

## Recordation Fees Fund Restoration

FAMPO meeting 7.20.2020

Request to endorse a resolution to the General Assembly to restore distribution of the Recordation Fees to the localities at their historical levels.

- New legislation signed into law by Governor Northam (HB 1414 – Filler-Corn/SB 890 – Saslaw) reduced the amount of state recordation tax revenue distributions to localities from a total of \$40M annually to \$20M annually, effective July 1, 2020.
- A separate piece of adopted legislation (HB 1726 – Jones/SB 1038 – Lucas), dedicated \$20M in state recordation tax revenues to the Hampton Roads Transit Program, also effective July 1, 2020.
- The change in state recordation tax revenue allocations, combined with the earmarking of this revenue, has resulted in a loss of state recordation tax revenues for localities in most parts of the Commonwealth.
- Stafford County received on average \$870k/year which was used as local contributions towards State and Federal funds such as SMART Scale, Revenue Sharing, etc. Spotsylvania and other localities lost similarly, significant levels of funding.
- FAMPO is requested to consider a resolution of support to request that the State immediately restore historic levels of recordation fee funding to localities.