

Governor Carney Signs Executive Order on Budget Smoothing

Action will create benchmark budgeting mechanism and promote fiscal sustainability

DOVER, Del. – Governor John Carney on Saturday signed [Executive Order 21](#) to implement recommendations of the advisory panel to DEFAC to study potential fiscal controls and budget smoothing mechanisms. The Order will create a benchmark budgeting mechanism, and a Budget Stabilization Fund for budget planning, to help the State of Delaware take a more sustainable, long-term approach to annual budgeting.

Governor Carney and Michael Houghton, Chair of the Delaware Economic and Financial Advisory Council, issued the following statements on the Order following Saturday's signing:

"Over the past several decades, we've seen Delaware's budget go through good times and bad times," said **Governor Carney**. "As every Delaware family knows, you're supposed to save some of your money during the good times so you can make it through when money gets tight. This Executive Order holds state government to the same standard. It'll even things out so when a bad economy comes along, we won't see massive cuts in services or dramatic tax hikes. This is the responsible thing to do for taxpayers who rightly expect us to manage their money wisely."

"I'm disappointed that we were not able to structurally improve the budget process like our committee recommended. It

would have made life more predictable for nonprofits, fire companies and others relying on State funds and avoided the unhealthy 'feast or famine' fiscal cycle we are seeing," said **Michael Houghton, Chair of the Delaware Economic and Financial Advisory Council**. "As Chair of the Advisory Panel that recommended the changes to the General Assembly, I want to thank Governor Carney for stepping up and initiating changes that more responsibly align State spending with revenues through his Executive Order."

[Learn more](#) about the Executive Order on budget smoothing

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