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HB 1990 (Printer's No. 2852) Analysis

Date: 12/29/2017

**Amending the Consolidated County Assessment Law –
Provide for Training and Qualifications of Assessment Appeal Board and
Auxiliary Appeal Board Members, Assessment Appeal Processes,
Certain Notifications to Property Owners and Penalties**

A. Synopsis

- Provides for the training and qualifications of members of a board of assessment appeals/revision and auxiliary appeal boards.
- Changes the method by which auxiliary appeal boards are established and staffed.
- Relating to a countywide reassessment:
 - Clarifies the types of corrections that may be made during an informal review of a property owner's proposed market value or assessment.
 - Specifies the date by which informal reviews must be completed.
- Further requires the county to make publicly available taxing district information.
- Also requires the assessment appeals board to provide notice of rights of further appeal to board decisions.

B. Effect

- *Strengthens and enhances objectivity, accountability, efficiency and equality* in the assessment appeals process, possibly bolstering the appeal boards' decisions and reducing appeals to court, by:
 - Providing for initial training and qualification of assessment appeal board members—nine hours for permanent assessment appeals and revision board members, and six hours for auxiliary appeals board members—in person or online at a modest cost.
 - Clarifying parameters of informal reviews and the notification process in conjunction with a countywide reassessment.
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- Provides counties with *more flexibility* in determining the number and composition of auxiliary appeal boards.
 - Provides property owners with access to information relating to their taxing district in the event of an appeal to court, thus improving transparency.
 - In sum, may well result in a *net savings for counties and taxpayers*.
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C. Summary and Analysis

Proposal amends the Consolidated County Assessment Law (CCAL)¹ in the following manner.

Training and Qualifications of Board of Assessment Appeals/Revisions and Auxiliary Appeal Board Members (CCAL Section 8852)

- Requires initial nine hours of training for members of the *permanent boards* of assessment appeals and assessment revision, within six months of appointment or taking the oath of office, on the following topics, generally:
 - Assessment valuation process in Pennsylvania (3 hours).
 - Legal and constitutional issues relating to the assessment process in Pennsylvania, and duties and responsibilities of assessment appeal board members (3 hours).
 - Real estate exemptions (3 hours).
- Provides that failure of a permanent board member to obtain the training within six months of appointment shall result in disqualification of the member and shall create a vacancy.
- Exempts from training a member of the permanent board or auxiliary appeal board who holds an active Certified Pennsylvania Evaluator certification.
- Specifies that *all exemption* appeal hearings must be conducted by the board of assessment appeals or the board of assessment revision; auxiliary appeal boards may not conduct exemption appeal hearings.
- Requires initial six hours of training for members of *auxiliary appeal boards* on the following topics, generally:
 - Assessment valuation process in Pennsylvania (3 hours).
 - Legal and constitutional issues relating to the assessment process in Pennsylvania, and duties and responsibilities of the assessment appeal board members (3 hours).
- Prohibits a person from serving on any auxiliary appeal board until trained.
- Exempts a member of the board or auxiliary appeal board who holds an inactive Certified Pennsylvania Evaluator certification from the three hours of training on the assessment valuation process.
- Specifies that each county will be responsible for paying for the training.
- Directs the County Commissioners Association of Pennsylvania (CCAP) in coordination with the Assessors Association of Pennsylvania (AAP) to establish a curriculum and the method of training delivery.

¹ Consolidated County Assessment Law is in Title 53 of the Pennsylvania Consolidated Statutes Chapter 88.

**Board of Assessment Appeals (independent board appointed by the county commissioners)
(CCAL Section 8851)**

- Authorizes the county commissioners, on or after the first organizational meeting occurring after the effective date this provision, and every four years thereafter, to appoint members of an independent board of assessment appeals for terms of two years each or four years each.
- Prohibits appointment of a member to the board who is an employee of or contractor with the county assessment office.

