

AMENDED IN ASSEMBLY APRIL 13, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 681

Introduced by Assembly Member Ting

February 25, 2015

An act to amend Section ~~15645~~ 15645, and to amend, repeal, and add Section 15643, of the Government Code, relating to the State Board of Equalization.

LEGISLATIVE COUNSEL'S DIGEST

AB 681, as amended, Ting. State Board of Equalization: surveys: assessment procedures and practices: county assessor.

Existing law requires the State Board of Equalization to make surveys in each county and city and county to determine the adequacy of the procedures and practices employed by the county assessor in the valuation of property. ~~Existing~~ Existing law requires the board to proceed with the surveys of the assessment procedures and practices in the several counties and cities and counties as rapidly as feasible, and to repeat or supplement each survey at least once in 5 years. Existing law requires the surveys of the 10 largest counties and cities and counties to include a sampling of assessments of the local assessment rolls, and requires the board, each year, to select at random at least 3 of the remaining counties or cities and counties to conduct a sample of assessments on the local assessment roll in those counties.

This bill would eliminate the board's requirement to select at random at least 3 remaining counties or cities and counties to conduct a sample of assessments on the local assessment roll, and would instead require the board, commencing January 1, 2016, and each of the next 4 calendar years, to survey the assessment procedures of qualified counties or

cities and counties and to conduct sample assessments on the local roll of other qualified counties or cities and counties. This bill would define “qualified counties or cities and counties” for these purposes. This bill would require the qualified counties and cities and counties to be stratified and selected at random by the board, in consultation with the California Assessors’ Association.

Existing law requires the board, upon completion of the survey of the procedures and practices of a county assessor, to prepare a written survey report setting forth its findings and recommendations, and requires the board, before preparing its written survey report, to meet with the assessor to discuss and confer on those matters which may be included in the written survey report. Existing law requires the survey report, together with the assessor’s response and the board’s comments, to constitute the final survey report. Existing law requires the final survey report to be issued by the board within 2 years after the date the board began the survey.

This bill would require the board, before preparing its written survey report, to notify the former assessor if the survey reviews the former assessor’s procedures and practices, and to also meet with the former assessor, upon his or her request if the survey reviews, to discuss and confer on those matters that may be included in the survey report. This bill would require an addendum to the final survey report to be published to include the former assessor’s written response and the board’s comments, if any. This bill would shorten the period of time the board has to issue the final survey report from 2 years to one year after the date the board began the survey.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 15643 of the Government Code is
- 2 amended to read:
- 3 15643. (a) (1) The board shall proceed with the surveys of
- 4 the assessment procedures and practices in the ~~several~~ 10 largest
- 5 counties and cities and counties as rapidly as feasible, and shall
- 6 repeat or supplement each survey at least once in five years.
- 7 ~~(b)~~
- 8 (2) The surveys of the 10 largest counties and cities and counties
- 9 shall include a sampling of assessments on the local assessment

1 rolls as described in Section 15640. ~~In addition, the board shall~~
2 ~~each year, in accordance with procedures established by the board~~
3 ~~by regulation, select at random at least three of the remaining~~
4 ~~counties or cities and counties, and conduct a sample of~~
5 ~~assessments on the local assessment roll in those counties. If the~~
6 ~~board finds that a county or city and county has “significant~~
7 ~~assessment problems,” as provided in Section 75.60 of the Revenue~~
8 ~~and Taxation Code, a sample of assessments will be conducted in~~
9 ~~that county or city and county in lieu of a county or city and county~~
10 ~~selected at random. The 10 largest counties and cities and counties~~
11 ~~shall be determined based upon the total value of locally assessed~~
12 ~~property located in the counties and cities and counties on the lien~~
13 ~~date that falls within the calendar year of 1995 and every fifth~~
14 ~~calendar year thereafter.~~

15 *(b) The board shall, commencing January 1, 2016, and each of*
16 *the next four calendar years, do both of the following:*

17 *(1) (A) Survey the assessment procedures of one qualified*
18 *county or city and county and conduct a sample of assessments*
19 *on the local assessment roll of another qualified county or city*
20 *and county.*

21 *(B) For purposes of this paragraph, “qualified county or city*
22 *and county” means the eleventh to the twentieth, inclusive, largest*
23 *counties and cities and counties. The eleventh to the twentieth,*
24 *inclusive, largest counties shall be determined based upon the*
25 *total value of locally assessed property located in the counties and*
26 *cities and counties on the lien date that falls within the calendar*
27 *year of 2016 and each of the next four calendar years.*

28 *(C) The qualified counties and cities and counties shall be*
29 *stratified and selected at random by the board, in consultation*
30 *with the California Assessors’ Association.*

31 *(2) (A) Survey the assessment procedures of three qualified*
32 *counties or cities and counties and conduct a sample of assessments*
33 *on the local assessment roll of two other qualified counties or*
34 *cities and counties.*

