

H.480 PROPERTY VALUATION AND REAPPRAISALS

Side-by-Side Summary: as passed by House vs. Sen. Gov. Operations amendment and Sen. Finance amendment

Sec.	As Passed by House	Sec.	SGO Proposal of Amendment
Findings			
1	<p>FINDINGS</p> <p>Provides statistics and sources relating to the status of reappraisals in Vermont municipalities and to national appraisal practices for housing, lending, and property tax purposes that show systemic discrimination against people of color.</p>	Deleted from bill	
Statewide Reappraisals		Reappraisals	
2	<p>32 V.S.A. § 4041a – REQUIRED REAPPRAISALS</p> <ul style="list-style-type: none"> • Strikes common level of appraisal (CLA) trigger for PVR to order reappraisals (85% below or 115% above fair market value) but retains trigger for reappraisals if COD is greater than 20. • Strikes \$100,000 annual appropriation from Education Fund to PVR for lister education (moved to 32 V.S.A. § 3436) <p>Effective on passage, but applies retroactively to grand lists lodged on and after April 1, 2022</p>	1	<p>32 V.S.A. § 4041a – REQUIRED REAPPRAISALS</p> <p>Unchanged</p> <p>Effective date for this section is changed in Sec. 9: only subsection (b) of 32 V.S.A. § 4041a is effective retroactively on April 1, 2022 and applies retroactively to grand lists lodged on and after April 1, 2022.</p>
3	<p>32 V.S.A. § 4041a – REQUIRED REAPPRAISALS</p> <ul style="list-style-type: none"> • Repeals \$8.50 State per parcel fee paid to towns for reappraisals <p>Effective on January 1, 2026</p>	2	<p>32 V.S.A. § 4041a – REQUIRED REAPPRAISALS</p> <p>Deleted from bill: \$8.50 State per parcel fee paid to towns for reappraisals.</p> <p>Requires municipalities to reappraise every 6 years unless another period of time is approved by the Director of PVR. Failure to reappraise every 6 years without obtaining Director’s approval will result in the Director ordering a reappraisal.</p> <p>Effective on January 1, 2025</p>

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4	<p>ONE-TIME GENERAL FUND APPROPRIATIONS; DEPT. OF TAXES</p> <p>Fiscal year 2024: \$50,000 to Dept. of Taxes to contract with one or more consultants with expertise in statewide reappraisal systems to assist Dept. in preparing implementation plan.</p> <p>Fiscal year 2026: a sufficient sum to the Dept. of Taxes to fund implementation costs of a statewide reappraisals program; appropriation amount based on Dept.'s recommendation December 15, 2024.</p>	3	<p>ONE-TIME GENERAL FUND APPROPRIATION; DEPT. OF TAXES</p> <p>Fiscal year 2024: \$50,000 to Dept. of Taxes to contract with one or more consultants with expertise in statewide reappraisal systems to assist Dept. in preparing implementation plan.</p> <p>Deleted from bill: fiscal year 2026 intent to appropriate</p>
5	<p>32 V.S.A. § 4041a – REQUIRED REAPPRAISALS</p> <ul style="list-style-type: none"> • Repeals: <ul style="list-style-type: none"> ○ Requirement that municipalities reappraise following an order by the Director of PVR ○ Penalty associated with municipal failure to reappraise (withholding of State funds) • Makes the consequence of a municipality’s COD being greater than 20 the commencement of a State reappraisal. <p>Effective on July 1, 2026</p>	Deleted from bill	
6	<p>32 V.S.A. § 5413 – STATEWIDE REAPPRAISAL PROGRAM</p> <p>Expands State appraisal and litigation assistance program at PVR, Dept. of Taxes to include statewide statistical and full reappraisals.</p> <p>For purposes of both municipal and statewide education grand lists, Commissioner of Taxes is required to:</p> <ul style="list-style-type: none"> • Determine a reappraisal schedule for each municipality’s grand list, to be published annually; • Conduct or contract with one or more appraisers to conduct: <ul style="list-style-type: none"> ○ Statistical reappraisals (not required in same year as a full reappraisal); and ○ Full reappraisals every 6 years. <p>Property values set by a State reappraisal are binding on municipality</p>		

