

**SENATE BILL REPORT**

**SB 6053**

**AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 8, 1994**

**Brief Description:** Modifying procedure for providing assistance to county assessors.

**SPONSORS:** Senators Loveland, Snyder and Haugen

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Majority Report:** That Substitute Senate Bill No. 6053 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, McCaslin, Oke, Owen and Winsley.

**Staff:** Diane Smith (786-7410)

**Hearing Dates:** January 21, 1994; January 28, 1994

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** That Second Substitute Senate Bill No. 6053 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rinehart, Chairman; Quigley, Vice Chairman; Gaspard, Hargrove, Hochstatter, Ludwig, Moyer, Niemi, Pelz, Snyder, Spanel, Talmadge and West.

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** February 7, 1994; February 8, 1994

**BACKGROUND:**

The county assessor is charged with the listing and the valuation of the property of the county. This must be done within a time prescribed by law. In order to accomplish this, he or she may appoint assistants or deputies or may contract with appraisers to assist in the making of these valuations.

The State Department of Personnel maintains a classification and salary plan for the employees of the county assessor who act as appraisers.

If the assessor intends to implement this plan for appointing assistants, he or she must so inform both the Department of Revenue and the Board of County Commissioners in writing. A committee is then formed to determine by unanimous vote the required number of appraiser positions and their salaries. This determination is certified to the Board of County Commissioners.

The assessor then may choose to budget for up to the number of positions that the committee has established. The Board of County Commissioners then must allow sufficient funds for the positions so budgeted.

**SUMMARY:**

Once the assessor gives the Department of Revenue and the Board of County Commissioners written notice of his or her intent to implement a classification and salary plan, the committee is then formed. It shall decide by unanimous vote the funding level and the duration to provide adequate appraisers, support staff and computer equipment for the assessor to perform the revaluation program and to place new construction on the tax rolls on a regular annual basis.

After 60 days, the member of the committee who is the representative of the Department of Revenue shall report the committee's findings to the Director of the Department of Revenue.

The Department of Revenue then shall prepare a contract for the signatures of the assessor and of the Board of County Commissioners.

The contract provides specified funds from the Board of County Commissioners and requires four more provisions which hold the assessor to certain performance requirements. The contract allows a board to withhold the specified funds if the assessor does not perform as required. The performance requirements are for the assessor to add a specified level of new construction to the tax rolls over a specified period of time and to maintain the revaluation cycle.

A new account is created in the custody of the State Treasurer. This account is called the assessors' assistance account. It is only for making loans to counties to fund these contracts. No appropriation is required for expenditures from this account.

A certain as yet undetermined sum is appropriated from the general fund for the biennium ending June 30, 1995 to go to the Department of Revenue for funding the assessors' assistance account.

There is an emergency clause.

**EFFECT OF PROPOSED SUBSTITUTE:**

Technical amendments are made clarifying how committee members are appointed, when the 60-day time limit begins to run, changing references from the Board of County Commissioners to the county legislative authority, specifically stating that the county may request a loan from the assessor's assistance account to fund the contract, and mentioning listing and valuing personal property as one of the assessor's duties. Other changes remove the requirement for unanimous vote by the committee.

**EFFECT OF PROPOSED SECOND SUBSTITUTE:**

The unspecified appropriation is removed and the bill is null and void unless funding is provided in the budget.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 11, 1994

**Effective Date:** The bill contains an emergency clause and takes effect immediately.

**TESTIMONY FOR (Government Operations):**

Budgetary cutbacks and increased numbers of property parcels to be assessed have strained county assessors' offices to the breaking point. The results of the assessors' inability to place new construction on the tax rolls and properly to reassess remodeled property leaves some taxpayers paying more than their fair share. Assessors have not been able to maintain the currency of their scheduled revaluations, resulting in some counties' properties averaging only 80 percent of actual fair market value. The state and every taxing district in the state lose revenue which will never be recovered unless the assessors' offices are adequately staffed.

The bill is the joint effort of the county commissioners, assessors and Department of Revenue to ensure that the job of property assessment is done properly so that all taxpayers pay only their fair share.

**TESTIMONY AGAINST (Government Operations):** None

**TESTIFIED (Government Operations):** PRO: Fred Saeger, WA Assn. of County Officials; Gary Lowe, Assn. of Counties; Will Rice, Dept. of Revenue; Gail Rauch, Snohomish County Assessor; Carol Belas, Kitsap County Assessor; Bonnie Baker-Muench, Thurston County Assessor

**TESTIMONY FOR (Ways & Means):**

This is a fairness issue. Assessors are missing new construction. Taxes should be spread among all taxpayers. It is important to fund county assessors' offices.

**TESTIMONY AGAINST (Ways & Means):** None

**TESTIFIED (Ways & Means):** Senator Loveland, prime sponsor (pro); Fred Saeger, WA Association of County Officials (pro)