

Introduced by: *Mr. Smiley, Mr. Carter and*  
Date of introduction: March 31, 2020 *all of Council*

**EMERGENCY ORDINANCE NO. E20- 004**

**TO PROVIDE RELIEF FROM CERTAIN PENALTIES, TAXES, AND FEES  
DUE TO A PUBLIC HEALTH THREAT**

**WHEREAS**, the Centers for Disease Control and Prevention (“CDC”) has determined that a novel coronavirus SARS-CoV-2, which causes a coronavirus disease named COVID-19, is a serious threat to public health, and has advised the public to minimize interactions with others and employ social distancing practices to help mitigate community spread of the COVID-19 virus; and

**WHEREAS**, on March 12, 2020, Governor John Carney issued a *Declaration of a State of Emergency* (the “Emergency Declaration”) due to the public health threat of COVID-19; and

**WHEREAS**, on March 22, 2020, the Governor’s Fourth and Fifth Modifications to the Declaration of a State of Emergency, which became effective on March 24, 2020, closed businesses defined as “Non-Essential Businesses” until May 15, 2020, and ordered all Delaware residents to shelter in place except for “Essential Activities” and “Essential Travel;” and

**WHEREAS**, on March 23, 2020, Governor Carney issued the *Declaration of a Public Health Emergency for the State of Delaware*; and

**WHEREAS**, the President of the United States issued Declarations (pursuant to two separate federal Acts) of a national emergency as a result of the COVID-19 pandemic, expressing his concern that the “pandemic has the potential to cause severe consequences for our country’s national and economic security . . .” and

**WHEREAS**, the President of the United States also declared a public health emergency; and

**WHEREAS**, the World Health Organization issued a Declaration that the spread of COVID-19 constituted a public health emergency of international concern; and

**WHEREAS**, the COVID-19 pandemic has the potential to decimate our national economy on par with the Great Recession of 2008; and

**WHEREAS**, nationally, a record 3.3 Million Americans filed jobless claims during the week of March 19, 2020, the largest number since the Department of Labor began tracking these numbers in 1967; and

**WHEREAS**, the weekly claims for unemployment insurance benefits in Delaware, for the week March 15-21, 2020, exceeded the number of claims received in any months over the past thirty years; and

**WHEREAS**, in response to the COVID-19 pandemic, the U.S. government has enacted legislation that includes housing protections against foreclosures on mortgages and evictions for renters and prohibits fees, penalties or additional interest to be charged as a result of late mortgage payments;

and

**WHEREAS**, similar to and consistent with Congress' consumer protections, many States, cities, and municipalities across the nation have adopted measures to protect its citizenry: notably, the State of Delaware has imposed a moratorium on certain evictions and foreclosures, has prohibited utilities that service residential customers from terminating the service to the customer, and has prohibited residential service providers from assessing late fees or charges as a result of late payments that subsequently become due; in addition, the City of Wilmington has suspended water service disconnections and Sheriff sale filings; the State of New Jersey, along with many other States and cities, including Baltimore, Boston, New York, have enacted similar measures; in addition, the city of Seattle has enacted an emergency order prohibiting the assessment of late fees or other charges due to late payment of rent; the State of Illinois (through its utility commission) has ordered all utilities to suspend late payment fees until May 1, or until the pandemic has passed; the City of Chicago has temporarily suspended debt collection and non-safety related citations and impounds, in addition to suspending penalties for late payment until April 30, 2020, in addition to suspending the accrual of new interest on current compliance plans; and the city of Harrisburg has suspended the application of penalties, interest and fees on municipal waste accounts for city residents and commercial businesses for the entirety of the COVID-19 pandemic; and

**WHEREAS**, the circumstances are such that New Castle County government is compelled to follow the example set by Congress and many other jurisdictions across the nation to protect its citizens as best it can from the potentially devastating health and financial effects of the COVID-19 pandemic; and

**WHEREAS**, COVID-19, and the extraordinary measures taken to limit its spread, are likely to result in loss of work and loss of income for residents of New Castle County; and

