Property Tax Legislation

* So, the Maryland Coalition of Concerned Clubs working with Cornerstone Government Affairs and with the assistance of the National Club Association, successfully defeated the property tax legislation in 2018.
* Now comes the 2019 Maryland State Legislative Session. However, this time Delegate David Moon introduced two property tax legislation bills aimed directly at Montgomery County Golf Courses and Private Country Clubs to the Montgomery County Delegation.
* The bills presented were:
**1.** Bill MC 11-19. Montgomery County – Uniformity of Property Tax Assessments – Use of Pesticides by Country Clubs and Golf Courses

This bill stated that **THE GENERAL ASSEMBLY MAY REQUIRE A GOLF COURSE OR COUNTRY CLUB IN MONTGOMERY COUNTY TO COMPLY WITH LOCAL PESTICIDE LAWS IN MONTGOMERY COUNTY TO BE ELIGIBLE FOR A SPECIAL USE ASSESSMENT.  Stated differently, if we are not willing to compromise the care and conditioning of our golf courses by using only organic products, which we know to be ineffective against the unlimited stresses we encounter here in the transition zone, we would risk our courses being taxed at the highest and best use rate.**

**2.** The second bill MC 27-19.  Montgomery County - Country Clubs and Golf Courses – Rate Assessment and Term of Agreements

This bill stated that **IN MONTGOMERY COUNTY,** Country Clubs and Golf Courses **will be assessed on open land for property tax purposes $1,000 PER ACRE FOR THE FIRST $500,000 of open land property and assessed at MARKET RATE FOR ANY AMOUNT EXCEEDING $500,000 OF MARKET VALUE.**

* So, now we are facing two property tax legislation bills to deal with. The Maryland Coalition of Concerned Clubs assembled again and retained the services of Cornerstone Government Affairs and the assistance from the National Club Association. The coalition reenergized the letter writing and email campaigns. Reached out to all our industry affiliates, such as the NGCOA, PGA, CMAA, GCSA and Clubs in Montgomery County and encouraged their members and staff (repeatedly) to contact the Montgomery County Delegation and Senators to express our concerns and opposition to these property tax bills and request that they vote no to this legislation.
* In early February, this year, a meeting was scheduled at the Lowe House Office Building in Annapolis for the Montgomery County Land Use Committee. The Coalition rented buses, rallied all the troops and headed to Annapolis. Prior to the scheduled meeting of the Montgomery County Land Use Committee in Annapolis, we took advantage of our time in the Lowe House Office Building and we had club members and staff visit the Montgomery County Delegates to express their opposition to these property tax bills. At this meeting the Montgomery County Land Use Committee was tasked with hearing both sides of the property tax bills and determine if this legislation should proceed to the full Montgomery County Delegation for their vote to have these bills proceed to the House Ways and Means Committee. At the onset of this meeting Delegate David Moon withdrew the first property tax bill related to the Use of Pesticides, so now we are down to one property tax bill - Rate Assessments and Terms of the Agreements.
* During discussion Delegate Vaughn Stewart proposed a new amendment to this bill, that struck down the entire bill as written and presented by Delegate Moon. Stewart proposed a $100,000 annual fee as opposed to an increase in assessed value of property taxes. This annual fee would be billed to every County Club and Golf Course in Montgomery County who’s land per acre was valued at or above $500,000 per acre. Of the Country Clubs and Golf Courses in Montgomery County only 4 clubs fell into this category – Bethesda Country Club, Columbia Country Club, Chevy Chase Club and Kenwood Golf & Country Club.
* The Montgomery County Land Use Committee voted in favor of having this new annual amendment fee proposal presented and voted on by the full Montgomery County Delegation.
* So, on February 22nd in Annapolis the Montgomery County Delegation meet. Their task was to hear the new revised annual fee amendment, vote on the amendment, if passed, then determine and vote on where the funds generated from this fee would be allocated and if that vote passed, then vote on the whole package – the new $100,000 annual fee for any Montgomery County Country Club or Golf Course who’s land was valued at $500,000 or more per acre and where the funds would be allocated.
* 24 delegates were in attendance and participated at this meeting. They held discussion and then voted on the new $100,000 annual fee proposal, and that vote passed 13 to 11. The Delegation then determined that the fee would be split 50/50 between parks & recreation and agriculture in Montgomery County. That vote passed 15 to 9.
* Now they had to vote on the entire package – the $100,000 annual fee billed to four clubs in Montgomery County, and that the revenues generated from these fees would be split 50/50 between parks & recreation and agriculture in Montgomery County.
* So, at this point we thought we are not going to have the same success that we experienced last year and that the $100,000 fee proposal would pass and that this was just the beginning. We knew that the fee would be reviewed annually and increased and that the $500,000 per acre threshold would eventually be reduced to include more than 4 clubs in Montgomery County. We truly felt defeated at this point.
* The vote was introduced as a motion - $100,000 fee and revenues split between Parks & Rec and Agriculture in Montgomery County.
* The Delegates now had the opportunity for discussion prior to the vote, and here is where we saw government at its best! As they made their way around the table allowing each delegate the opportunity to speak and provide viewpoints on this matter, it was clear that we might have a chance of this legislation not passing.
* Several Delegates voiced their concerns that this is a targeted mean-spirited fee and that no fee should be based or determined by a zip code, and that the special assessment was put into place to protect and preserve open land spaces in Montgomery County, and if these clubs should close and the land be developed, how all that would effect schools, traffic, utilities, police and fire departments, etc.. And how do we (the Delegates) expect the people of these communities to continue to support our efforts and causes if we are going after their Country Clubs for annual fees.
* Then one of the Delegates made the following comment – He had received 100’s of emails and letters, both for and against this legislation. He continued by saying that of all the hundreds of emails and letters he received, only one was a deciding factor for him. And it was an email from a 30-year club employee who stated that the passing of this legislation could cause him to lose his job and for that reason this Delegate would vote against this legislation.
* With no further discussion the motion went to vote, and the legislation did not pass by a vote of 13 to 11. So, for a second time we defeated this legislation by being a united vigilant, committed group, rallying the troops and getting our club members, staff and affiliate groups engaged and involved.
* We are not sure what to expect for the upcoming 2020 Maryland State Legislative Session, if needed the coalition will rally again and we will keep you posted.

**Thank you!**