

Testimony before House Agriculture Committee

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Thank you for inviting me to testify before you today. There are several versions of S.35 and H.49 in the works, and so I want to address the main concern of most treasurers – billing and collecting the Clean Water Fund per parcel fee through the property tax bill.

Others have testified before various committees that such billing and collection would be a simple matter of working with the New England Municipal Resource Center – NEMRC - on adjustments to their grand list and tax administration modules, but even NEMRC's president Ernie Saunders acknowledged while testifying before the House Fish, Wildlife and Water Resources Committee that such adjustments would work best if the parcel fee is handled as a tax instead of a fee. He spoke of limitations on the number of characters that could be used to list the fee on the property tax bill, and without a clear name and description on the bill, phones will be ringing the day after they're mailed out – people calling to ask what this new fee is on their bills.

He also acknowledged that not every community uses the NEMRC tax collection module, so it's not just a matter of one software company making programming adjustments – all other programs would need to be identified and worked with to create a common, standardized approach to billing and collecting the parcel fee.

According to Mr. Saunders, all municipalities do use the NEMRC Grand List module so as to have a unified system for reporting to property Valuation and Review at the Department of Taxes. That means both the Department of Taxes and NEMRC have full access to the entire Vermont grand list – all 323,000 taxable parcels – and could easily generate the bills for a per parcel fee.

There have been various discussions about payment of the fee by the municipalities to the state – when, how much, late fees. Fish, Wildlife and Water Resources heard testimony that recommended having the towns pay the full amount due to the state on December 1st each year, regardless of how much has been collected. Barre City has 4 collection dates, and on December 1st, we're only ½ way through our tax year. If we have to pay the state for the full parcel fees, we're essentially giving the state a no interest loan with no guarantee that the city will ever collect the balance due. In anticipation of such circumstances, the city would need to include funds in its general operating budget to allow for the December payment deadline, and to cover uncollected fees. So our taxpayers would be paying twice – once through the fee on their tax bills, and once through their property taxes to cover the operating budget line item.

I am a property owner and my home backs up to one of Vermont's many brooks that feed into the larger rivers and ultimately into Lake Champlain. I am fully prepared to pay my fair share to help protect our waterways, including paying a per parcel fee. But, as both a tax payer and a treasurer, I don't want it included on my property tax bill.

I'd be happy to answer any questions.