

1 \* \* \* Regional Assessment Districts \* \* \*

2 Sec. X. 32 V.S.A. chapter 121, subchapter 1A is added to read:

## Subchapter 1A. Statewide and Regional Property Assessment

## § 3415. LEGISLATIVE INTENT

It is the intent of the General Assembly in adopting this subchapter to create regional assessment districts so that:

(1) properties on grand lists are regularly reappraised;

(2) property data collection is consistent and standardized across the

**State; and**

(3) property valuation is conducted by trained and certified individuals

and firms.

## § 3416. REGIONAL ASSESSMENT DISTRICTS; ESTABLISHMENT

(a) On or before January 1, 2029, the Commissioner shall identify and

establish regional assessment districts to effectuate this subchapter as follows:

(1) Where practicable, the Commissioner shall prioritize regional

assessment district boundaries that align with school district boundaries. If

necessary to follow the other criteria under this subsection, the Commissioner

may establish more than one regional assessment district in a school district.

(2) Where practicable, the Commissioner shall establish regional

assessment district boundaries that include more than one entire school district.

3 (4) In establishing boundaries, the Commissioner shall balance the need  
4 for districts with more than 10,000 parcels, so full reappraisals are conducted  
5 regularly and efficiently, with the need to keep district size manageable for the  
6 administrative appeals process.

7 (b) After the initial establishment of regional assessment districts, the  
8 Commissioner may modify district boundaries after providing written notice to  
9 affected municipalities of a change at least one calendar year in advance. The  
10 notice shall provide the reasons why the modification better supports the  
11 criteria listed under subsection (a) of this section.

12 (c) Member municipalities of a regional assessment district shall fully  
13 appraise their grand lists every six years pursuant to subsection 3417(b) of this  
14 subchapter. A municipality may conduct a full appraisal jointly with one or  
15 more other member municipalities and may contract jointly with one or more  
16 third parties to conduct the appraisals.

17 (d) Municipalities within a regional assessment district shall maintain  
18 independent grand lists for municipal taxation.

19 (e) A municipality shall not have a right to appeal its inclusion in a regional  
20 assessment district.

1        § 3417. STANDARD GUIDELINES; PROCEDURES; RULEMAKING

2            (a) The Director of Property Valuation and Review shall establish standard  
3            guidelines and procedures, and may adopt rules, for regional assessment  
4            districts, including:

5                (1) guidelines for contracting with third parties to conduct or assist with  
6                reappraisals, including standard reappraisal contract terms;  
7                (2) standards for the collection and recordation of parcel data;  
8                (3) requirements relating to information technology, including standards  
9                for data software contracts and computer-assisted mass appraisal systems; and  
10               (4) standardized practices for a full reappraisal, including cases in which  
11               physical inspections are unnecessary and how technology is to be utilized.

12               (b) The Director of Property Valuation and Review shall establish a  
13               schedule for each regional assessment district to fully reappraise every six  
14               years. The Director, at the Director's discretion, may alter the reappraisal  
15               schedule for a regional assessment district or for one or more of a regional  
16               assessment district's member municipalities.

17        § 3418. REGIONAL ASSESSMENT DISTRICT APPEALS BOARD:

18        ESTABLISHMENT

19               (a) There are hereby established regional assessment district appeals boards  
20               for each regional assessment district established pursuant to section 3416 of  
21               this subchapter. A board shall hear appeals of valuations within its regional

1 assessment district. The Division of Property Valuation and Review shall  
2 provide training and technical assistance to the board. Other staffing and  
3 funding for a board shall be provided by its member municipalities.

4 (b) All municipalities within the jurisdiction of a board shall be considered  
5 municipal members of the board. A board shall contain at least one  
6 representative appointed from each member municipality and representatives  
7 shall be appointed for a term of three years by the legislative body of such  
8 municipality. A municipality may appoint one board member per 1,000  
9 parcels in the municipality, rounded up to the nearest 1,000 parcels. All board  
10 members may be compensated and reimbursed by their respective  
11 municipalities for necessary and reasonable expenses.

12 (c) A board shall elect an executive board of five board members to  
13 facilitate meetings and oversee operations. The executive board shall have a  
14 chair, vice chair, secretary, and any other position deemed necessary by a  
15 majority vote of the executive board.