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	<p>Appropriates \$2,540,000 annually, on January 1 from General Fund to PVR to fund statewide reappraisals program.</p> <p>Effective on July 1, 2026</p>		
7	<p>32 V.S.A. § 5405(f) – PER PARCEL FEE</p> <p>Doubles from \$1 to \$2 the State per parcel fee paid to municipalities for assistance with the equalization study and expands uses of fee revenue to include maintaining the grand list.</p> <p>Effective July 1, 2026</p>		Deleted from bill
8	<p>IMPLEMENTATION PLAN AND PROGRESS REPORT; DEPT. OF TAXES</p> <p>On or before Dec. 15, 2023, requires Dept. of Taxes to submit a progress report to House Ways and Means and Senate Finance Committees on the first six months of:</p> <ul style="list-style-type: none"> • implementation of office of statewide reappraisals • defining new categories of homestead and nonhomestead property that apply to both municipal and statewide education grand lists and property taxes <p>On or before Dec. 15, 2024, requires Dept. of Taxes to submit a report to House Ways and Means and Senate Finance Committees on:</p> <ul style="list-style-type: none"> • detailed implementation plan and progress report on the first 18 months of implementation of the statewide system to conduct reappraisals • recommended legislative language to define new categories of homestead and nonhomestead property • recommended means to achieve consistency in property valuation and taxation across Vermont, to prioritize the elimination of racial, socioeconomic, and other implicit biases. 	4	<p>IMPLEMENTATION PROPOSAL AND PROGRESS REPORT; DEPT. OF TAXES</p> <p>On or before Dec. 15, 2023, requires Dept. of Taxes to submit a progress report to House Government Operations and Military Affairs and House Ways and Means and Senate Finance and Senate Government Operations Committees on the first six months of work on report required in 2024:</p> <ul style="list-style-type: none"> • Implementation proposal to create a statewide reappraisal system, including: <ul style="list-style-type: none"> ○ a preliminary schedule to phase in full reappraisals for each municipality every 6 years with the 1st municipalities scheduled to complete reappraisals on or before April 1, 2027. • Recommendations for obtaining data on properties throughout Vermont in order to identify and differentiate between property types and characteristics, including use, occupancy or vacancy, square footage, and any other relevant factors. • Options for and any implementation of implicit bias reduction training for listers and assessors. • Considerations for changing annual date by which grand lists are required to be lodged from April 1 to January 1 or another date (<i>Sen. Finance amendment</i>)

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			<p>On or before Dec. 15, 2024, requires Dept. of Taxes, in consultation with relevant stakeholders, to submit a report to House Government Operations and Military Affairs and House Ways and Means and Senate Finance and Senate Government Operations Committees on:</p> <ul style="list-style-type: none"> • Implementation proposal to create a statewide reappraisal system. Expanded list of data required to be reported. • Recommendations to distinguish between different types and uses of property and a detailed proposal to integrate those recommended types into grand lists and the overall property tax system. Expanded list of data required to be reported. • Recommended means to achieve consistency in property valuation and taxation across Vermont to prioritize the elimination of racial, socioeconomic, and other implicit biases. <ul style="list-style-type: none"> ○ Requires review of and revision to State assessment guidance and training provided to listers and assessors to reduce implicit bias.
<p align="center">9</p>	<p>REPEAL CONTINGENT EFFECTIVE DATE; STATE APPRAISAL AND LITIGATION ASSISTANCE PROGRAM</p> <p>2022 Acts and Resolves No. 163, Sec. 8(2) is amended to strike last session’s effective date for the new PVR program, which was made contingent on the Legislature appropriating funding to cover the Dept.’s costs to create, implement, and maintain the new program.</p> <p>Effective July 1, 2023</p>	<p align="center">5</p>	<p>REPEAL CONTINGENT EFFECTIVE DATE; STATE APPRAISAL AND LITIGATION ASSISTANCE PROGRAM</p> <p>Unchanged</p>
Lister and Appraiser Education			
<p align="center">10</p>	<p>32 V.S.A. § 3436 – ASSESSMENT EDUCATION</p> <p>\$100,000 is annually appropriated from Education Fund to PVR for lister education (appropriation repealed from 32 V.S.A. § 4041a)</p>	<p align="center">6</p>	<p>32 V.S.A. § 3436 – ASSESSMENT EDUCATION</p> <p>Requires Director of PVR to include in certified assessment education programs for municipal listers and assessors: education</p>

