

Point of fact - I have been both a Lister and an Assessor – both of which perform the same duties and both of which are professionals. The only difference is that a Lister is elected, and an Assessor is hired. All are professionals.

My background: I live in St. Albans.

Assessor City of S Burlington – 18 years

Lister – Town of Georgia VT – Lister Chair for several years

Treasurer – Town of Georgia VT

Ass't Town Clerk – Town of Georgia VT

Planning Commission - Town of Georgia VT – Planning Chair for several years

Town Officers Education Conference – UVM (TOEC) – Instructor

Vermont League of Cities & Towns (VLCT) – instructor at town fair.

Vermont Assessors & Listers Association (VALA) – Pres, VP, Legislative Committee, instructor

Quality control specialist for new England municipal resource center

*First – Discrimination – whether systemic or not, has no place in society – period. I think it would attract more attention as a stand-alone bill covering all aspects of discrimination vs what amounts to a casual mention here where it is limited to only the appraisal for taxation and the appraisal for financing fields. It minimizes the issue.*

Is the issue being addressed here based on race or socioeconomic issues? Or Both?

VALA is a watchdog organization that in the past has come to the legislature to offer perspective that is not commonly thought of during the process.

H.480 – so many parts with so many unknown consequences.

DEFINE THE PROBLEM - What has brought us here today?

On its face it H.480 suggests the reappraisal process is in “crisis” mode. Specifically, reappraisal orders are taking longer than usual to be satisfied.

ALTERNATIVE SOLUTIONS – Seek alternatives (plural) that may solve the problem.

H.480 suggests the solution is to totally overhaul the reappraisal system – with other wants sprinkled in along the way.

The issue is that this is the only alternative offered and appears to lack input from the individuals involved with the issue – Listers & Assessors, Town management, etc.

Common mistake in problem solving – first alternative used – even if it may not be the best alternative.

EVALUATE AND SELECT ALTERNATIVE – determine which alternative is best without bias. H.480 only offers one alternative which is therefore highly biased. While H.480 is one option to address this crisis but fails to address any unanticipated problems.

#### IMPLEMENTATION AND FOLLOW UP

Plan and implement a PILOT test of the chosen alternatives.

#### 10,000-foot view –

Covid was a crisis and has caused many issues, one of which is its effect on reappraisals. Covid caught everyone off guard, not just in VT, everywhere.

Value shifts from *high-cost* properties to *high value* properties have caused an increase in reappraisal necessity which in turn has created a bottleneck within the reappraisal industry. One of the factors causing the backlog is the requirements for reappraisal orders. CLA and COD are two indicators for reappraisal implementation. The CLA (common level of assessment) is currently a trigger and the source of many reappraisal orders.

Eliminating the CLA as a trigger for reappraisal will eliminate the urgency for municipalities that currently have reappraisal order from the director of PVR.

This fix does not require moving appraisals to the TAX department.

Availability of reappraisal companies is a major issue. Municipalities are currently staging their reappraisals and are in the que but it is a first come first served industry so there is a delay.

This issue will not change by simply moving reassessments to the Tax department.

The state has hung their hat on being able to group towns together in assessment districts as a cost saving measure. It could, and it can happen without moving the reappraisals to the Tax department. Currently any town that wishes to combine their reappraisal with another town to save money can.

Another fix that does not require moving appraisals to the Tax Department.

Reappraisal is expensive. Simply moving the appraisals needs to the Tax department will not reduce the cost of the reappraisals. The processes and personnel needed are the same.

Municipalities contribute additional funds to reappraisals that are more than just the contracted cost of the reappraisal. Labor, office supplies, computers, printers, paper, electricity, etc. are some of the hidden costs.

H.480 would shift the burden of valuation to the State and make the resulting values binding upon the municipality. The present reappraisal system allows for local knowledge in developing local values. State values will be ignorant of local knowledge and will be suspicious at the local level without the valuation review normally done by the local listers prior to reappraisal values being released.

The Grand List is a product of the assessing office of each municipality and the values are certified when lodging the Grand List. Listers signing off on reappraisal values they did not develop is going to be a large issue as many will not certify values they did not develop.

Appeals are a vital part of reappraisals. Vermont has always been run with the rights of the people at the core. Eliminating the Board of Civil Authority level of appeals is concerning. It will be the only remaining level of appeal located at the municipal level should the state take over reappraisals. The State will set the value, make decisions on the appeals, make decision at the Hearing officer appeal level, and at the court level. Prosecution, judge, jury.....no checks and balances. There needs to be an element of separation in the appraisal process. An example is: A selectboard member shall not be a lister or assessor. Controlling both parts of the appraisal and taxation process is a conflict. H.480 would create the same conflict.

Appeals of reassessment values that are extensive and for high value properties are an extremely important item to consider. When there is an appeal that carries over from Grand List year to Grand List year there is the forgotten issue of tax dollar refunds. Once the State grabs the Education tax dollars, they will not give them back once the Grand List is finalized. Even if an appeal was lost, and the taxpayer overpaid in a previous year. The Municipality is liable for paying back not only the Municipal portion of the taxes but also for the Ed Fund portion of the taxes, AND they are responsible for all the litigation expenses. Imagine being liable for something you had no control over in your personal life and try to relate that feeling to this situation. Basicity this bill hacks the municipalities.

Abatement language would also need to be amended to include "manifest errors of the state" as a supplement to "manifest errors of the Listers".

There are good points to this bill that should be considered.

Education requirements would be a benefit with the caveat that it may negatively impact the pool of qualified, but not formally educated Listers and Assessors. Part of the current issue is the lack of education for the people making the rules.

Category changes if they *relate to valuation*. Separating the residential category to indicate lake parcels would be the best idea. If the idea is to try to capture rental uses – this road has been traveled in the recent past and is just not feasible for listers/assessors.

Cyclic reappraisals would be a benefit in that all municipalities would be aware of when the next reappraisal is scheduled, and preparation can be made well ahead of time. Increasing the financial assistance to the Municipalities would need to be increased due to the reduced timeline available for saving the State stipend for reappraisal and maintenance of the Grand List. If cyclic reappraisals are to be implemented - the usage of the COD could create conflicts in the schedule.

Parcel mapping tied to grand list which would also assist with tracking contiguous parcels.

#### RECAP

Problem: The big picture is the concern that reappraisals are not being completed as frequently as necessary along with the concern that the CLA is causing at least part of the problem.

Solution: Require more frequent reassessments and remove the CLA and COD as a trigger for reappraisals. There is no need for relocating reappraisal responsibilities to the State.

Summation – Everything in H.480 can be accomplished without shifting the reassessment responsibilities to the State. And if we base our opinions on the track record of the current roll out VtPie I think It's time to step back and get a better understanding of just what is going on at the State level when ideas like this are proposed.