



**STATE BOARD OF EQUALIZATION
STAFF LEGISLATIVE ENROLED BILL ANALYSIS**

Date:	Enrolled	Bill No:	<u>Assembly Bill 75</u>
Tax Program:	Property	Author:	Hill
Sponsor:	Author	Code Sections:	BPC 17533.6 & 17537.9
Related Bills:		Effective Date:	01/01/12

BILL SUMMARY

Related to deceptive business solicitations that imply an official government connection, this bill, among other things:

- Prohibits the use of the term “assessor” in the title, trade or brand name of any solicitation that reasonably could be interpreted or construed as implying a governmental connection. *Business & Professions Code §17533.6*
- Prohibits additional business names from being used by assessment reduction filing service firms and modifies font size requirements on disclosures printed on advertisements. *Business & Professions Code §17537.9*

ANALYSIS

CURRENT LAW

Deceptive Solicitations - Generally

Business and Professions Code (BPC) Section 17533.6 makes it unlawful for a nongovernmental entity to solicit funds or information by means of a mailing, electronic message, or Internet Web site that contains a seal, insignia, trade, or brand name, or any other term or symbol that reasonably could be interpreted or construed as implying any state or local government connection, approval, or endorsement, unless the nongovernmental entity has an expressed connection with a state or local entity or unless the solicitation contains specified disclosures in conspicuous and legible type.

Deceptive Solicitations - Assessment Reduction Filing Services

BPC Section 17537.9, relating to property assessment reduction filing services, restricts the activities of individuals who offer, for a fee, to apply for a reduction in property tax on behalf of the owner. Related to this bill:

Business Name Prohibitions. Among its many provisions, BPC Section 17537.9 specifies that it is unlawful for a business offering these services to imply that it is associated with a government entity. BPC Section 17537.9 (a)(6)(B) expressly provides that the use of a business name with the word “appeal” or “tax” with the word “agency” “assessor,” “bureau,” “department,” “division,” “federal,” “state,” “county,” “city,” or “municipal,” or the name of any city, county, city and county, or any governmental entity is a violation of this provision.

Disclosure on Advertisements. BPC Section 17537.9(b) requires the top of every page of advertisement or promotional material disseminated by an offeror of an assessment reduction filing service to display in 12-point boldface font the following disclosure in a box formed with a heavy line:

This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the BOE’s formal position.

THIS ASSESSMENT REDUCTION FILING SERVICE IS NOT ASSOCIATED WITH ANY GOVERNMENT AGENCY. IF YOU DISAGREE WITH THE ASSESSED VALUE OF YOUR PROPERTY, YOU HAVE THE RIGHT TO AN INFORMAL ASSESSMENT REVIEW, AT NO COST, BY CONTACTING THE ASSESSOR'S OFFICE DIRECTLY. IF YOU AND THE ASSESSOR CANNOT AGREE TO THE VALUE OF THE PROPERTY OR IF YOU DO NOT WISH TO CONTACT THE ASSESSOR YOU CAN OBTAIN AND FILE AN APPLICATION FOR CHANGED ASSESSMENT WITH THE COUNTY BOARD OF EQUALIZATION OR ASSESSMENT APPEALS BOARD ON YOUR OWN BEHALF. AN APPEALS BOARD HAS THE AUTHORITY TO RAISE PROPERTY VALUES (BUT IN NO CASE HIGHER THAN THE PROPOSITION 13 PROTECTED VALUE) AS WELL AS TO LOWER PROPERTY VALUES.

PROPOSED LAW

Deceptive Solicitations – Generally

With respect to property tax matters, this bill amends BPC Section 17533.6 to, among other things, provide that a solicitation may not use a title or trade or brand name that reasonably could be interpreted or construed as implying any federal, state, or local government connection, approval, or endorsement, including, but not limited to, use of the term “agency,” “administrative,” “**assessor**,” “board,” “bureau,” “collector,” “commission,” “committee,” “department,” “division,” “recorder,” “unit,” “federal,” “state,” “county,” “city,” or “municipal,” or the name or division of any government agency. Additionally, the solicitations may not specify any sort of “due date” or imply that there will be penalties, fines, or consequences if the payment being solicited is not made. Further, additional disclosures must be conspicuously displayed as specified.

Deceptive Solicitations - Assessment Reduction Filing Services

Additional Business Name Prohibitions. This bill prohibits the words “board” or “commission” from being used with the word “appeal” or “tax” in the business name of an assessment reduction filing service. *BPC §17537.9 (a)(6)(B)*

Disclosure: Largest Font Size. The bill changes the font size requirement for the disclosure that must be on the top of every page of advertisement or other promotional materials. Specifically, the font type of the disclosure must be not less than a 12-point boldface font type that is at least 2-point boldface font type sizes larger than the next largest print on the page. *BPC §17537.9(b)(2)*

COMMENT

Sponsor and Purpose. This bill is sponsored by the author and intended to address consumer complaints about deceptive solicitations crafted to mislead persons into believing they are paying a necessary fee to a governmental agency. As business solicitations meet the letter of the law but still mislead recipients, additional changes to these statutes are required.

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COST ESTIMATE

The costs to the BOE associated with this bill are absorbable.

REVENUE ESTIMATE

This measure has no property tax revenue impact.

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