

DelTech's case for property tax support

A local revenue source that supports local people for local good paying jobs

By LONNIE GEORGE

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Imagine for a minute that your son or daughter, friend or neighbor decides to apply to Delaware Tech with dreams of becoming a nurse, police officer, day care provider or computer specialist. At the College admissions office, he or she finds a sign on the door -- No New Applications Accepted. The College simply has run out of space.

This scenario is not an imaginary one. The College's facilities soon will be pushed beyond their limits. We now are serving more than 40,000 credit and non-credit individuals annually -- a number expected to increase 27 percent by the year 2020.

The driving force behind this dramatic increase in enrollment is the economy in which we live, an economy that requires an education beyond the high school level for good paying jobs.

It's true that the Student Excellence Equals Degree (SEED) scholarship program is motivating more high school students to come to Delaware Tech, but SEED students represent only 5 percent of our credit enrollment. Delawareans of every age are coming because they know the college can help them achieve their career and financial goals.

Consider that Delaware's Department of Labor projects more than 10,000 job vacancies by 2012 in careers that Delaware Tech already offers academic programs. Labor's data show that Delawareans with an associate's degree earn, on average, \$50,020 per year compared to a high school graduate with some on-the-job training earning \$26,470.

The college is doing all it can to keep the doors of access open, but our only source of revenue for capital projects -- the state Legislature's Bond Bill -- has been outpaced by our growing enrollment and Delaware's workforce and economic development needs.

Having maximized our existing capacity by scheduling nearly 1,300 instructional hours per week at 123 off-campus facilities, the college now faces a challenge that is beyond our ability to solve on our own.

As President of Delaware Tech, it is my responsibility to find a solution. That is why I am urging Gov.

Ruth Ann Minner and the Legislature to establish a Community College Infrastructure Fund (CCIF) to enable us to maintain our existing facilities while building new classrooms, science labs, and computer labs to meet growing demand.

Although there may be more than one way to generate revenue for this fund, I believe a statewide property tax is the best way to address the short and long-term capital needs of the college. First, this is a method widely used by community colleges across the country; more than 20 states use a similar funding mechanism. Second, it is easy and cost-effective to implement -- relying upon the existing county collection structure and honoring all existing exemptions. Most important, it establishes a fair and equitable tax rate that does not place an unnecessary burden on homeowners. For a home with an average market value (\$174,400), the homeowner will pay less than \$16 the first year and no more than \$38 by 2020.

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The establishment of a Community College Infrastructure Fund would make it possible to add essential instructional space on each campus. Three of our most critical projects are the construction of a Health Sciences building in each county to support the healthcare needs of the state's growing population. Christiana Care is now one of the top private employers in Delaware (three hospitals are in the top 10), and Labor projects more than 5,000 job openings in nursing and other healthcare professions by 2012.

Our plans for a Health Sciences building at the Stanton location has already begun, but in seven fiscal years, we've received only one-third of the funding needed. If we continue to rely on the state Bond Bill for our capital needs, construction costs will continue to multiply, and completion will be further delayed.

This outcome has other significant consequences. Delaware Tech nursing graduates have the highest licensure pass rates of any college in the state and earn average starting salaries of \$48,348. When Delawareans earn higher salaries and increase the tax base, we all benefit. Without sufficient space to train our future nurses, the impact on economic development is clear.

If Delaware Tech is forced to limit access, there will be fewer nurses -- along with many other highly qualified professionals -- to meet the workforce demands of Delaware's growing economy.

We are the only institution in the state that offers academic programs in paramedics, fire protection, dental hygiene and radiography among others. Furthermore, more than 90 percent of our graduates live and work in Delaware and provide services that contribute to our quality of life.

In fact, a Delawarean would find it difficult to go through an entire day without being served by a Delaware Tech graduate. Even if your son or daughter, friend or neighbor is not a Delaware Tech alum, there's a good chance your nurse, dental hygienist, local police officer or paramedic received his or her education at Delaware Tech.

The college is also a major provider of training and retraining for more than 400 Delaware businesses. We're often called upon to assist Delawareans who, as a result of corporate downsizing, are looking to re-enter the workforce; we have helped retrain thousands of General Motors employees in the past and may assist Daimler Chrysler in their restructuring efforts in the future.

There is much at stake for the citizens of this state -- especially for our students. The college serves more Delawareans, including more women and minorities than any other institution of higher education in the state. Without enough classrooms, potentially thousands of students will no longer have access to an affordable, high-quality education that will prepare them for the workforce or to continue their education at four-year universities through our 65 connected-degree programs.

I have been asked, "Why not raise tuition?" Each year, the college has increased tuition by approximately 5 percent. However, if Delaware Tech were to ask students to supply the funding needed for capital projects, they would see a 60 percent tuition increase - an increase that would place a college education out of reach for many Delawareans. Ultimately, it's a solution that undermines our community college mission.

It's also been suggested that the college's proposal be put to a referendum, a common practice among local school districts. While the districts have distinct boundary lines for voting, the college serves students statewide. They often cross county lines to attend classes. Historically, statewide tax increases have not been voted on in this manner; referendums can cost the state and its taxpayers in excess of \$1 million. When additional taxes are proposed, legislators must carefully decide if the services or programs made possible by the tax increase are critical to their constituency - in other words, if the return on investment justifies the cost to the taxpayer.

Like most citizens, I'm generally not in favor of paying higher taxes, but I am willing to when I know that the return on my investment will be high. Delaware Tech promises a significant return.

For pennies a day, we guarantee that no Delawarean will be denied access to an opportunity to pursue his or her dreams; that Delaware businesses will continue to have access to a highly-skilled workforce; and that in every corner of the state, taxpayers will continue to benefit directly from the services our graduates provide.

This year, the college celebrates its 40th anniversary. For four decades, Delaware Tech has been a valued and trusted part of the community, and for the first time in 40 years.

The college is asking for the support of Delawareans and Delaware businesses so that we may provide for the next generation and beyond.

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