16 (d) All meetings to hear and determine appeals under section 3419 of this  
17 chapter shall be held in accordance with 3 V.S.A. chapter 25.

18 § 3419. APPEALS TO REGIONAL ASSESSMENT DISTRICT APPEALS

19 BOARD

20 (a) Within 30 days following the date of notice, a person aggrieved by the  
21 final valuation decision of an assessing official may appeal in writing to the

1       district's regional assessment district appeals board. An appeal of a valuation  
2       decision conducted pursuant to section 3416 of this subchapter that is  
3       erroneously made to a municipality shall be considered timely if it would have  
4       been timely if made to the regional assessment district. A municipality shall  
5       forward any such erroneously filed appeal to the regional assessment district  
6       within 14 days.

7           (1) The board shall schedule meetings to hear and determine appeals  
8       made under this subsection not later than 30 days after the last date allowed for  
9       notice of appeal. Notice of the time and place of the hearing shall be given by  
10       posting a warning in three or more public places in each municipality in the  
11       district's jurisdiction and by mailing a copy of such warning to the legislative  
12       bodies of such municipalities and to all appellants.

13           (2) Hearings shall be conducted before a panel of three board members.  
14       When conducting a hearing under this subsection, the board shall issue a  
15       written determination addressing all questions and objections heard. A written  
16       determination shall only be issued if approved by a majority of those members  
17       present and voting. Unless waived by both parties, the property subject to  
18       appeal shall be inspected internally and externally by the three board panelists  
19       and an inspection report shall be issued within 30 days following the hearing  
20       on appeal and before a final determination is issued.

1                   (A) The appellant shall be provided notice of the inspection and the  
2                   appeal shall be deemed withdrawn if the appellant refuses to allow an  
3                   inspection under this subdivision (2).

4                   (B) During a declared state of emergency under 20 V.S.A. chapter 1,  
5                   a board working within a municipality affected by an all-hazards event shall  
6                   not be required to physically inspect any property that is the subject of an  
7                   appeal. If the appellant requests in writing that the property be inspected for  
8                   purposes of the appeal, the board shall conduct the inspection through  
9                   electronic means. If the appellant does not facilitate the inspection through  
10                   electronic means, the appeal shall be deemed withdrawn. As used in this  
11                   subdivision (B), “electronic means” means the transmittal of video or  
12                   photographic evidence by the appellant at the direction of the staff conducting  
13                   the inspection.

14                   (3) The board shall, within 15 days from the time of the inspection  
15                   report, issue the written determination and shall file it with the clerk of the  
16                   municipality in which the underlying property is located and the Director of  
17                   Property Valuation and Review. At the same time, the board shall send a copy  
18                   of the determination by certified mail to the appellant. The grand list shall be  
19                   amended pursuant to the written determination.

20                   (4) Notwithstanding any provision of law to the contrary, if the board  
21                   does not substantially comply with the requirements of this subsection, and if

1       the appeal is not withdrawn by filing written notice of withdrawal with the  
2       board, or deemed withdrawn as provided in subdivision (2) of this subsection,  
3       the grand list value of the property subject to appeal shall be set at a value that  
4       will produce a tax liability equal to the tax liability for the preceding year.

5       (b) A board member shall not be a panelist for a hearing involving a  
6       property located in the municipality for which the member is a representative.

7       § 3420. APPEALS TO COMMISSIONER

8       (a) A taxpayer or the legislative body of a municipality aggrieved by a  
9       written determination of a regional assessment district appeals board under  
10       section 3419 of this chapter may appeal the determination to the Commissioner  
11       of Taxes. The appeal shall be commenced by filing a notice of appeal pursuant  
12       to Rule 74 of the Vermont Rules of Civil Procedure within 30 days after entry  
13       of the decision of the board. The date of mailing of notice of the board's  
14       determination to the taxpayer shall be deemed the date of entry of the board's  
15       determination. The board shall transmit a copy of the notice to the  
16       Commissioner and shall forward the notice to the applicable municipal clerk,  
17       who shall record or attach a copy of the notice in the grand list book. The  
18       entry fee for an appeal to the Commissioner is \$70.00; provided, however, that  
19       the Commissioner may waive, reduce, or refund the entry fee in cases of  
20       hardship or to join appeals regarding the same parcel. If, in the opinion of the  
21       Commissioner, an appeal under this subsection involves a complex or unique

1       property or valuation that would be best adjudicated by the Superior Court, the  
2       Commissioner may decline to hear the appeal and shall forward the appeal to  
3       the Superior Court of the county in which the property is located, where it shall  
4       be heard. An appeal forwarded by the Commissioner under this subsection  
5       shall be considered timely filed in the Superior Court if it was timely appealed  
6       to the Commissioner. The appeal to the Superior Court shall be heard without  
7       a jury.

