

Civic League for New Castle County - Congressman John Carney

1. A "Wharfage Fee" on deep-draft vessels lightering or reverse lightering petroleum at Big Stone Anchorage in Delaware Bay has been proposed from time to time for a decade. Though the volume lightered has diminished since nearby refineries started receiving oil by rail, Delaware Bay will become an oil export hub when the world oil market stabilizes. What good reason is there for opposing a wharfage fee?

The reason not to have a wharfage fee is that it will just be passed along to consumers and it would negatively impact the ability of the Delaware City Refinery to nimbly respond to changes in national and global markets. Right now we have gasoline taxes that are assessed at the pump, and the belief that a wharfage fee would reduce the state's reliance on gas taxes and save consumers money isn't consistent with how the fee would be applied. Additionally, a fee like this creates a disincentive for companies to bring oil to refineries in Delaware. We want the refineries to stay open, and them having access to mix of crude is necessary to their business model. The bottom line is this wouldn't be an effective fee and would negatively affect business in our state. We do need to raise revenue for transportation infrastructure, but there are better ways to do it.

2. The State has used Escheat monies to balance the State's budget shortfalls for years - What do you propose to do to address this practice going forward and what methodology would you support to address future budget shortfalls?

Our state budget growth cannot be sustained. I think we need a spending and revenue "reset" that starts with looking at how we spend the taxpayers' money. If Delawareans want government to continue to provide the services it does, we need to implement an intensive, ongoing, cabinet-level focus on operational efficiency to reduce spending wherever possible. On the revenue side, like many other states, Delaware's revenue portfolio is struggling to grow fast enough to keep pace with the increased cost of government. We need to broaden our tax base so that revenues grow more with the economy.

3. Considering that the air quality in Delaware has earned a grade F by the American Lung Association, what steps would you take to reduce local sources of air pollution?

As a downwind state, Delaware's air quality is affected by the air in surrounding states. That's why as a member of Congress, I've voted against Republican attempts to roll back federal clean air standards. As Governor, I would work to spur investments in energy efficiency and clean energy. These efforts will support well-paying manufacturing and construction jobs, lower energy bills, and reduce climate-disrupting air pollution. We have eliminated all but one coal-fired electricity generator in the state, and converted it to natural gas. On the one remaining coal-fired generator in Millsboro, they've made significant investments in pollution control technology that have reduced pollution by close to 90 percent.

4. Delaware's business reputation has been severely tarnished by the international disclosure of money laundering, embezzlement, and bribery through shell companies enabled by our Limited Liability Company (LLC) laws. What steps would you take to change Delaware's LLC laws to prevent these crimes?

Delaware is known worldwide as the Corporate Capital of the U.S. with more than 1.2 million legal entities and two-thirds of the Fortune 500 companies making our state their legal home. 40% of the state's general fund comes from incorporations and related revenues. Maintaining and improving Delaware's reputation for modern and flexible laws, excellent courts and quality customer service must be a top priority for all three branches of State government.

Increasingly, U.S. legal entities are used by international businesses and investors abroad. With this has come misunderstanding and criticism about the role of state corporate laws in the U.S. Most of these criticisms aren't accurate or even unique to Delaware. But Delaware certainly can and should play a leading role in helping to ensure that law enforcement officials have the tools they need to combat financial crimes.

At the federal level, I support the "Closing Loopholes Against Money-laundering Practices Act." This bill sponsored by both of Delaware's U.S. Senators would create a single national system to ensure that every legal entity formed in the U.S. provides ownership and control information needed by federal law enforcement to prosecute money laundering and terrorist financing.

At the State level, I support efforts by the Division of Corporations to tighten the standards to become an LLC registered agent. But more can be done. For example, I support the work of Delaware corporate service providers that have implemented best practices to improve their own screening of prospective customers. We should encourage these efforts and find ways to share these best practices across the industry and with other states.