

**PROPERTY TAX ADMINISTRATION ASSISTANCE:
PROPOSED LEGISLATION**

Findings and Declarations:

- There is a significant and compelling state financial interest in maintaining the integrity of property tax administration system.
- The State-County Property Tax Loan Program and the State-County Property Tax Grant Program have enhanced the efficiency and effectiveness of property tax administration.
- The effects of State Budget actions and limited county revenue-raising authority have resulted in significant reductions in funding for assessor offices.
- Assessor offices face significant workload demands, especially during economically challenging times when, among other things, petitions for property value reductions increase significantly.
- Funding constraints for assessor offices have limited their ability to effectively address workload related to transfers and new construction, assessment appeals, Proposition 8 assessments, and net unsecured assessments.
- In 28 of the 58 counties, assessors also serve as the recorder, clerk, registrar of voters, auditor-controller, and/or clerk of the board of supervisors, with the reductions in the assessor's office budget if these other functions are not funded adequately.
- The lack investment in modern technology to support property tax administration has reduced the efficiency of addressing backlogged workload in assessors' offices.
- As California continues to recover from the Great Recession, it is critical that the property tax roll is updated and correct.
- A modest investment by the State in property tax administration that provides a reliable stream of revenue for a limited time will provide for technology improvements and staffing to meet unaddressed workload that will result in additional revenue to the State and local governments without a tax increase.

Proposed Legislation:

For the 2013-14 fiscal year and each fiscal year thereafter through the 2015-16 fiscal year, a sum of :XXX million dollars is hereby appropriated from the General Fund to be allocated to counties for enhancing the efficiency and effectiveness of the property tax administration system.

Considerations:

- Amount to be appropriated each fiscal year: same amount or declining amount?
- Are assessors' baseline resources adequate? Special needs? (e.g., complex business properties? Prop 8s?)
- Allocation of grant funds: per-capita, per AV, according to an application identifying workload or investment? Other?
- Use of the grant funds: staffing, technology, other? How to identify areas leading to greatest return.
- Identify specific workload assessors will address. Backlogs? High priority types of assessments? (e.g., complex business properties? Rolling back Prop 8's to Prop 13 values?)
- Identify return on investment? Tie to investments/workload? Performance measures? Measure performance based on revenue or system improvements/newly built capacity?
- Board of Equalization support for the proposed legislation?
- Engaging broader public support.