallie Mae apparently is planning to hire employees being laid off by the relocation of HSBC, thus also eliminating the cost of unemployment payments.

Background: [Read details about the proposed deal with Sallie Mae](#)

Here is an example of an existing Delaware business seeing an opportunity to expand and to hire skilled employees who might otherwise be out of a job. It underscores both the value of Delaware's trained workforce to employers and the ability of the state to move quickly to provide assistance when requested.

What it is not is "corporate welfare."

In the ideal world, corporations making location decisions would not seek financial inducements from state and local governments. We certainly know that Delaware cannot compete with larger states in a bidding war.

But what the Strategic Fund does do is allow state leaders to demonstrate to employers that Delaware wants their jobs and is willing to show some financial good faith to attract them. That, plus our ability on short notice to put the Governor, two United States Senators, and a U.S. Congresswoman in a room or on the phone with a corporate prospect, has been a powerful and highly successful economic development tool.

I'll assume that Representative Kowalko's estimate that the state has spent \$250 million over the past nine years is accurate. Let's put that in perspective. This spring, without batting an eye, both Democrats and Republicans in the General Assembly voted to increase corporate franchise fees, producing \$116 million in new revenue.

That one increase closed over a quarter of the total \$380 million budget shortfall and, importantly, that additional \$116 million will be collected every year from now on. So, in about 26 months, this one corporate tax increase will bring in the equivalent of 9 years of Strategic Fund investments.

That is not 'corporate welfare.'

Finally, we need to remember that Delaware's corporate taxes, fees, and abandoned property collections represent about 30% of the state's \$4.1 billion budget. This means that each and every year Delawareans enjoy over a billion dollars in government services they do not have to pay for.

Rather than tub-thumping about "corporate welfare" we should all be working to protect our corporation brand, to strengthen our economic development and job creation efforts, and to ensure that our business climate is second to none.

Paul Morrill is the executive director of the Committee of 100, a non-profit, non-partisan association of Delaware business leaders whose mission is to promote responsible economic development.

2017-18 Dinner Meeting & Member Reception Prepayment Plan

PREPAY AND SAVE \$25!

We are pleased to again offer you the opportunity to save money by prepaying monthly meeting charges for the upcoming

The Committee of 100 meeting season. This **PREPAYMENT PLAN** includes the 50th Anniversary Dinner in September 2017, Dinner Meetings in November 2017, and January, March and May 2018, plus the Annual Barbecue in June 2018. NOTE: The Committee of 100's Annual Auction in December 2017 is not included.

The popular Member Receptions continue! Every other month (October 2017 and February and April 2018), we will host an extended Member Reception with light hors d'oeuvres and cash bar, with one drink ticket (beer, wine or soft drink) included with registration.

If you paid monthly, the 50th Anniversary Dinner (\$50), 4 Dinners Meetings (\$46 each) and 3 Member Receptions (\$25 each) plus the June BBQ (\$50) would total \$359. But if you take advantage of the **PREPAYMENT PLAN**, your cost for the same 9 events is only **\$334, a savings of \$25**, or attendance at one Member Reception free! Actually, you save even more - postage, bookkeeping and check handling in your office and The Committee of 100's office as well. Everyone benefits!

To take advantage of this convenient **PREPAYMENT PLAN**, just register and pay online by **Friday, September 15, 2017**.



Questions?

Contact Lanor at lryder@committeeof100.com or 302.654.6115

The Committee of 100's 50th Anniversary Dinner

*Tuesday, September 19, 2017
5:30 pm - 9:00 pm*

*Registration: \$50 per person
Table Sponsorship: \$750 (includes 10 seats)*



Back To Our Roots: Land Use In New Castle County

In 1967, a group of business leaders concerned about economic growth in the county and state formed The Committee of 100. It's first project: encourage comprehensive land use planning and stabilize the zoning process in New Castle County.

50 years later...we're still working on it. And we will be, no doubt, for the next 50 years!

To help celebrate our founding, we've invited a panel of current and former Land Use General Managers to review the high and low points of the last several decades and discuss where New Castle County may be going in the future. Joining us will be current Land Use GM **Rich Hall** and former General Managers **Shawn Tucker**, **Charlie Baker** (tentative), **Dave Culver**, and **Eileen Fogarty**.

Land Use Committee Chair **Pam Scott** will moderate the discussion. This is a historic gathering of the county's top planners, befitting the occasion.

Our panel will revisit the memorable battles over the so-called Quality of Life bills and the Unified Development Code, as

well as talk about what happened (or didn't happen) during the Great Recession. Are we finally ready solve the Level of Service conundrum? Join us on September 19th and listen to what the experts think.



Special Thanks To Our Panel Sponsor



Special Thanks To Our Presenting Sponsor



Additional Auction Sponsorship Opportunities are Available. Click [Here](#) for Details



AAA has teamed up with TEDxWilmington to hold [Who's in the Driver's Seat? The Transformation of Transportation](#) on Tuesday, October 17, from 1:00 – 5:00 p.m. at The Queen Theater in Wilmington, Delaware.

It's a TED Talk you don't want to miss!

This event is being held in Wilmington, Delaware – where the nation's first divided highway, Route 13, (the DuPont Highway) was started in 1911. The advent of the automobile changed society in ways even Henry Ford couldn't imagine.

Please join us as we explore the technology and ideas that will change the way we live, work, and travel during this fast-paced and thought-provoking TEDxSalon.

Who's in the Driver's Seat? The Transformation of Transportation

WHAT: First TEDxSalon on Transportation

WHEN: Tuesday, October 17, 2017 from 1:00 – 5:00 p.m.

WHERE: The Queen – 500 N. Market Street, Wilmington, DE

Register at <http://www.tedxwilmington.com/events/transportation/>

The TEDxSalon will also be livestreamed at <https://livestream.com/Tedx/DriversSeat>
