2026 Annual Report on State Planning Issues

State Financial Investments

Prepared for Governor Meyer and the 153nd Delaware General Assembly
Prepared by the Cabinet Committee on State Planning Issues

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In support of a growing population and changing demographics, the state government provides a variety of infrastructure and services. In accordance with the *Strategies for State Policies and Spending*, Delaware has strategically invested state taxpayer dollars in important infrastructure and services. These funds help pay for public education, transportation, water and wastewater, public safety, agricultural and forest preservation, and housing. The following are some highlights showing fiscal trends and indicators from the past five fiscal years.

Education

In fiscal year (FY) 2026, the Delaware Department of Education's capital expenditures for public education equaled $224.8 million, which included $58.3 million for new construction and land acquisition. New schools are listed below Table B.1.

Table A.1 Public education trends and indicators, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Total Enrollment*	139,799	141,299	141,718	142,495	140,830
Charter School Enrollment	17,201	18,223	18,450	19,032	19,050
State Portion, Public Education Operating Budget (in thousands)	1,710,107	1,832,408	1,985,193	2,157,198	2,389,496
State Portion, Education Bond Bill* **	246,018,000	390,209,848	224,781,456	200,405,745	211,225,777
State Portion, New Construction and Land Acquisition**	204,753,000	167,025,500	58,327,901	140,221,195	52,558,000
New Schools Opened<<	1	1	3	2	2

Source: Delaware Office of Management and Budget; Delaware Department of Education

* Total enrollment includes charter school enrollment and does not include Dover Air Force Base.

** New Construction and Land Acquisition is a subset of the Education Bond Bill. The remaining portion of the Education Bond Bill funded other capital projects at school facilities.

<< New schools are public schools that involve the construction of a new building utilizing state capital funds. Building additions and charter schools are not included.

*** Bond Bill figures have been updated to include funding budgeted in the Office of Management and Budget for the City of Wilmington Education Initiative

Table A.2 New education construction and land acquisition, fiscal years 2026

New Construction/Land Acquisition	FY2026
Smyrna, Clayton Intermediate Addition	$6,056,400.00
Appoquinimink, New MS/HS at Summit Campus	$18,438,958.00
Red Clay, Bus Maintenance Building	$600,000.00
NCCVT, Paul M. Hodgson Replacement	$16,777,572.00
Sussex Tech, New Sussex Tech HS	$10,685,070.00
Total	$52,558,000.00

Infrastructure

Trails and Pathways

Since 2011, the State has had a renewed emphasis on the benefits of an integrated non-motorized pathway and recreational trail network to provide opportunities for pedestrians and bicyclists to travel safely and efficiently and to expand outdoor recreation opportunities while enjoying the natural, cultural, and historic assets of Delaware. It also recognizes the benefits of integrated multi-modal transportation infrastructure in improving the economic and environmental sustainability of communities. The following table lists the funding for trails and pathways from the Delaware Department of Transportation (DelDOT) and the Delaware Department of Natural Resources and Environmental Control (DNREC) since FY 2020.

Table A.3 Trails and pathways funding, fiscal years 2022-2026, in millions

Agency	FY 2020	FY 2021	FY 2022	FY 2023	FY2024
DNREC	$0	$0	$0	$0	$0
DelDOT	$1.0	$1.6	$1.0	$1.0	$1.8
Total	$1.0	$1.6	$1.0	$1.0	$1.8

Roads and Bridges

DelDOT is responsible for maintaining approximately 85 percent of all roads in Delaware compared with other states, which maintain about 20 percent of their roads. The state also is responsible for transit services. Responding to the demands of Delawareans for a safe, efficient transportation system is a challenge, especially in light of recent growth and development trends. Table A.4 demonstrates several trends that are relevant to transportation planning.

Table A.4 Transportation trends and indicators, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Licensed Drivers	850,424	772,631	783,303	796,876	805,040
Registered Motor Vehicles*	978,016	1,008,423	1,013,617	1,025,122	1,033,202
Vehicle Miles Traveled* (billions)	10.1	9.9	9.7	9.7	9.7
DART R2 Rail Ridership	404,032	499,837	663,683	654,866	549,071
DART Fixed Route Ridership (millions)	4.1	5.0	5.4	5.3	5.0
Paratransit Ridership	696,195	811,075	858,178	866,880	867,096
Transportation Trust Fund Revenues (thousands)	$597,241	$617,595	$613,505	$606,772	$683,038
State Capital Expenditures (thousands)	$300,099*	$315,737	$359,907	$ 326,080*	$211,751
Federal Capital Expenditures (thousands)	$259,657	$268,263	$331,583	$373,878	$377,540
Total Capital Expenditures (thousands)	$559,756	$584,000	$691,490	$699,958	$589,291

Source: Delaware Office of Management and Budget; Delaware Department of Transportation
* ** Without US 301/Rehab of I-95 (State Capital Expenditures with GARVEE Loan for US301/Rehab of I-95 equal $376,157 for a total of $707,740)

Water and Wastewater

While the operation of drinking water and wastewater systems has traditionally been the domain of Delaware's local governments, the state Department of Health and Social Services (DHSS) and DNREC do provide significant funding to allow for the improvement and expansion of these systems. Table A.5 lists recent state and federal expenditures on wastewater projects through the

Water Pollution Control Revolving Funds, which is a program that is administered by DNREC to provide support for community wastewater service projects.

