

AMENDED IN ASSEMBLY APRIL 22, 2015

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, 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 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~~. *15 months for any survey commenced on or after July 1, 2016, to June 30, 2017, inclusive, and to 12 months for any survey commenced on or after July 1, 2017.*

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 10 largest counties

1 and cities and counties as rapidly as feasible, and shall repeat or
2 supplement each survey at least once in five years.

3 (2) The surveys of the 10 largest counties and cities and counties
4 shall include a sampling of assessments on the local assessment
5 rolls as described in Section 15640. The 10 largest counties and
6 cities and counties shall be determined based upon the total value
7 of locally assessed property located in the counties and cities and
8 counties on the lien date that falls within the calendar year of 1995
9 and every fifth calendar year thereafter.

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

12 (1) (A) Survey the assessment procedures of one qualified
13 county or city and county and conduct a sample of assessments
14 on the local assessment roll of another qualified county or city and
15 county.

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

24 (C) The qualified counties and cities and counties shall be
25 stratified and selected at random by the board, in consultation with
26 the California Assessors’ Association.

27 (2) (A) Survey the assessment procedures of three qualified
28 counties or cities and counties and conduct a sample of assessments
29 on the local assessment roll of two other qualified counties or cities
30 and counties.

31 (B) For purposes of this paragraph, “qualified counties or cities
32 and counties” means the twenty-first to the fifty-eighth, inclusive,
33 largest counties and cities and counties. The twenty-first to the
34 fifty-eighth, inclusive, largest counties *and cities and counties*
35 shall be determined based upon the total value of locally assessed
36 property located in the counties and cities and counties on the lien
37 date that falls within the calendar year 2016 and each of the next
38 four calendar years.

1 (C) The qualified counties and cities and counties shall be
2 stratified and selected at random by the board, in consultation with
3 the California Assessors’ Association.

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

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

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

17 SEC. 2. Section 15643 is added to the Government Code, to
18 read:

19 15643. (a) The board shall proceed with the surveys of the
20 assessment procedures and practices in the several counties and
21 cities and counties as rapidly as feasible, and shall repeat or
22 supplement each survey at least once in five years.

23 (b) The surveys of the 10 largest counties and cities and counties
24 shall include a sampling of assessments on the local assessment
25 rolls as described in Section 15640. In addition, the board shall
26 each year, in accordance with procedures established by the board
27 by regulation, select at random at least three of the remaining
28 counties or cities and counties, and conduct a sample of
29 assessments on the local assessment roll in those counties. If the
30 board finds that a county or city and county has “significant
31 assessment problems,” as provided in Section 75.60 of the Revenue
32 and Taxation Code, a sample of assessments will be conducted in
33 that county or city and county in lieu of a county or city and county
34 selected at random. The 10 largest counties and cities and counties
35 shall be determined based upon the total value of locally assessed
36 property located in the counties and cities and counties on the lien
37 date that falls within the calendar year of 2021 and every fifth
38 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 SEC. 3. Section 15645 of the Government Code is amended
14 to read:

15 15645. (a) Upon completion of a survey of the procedures and
16 practices of a county assessor, the board shall prepare a written
17 survey report setting forth its findings and recommendations and
18 transmit a copy to the assessor. In addition the board may file with
19 the assessor a confidential report containing matters relating to
20 personnel. Before preparing its written survey report, the board
21 shall do both of the following:

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

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

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

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

33 (c) (1) The survey report, together with the assessor's response,
34 if any, and the board's comments, if any, shall constitute the final
35 survey report. An addendum to the final survey report shall be
36 published to include a former assessor's written response to the
37 findings and recommendations in the survey report that reviewed
38 the former assessor's procedures and practices, if any, and the
39 board's comments, if any. The final survey report shall be issued

1 by the board within one year after the date the board began the
2 survey. ~~Within~~ *survey, except as follows:*
3 (A) *For any survey commenced on or after July 1, 2016, to June*
4 *30, 2017, within 15 months after the date the board began the*
5 *survey.*
6 (B) *For any survey commenced on or after July 1, 2017, within*
7 *12 months after the date the board began the survey.*
8 (2) *Within a year after receiving a copy of the final survey report,*
9 *and annually thereafter, no later than the date on which the initial*
10 *report was issued by the board and until all issues are resolved,*
11 *the assessor shall file with the board of supervisors a report,*
12 *indicating the manner in which the assessor has implemented,*
13 *intends to implement or the reasons for not implementing, the*
14 *recommendations of the survey report, with copies of that response*
15 *being sent to the Governor, the Attorney General, the State Board*
16 *of Equalization, the Senate and Assembly and to the grand juries*
17 *and assessment appeals boards of the counties to which they relate.*