

DR 23-0629 PROPERTY VALUATION AND REAPPRAISALS DRAFT – DRAFT 4.2

Section-by-Section Summary – 3/17/2023

Sec.	Topic	Notes
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>	
Statewide 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 another section of statute, 32 V.S.A. § 3436) <p>Effective on passage</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, 2025</p>	
4	<p>ONE-TIME GENERAL FUND APPROPRIATIONS; DEPT. OF TAXES</p> <p>FY2024: \$50,000.00 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>FY2025: 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>	
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 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, 2025</p>	
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>	

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	<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> <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, 2025</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>	
8	<p>IMPLEMENTATION PLAN AND PROGRESS REPORT; DEPT. OF TAXES</p> <p>On or before December 15, 2023, requires Dept. of Taxes to submit a progress report to Legislature 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 December 15, 2024, requires Dept. of Taxes to submit a report to Legislature 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 	
9	<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>	
Lister and Appraiser Education		
10	<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>	

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11	<p>32 V.S.A. § 4052 – CONTRACT APPRAISALS; ASSESSOR AND LISTER QUALIFICATIONS</p> <p>Clarifies and expands requirements for municipalities to employ or contract with only qualified and trained assessors, and to impose on elected listers the same qualification and training requirements approved by PVR imposed on assessors.</p>	
12	<p>17 V.S.A. § 2651c – LACK OF ELECTED LISTER; HIRING ASSESSORS</p> <p>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.</p> <p>Expands authority for municipalities to hold a vote to eliminate the office of lister from only annual meetings to also special meetings.</p> <p>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.</p>	
Conforming Revisions; Repeal of Town Reappraisals		
13	<p>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.</p>	
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, 2025 • (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, 2025 	