

Testimony to Senate Government Operations Committee 04/20/2023

Regarding H-480 and VALA Statement

Presented by:

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I am writing this as a brief summary statement of VALA's overall position on H480 as it has been defined to date. I could give this committee so much information about appraising and assessing, and could correct and clarify some mis-statements in testimony given on 4/19/2023, but I think a summary of our position is what you need.

First I'd like to start with the issue of racial equity. I personally am a mom of multi-racial children and do not want to minimize this issue in any way. I fully acknowledge that racial bias exists and that we may be unaware of it as it so deeply ingrained in our society; however, I also believe it is a much broader societal and economic issue than we can solve with tax assessment. I would ask the Senators to consider how this Bill will solve this problem in any way. Bias education for assessors? That I can support. But I think the problem regarding tax assessment fairness as presented today by the Office of Racial Equity is more about income disparity than race. As stated very well by Stacey Bradley, lower income taxpayers do not have the access to the tax appeal process that wealthier taxpayers have. I would ask the Senators to question how turning over more responsibility to the state would remedy this situation. My answer is that it would likely make it worse, by making the appeal process more bureaucratic, intimidating and costly.

I'd ask you all to consider what it is that Listers/Assessors actually do in compiling a Grand List. I'd like to cite this example in one of my towns where we were doing a town-wide revaluation. Some taxpayers became quite riled up about this and complained about how the "Select Board was just trying to get more money from us in taxes". To make matters worse, I was at a Select Board meeting where this was discussed and a few of the Select Board members appeared sympathetic to this statement.

I asked for a moment to explain this process, showed them all a copy of the 411 for the town, and explained that while we've made it quite complicated in Vermont, the process of setting

real estate taxes is very simple at it's core. It is still just this simple for the Municipal Grand Lists. We have a total of the value of all real estate – this is the Grand List. The Select Board has this list of expenses needed to operate the town – the Town Budget as approved at Town Meeting. You divide the expenses into the Grand List value and arrive at your tax rate.

So when the town does a town-wide revaluation/reappraisal this is absolutely not about bringing more money into the town, it is about fairly and equitably distributing that value among taxpayers. The only standard we have to judge this is fair market value and the standard in Vermont is that we are assessed at 100% of same.

Listers and Assessors in Vermont have come a long way towards becoming professionalized and doing this job better over the 20 years I've been in the business. Local knowledge is a critical part of fair and equitable assessment and local availability of assessment professionals is critical to equitable and fair access to the tax appeal process. Turning over more responsibility to the state will not improve this system, but will weaken it.

Thank you for listening and please vote to strike Section 6 of this Bill, or at a minimum to reduce it to a study. Please refer to our VALA statement on H480 regarding portions of the bill which we do support, and our strong and unified opposition to Section 6.