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	Effective July 1, 2023		on racial disparities in property valuation outcomes and on-going bias reduction training. \$100,000 is annually appropriated from Education Fund to PVR for lister education (appropriation repealed from 32 V.S.A. § 4041a) Effective July 1, 2023
11	32 V.S.A. § 4052 – CONTRACT APPRAISALS; ASSESSOR QUALIFICATIONS Clarifies requirement that municipalities may only employ or contract with qualified and trained assessors to conduct reappraisals. Effective July 1, 2023	7	32 V.S.A. § 4052 – CONTRACT APPRAISALS; ASSESSOR QUALIFICATIONS Clarifies requirement that municipalities may only employ or contract with qualified and trained assessors to conduct reappraisals. Effective July 1, 2023
		8	32 V.S.A. § 4052 – CONTRACT APPRAISALS; ASSESSOR AND LISTER QUALIFICATIONS Requires elected listers to meet the same qualifications and training requirements required for hired assessors. Allows elected listers who do not meet training requirements at time of election one year from taking office to comply with training requirements. Effective January 1, 2026
12	17 V.S.A. § 2651c – LACK OF ELECTED LISTER; HIRING ASSESSORS Requires selectboards to notify PVR within 14 days of a vote to eliminate the office of lister and employ or contract a professionally qualified assessor, who is required to meet qualification and training requirements approved by PVR. Expands authority for municipalities to hold a vote to eliminate the office of lister from only annual meetings to also special meetings.	9	17 V.S.A. § 2651c – LACK OF ELECTED LISTER; HIRING ASSESSORS Unchanged

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Sec.	As Passed by House	Sec.	SGO Proposal of Amendment
	Clarifies that even if an assessor is employed or contracted to assist an elected board of listers, the board of listers retains its statutory powers, duties, and liabilities.		
Conforming Revisions; Repeal of Town Reappraisals		Deleted from bill	
13	Authorizes Office of Legislative Counsel to make non-substantive technical corrections to title 32 during statutory revision to conform to this act’s repeal of municipal requirement to reappraise.		
Effective Dates			
14	<p>Act takes effect on July 1, 2023 except:</p> <ul style="list-style-type: none"> • (1) Sec. 2, 32 V.S.A. § 4041a(b), (reappraisal orders) applies retroactively to grand lists lodged on and after April 1, 2022 • (2) Sec. 3, 32 V.S.A. § 4041a(a), (repeal of per parcel fee) takes effect on January 1, 2026 • (3) Secs. 5, 32 V.S.A. § 4041a, (repeal of municipal requirement to conduct reappraisals), 6, 32 V.S.A. § 5413 (State appraisal, reappraisal, and litigation assistance program), and 7, 32 V.S.A. § 5405(f), (per parcel fee) take effect on July 1, 2026 	10	<p>Act takes effect on July 1, 2023 except:</p> <ul style="list-style-type: none"> • (1) Sec. 1, 32 V.S.A. § 4041a, subsection (b), (reappraisal orders; CLA) takes effect retroactively on April 1, 2022 and applies to grand lists lodged on and after April 1, 2022 • (2) Sec. 2 (32 V.S.A. § 4041a; reappraisal orders) takes effect on January 1, 2025 • (3) Sec. 8 (32 V.S.A. § 4052; lister qualifications) takes effect on January 1, 2026.