Table A.5 Wastewater funding to local governments, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Projects Funded	8 + 2 increase	6	12 + 3 Increase		
Water Pollution Control Funds (State Match)*	$1,555,800	$2,010,000	$1,759,900	12	8 + 4 Increase
Water Pollution Control Funds (Federal Base Grant)	$7,779,000	$5,681,000	$3,683,000	$3,034,400	$3,976,400
Water Pollution Control Funds (Federal Supplemental Grant)		$8,738,000	$10,233,000	$4,008,000	$7,788,000
Water Pollution Control Funds (Federal Emerging Contaminants Grant)		$459,000	$1,043,000	$11,164,000	$12,094,000
Water Pollution Control Revolving Funds (Principal and Interest Repayments)*	$20,739,205	$36,067,915	$77,338,154	$1,052,000	$1,100,000
Water Pollution Control Funds (Total)**	$30,074,005	$52,955,915	$94,057,054	$66,626,502	$39,404,752
21st Century Wastewater Fund*	$0	$0	$0	$0	$0

Source: DNREC Environmental Finance
* State Funds

Public Safety

Paramedic Program

The State currently provides 30 percent of the funding that the counties use to provide their jurisdictions with paramedic service. This percentage remained consistent with the 30 percent in the most recent budget process.

Table A.6 State paramedic program funding, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
State Portion	30%	30%	30%	30%	30%
New Castle	$6,433,159	$ 6,726,686	$ 7,230,603	$ 8,075,500	$ 8,407,968
Kent	$2,394,294	$ 2,314,428	$ 2,441,586	$ 2,693,568	$ 2,809,386

Sussex	$5,086,141	$ 5,207,127	$ 6,356,266	$ 6,317,586	$ 7,058,266
Total	$13,913,594	$ 14,248,241	$ 16,028,455	$ 17,086,654	$ 18,275,620

Source: Delaware Office of Management and Budget

State Police

The Delaware State Police (DSP) provides statewide public safety services. The agency assists all local and county police agencies with specialized police and investigative services. The agency has the primary responsibility for enforcing traffic laws on Delaware's major roadways. In addition, the DSP is the agency responsible for providing police protection for residents of unincorporated Kent and Sussex Counties, as well as for small towns that lack municipal police departments.

Table A.7 State police personnel and budget, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Total Employees*	992	1,000	1,055	1,070	1,088
GF Budget (thousands)**	$135,628.9	$141,274.0	$152,963.4	$166,128.1	$199,855.4

Source: Delaware Office of Management and Budget
* Includes both troopers and civilian staff
** State Police budget reported is General Fund only.

Agriculture

Delaware has one of the best-regarded and most productive farmland preservation programs in the nation. Administered by the Department of Agriculture, farmers and other landowners sell easements to their land to the state, which essentially extinguishes their right to develop the land, but continues to allow a wide range of agricultural uses.

The Agriculture Lands (Aglands) Preservation Program chooses farms to preserve based on the percentage discount that the owners offer from the appraised value of their farms' development rights. The farms with the highest percentage discounts are preserved.

Table A.8 Farmland preservation by easement, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026***
Farms Preserved	49	60	39	35	-
Acres Preserved	3434	5,353	2,199	2,824	-
State Funds	$7,985,856	$19,422,858	$9,958,726	$11,768,298	-
Federal Funds	$1,628,585	$1,213,557	$245,874	$356,861	-
County/Other Funds	$200,000	$1,646,355	$657,666	$2,242,925	-
Legal and Survey*	$235,235	$250,000	$175,000	$175,000	-

Total Funds	$10,049,676	$22,532,770	$11,037,266	$14,543,084	-
Cost per Acre**	$2,858	$4,163	$4,940	$5,088	-

Source: Delaware Department of Agriculture
* State Funds - Estimated values for settlements that have not occurred.
** Cost per acre paid to land owner excludes legal and survey costs.
*** Data for FY26 is currently pending, once data is available it will be shared.

Young Farmer Loan Program

The Young Farmer Loan Program was established in FY 2012 by the Department of Agriculture to help individuals acquire farmland. Applicants who meet the criteria for the program (age 18 to 40, net worth not exceeding $300,000, and at least three years of farming experience) can apply for a loan to help purchase a farm (the property must have at least 15 acres of cropland). If approved, an applicant can receive a thirty-year, no-interest loan for up to 70 percent (not to exceed $500,000) of the appraised value of the property's development rights.

