

To Whom it may concern:

I have held the positions of both Lister for the Town of Georgia (6yrs) and as the Assessor for the City of South Burlington for 18 years. I have also been a member of the Vermont Assessor & Listers Association for 20+ years, serving 2 years as Vice President and 2 years as President, currently acting as the Past President on the Board of Directors. I have been a member of the International Association of Assessing Officers for 15+ years. I have achieved the Level of Vermont Master Property Appraiser IV of the Vermont Property Assessor Certification Program, as well as holding the Project Supervisor Certification.

H-480 is on the radar for myself as well as most every other Lister or Assessor I have spoken with during this Legislative Session.

H-480 is on it's face a wonderful piece of Legislation that promises to solve multiple issues in the State of Vermont.

H-480 deeper down attempts to solve multiple issues that simply are not prevalent, or which are temporary anomalies here in Vermont.

Systemic Racism is a legitimate concern in the areas where it exists at the national level. Systemic Racism as it applies to valuation for taxation is real and exists in areas where there are concentrated colored populations in which racist valuations can be brought to bear. Vermont has minimal if any concentrated colored population areas where the practice of Systemic Racism could be applied as is insinuated. How Vermont became as limited in color, while inflammatory, is not germane to this valuation conversation. Utilizing Vermont Legislation to fix issues occurring in large metropolitan areas across the nation is a solution looking for a problem.

Covid-19 is an issue that has impacted Vermont in various ways. One impact has been the expansion of the ability for remote working anywhere there is internet service. The ability to relocate has created a mass exodus from *high price areas to high value* locations such as Vermont. Large sale profits from other locals make purchasing a piece of Vermont an extremely appealing prospect in that you can get much more for your money here in Vermont. Supply and Demand dictate that as the supply of property goes down due to the limited inventory the prices will in turn escalate. This price escalation is what is causing the reappraisal anomaly, and it is just that, an anomaly – it is not the norm, it's not sustainable, nor is the sky falling.

A Reappraisal Crisis has been declared. Are there issues? Yes. Is it a crisis? No.

The Common Level of Assessment (CLA) is a tool used to measure the ratio between assessed values as compared to fair market values and suggest when reappraisals should be considered. The CLA is also utilized in the calculation of Education Taxes to offset the impact of assessed values being other than the fair market value of the property. The CLA is dropping at a higher rate than normal as a result of unusual market appreciation - triggering more Reappraisal Orders from the Director of Property Valuation and Review. H-480 would eliminate the CLA as a trigger for reappraisal, ignoring the level recommended by the International Association of Assessing Officers (IAAO) which the State currently utilizes - IAAO being the same organization which is being used as an authoritative reference in two other places in this same Bill.

The so-called Reappraisal Crisis is a bottle neck caused by the lack of qualified Reappraisal Companies and the limited employee availability necessary to execute quality reappraisals during this time of high demand. Shifting the Reappraisal operations to the State Level can only exacerbate this issue. The State has limited resources to perform their current duties and adding this enormous task is nonsensical. The implications that the State of Vermont will magically be able to procure the necessary qualified officials necessary to conduct reappraisals for the entire state when individual reappraisal companies are currently handicapped by the same issue is at best irrational.

Basically, this legislation will change from the current system where:

The State of Vermont Tax Department - Property Valuation & Review Division (PVR) orders reappraisals to.....

A new system where the State of Vermont Tax Department - Property Valuation & Review Division (PVR) orders reappraisals.

The difference - control. H-480 intends to shift from the responsibility of reappraisals from local control with local knowledge to State control without local knowledge. With H-480 legislation in place PVR will control the appraisal companies and the final assessed values which the Municipalities must accept. This action is not necessary and does not address the reappraisal crisis resulting from a lack of qualified Reappraisal Companies and the limited employee availability necessary to execute quality reappraisals during this time of high demand.

The cost of reappraisal is enormous. The State currently provides the Municipalities with a stipend of \$8.50 per parcel per year to assist with the cost of reappraisal. With the cost of reappraisal being roughly ~\$100/parcel, it will take 12 years for a municipality to cover the costs of one reappraisal by saving the per parcel stipend each year. Ideally one reappraisal every 12 years makes sense. Should H-480 pass and reappraisal frequency reduce by half, the corresponding cost impact will double to \$17.00 per parcel per year. The States insistence that the same reappraisals, done twice as often, by the same appraisal companies, with the same employee issues, for less money is quite the postulation. One can only wonder how those calculations were developed.

During this period of ever-increasing property values and the resulting drop in the CLA the frequency of reappraisals has increased and has reduced the ability of Municipalities to pool funds to well under the time necessary to actually fund the reappraisal. The result is that the Municipalities have been forced to cover the increasingly high balance of the cost of reappraisal. When the State assumes responsibility for the reappraisals, that balance will also shift to the state. Miscellaneous other costs currently covered by the Municipalities are the impact of the reappraisal duties outside the contracted services that fall on the Listers/Assessor, and which are absorbed by the local budget anticipated when entering into a reappraisal. Labor increases, materials, and postage are all necessary evils which will also need to be absorbed by the State. The true cost estimates which the State anticipates on saving will in fact become cost increases.

H-480 does contain many good ideas, many of which have been proposed in the past by the Listers and Assessors of the State. Improvements such as additional categories, educational minimums for Listers & Assessors, cyclic reappraisals, etc. The suggested rule changes can be enacted without the burden of reappraisal shifting to the State.

Overall, this Bill is convoluted and not well thought out. There are many areas where the impacts will be studied after the Bill is implemented, opening up multiple concerns over what is realistically going to happen if this whole charade comes to fruition. And more importantly what, if any, is the safety net should it fail to accomplish the suggested goals.

What is driving this Bill is suspect. Vague answers and misdirection's are prevalent. When it was being reviewed at the full House for passage there was a Representative from Pittsford that asked the Representative from Brattleboro if there was any push back by VT League of Cities & Towns, PVR, or VT Assessors and Listers Association. The response was an attempt to deflect the true answer. The response (paraphrased as) - Various parts were supported, various parts experienced discomfort by Listers, - was deceitful and did not reflect the opinions of all three entities where there is truly no support for this Bill. Transparency in this Bill is lacking at best.

Vermont has relied on Local Government since its inception and should continue to do so. Allowing this overreach by the Tax Department will only hasten the demise of Local Government without addressing the reappraisal bottleneck we are currently experiencing.

The adage of "if it seems to be too good to be true..." comes to mind.

Thank you for your time,

R Todd LeBlanc