

Assembly Bill No. 1534

CHAPTER 446

An act to amend and renumber Section 674 of, and to add Article 8.5 (commencing with Section 674) to Chapter 3 of Part 2 of Division 1 of, the Revenue and Taxation Code, relating to taxation.

[Approved by Governor October 2, 2015. Filed with
Secretary of State October 2, 2015.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1534, Committee on Revenue and Taxation. Assessment analyst: certification.

Existing law provides for the annual assessment and collection of property taxes by each county, and provides for the state administration of the property tax by the State Board of Equalization.

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975–76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred.

Existing property tax law requires a transferee of real property or a manufactured home that is locally assessed to file a change in ownership statement with the assessor of the county in which the property or manufactured home is located, and also requires a corporation, partnership, limited liability company, or other legal entity to file a change in ownership statement with the board.

Existing property tax law also includes various property tax exemptions as authorized or established by the California Constitution.

This bill would prohibit an assessor or any person employed by the office of the county assessor from making decisions with regard to change in ownership, or with regard to property tax exemptions, except a homeowners' exemption claim, unless he or she is the holder of a valid assessment analyst certificate issued by the board. The bill would require the board to provide for the examination of applicants for a certificate and would authorize the board to contract with the Department of Human Resources to give the examinations. The bill would require prescribed annual training for certification, and would also provide for advanced certification. Failure to complete training as required would be grounds for revocation. The bill would also authorize the board to issue temporary certificates and interim certificates under prescribed circumstances. This bill would specify that its provisions are not to be construed to impede assessors from managing their staff resources efficiently regarding exemption applications and change in

ownership documents, provided that noncertificated staff are not responsible for making exemption or change in ownership decisions. This bill would provide that its provisions only apply in those counties and cities and counties that have passed a resolution upon the recommendation of the assessor to require certification as described above.

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

SECTION 1. The Legislature finds and declares all of the following:

(a) County assessors are required to follow complex state laws in the performance of their duties.

(b) The application of those laws is intended to provide consistent and accurate assessment practices across the state.

(c) It is the intent of the Legislature that the interests of taxpayers be protected by ensuring that decisions regarding eligibility of a property for exemption, other than homeowners' exemptions, or whether a transaction is a change in ownership or qualifies for an exclusion from a change in ownership, or both, be made by staff who is certified to make those decisions.

(d) It is further the intent of the Legislature that implementation of education and certification requirements required by Section 3 of this act be undertaken in the most efficient and economical manner, utilizing existing resources of California county assessors with the advice and counsel of the State Board of Equalization.

SEC. 2. Section 674 of the Revenue and Taxation Code is amended and renumbered to read:

681. (a) All contracts for the performance of appraisal work for assessors by any person who is not an employee of the state, any county, or any city shall be entered into only after at least two competitive bids and shall be entered into either on a fixed fee basis or on the basis of an hourly rate with a maximum dollar amount.

(b) In addition to any provision in the Real Estate Appraisers' Licensing and Certification Law (Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code), a contractor shall maintain the confidentiality of assessee information and records as provided in Sections 408, 451, and 481 that is obtained in performance of the contract.

(1) A request for information and records from an assessee shall be made by the assessor. The assessor may authorize a contractor to request additional information or records, if needed. However, a contractor shall not request that information or records without the written authorization of the assessor.

(2) A contractor shall not provide appraisal data in his or her possession to the assessor or a contractor of another county who is not a party to the contract. An assessor may provide that data to the assessor of another county as provided in subdivision (b) of Section 408.

(c) A contractor may not retain information contained in, or derived from, an assessee's confidential information and records after the conclusion,

termination, or nonrenewal of the contract. Within 90 days of the conclusion, termination, or nonrenewal of the contract, the contractor shall:

(1) Purge and return to the assessor any assessee records, whether originals, copies, or electronically stored, provided by the assessor or otherwise obtained from the assessee.

(2) Provide a written declaration to the assessor that the contractor has complied with this subdivision.

(d) All contracts entered into pursuant to subdivision (a) shall include a provision incorporating the requirements of subdivisions (b) and (c). This provision of the contract shall use language that is prescribed by the State Board of Equalization.

(e) For purposes of this section, a “contractor” means any person who is not an employee of the state, any county, or any city who performs appraisal work pursuant to a contract with an assessor.

SEC. 3. Article 8.5 (commencing with Section 674) is added to Chapter 3 of Part 2 of Division 1 of the Revenue and Taxation Code, to read:

Article 8.5. Assessment Analyst Certificates

674. (a) An assessor or any person employed by the office of the county assessor shall not make decisions with regard to changes in ownership unless he or she is the holder of a valid assessment analyst certificate issued by the board.