8       (b) On or before the last day on which appeals may be taken from the  
9       determination of the regional assessment district appeals board, an agent  
10       designated by the legislative body of the municipality, in the name of the  
11       municipality, on written application of one or more taxpayers of the  
12       municipality whose combined grand list represents at least three percent of the  
13       grand list of the municipality for the preceding year, shall appeal to the  
14       Superior Court from any action of the regional assessment district board of  
15       appeal not involving appeals of the applying taxpayers. However, the agent  
16       designated by the legislative body shall, in any event, have at least six business  
17       days after receipt of such taxpayers' application for appeal in which to take the  
18       appeal, and the date for the taking of such appeal shall accordingly be  
19       extended, if necessary, until the six business days shall have elapsed. The  
20       \$70.00 entry fee shall be paid by the applicants with respect to each individual  
21       property thus being appealed that is separately listed in the grand list. Fees

1       collected under subsection (a) of this section or this subsection shall be  
2       credited to a special fund established and managed pursuant to chapter 7,  
3       subchapter 5 of this title and shall be available to the Commissioner of Taxes  
4       to offset the costs of providing those services.

5       (c) When a taxpayer, legislative body of the municipality, or an agent  
6       designated by the legislative body of the municipality claims that an appeal to  
7       the Commissioner is in any manner defective or was not lawfully taken, on or  
8       before 30 days after mailing of the notice of appeal by the regional assessment  
9       district under Rule 74(b) of the Vermont Rules of Civil Procedure, the  
10       taxpayer, agent, or legislative body of the municipality shall file objections in  
11       writing with the Commissioner and furnish the appellant or appellant's  
12       attorney with a copy of the objections. When the taxpayer, agent, or legislative  
13       body so requests, the Commissioner shall thereupon fix a time and place for  
14       hearing the objections and shall notify all parties thereof, by mail or otherwise.  
15       Upon hearing or otherwise, the Commissioner shall pass upon the objections  
16       and make such order in relation thereto as is required by law. The order shall  
17       be recorded or attached in the municipal clerk's office in the book wherein the  
18       appeal is recorded.

19       (d) On application to the Commissioner, an appellant may request leave to  
20       withdraw the appellant's appeal at any time before it is heard. When an appeal  
21       is withdrawn, the Commissioner shall certify the withdrawal to the clerk of the

1       municipality in which the underlying property is located, and the clerk shall  
2       record the certificate of withdrawal of the appeal. At the same time, the  
3       Commissioner shall notify the applicable regional assessment district board of  
4       appeal. The appraisal from which the appeal was taken shall then become a  
5       part of the appraisal or grand list of the taxpayer.

6       (e) When an appeal to the Commissioner is not withdrawn or forwarded by  
7       the Commissioner to the Superior Court pursuant to subsection (a) of this  
8       section, the Commissioner shall conduct a hearing in accordance with 3 V.S.A.  
9       chapter 25.

10       (f) The Commissioner shall proceed de novo on all appeals and determine  
11       the correct valuation of the property as promptly as practicable and determine a  
12       homestead and a housesite value if a homestead has been declared with respect  
13       to the property for the year in which the appeal is taken. The Commissioner  
14       shall take into account the requirements of law as to valuation and the  
15       provisions of Chapter I, Article 9 of the Constitution of Vermont and the 14th  
16       Amendment to the U.S. Constitution.

17       (1) If the Commissioner finds that the listed value of the property  
18       subject to appeal does not correspond to the listed value of comparable  
19       properties within the municipality, the Commissioner shall set the property in  
20       the list at a corresponding value. The findings and determinations of the  
21       Commissioner shall be made in writing and shall be available to the appellant.

