

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB1623

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Plum

3. Committee: Passed both Houses.

4. Title: Fee for open-space preservation.

5. Summary: Increases from \$1 to \$3 the fee for open-space preservation charged for every deed, deed of trust, contract, or other instrument admitted to record in those jurisdictions in which open-space easements are held by the Virginia Outdoors Foundation (VOF). The bill also clarifies that the fee applies to any "deed of trust, contract, or other instrument" admitted to record, by adding to the term "deed."

6. Budget Amendment Necessary: Yes, to Item 374 of HB30/SB30. See item 8, below.

7. Fiscal Impact Estimates: Final.

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2020 | \$0 | - | - |
| 2021 | \$1,900,000 | - | NGF |
| 2022 | \$1,900,000 | - | NGF |
| 2023 | \$1,900,000 | - | NGF |
| 2024 | \$1,900,000 | - | NGF |
| 2025 | \$1,900,000 | - | NGF |
| 2026 | \$1,900,000 | - | NGF |

7b. Revenue Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Fund</i> |
|--------------------|----------------|-------------|
| 2020 | \$0 | - |
| 2021 | \$1,900,000 | NGF |
| 2022 | \$1,900,000 | NGF |
| 2023 | \$1,900,000 | NGF |
| 2024 | \$1,900,000 | NGF |
| 2025 | \$1,900,000 | NGF |
| 2026 | \$1,900,000 | NGF |

8. Fiscal Implications: This bill increases the fee for open-space preservation charged for every deed, deed of trust, contract, or other instrument admitted to record in those jurisdictions in which open-space easements are held by VOF from one dollar to three dollars. The Department of Taxation estimates that the increase in the fee charge will result in an additional \$1.9 million in revenue. Statute requires that this revenue be deposited to the Open-Space Lands Preservation Fund. The Department of Conservation and Recreation will

require a nongeneral fund appropriation to distribute this additional revenue to VOF. The budget amendments to HB30 adopted by the House include an amendment for \$1.9 million to increase the appropriation for VOF by \$1.9 million in each year.

9. Specific Agency or Political Subdivisions Affected: Department of Conservation and Recreation; Department of Taxation; Virginia Outdoors Foundation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.