(b) An assessor or any person employed by the office of the county assessor shall not make decisions with regard to property tax exemptions, except for homeowners’ exemption claims, unless he or she is the holder of a valid assessment analyst certificate issued by the board.

(c) The board shall provide for the examination of applicants for an assessment analyst certificate and may contract with the Department of Human Resources to give the examinations. Examinations shall be prepared by the board with the advice and assistance of a committee of five assessors selected by the California Assessors’ Association for this purpose. A certificate shall not be issued to any assessor or person employed by the office of the county assessor who has not attained a passing grade in the examination and demonstrated to the board that he or she is competent to make change in ownership or exemption decisions, or both, as that competency is defined in regulations duly adopted by the board. However, any applicant for a certificate who is denied a certificate pursuant to this section shall have a right to a review of that denial in accordance with the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(d) This section does not apply to an assessor or any person employed by the office of the county assessor holding a valid appraiser’s or advanced appraiser’s certificate issued by the board.

(e) The board shall not impose any charge upon a county or city and county or an applicant for an examination or certification under this section or for training conducted by the board under Section 675.

675. (a) (1) In order to retain a valid certificate, every certified assessment analyst shall complete at least 24 hours of training conducted or approved by the board in each one-year period.

(2) Any training time in excess of the 24-hour minimum that is accumulated in any one year shall be carried over as credit for future training requirements, with a limit of three years in which the carryover time may be credited.

(3) Failure to complete training in accordance with this subdivision shall constitute grounds for revocation of a certificate. A proceeding to revoke shall be conducted in accordance with the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(4) Training shall include, but not be limited to, new developments in applicable case law, statutory law, and administrative rules.

(b) (1) The board shall issue an advanced assessment analyst certificate for an applicant that has held a certificate issued in accordance with Section 674 for at least three years and has done at least one of the following:

(A) Has successfully completed an advanced course of study prescribed pursuant to paragraph (2).

(B) Has passed an advanced level examination prepared pursuant to paragraph (2).

(2) The board, with the advice and assistance of five assessors selected by the California Assessors' Association, shall prescribe an advanced course of study and prepare the advanced level examination.

(3) In order to retain a valid advanced assessment analyst certificate, every holder shall complete at least 12 hours of training in each one-year period.

(4) Any training time for the advanced assessment analyst certificate that is in excess of the 12-hour minimum accumulated in any one year shall be carried over as a credit for future training requirements, with a limit of two years in which the carryover time may be credited.

(5) Failure to complete training in accordance with this subdivision shall constitute grounds for revocation of an advanced assessment analyst certificate. A proceeding to revoke shall be conducted in accordance with the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(6) Training to retain the advanced assessment analyst certificate shall include, but not be limited to, new developments in applicable case law, statutory law, and administrative rules.

676. (a) At the time of certification, each applicant shall disclose, on forms provided by the board, his or her financial interest in any legal entity. Thereafter, the form shall be completed annually.

(b) If the applicant is also required to annually file with the Fair Political Practices Commission pursuant to Article 3 (commencing with Section

87300) of Chapter 7 of Title 9 of the Government Code, a duplicate of that filing shall meet the requirements of this section.

677. The board may issue a temporary certificate to an assessor who is newly elected or appointed or to any person newly employed by the office of the county assessor in order to afford the person the opportunity to apply for and take an examination, the successful passage of which would qualify the person for a certificate pursuant to this article. The board shall not issue a temporary certificate for a duration that exceeds one year, unless the person has been duly elected or appointed to the office of assessor. The board shall not renew a temporary certificate.

678. The board may issue an interim certificate to a current assessor or to any person who is currently employed by the office of the county assessor, and who is making change in ownership or exemption decisions in order to afford that person the opportunity to apply for and take an examination, the successful passage of which would qualify the person for a certificate pursuant to this article. The board shall not issue an interim certificate for a duration that exceeds four years, unless the person has been duly elected or appointed to the office of assessor. The board shall not renew an interim certificate.

679. This article shall not be construed to impede an assessor from managing his or her staff resources efficiently, and in a manner that allows noncertificated staff to prepare and work with exemption applications and change in ownership documents, provided that the noncertificated staff are not responsible for making exemption or change in ownership decisions.

680. This article shall only apply in counties or cities and counties that have passed a resolution upon the recommendation of the assessor to require certification as provided by this article.