

# 1995 SESSION

ENROLLED

## HOUSE JOINT RESOLUTION NO. 614

*Directing the Commission on Equity in Public Education to examine how to reduce Virginia's reliance on the local real property tax and the disparity in funding public elementary and secondary education.*

Agreed to by the House of Delegates, February 4, 1995  
Agreed to by the Senate, February 21, 1995

WHEREAS, Virginia's localities are dependent on the real property tax for more than half of all locally generated revenues; and

WHEREAS, elementary and secondary education is the major category of expenditure for Virginia's localities; and

WHEREAS, many residents believe the real property tax is an especially burdensome tax because of rapidly escalating assessments, the difficulty of valuing property accurately, the varying intervals between general reassessments, and the fact that many times the high value of real property is not correlated with high income which must be used to pay real property taxes; and

WHEREAS, there is a great deal of disparity in real property values in Virginia with the result that there is a corresponding disparity in the ability to finance a quality system of public education; and

WHEREAS, many citizens and localities would prefer to have a more varied mix of tax options; and

WHEREAS, in a statewide referendum last year, the citizens in Michigan voted by a two-to-one margin to dramatically reduce their property tax and to increase the sales and use tax by two percent, along with a menu of other changes to bring greater equity to their local tax structure as well as their financing of public elementary and secondary education; and

WHEREAS, a number of other states are adopting innovative approaches to reduce the reliance on the real property tax and reduce the disparity in funding for education; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Commission on Equity in Public Education be directed to examine Virginia's reliance on the local real property tax and the disparity in funding public elementary and secondary education. The Commission shall specifically include in its deliberations a review and analysis of the Michigan Public School Finance Reform Program to determine whether the program, or any part of the program, would be of assistance to Virginia in its efforts to reduce the local reliance on the real property tax and to reduce the disparity in elementary and secondary school funding.

The Commission shall complete its work in time to submit its findings and recommendations to the Governor and the 1996 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

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