

AMENDED IN SENATE JULY 15, 2015

AMENDED IN ASSEMBLY APRIL 22, 2015

AMENDED IN ASSEMBLY APRIL 13, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 681**

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**Introduced by Assembly Member Ting**

February 25, 2015

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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 additionally require the board to conduct a sample of assessments in a county or city and county that the board determines has significant assessment problems, as specified.* 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 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:

1 15643. (a) (1) The board shall proceed with the surveys of  
2 the assessment procedures and practices in the 10 largest counties  
3 and cities and counties as rapidly as feasible, and shall repeat or  
4 supplement each survey at least once in five years.

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

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

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

18 (B) For purposes of this paragraph, “qualified county or city  
19 and county” means the ~~eleventh~~ *11th* to the ~~twentieth~~, *20th*,  
20 inclusive, largest counties and cities and counties. The ~~eleventh~~  
21 *11th* to the ~~twentieth~~, *20th*, inclusive, largest counties and cities  
22 and counties shall be determined based upon the total value of  
23 locally assessed property located in the counties and cities and  
24 counties on the lien date that falls within the calendar year of ~~2016~~  
25 ~~and each of the next four calendar years.~~ *2015 and every fifth*  
26 *calendar year thereafter.*

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

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

34 (B) For purposes of this paragraph, “qualified counties or cities  
35 and counties” means the ~~twenty-first~~ *21st* to the ~~fifty-eighth~~, *58th*,  
36 inclusive, largest counties and cities and counties. The ~~twenty-first~~  
37 *21st* to the ~~fifty-eighth~~, *58th*, inclusive, largest counties and cities  
38 and counties shall be determined based upon the total value of  
39 locally assessed property located in the counties and cities and  
40 counties on the lien date that falls within the calendar year ~~2016~~

1 ~~and each of the next four calendar years. 2015 and every fifth~~  
2 ~~calendar year thereafter.~~

3 (3) *Conduct a sample of assessments on the local assessment*  
4 *roll in a county or city or county that the board determines has*  
5 *significant assessment problems pursuant to Section 75.60 of the*  
6 *Revenue and Taxation Code.*

7 (C) The qualified counties and cities and counties shall be  
8 stratified and selected at random by the board, in consultation with  
9 the California Assessors' Association.

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

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

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

23 SEC. 2. Section 15643 is added to the Government Code, to  
24 read:

25 15643. (a) The board shall proceed with the surveys of the  
26 assessment procedures and practices in the several counties and  
27 cities and counties as rapidly as feasible, and shall repeat or  
28 supplement each survey at least once in five years.

29 (b) The surveys of the 10 largest counties and cities and counties  
30 shall include a sampling of assessments on the local assessment  
31 rolls as described in Section 15640. In addition, the board shall  
32 each year, in accordance with procedures established by the board  
33 by regulation, select at random at least three of the remaining  
34 counties or cities and counties, and conduct a sample of  
35 assessments on the local assessment roll in those counties. If the  
36 board finds that a county or city and county has "significant  
37 assessment problems," as provided in Section 75.60 of the Revenue  
38 and Taxation Code, a sample of assessments will be conducted in  
39 that county or city and county in lieu of a county or city and county  
40 selected at random. The 10 largest counties and cities and counties

1 shall be determined based upon the total value of locally assessed  
2 property located in the counties and cities and counties on the lien  
3 date that falls within the calendar year of 2021 and every fifth  
4 calendar year thereafter.

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

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

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

17 SEC. 3. Section 15645 of the Government Code is amended  
18 to read:

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

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

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

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

35 The board may, for good cause, extend the period for filing the  
36 response.

37 (c) (1) The survey report, together with the assessor's response,  
38 if any, and the board's comments, if any, shall constitute the final  
39 survey report. An addendum to the final survey report shall be  
40 published to include a former assessor's written response to the

1 findings and recommendations in the survey report that reviewed  
2 the former assessor’s procedures and practices, if any, and the  
3 board’s comments, if any. The final survey report shall be issued  
4 by the board ~~within one year after the date the board began the~~  
5 ~~survey, except~~ as follows:

6 (A) *For any survey commenced before July 1, 2016, within two*  
7 *years after the date the board began the survey.*

8 ~~(A)~~

9 (B) *For any survey commenced on or after July 1, 2016, to June*  
10 *30, 2017, within 15 months after the date the board began the*  
11 *survey.*

12 ~~(B)~~

13 (C) *For any survey commenced on or after July 1, 2017, within*  
14 *12 months after the date the board began the survey.*

15 (2) Within a year after receiving a copy of the final survey  
16 report, and annually thereafter, no later than the date on which the  
17 initial report was issued by the board and until all issues are  
18 resolved, the assessor shall file with the board of supervisors a  
19 report, indicating the manner in which the assessor has  
20 ~~implemented; implemented or intends to implement~~ *implemented, or*  
21 *the reasons for not implementing, the recommendations of the*  
22 *survey report, with copies of that response being sent to the*  
23 *Governor, the Attorney General, the State Board of Equalization,*  
24 *the Senate and ~~Assembly~~ *Assembly*, and to the grand juries and*  
25 *assessment appeals boards of the counties to which they relate.*

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