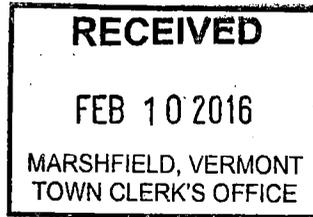


Town of Marshfield
c/o Bobbi Brimblecombe
122 School Street, Room 1
Marshfield, VT 05658



Dear Bobbi Brimblecombe,

The Agency of Natural Resources (ANR) and the Vermont League of Cities and Towns (VLCT) are reaching out to towns to let them know the impact of pending and proposed changes to ANR's Payment in Lieu of Taxes (PILOT) legislation for ANR lands.

The pending change to ANR PILOT was established by the legislature in 2015 which would implement "Option A" of the 2014 report to the legislature on ANR PILOT. Under this option, which would take effect in FY 2017 unless the legislature acts, PILOT would be based on a parcel's fair market value multiplied by .05% and would eliminate current use valuation for ANR parcels.

The proposed change to PILOT is based on a new ANR PILOT study committee recommendation. This year, at the legislature's direction a study committee composed of ANR, the Division of Property Valuation and Review, the Joint Fiscal Office and VLCT worked to find an alternative to the current PILOT legislation. The committee determined that the current legislation, if left unchanged, would harm many towns and strongly opposes it.

The study committee has recommended a new option for ANR PILOT that provides a set "base payment" for existing ANR parcels. New ANR parcels would be added to this base payment based on the town's assessed value of the parcel and municipal tax rate prior to state acquisition. Details of this new formula are found in the Executive Summary of the *ANR Lands PILOT Program: Supplemental Report to the Legislature on Annual Payment in Lieu of Taxes to Towns for Lands Owned by the Vermont Agency of Natural Resources*, which is enclosed with this letter. The complete ANR PILOT report is available on the Department of Forests, Parks and Recreation's website at: <http://tinyurl.com/grx5e52>

Below is a table showing the estimated payments to your town during the years of the phase in period for both the current legislation and the proposed statute change:

	Current Legislation	Proposed Statute Change
Payment for FY 16	\$10222	\$10222
Estimated Payment for FY 17	\$13791	\$12445
Estimated Payment for FY 18	\$17360	\$16168
Estimated Payment for FY 19	\$20929	\$19891
Estimated Payment for FY 20	\$20929	\$23614
Estimated Payment for FY 21	\$20929	\$25114

Your involvement is important to creating an ANR Land PILOT program that meets the needs of both towns and the State. Thank you for your interest and please let us know if you have any questions.

Sincerely,

Deb Markowitz, ANR Secretary

Karen B. Horn Director, Public Policy & Advocacy, VLCT