1                   (2) If the appeal is taken to the Commissioner, the Commissioner may  
2                   order an inspection of the property prior to making a determination. If one of  
3                   the parties requests an inspection, the Commissioner shall order an inspection  
4                   of the property prior to making a determination. Within 10 days following the  
5                   appeal being filed with the Commissioner, the Commissioner shall notify the  
6                   property owner in writing of the Commissioner's option to request an  
7                   inspection under this section.

8                   (3) During a declared state of emergency under 20 V.S.A. chapter 1, the  
9                   Commissioner shall not be required to have any property subject to appeal to  
10                   be physically inspected. If the appellant requests in writing that the property  
11                   be inspected for purposes of the appeal, the Commissioner shall conduct the  
12                   inspection through electronic means. If the appellant does not facilitate the  
13                   inspection through electronic means, then the appeal shall be deemed  
14                   withdrawn. As used in this subdivision, "electronic means" means the  
15                   transmittal of video or photographic evidence by the appellant at the direction  
16                   of the person conducting the inspection.

17                   (g) The Commissioner shall forward by certified mail one copy of the  
18                   determination to the taxpayer, one copy to the applicable regional assessment  
19                   district board of appeal, and one copy to the town clerk, who shall record the  
20                   same in the book in which the appeal was recorded under subsection (a) of this  
21                   section. The appraisal so fixed by the Commissioner shall become the basis

1 for the grand list of the taxpayer for the year in which the appeal is taken and,  
2 if the appraisal relates to real property, for the two next ensuing years, except  
3 that if the real property is enrolled in use value appraisal under chapter 124 of  
4 this title, the value of enrolled land, prior to its being equalized, shall be the  
5 per-acre value set annually by the Current Use Advisory Board multiplied by  
6 the number of acres enrolled. The appraisal, however, may be changed in the  
7 ensuing two years if the taxpayer's property is materially altered, changed,  
8 damaged, or if the regional assessment district of which the municipality in  
9 which the property is located has undergone a full reappraisal.

10 Sec. **X.** 32 V.S.A. § 4404 is amended to read:

11 § 4404. APPEALS FROM LISTERS AS TO GRAND LIST

12 (a) ~~Within 14 days after the date of notice thereof, a person aggrieved by~~  
13 ~~the final decision of the listers under the provisions of section 4221 of this title~~  
14 ~~may appeal in writing therefrom to the board of civil authority by lodging his~~  
15 ~~or her appeal with the town clerk, who shall record the same in the book~~  
16 ~~containing the abstract of individual lists. The grounds upon which such~~  
17 ~~appeal is based shall therein be briefly set forth.~~

18 (b) ~~The town clerk forthwith shall call a meeting of the board to hear and~~  
19 ~~determine such appeals, which shall be held at such time, not later than 14 days~~  
20 ~~after the last date allowed for notice of appeal, and at such place within the~~  
21 ~~town as he or she shall designate. Notice of such time and place shall be given~~

1 by posting a warning therefor in three or more public places in such town and  
2 by mailing a copy of such warning, postage prepaid, to each member of the  
3 board, an agent designated by the legislative body, the chair of the board of  
4 listers, and to all persons so appealing.

5 (e)(1) The board shall meet at the time and place so designated, and on that  
6 day and from day to day thereafter shall hear and determine such appeals until  
7 all questions and objections are heard and decided. Each property, the appraisal  
8 of which is being appealed, shall be inspected by a committee of not less than  
9 three members of the board who shall report to the board within 30 days from  
10 the hearing on the appeal and before the final decision pertaining to the  
11 property is given. If, after notice, the appellant refuses to allow an inspection  
12 of the property as required under this subsection, including the interior and  
13 exterior of any structure on the property, the appeal shall be deemed  
14 withdrawn. The board shall, within 15 days from the time of the report, certify  
15 in writing its notice of decision, with reasons, in the premises, and shall file the  
16 notice with the town clerk who shall thereupon record the same in the book  
17 wherein the appeal was recorded and forthwith notify the appellant in writing  
18 of the action of such board by certified mail. If the board does not  
19 substantially comply with the requirements of this subsection and if the appeal  
20 is not withdrawn by filing written notice of withdrawal with the board or  
21 deemed withdrawn as provided in this subsection, the grand list of the

