

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred
3 House Bill No. 697 entitled “An act relating to eligibility of reserve forestland
4 for enrollment in the Use Value Appraisal Program” respectfully reports that it
5 has considered the same and recommends that the Senate propose to the House
6 that the bill be amended as follows:

7 First: In Sec. 2, 32 V.S.A. chapter 124, in section 3752, by striking out
8 subdivision (17) in its entirety and inserting in lieu thereof a new subdivision
9 (17) to read as follows:

10 (17) “Reserve forestland” means land that is managed for the purpose of
11 attaining old forest values and functions in accordance with minimum
12 acceptable standards for forest management and as approved by the
13 Commissioner. On parcels of up to 100 acres, 50 percent of the parcel acres of
14 land enrolled as reserve forestland shall be composed of significant and
15 sensitive conditions. On parcels of 100 acres or more, 30 percent of the parcel
16 acres of land enrolled as reserve forestland shall be composed of significant
17 and sensitive conditions.

18 Second: By adding a new section to be Sec. 2a to read as follows:

19 Sec. 2a. 32 V.S.A. § 3757 is amended to read:

20 § 3757. LAND USE CHANGE TAX

21 * * *

1 (b) Any owner of eligible land who wishes to withdraw land from use
2 value appraisal shall notify the Director, who shall in turn notify the local
3 assessing official. In the alternative, if the Director determines that
4 development has occurred, the Director shall notify the local assessing official
5 of his or her determination. Thereafter, land that has been withdrawn or
6 developed shall be appraised and listed at its full fair market value in
7 accordance with the provisions of chapter 121 of this title and subsection
8 3756(d) of this title, according to the appraisal model and land schedule of the
9 municipality.

10 * * *

11 (m) An owner of land enrolled in use value appraisal as reserve forestland
12 who wishes to amend the category of enrollment of the land shall notify the
13 Commissioner of Forests, Parks and Recreation. The Commissioner of
14 Forests, Parks and Recreation shall review the parcel acres of the forestland
15 that are composed of significant and sensitive conditions and shall recommend
16 whether those parcel acres should be enrolled as ecologically sensitive
17 treatment areas or whether those parcel acres should be conserved through
18 purchase by the State or agreement with the landowner.

19 Third: By striking out Secs. 4, report on enrollment of reserve forestland,
20 and 5, effective dates, in their entireties and inserting in lieu therefore three
21 new sections to be Secs. 4–6 to read as follows:

1 Sec. 4. REPORT ON ENROLLMENT OF RESERVE FORESTLAND

2 On or before January 15, 2026, the Commissioner of Forests, Parks and
3 Recreation, after consultation with the Director of Property Valuation and
4 Review, shall report to the House Committees on Natural Resources, Fish, and
5 Wildlife and on Ways and Means and the Senate Committees on Natural
6 Resources and Energy and on Finance regarding enrollment of managed
7 forestland under the Use Value Appraisal Program. The report shall include:

8 (1) a summary of how enrollment of managed forestland in the Use
9 Value Appraisal Program has changed since passage of this act, including
10 whether owners of managed forestland changed the status of enrollment of
11 their land to reserve forestland or ecologically sensitive treatment areas;

12 (2) the number of persons enrolling land in the Use Value Appraisal
13 Program as reserve forestland;

14 (3) any other information that the Commissioner determines is relevant
15 to the ongoing enrollment of reserve forestland in the Use Value Appraisal
16 Program, including any relevant information regarding any impacts to the
17 overall managed forestland category; and

18 (4) recommendations on how to promote the long-term enrollment of
19 land in the reserve forestland category of enrolled land in order to attain old
20 forest conditions.

21 Sec. 5. ANNUAL REPORT; DIVISION OF PROPERTY VALUATION

1 AND REVIEW

2 As part of the annual report required under 32 V.S.A. § 3412, the Director
3 of the Division of Property Valuation and Review shall include an assessment
4 of how enrollment of managed forestland in the Use Value Appraisal Program
5 has changed since reserve forestland was approved as eligible managed
6 forestland, including whether owners of managed forestland changed the status
7 of enrollment of their land to reserve forestland or ecologically sensitive
8 treatment areas.

9 Sec. 6. EFFECTIVE DATES

10 (a) This section and Secs. 1 (findings), 3 (report on enrollment of reserve
11 forestland), 3a (implementation), 4 (report on enrollment), and 5 (Division of
12 Property Valuation and Review report) shall take effect on passage.

13 (b) Secs. 2 (Use Value Appraisal Program) and 2a (review of reserved
14 forestland) shall take effect on July 1, 2023.

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17 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE