

**Passed by the Membership on 3 Apr 2018
27 ayes, 13 nays, and 5 abstentions**

EMERGENCY RESOLUTION OF THE LEGISLATION COMMITTEE ON HB 1204¹

Background

HB1204, which the Virginia General Assembly has passed, would require counties that experienced at least a 14% population increase from 2010 – 2016 to specially and separately assess real property on the “actual physical use of the property” if such land is devoted to “open space” and contains at least 5 acres. The definition of “open space” includes private golf courses. HB 1204 would only apply to Arlington and Loudon counties, which are the only counties in Virginia that experienced such a population growth. Governor Ralph Northam has until April 9 to veto HB1204 or it automatically becomes law.

There is significant concern among the Legislative Committee relating to the negative effect of HB 1204 on Arlington County, with a potential loss of annual revenue to the county of \$1.43 million, according to the County Board. HB1204 would result in big tax breaks for Arlington’s two private golf courses – Washington Golf and Country Club and Army-Navy County Club.

The ACCF Legislation Committee is proposing the resolution below calling on the ACCF membership to urge Gov. Northam veto HB1204. Because of the April 9 veto deadline, the Legislation Committee is asking ACCF Delegates to consider and vote on the resolution at the April meeting instead of referring it to appropriate standing committees to study and report back the May 1 meeting, as Standing Rule 3 specifies. In an emergency, Standing Rule 3 also allows the membership to act on a resolution without referral to a committee, provided a majority of the Delegates present and voting consent to immediate consideration of the resolution. The Legislation Committee believes an emergency exists. The Civic Federation will lose its opportunity to provide timely input to the governor on HB1204 if the membership does not consider and vote on the resolution at April 3 meeting because after April 9 it will be too late to request the Governor to veto the bill.

In light of these concerns, at its March 25 meeting the Legislation Committee voted unanimously to (1) recommend to the Executive Committee that it alert the membership to this situation, given that the legislation could be approved at any time, and (2) to recommend that the membership adopt the following resolution:

Emergency Resolution on HB 1204

WHEREAS HB 1204 would conflict with the constitution and Virginia Code and set a dangerous precedent by requiring Arlington to assess any real estate of 20 acres or more that is devoted to open space – which state law defines as including private golf courses – at a special and separate lower rate of taxation determined only by fair market value based upon its “actual

¹ Governor Northam can act on this bill at any time up until midnight of April 9, 2018. <http://lis.virginia.gov/cgi-bin/legp604.exe?ses=181&typ=bil&val=hb1204>.

physical use” rather than on the property’s full fair market value,” as is done for other commercial and residential property;²

WHEREAS the special assessment that HB1204 requires would result in an estimated \$1.43 million loss of tax revenue for Arlington County and while providing large tax breaks to Washington Golf and Country Club and the Army-Navy Club, private golf courses, which do not permit Arlingtonians unfettered public access, free or otherwise, to their open space or facilities (e.g., recreational, food service);

WHEREAS a \$1.43 million revenue loss would have a significant impact on Arlington County at a time where the county is facing budgetary issues funding schools, public safety, public services, parks and recreation and transportation and a dramatic increase in the public school student population;³

WHEREAS \$1.43 million could update an Arlington park, which, unlike the private golf courses, provide free access to all Arlingtonians;

WHEREAS HB 1204 only applies to counties that have experience at least a 14% increase in populations from 2010 – 2016 and, since only Arlington and Loudon County’s population has grown to that extent, HB1204 only financially impacts Arlington and Loudon County;

WHEREAS the Virginia House Delegate who introduced HB1204 represents Prince William and Fairfax Counties, which are not affected by the legislation;

WHEREAS the Arlington County Board and Virginia Municipal League oppose HB1204 and the County Board has written a letter to Governor Northam urging him to veto HB1204;

WHEREAS HB 1204 does not limit by its terms the special assessment of privately held open space of 20 acres or more to private golf courses, and as such, the provision could have future tax revenue impact that has not been identified, such as common use property owned by homeowners associations that could exceed 20 acres in open space (Arlington Village is one possible example).

Now therefore, the ACCF urges Governor Northam to veto HB 1204.

² The body of the bill is at <http://lis.virginia.gov/cgi-bin/legp604.exe?181+ful+HB1204ER>; open space is defined under Virginia Code § 58.1-3230 <https://law.lis.virginia.gov/vacode/58.1-3230>.

³ https://www.washingtonpost.com/local/virginia-politics/arlington-loses-golf-course-tax-bill-dispute-at-general-assembly/2018/03/01/62cb5c5a-1d73-11e8-ae5a-16e60e4605f3_story.html?utm_term=.8c476ef15068;
<https://newsroom.arlingtonva.us/release/tough-choices-focus-on-priorities-in-fy-2019-proposed-budget>;
https://www.apsva.us/wp-content/uploads/2015/04/Capacity_Utilization_FallProjections17-26_Final_Web.pdf.