1 ~~appellant for the year for which appeal is being made shall remain at the~~  
2 ~~amount set before the appealed change was made by the listers; except, if there~~  
3 ~~has been a complete reappraisal, the grand list of the appellant for the year for~~  
4 ~~which appeal is being made shall be set at a value that will produce a tax~~  
5 ~~liability equal to the tax liability for the preceding year. The town clerk shall~~  
6 ~~immediately record the same in the book wherein the appeal was recorded and~~  
7 ~~forthwith notify the appellant in writing of the action by certified mail.~~  
8 ~~Thereupon the appraisal so determined pursuant to this subsection shall~~  
9 ~~become a part of the grand list of the person.~~

10 (2) ~~During a declared state of emergency under 20 V.S.A. chapter 1, a~~  
11 ~~board of civil authority within a municipality affected by an all hazards event~~  
12 ~~shall not be required to physically inspect any property that is the subject of an~~  
13 ~~appeal. If the appellant requests in writing that the property be inspected for~~  
14 ~~purposes of the appeal, a member or members of the board shall conduct the~~  
15 ~~inspection through electronic means. If the appellant does not facilitate the~~  
16 ~~inspection through electronic means, then the appeal shall be deemed~~  
17 ~~withdrawn.~~

18 (3) ~~As used in this subsection, “electronic means” means the transmittal~~  
19 ~~of video or photographic evidence by the appellant at the direction of the board~~  
20 ~~members conducting the inspection.~~

## Sec. X. TRANSITION; ANNUAL PROGRESS REPORT

9           On or before every January 15 from January 15, 2027, to January 15, 2030,  
10          the Commissioner of Taxes shall submit a report to the House Committee on  
11          Ways and Means and the Senate Committee on Finance relating to the progress  
12          made in preparing for the implementation of regional assessment districts  
13          pursuant to this act.

14 Sec. X. 32 V.S.A. § 5405 is amended to read:

15       § 5405. DETERMINATION OF EQUALIZED EDUCATION PROPERTY

## TAX GRAND LIST AND COEFFICIENT OF DISPERSION

17                   (a)(1) Annually, on or before April 1, the Commissioner shall determine  
18                   the equalized education property tax grand list and coefficient of dispersion for  
19                   each municipality in the State; provided, however, that for purposes of  
20                   equalizing grand lists pursuant to this section, the equalized education property  
21                   tax grand list of a municipality that establishes a tax increment financing

1 district shall include the fair market value of the property in the district and not  
2 the original taxable value of the property, and further provided that the unified  
3 towns and gores of Essex County may be treated as one municipality for the  
4 purpose of determining an equalized education property grand list and a  
5 coefficient of dispersion, if the Director determines that all such entities have a  
6 uniform appraisal schedule and uniform appraisal practices.

7 (2) All municipalities within a regional assessment district shall be  
8 treated as a single entity for purposes of the equalization process under this  
9 section.

10 \* \* \*

11 Sec. X. REPEALS

12 2025 Acts and Resolves No. 73, Secs. 62 (regional assessment districts) and  
13 63 (transition provisions) are repealed.

14 Sec. X. 32 V.S.A. § 4041a is amended to read:

15 § 4041a. REAPPRAISAL

16 (a)(1) A municipality shall be paid \$8.50 per grand list parcel per year from  
17 the General Fund to be used only for ~~reappraisal and costs related to~~  
18 ~~reappraisal of its grand list properties and for~~ maintenance of the grand list.

19 (2) During the year in which a municipality is scheduled to fully  
20 reappraise pursuant to subsection 3417(b) of this title, a municipality may  
21 notify the Commissioner in writing that it is prepared to commence the full

1 appraisal. Within 30 days, the Commissioner shall estimate the cost of the  
2 municipality's full reappraisal and transfer to the municipality the lesser of  
3 two-thirds of the estimated cost or \$66.00 per grand list parcel in the  
4 municipality.

5 \* \* \*

6 Sec. X. [Add language creating FTE Hearing Officer and Docket Clerk – July  
7 1, 2028]

8 \* \* \* Effective Dates \* \* \*

9 Sec. X. EFFECTIVE DATES

10 (a) This section, Sec. X (transition provisions), and Sec. X (repeals) shall  
11 take effect on passage.

12 (b) Secs. X–X (creation of full-time property valuation hearing officer)  
13 shall take effect on July 1, 2028.

14 (c) The remainder of this act shall take effect on January 1, 2029.