

SENATE BILL REPORT

SB 5661

As Reported by Senate Committee On:
Governmental Operations, February 19, 2013

Title: An act relating to property assessments and the appeal of those assessments.

Brief Description: Addressing property assessments and the appeal of those assessments.

Sponsors: Senator Roach.

Brief History:

Committee Activity: Governmental Operations: 2/19/13 [DPS].

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Majority Report: That Substitute Senate Bill No. 5661 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Benton, Vice Chair; Braun, Conway and Rivers.

Staff: Sam Thompson (786-7413)

Background: Property in Washington is generally subject to a property tax based on assessed market value. County assessors determine the valuation of most property. The Department of Revenue determines the valuation of some property, including property held by private utilities operating in multiple counties. A property owner disputing the valuation of property may appeal to a county board of equalization, then to the state Board of Tax Appeals, then to superior court. Alternatively, a property owner may bypass administrative proceedings and bring a tax refund action directly in superior court.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): If an owner or person responsible for payment of taxes on property valued over \$500,000 seeks to appeal the valuation, that person must be provided with a notice of valuation signed by a licensed certified appraiser. The notice must include contact information for the appraiser who signed the notice of valuation and a description of the process for appealing the valuation.

EFFECT OF CHANGES MADE BY GOVERNMENTAL OPERATIONS COMMITTEE (Recommended Substitute): The recommended substitute bill clarifies the

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circumstances in which a valuation notice must be signed and the professional credentials of the official signing the notice.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Proposed Substitute as Heard in Committee:

PRO: This bill will promote accuracy and accountability in the appraisal process. Requiring valuations over \$500,000 to be signed by licensed certified appraisers, if appealed, will ensure conformance with professional competency standards, enforceable through licensure disciplinary proceedings. This requirement will also promote greater uniformity of valuation analysis statewide, and transparency regarding officials responsible for particular valuations.

CON: The Washington Association of County Officials and county assessors will continue conversations with proponents regarding this measure. Officials assessing property must currently comply with accreditation standards similar to standards applying to licensed certified appraisers. This requirement may raise administrative costs for assessors.

Persons Testifying: PRO: Bill McKay, Self Storage; Patrick Gilroy, Store House Self Storage; Don Arsenault, WA Self Storage Assn.; Patrick Reilly, Urban Self Storage.

CON: Monty Cobb, WA Assn. of County Officials.