

ANR

Payment In Lieu Of Taxes

(PILOT)

House Natural Resources Committee

March 11, 2021

Secretary Julie Moore

ANR Owned Land

ANR PILOT Payment is made to towns for ANR owned land across the state

- ANR Owns Nearly 365,000 Acres in the Vermont
 - Most Acres – Victory, 20,004
 - Least Acres – Putney, 1/10th
- 206 Towns Receive a PILOT Payment
 - Towns with largest ANR Land Holdings:
 - Victory, Ferdinand, Stowe, Groton, Waterbury

ANR PILOT Payments

Fiscal Year	Payment	Increase	% Change
<i>Actuals</i>			
2017	2,336,556.86		
2018	2,393,735.45	57,178.59	2.45%
2019	2,481,682.12	87,946.67	3.67%
2020	2,547,365.16	65,683.04	2.65%
2021	2,598,227.07	50,861.91	2.00%
<i>Budget</i>			
2022	2,617,540.00	19,312.93	0.74%

ANR PILOT Payments

- Annually, ANR acquires additional parcels either through donation or direct purchase.
- The PILOT Payment put forward in the Budget is based on our best estimate of Parcels that will be in ANR possession on April 1.
 - The timing of land acquisitions and final values can vary.

PILOT Funding

- There are two funding streams that support the current ANR PILOT Payment \$2,598,227 (FY 2021)
 - Interdepartmental Transfer from Fish & Wildlife - \$421,500
 - This interdepartmental transfer allows the agency to utilize F&W federal funds used to make the original land purchase.
 - General Funds - \$2,176,727

PILOT – Clean Water Fund Proposal

- In FY 2022 ANR Proposed utilizing the Clean Water Fund (CWF) to support the ANR PILOT Payment for land specifically purchased for long term clean water benefits.
- The Agency has received Federal Funds specifically for clean water related land acquisition and will continue to make these specific purchases for at least 4 more years
- These purchases will help the State meet its clean water policy goals but will also increase the state's PILOT obligation

Formula Update

- In FY 2017 the General Assembly amended the ANR PILOT process due to significant annual changes in the payment.
- Currently, there is an established a base payment for each parcel
 - (derived through a statutory formula and work with the Tax Department, Division of Property Valuation and Review (PVR))
- Per 32 V.S.A. § 3708(d) the Secretary of ANR shall propose and adjustment to the base payments as part of the FY 2023 Budget presentation
 - Note, this was amended in Act 154 Sec. E. 701 from FY 2022 to FY 2023 as a result of COVID and the capacity of ANR and PVR to complete the work required to update the formula.