Auxiliary Appeal Boards Creation/Membership (CCAL Section 8853)

- Provides the county commissioners with the discretion to establish any number of temporary auxiliary appeal boards, as needed, in in their particular county.
- Authorizes the commissioners to create a “pool” of trained auxiliary appeal board members who may be appointed and reappointed to serve on any auxiliary appeal board in consideration of a member’s expertise and availability.
- Clarifies that each auxiliary appeal board consist of three members, *all of whom* must be present for an appeal hearing.

Relating to Countywide Reassessments (CCAL Section 8848)

- Prohibits personnel from a revaluation company or county assessment office from making adjustments to the market value or assessed value during an informal review. Personnel may only make corrections to tabular data or property characteristics collected by the revaluation company or county.
- Requires that informal reviews be completed no later than June 1.

Assessment Office and Board Duties, and Notification Requirements (CCAL Sections 8831 and 8844)

- Requires the chief assessor to compile and periodically update a list of the names and mailing address of all the taxing districts within the county. The list must be published, with the assistance of the county commissioners, on the county’s publicly accessible Internet website and in printed form in a manner consistent with the Right-to-Know Law (CCAL Section 8831).
- Requires the Board of Assessment Appeals or Revision to provide the board’s decision in writing no later than November 15, along with: (1) a statement that the decision may be appealed to the court of common pleas within 30 days of the mailing date of the decision; (2) a statement that an appellant must provide each taxing district within which the property lies a copy of the appeal, and that a list of names and addresses of taxing districts in the county may be found on a county website or may be requested in print; and (3) a statement that the board cannot provide advice on filing an appeal to court and that a party may wish to consult with an attorney when considering an appeal (CCAL Section 8844).

D. Relevant Current Law

CCAL Section 8851 of the CCAL currently requires establishment of a three-member independent board of assessment appeals in counties of the second class A and third class. Members of the board of assessment appeals are appointed by the commissioners for a term of four years. In counties of the fourth through eighth class, the commissioners may appoint an independent board of assessment appeals or, alternatively, may

serve themselves as a board of assessment revision. *There are no qualification and/or training requirements in current law for members of the board of assessment appeals or board of assessment revision.*

CCAL Section 8853 governs the establishment, membership and duties of auxiliary appeal boards. The CCAL authorizes county commissioners to appoint up to four temporary auxiliary appeal boards consisting of three members each to hear appeals from new assessment values, appeals in conjunction with a countywide reassessment, or appeals arising from applications for a homestead or farmstead exclusion. Members of an auxiliary appeal board must be “competent and qualified residents of the county.” In addition to the appointment of three members to the four auxiliary appeal boards, the county commissioners are authorized to appoint no more than eight alternate members in the event that a member of the auxiliary appeal board is unavailable for a scheduled hearing. *The CCAL does not require qualifications (other than “competency and residency”) or training for auxiliary appeal board members.*

The CCAL contains distinct specifications relating to notice requirements, informal reviews, and the appeals process in conjunction with a countywide reassessment. Section 8848 currently requires that if any county proposes to institute a countywide revision of assessments, each property owner must be notified by mail of the value of the new assessment, the value of the old assessment, and the right to appeal within 40 days as provided in the law. The law authorizes a designee of the county assessment office, which may be personnel from a revaluation company, to meet with property owners to review all proposed assessments and *correct errors* prior to the completion of the final assessment roll; the CCAL does not authorize an informal assessment *appeal*, i.e., the judgement of market/assessed value. The county assessment office is required to mail all notices on or before July 1.

E. Background of Proposal

The Local Government Commission's Assessment Reform Task Force formed an Appeals Process Work Group to investigate the fairness and efficiency of the assessment appeals process, including measures to reduce appeals, consistency in methodology, and appointment, composition and qualifications of appeals boards. Participants included a Senate and House Member of the Local Government Commission, two county commissioners from different counties that recently conducted countywide reassessments, representatives from CCAP and AAP, a recognized expert in the field Pennsylvania assessment law, and LGC and other legislative staff. This legislative proposal reflects the recommendations generated by the Work Group during winter and spring of 2017.
