

Approved January 21, 1988
Date

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION

The meeting was called to order by Senator Fred A. Kerr at
Chairperson

11:00 a.m./p.m. on January 20, 1988n room 519-S of the Capitol.

All members were present except:

Committee staff present:

Tom Severn, Research
Chris Courtwright, Research
Don Hayward, Revisor's Office
Sue Pettet, Secretary to the Committee

Conferees appearing before the committee:

Terry Hamblin, Director, Div. of Property Valuation
David Cunningham, Board of Tax Appeals

Chairman Kerr called the meeting to order and said there would be hearings on S.B. 451, S.B. 452, and S.B. 453.

He explained that Senate Bills 451, 452, and 453 are all bills that were introduced by the Interim Committee. He stated that the interim committee did not have a chance to have any hearings on these bills, and they were introduced without recommendation so that they would be available for a hearing in this committee during the 1988 legislative session.

SENATE BILL 451

Terry Hamblin testified on S.B. 451. (Attachment 1) He stated that S.B. 451 provides the director of property valuation authority to conduct an independent inquiry and eliminates the necessity of a hearing before such director at the request of an appraiser suspended or terminated by a board of county commissioners.

This provides the director with flexibility and discretion to determine the justification, or lack of, of such suspension or termination. The director is presently limited to the position of a hearing officer once a board of county commissioners suspends or terminates an appraiser. This bill does not eliminate the possibility that the director may conduct a "hearing" as part of an independent inquiry.

David Cunningham, chief Counsel for Board of Tax Appeals testified. (Att. 2) He expressed support for the bill with one suggested amendment. He requested that line 114 on page 3 be amended to read the "Board of Tax Appeals."

SENATE BILL 452

Terry Hamblin testified, stating that S.B. 452 amends the statutes governing the operation and publication of the annual assessment/sales ratio study. He stated that the implementation of classification and reappraised values will have a significant impact on format and procedures for the development of the ratio study. (Att. 1)

Mr. Hamblin stated that lines 42-44, "office of the register of deeds of such county. On forms provided by the director or by such electronic medium as the director may approve, such county officials shall monthly record the required information"... would not be used by the PVD to require that counties submit the data electronically, but use that method only as an alternative.

There were several questions posed by the committee concerning language to be stricken from lines 51 through 59. Mr. Hamblin stated that "language cleanup" was the reason for these lines being stricken.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON ASSESSMENT AND TAXATION,
room 519-S Statehouse, at 11:00 a.m./~~p.m.~~ on January 20, 1988.

David Cunningham of the Board of Tax Appeals testified on S.B. 452. He expressed concern about language in Section 4 (lines 89 through 97) which removes land/farmstead sales from the assessment/sales ratio study, since few farm sales have real estate in only one classification. He felt that the assessment/sales ratio study is the guide for evaluating reappraisal. He stated that their main concern is that there needs to be a valid ratio.

Tom Severn of the Research Department asked if an appraisal sales ratio study would meet the needs of the Board of Tax Appeals. He stated that current law states, "assessment sales ratio study".

Mr. Hamblin replied that it was necessary to have a checking device to the validity of the appraisal value.

Chairman Kerr stated that because of lack of time S.B. 453 would be heard on Thursday, 1-21-88.

Senator Hayden made a motion to adopt the minutes of the January 19th meeting. Senator Thiessen seconded. Motion carried. Meeting adjourned.