**WHEREAS**, residents and businesses in New Castle County may experience economic uncertainty and instability due to COVID-19, and reduction in revenue or income could result in missed or returned payments; and

**WHEREAS**, the Governor's Sixth Modification to the Declaration of a State of Emergency prohibits a "Residential Service Provider" from terminating wastewater service to a dwelling unit or residence or bill or collect a fee or charge imposed for a late payment due on or after March 24, 2020 until the termination of the State of Emergency; and

**WHEREAS**, in the interest of preserving the health, welfare, and safety of residents and to facilitate and encourage compliance with the shelter-in-place order, it is necessary to reduce the costs of accommodations; and

**WHEREAS**, professionals and businesses experiencing economic uncertainty due to COVID-19 may lack the funds needed to obtain the licenses or permits required to operate their business; and

**WHEREAS**, based on the foregoing it is just and appropriate that New Castle County government provide the temporary relief detailed in this Emergency Ordinance to protect residents and consumers from the potentially devastating health and financial effects of the COVID-19 pandemic; and

**WHEREAS**, County Council finds that this Emergency Ordinance is necessary to meet the public emergency created by the COVID-19 pandemic which has severely affected the life, health,

property and the public peace of New Castle County.

**NOW, THEREFORE, THE COUNTY OF NEW CASTLE HEREBY ORDAINS** (10/13ths of all Council members voting in the affirmative):

Section 1. Under the authority of 9 *Del. C.* § 1157 (“Emergency ordinances”), New Castle County Council declares that an emergency exists in that COVID-19 poses a serious threat to the life, health, property and public peace of New Castle County and efforts to protect citizens and limit the spread of the disease have mandated the closure of many public and private buildings and the suspension of numerous services, which have or will likely result in the widespread loss of work or income.

Section 2. For up to 60 days following the adoption of this Ordinance, New Castle County Council provides the following:

A. Pursuant to the authority of 9 *Del. C.* § 2210 (“Penalties for failure to pay charges”), from the date of this Ordinance, the penalty prescribed in *New Castle County Code* § 38.02.503(G)(3) shall be set to a rate of 0 percent per month for all sewer accounts that service, in whole or in part, a dwelling unit or residence and the Office of Finance shall not bill or collect any penalty on an account serving a dwelling unit or residence that becomes due from the date of this Ordinance. The Chief Financial Officer may exercise his authority under *New Castle County Code* § 38.02.503(G)(4) to adjust billing schedules in order to comply with this Ordinance.

B. All taxes and penalties required by *New Castle County Code* Chapter 14, Article 14 (“Lodging Tax”) shall be waived, except that taxes levied and collected before the date of enactment, and due to New Castle County, shall be remitted to the Office of Finance.

C. Sign permit fees prescribed in *New Castle County Code* Chapter 6 (“Building Code”) shall be waived.

D. For the first payment returned for any reason after the adoption of this Ordinance, returned payment fees and related costs as prescribed in *New Castle County Code* § 14.02.006 (“Collection fees for returned payments”) shall not be assessed or collected.

Section 3. This Ordinance shall become effective immediately upon its adoption by affirmative votes of at least ten members of County Council and approval by the County Executive, and shall stand automatically repealed as of the 61st day following the date of its adoption, which shall not prevent reenactment of the Ordinance.

Adopted by County Council of  
New Castle County on: 3/31/2020

  
President of County Council  
of New Castle County

Approved on: March 31, 2020

  
\_\_\_\_\_  
County Executive  
New Castle County

**SYNOPSIS:** This emergency ordinance provides relief to those affected by COVID-19 by suspending sewer penalties for accounts that service, in whole or in part, a dwelling unit or residence, lodging taxes, and sign permit fees.

**FISCAL NOTE:** This ordinance, if adopted, will waive certain fees, taxes, and penalties totaling about \$1,000,000, including \$238,000 in nonresidential sewer penalty, \$750,000 in lodging taxes; \$2,000 in returned payment fees, and \$10,000 in sign permit fees. There is no additional fiscal impact from suspending penalty on residential sewer accounts because Governor Carney's Sixth Modification of the Declaration of a State of Emergency already requires the County to suspend penalties on residential sewer accounts.

