

Sec. 293a. INDEPENDENT STUDY OF USE VALUE APPRAISAL PROGRAM

(a) Appropriation and duties and powers. The legislative council shall hire one or more consultants to conduct a thorough and independent review and analysis of the use value appraisal program. The consultants shall have the assistance of the department of taxes, the joint fiscal office and the legislative council. Funds for this purpose are appropriated in Sec. 381a(a)(1).

(b) Goals; issues. The goals of the use value appraisal program are found in 32 V.S.A. § 3751, as follows:

§ 3751. STATEMENT OF PURPOSE

The purpose of this subchapter is to encourage and assist the maintenance of Vermont's productive agricultural and forest land; to encourage and assist in their conservation and preservation for future productive use and for the protection of natural ecological systems; to prevent the accelerated conversion of these lands to more intensive use by the pressure of property taxation at values incompatible with the productive capacity of the land; to achieve more equitable taxation for undeveloped lands; to encourage and assist in the preservation and enhancement of Vermont's scenic natural resources; and to enable the citizens of Vermont to plan its orderly growth in the face of increasing development pressures in the interests of the public health, safety and welfare. (Added 1977, No. 236 (Adj. Sess.), § 1.)

The consultant shall articulate the current statutory goals of the program, and analyze whether the program is achieving those goals. The consultant shall investigate and make findings regarding the following:

(1) Has the current use program achieved its statutory goals? If not, what were the barriers to achieving any particular goal? Are there barriers to enrollment?

(2) Does the administration of the program meet one of the stated goals, vis-a-vis of protecting natural ecological systems on enrolled forest land (wetlands, riparian areas, rare forest conditions, etc.)? If not, what are the barriers to protection of these ecosystems?

(3) How are use values determined (in answering this question, the consultant shall confer with the current use advisory board)? How might use values be affected if parcel location were taken into account? Would the establishment of new categories with varying use values for eligible land, based for example upon parcel size, public access for outdoor recreation, conservation easements, protection of natural ecological systems, or other criteria, aid in achieving the statutory goals of the program? Are the goals of the program furthered by allowing enrollment of a parcel that has deed restrictions but is otherwise eligible for the program?

(4) What activities does the program require of listers and what changes, if any, would local officials like to see in the program? How is land appraised after deed restrictions are placed on the land and should the division of property valuation and review develop a guidance for listers? Can computer technology reduce the administrative burden on local listers, allow

landowners and consulting foresters to file documents and reports electronically, and improve monitoring and compliance?

(5) Is there sufficient personnel to administer the program adequately within the department of taxes and the department of forests, parks and recreation? Is the monitoring of parcels manageable, and are the county foresters able to supervise and provide sufficient technical assistance?

(6) How would annual reporting by forest land owners affect the program? Should annual reporting be reinstated?

(7) Does the land use change tax provide an adequate disincentive for temporary enrollment of land, especially where the landowner intends to develop in the future?

(8) Would the addition of a “means” test for enrollment hamper or enhance, or otherwise affect, achievement of the program goals?

(9) Are the goals of open land and farmer assistance mutually exclusive or compatible goals for the program?

(10) How many parcels are exempt from municipal or education property tax, or both? What is the cost to the general fund for reimbursing the municipalities for the loss of municipal property tax revenue on enrolled properties and to the education fund in reduced revenue to the education fund? What would be the cost developing enrolled properties to the municipal and education budgets?

(c) The consultant shall report to the legislative council and the use value appraisal task force on the findings on or before October 1, 2007.

(d) Use value appraisal task force.

(1) Membership. A use value appraisal task force is created to consist of two members of the house of representatives; two members of the senate; the director of the division of property valuation and review or designee; the secretary of the agency of natural resources or designee; the secretary of agriculture, food and markets or designee; a member representing forestry interests; a member representing agricultural interests; a member representing land-use or conservation interests; a member representing assessors and listers; a member representing fish and wildlife interests; a member representing outdoor recreational interests; one owner of enrolled forest land or agricultural land or both; one owner of nonenrolled forest land or agricultural land or both; two members at large. The speaker of the house and the senate president pro tempore shall appoint members of the use value appraisal task force that are not members ex officio, and the governor shall appoint the two members at large. Members shall be appointed by June 1, 2007.

(2) Powers and duties. The use value appraisal task force shall determine whether the program needs to be modified to accomplish its stated goals, and whether the goals ought to be

modified in light of the available resources and all the findings of the task force. In making these determinations, the task force shall confer with the consultant during the study of the use value appraisal program; review the consultant's written report; conduct public hearings at convenient times and in convenient places throughout the state, with sufficient notice to the public; and consult with identifiable affected and interested parties.

(3) The task force shall provide the house committees on agriculture, natural resources and energy, and ways and means, and the senate committees on agriculture, natural resources and energy, and finance with a copy of the consultant's study and a report of task force recommendations and legislative proposals by January 15, 2008.

(4) The task force shall meet no more than three times when the general assembly is not in session. For attendance at a meeting when the general assembly is not in session, legislative members of the task force shall be entitled to per diem compensation and reimbursement of expenses as provided in 2 V.S.A. § 406(a).

Sec. 381a. FISCAL YEAR 2007 FUNDS RESERVED FOR FISCAL YEAR 2008 APPROPRIATIONS

(a) The following specific items and general fund amounts shall be reserved in fiscal year 2007 and appropriated in fiscal year 2008:

(1) \$50,000 to the legislative council for the current use tax study required by Sec. 293a of this act.