

- \* Good afternoon and thank you for the opportunity to testify
- \* For the record my name is Chris D'Elia, President of the Vermont Bankers Association
- \* For those of you not familiar with the VBA, we are a trade association that represents the 21 banks doing business in the state of VT from the smallest at \$46M to the largest of several billion
- \* My role aside from managing the day to day operations of a two person shop is to work with the legislature and congress on issues of importance to the industry
- \* With regard to H.25, this discussion reminds me of my work in 2010 when I was a member of the unmarked burial committee organized by the legislature
- \* That committee worked on a process for addressing concerns related to the discovery of unmarked burials
- \* I also want you to know that in a previous life working for a real estate developer I was involved with a project in south burlington where we unearthed bones
- \* I was also involved in a project in winooski where a contractor prior to my taking over management of a facility dug through an Indian burial ground
- \* So I have some context to the issue of burials
- \* I want to be clear at the beginning of my testimony, the banking industry does not oppose natural burials or the concept of natural burial grounds
- \* We just want to make sure they are done correctly and we avoid any unintended consequence
- \* When thinking about this bill there were a couple of scenarios that immediately came to mind for our industry
- \* Future ownership of real estate compared to present ownership

- \* Lets start with future ownership
- \* As a general statement, the more information that is available, recorded in the land records, the better
- \* Now why is that
- \* Interested parties involved with real estate ownership and transfers such as buyers, sellers, lenders, lawyers, title attorneys, real estate brokers and appraisers rely on the land records for information pertaining to a parcel of land
- \* For example my property has two easements associated with it
- \* Having those recorded in the land records helps future interested parties understand in this case potential limitations on my property
- \* So in the case of natural burial grounds, the more information in the land records the better
- \* It would provide future buyers and lenders with the necessary information to make informed decisions, to weigh the risks
- \* We agree with the title communities recommendation about depicting and describing the location and the borders of the burial ground
- \* A survey or plat should be recorded to eliminate any doubt as to where the burial ground is located on the parcel
- \* We don't believe such recording requirements would in any way interfere with a persons desire for a natural burial
- \* Now lets focus on current ownership with a lien on the property
- \* That is where we have a bigger concern
- \* Use an example of five acres and homestead
- \* Documentation provided to the bank title opinion, appraisal, financials, all part of underwriting the loan

- \* Bank makes a decision based on a set of circumstance that impact loan to value ratios among a list of many items to consider
- \* Now the property owner decides to designate a portion of the site as a burial ground
- \* What will that do to my collateral as the lender
- \* How will it impact the marketability and market value of the property
- \* What additional risk am I taking on as the lender in the event I have to foreclose on the property
- \* Would you be able to find comparables in the market in order to do an appraisal of the property
- \* How will the secondary market react and would a bank have to indemnify the secondary market for any losses associated with a natural burial ground
- \* These are very difficult questions to answer given our lack of experience
- \* I am currently researching other states and hope to have some answers soon
- \* What I have found so far is it looks like many of the natural burial grounds are located or meet the requirements of a cemetery
- \* Perhaps that is an alternative to consider
- \* At the very least we would like to have in the bill a requirement the property owner notify the lien holder
- \* Now for the bill itself
- \* We do not have any concerns with the language on pages 1-5 through line 15
- \* Although we would suggest defining the word improvement which is referenced on page 9 line 11

- \* Our concern is that could mean many things to many people
- \* We also support the title communities language concerning improvements that are constructed
- \* At the bottom of page 5 perpetual care, we believe some type of perpetual care fund should be established, even a modest one
- \* Mortgage deeds require the property owner to maintain the property in order to prevent deterioration or decreasing in value due to its condition
- \* Without a fund we are concerned about the state of the property, especially if people are going to be visiting the site
- \* On page 7 line 5 it states the natural burial ground may be platted, we believe that should be shall
- \* Again more documentation in the land records for clarity purposes
- \* We know the property tax issue is on your list of items to address, I would just call your attention to page 8 lines 3-4 which seem to indicate no plat plan no tax exemption
- \* On page 9 the bill speaks to perpetuity and elsewhere the inability to remove a body
- \* We would recommend the Committee reconsider and grant the ability to remove bodies located in a natural burial ground
- \* None of us today can predict a circumstance that might develop in the future pertaining to either the need or desire to respectfully and properly remove a body
- \* Eliminating that provision in statute for natural burial grounds ties the hands of future owners
- \* Page 9, the bill requires the creation of a nonprofit corporation for operating the business or use of designated burial ground

- \* We support that approach but ask the questions what happens if the corporation requirements with the secretary of state are not met, what happens if the corporation no longer exists
- \* Pg 10 lines 14-17 we believe needs clarification
- \* As written we believe the town would be responsible for maintaining a fence around the natural burial ground located on private property, why
- \* Other issues that need to be taken into consideration
- \* Somehow addressing visitation rights and potential liability for the property owner
- \* We should prohibit natural burial grounds from being located in a flood plain
- \* We support the proposals from the Agency concerning site distances from water supplies
- \* We also found in our limited research some states require certain distances from agricultural activities and GPS siting of the burials
- \* In closing again the banking industry is not opposed to natural burials or natural burial grounds
- \* We want to make sure they are done correctly and we avoid any unintended consequences
- \* Thank you and I am happy to answer any questions