Table A.9 Young Farmer Loan Program, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Farms Preserved	2	2	1	0	2
Acres Preserved	250	248	104	0	56
State Funds	$837,679	$862,832	$500,000	$0	$396,068
Legal and Survey*	$10,000	$10,000	$8,877	$0	$10,695
Total Funds	$847,679	$872,832	$508,877	$0	$406,763
Cost per Acre**	$3,351	$3,519	$4,808	$0	$7,073

Source: Delaware Department of Agriculture
* State Funds
** Cost per acre paid to landowner excludes legal and survey costs

Forestland Preservation

The Forest Preservation Program was established in FY 2010, and nine forest tracts were preserved at that time, totaling 872 acres. The funding for these easements included state funding combined with funding from The Nature Conservancy, a private conservation organization.

Table A.10 Total forest preservation easements, fiscal years 2022-2026

	FY 2022	FY 2023 *	FY 2024	FY 2025	FY 2026***
Forest Tracts Preserved	2	0	1	1	-
Acres Preserved	107	0	63	58	-
State Funds	$248,002	$0	$57,341	$533,895	-
Federal Funds	$0	$0	$0	$0	-
Local Funds	$0	$0	$57,341	$0	-
Private Conservation Funds	$0	$0	$0	$0	-

Legal & Survey**	$9,218	$0	$5,000	$5,000	-
Total Funds	$257,221	$0	$119,682	$538,895	-

Source: Delaware Department of Agriculture
* No Forestland Preservation bids received in FY23
** State Funds
*** Data for FY26 is currently pending, once data is available it will be shared.

Environment

Community Water Quality Improvement Grant

The Community Water Quality Improvement Grant is an annually-determined amount set aside in the Delaware Clean Water State Revolving Fund (CWSRF) Non-Federal Administrative Account. It requires a 25 percent cash match and must meet state insurance requirements. This grant is intended for projects to improve water quality as part of specific watershed improvement plans. It is meant for programs and projects that demonstrate innovative and sustainable methods, techniques, and/or practices for water quality improvements with cost-effective and measurable results.

Table A.11 Community water quality improvement grants, fiscal years 2022-2026

State Funds	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
DNREC	$280,016	308,516	333,516	250,000	371,070

Source: DNREC Division of Watershed Stewardship, based on the annual allocation of funds for multi-year projects

Nonpoint Source Program

Nonpoint source (NPS) pollution, unlike pollution from industrial and sewage treatment plants, comes from many diffused sources. NPS pollution is caused by rainfall or snowmelt moving over and through the ground. As the runoff moves, it picks up and carries away natural and human-made pollutants, finally depositing them into lakes, rivers, wetlands, coastal waters, and even our underground sources of drinking water.

The Delaware NPS Program addresses NPS pollution through educational programs, publications, and partnerships with other Delaware organizations. The Delaware NPS Program also administers a competitive grant made possible through Section 319 of the Clean Water Act, providing funding for projects designed to reduce NPS pollution.

Table A.12 Nonpoint Source Program Grant funding, fiscal years 2022-2026

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
State	$821,534	825,800	852,000	855,873	782,490

Federal	$1,232,300	$1,238,700	1,278,000	1,283,809	1,173,735
Total	$2,053,834	$2,064,500	2,130,000	2,139,682	1,956,225

Source: DNREC Division of Watershed Stewardship, based on the annual allocation of funds for multi-year projects

Surface Water Matching Planning Grant

The Surface Water Matching Planning Grant is designed to assist counties and municipalities to prepare surface water projects for funding through the Delaware Water Pollution Control Revolving Fund (WPCRF). The available funding can be used to assist with surface water planning in general and for specific project planning and designs necessary to submit a loan application to the WPCRF for funding consideration.

The grants support planning, preliminary engineering, and feasibility analysis of surface water improvement projects and activities that focus on the developed landscape to improve water quality in impaired watersheds in Delaware.

Table A.13 Surface Water Matching Planning Grant funding, Fiscal Years 2022-2026

State Funds	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
DNREC	$305,500	259,151	308,775	305,938	372,511

Community Revitalization

Strong partnerships, private investment, and public incentives continue to create new retail and downtowns, stimulating job growth, and improving the commercial vitality of our towns and cities. The Downtown Development District program was enacted by the General Assembly in 2014 to spur private investment in commercial business districts and adjacent neighborhoods. The program has been incredibly successful in stimulating redevelopment in struggling downtowns.

Table A.14 DSHA Downtown Development District Rebate Program, fiscal years 2022-2026

		FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
DDD Rebate Program (millions)*	Reserved	$6.3	$9	$8.50	$5.50	$9.8
	Leveraged	$67	$138.70	$171	$173.60	$173.0

* Reservations for Large Projects only - as small projects do not receive reservations.