35 *(B) For purposes of this paragraph, “qualified counties or cities*
36 *and counties” means the twenty-first to the fifty-eighth, inclusive,*
37 *largest counties and cities and counties. The twenty-first to the*
38 *fifty-eighth, inclusive, largest counties shall be determined based*
39 *upon the total value of locally assessed property located in the*

1 *counties and cities and counties on the lien date that falls within*
2 *the calendar year 2016 and each of the next four calendar years.*

3 *(C) The qualified counties and cities and counties shall be*
4 *stratified and selected at random by the board, in consultation*
5 *with the California Assessors' Association.*

6 *(c) The statewide surveys which are limited in scope to specific*
7 *topics, issues, or problems may be conducted whenever the board*
8 *determines that a need exists to conduct a survey.*

9 *(d) When requested by the legislative body or the assessor of*
10 *any county or city and county to perform a survey not otherwise*
11 *scheduled, the board may enter into a contract with the requesting*
12 *local agency to conduct that survey. The contract may provide for*
13 *a board sampling of assessments on the local roll. The amount of*
14 *the contracts shall not be less than the cost to the board, and shall*
15 *be subject to regulations approved by the Director of General*
16 *Services.*

17 *(e) This section shall remain in effect only until January 1, 2021,*
18 *and as of that date is repealed.*

19 *SEC. 2. Section 15643 is added to the Government Code, to*
20 *read:*

21 *15643. (a) The board shall proceed with the surveys of the*
22 *assessment procedures and practices in the several counties and*
23 *cities and counties as rapidly as feasible, and shall repeat or*
24 *supplement each survey at least once in five years.*

25 *(b) The surveys of the 10 largest counties and cities and counties*
26 *shall include a sampling of assessments on the local assessment*
27 *rolls as described in Section 15640. In addition, the board shall*
28 *each year, in accordance with procedures established by the board*
29 *by regulation, select at random at least three of the remaining*
30 *counties or cities and counties, and conduct a sample of*
31 *assessments on the local assessment roll in those counties. If the*
32 *board finds that a county or city and county has "significant*
33 *assessment problems," as provided in Section 75.60 of the Revenue*
34 *and Taxation Code, a sample of assessments will be conducted in*
35 *that county or city and county in lieu of a county or city and county*
36 *selected at random. The 10 largest counties and cities and counties*
37 *shall be determined based upon the total value of locally assessed*
38 *property located in the counties and cities and counties on the lien*
39 *date that falls within the calendar year of 2021 and every fifth*
40 *calendar year thereafter.*

1 (c) *The statewide surveys which are limited in scope to specific*
2 *topics, issues, or problems may be conducted whenever the board*
3 *determines that a need exists to conduct a survey.*

4 (d) *When requested by the legislative body or the assessor of*
5 *any county or city and county to perform a survey not otherwise*
6 *scheduled, the board may enter into a contract with the requesting*
7 *local agency to conduct that survey. The contract may provide for*
8 *a board sampling of assessments on the local roll. The amount of*
9 *the contracts shall not be less than the cost to the board, and shall*
10 *be subject to regulations approved by the Director of General*
11 *Services.*

12 (e) *This section shall become operative on January 1, 2021.*

13 **SECTION 1.**

14 **SEC. 3.** Section 15645 of the Government Code is amended
15 to read:

16 15645. (a) Upon completion of a survey of the procedures and
17 practices of a county assessor, the board shall prepare a written
18 survey report setting forth its findings and recommendations and
19 transmit a copy to the assessor. In addition the board may file with
20 the assessor a confidential report containing matters relating to
21 personnel. Before preparing its written survey report, the board
22 shall do both of the following:

23 (1) Meet with the assessor to discuss and confer on those matters
24 which may be included in the written survey report.

25 (2) Notify the former assessor if the survey reviews the former
26 assessor's procedures and practices, and meet with the former
27 assessor, upon his or her request, to discuss and confer on those
28 matters that may be included in the survey report.

29 (b) Within 30 days after receiving a copy of the survey report,
30 the assessor may file with the board a written response to the
31 findings and recommendations in the survey report.

32 The board may, for good cause, extend the period for filing the
33 response.

34 (c) The survey report, together with the assessor's response, if
35 any, and the board's comments, if any, shall constitute the final
36 survey report. An addendum to the final survey report shall be
37 published to include a former assessor's written response to the
38 findings and recommendations in the survey report that reviewed
39 the former assessor's procedures and practices, if any, and the
40 board's comments, if any. The final survey report shall be issued

1 by the board within ~~two years~~ *one year* after the date the board
2 began the survey. Within a year after receiving a copy of the final
3 survey report, and annually thereafter, no later than the date on
4 which the initial report was issued by the board and until all issues
5 are resolved, the assessor shall file with the board of supervisors
6 a report, indicating the manner in which the assessor has
7 implemented, intends to implement or the reasons for not
8 implementing, the recommendations of the survey report, with
9 copies of that response being sent to the Governor, the Attorney
10 General, the State Board of Equalization, the Senate and Assembly
11 and to the grand juries and assessment appeals boards of the
12 counties to which they relate.