



June 18, 2020

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: Extension of Assessment Appeal Deadline

Dear Governor Newsom:

The California State Association of Counties (CSAC), Urban Counties of California (UCC), and Rural County Representatives of California (RCRC) joins the California Association of Clerks and Election Officials, California Assessors' Association, and California State Board of Equalization in support of the following urgently needed Executive Order:

Notwithstanding Revenue and Taxation Code Section 1604, the two-year deadline by which a County Board must render a decision in an assessment appeal shall be extended and tolled for the duration of the COVID-19 emergency, as defined by state or county declarations of emergency, whichever is of longer duration, plus 120 days after the termination of the emergency to allow County Boards to resume normal operations, provide taxpayers and assessors time to prepare for resumed hearing schedules, and to reduce the backlog of appeals to a manageable level.

County Boards of Equalization and Assessment Appeals Boards are tasked by the Constitution with hearing and settling local property tax valuation disputes. The Boards are required to render a ruling on each dispute within two years after the assessment appeal application was filed. If a County Board does not meet this deadline the "opinion of value" provided by the applicant becomes the official assessed value by default, regardless of how the applicant decided upon the opinion or whether it is supported by data.

During the Shelter-in-Place orders resulting from the COVID-19 Pandemic, County Boards have been unable to conduct assessment appeal hearings. This has left the boards at least three months behind in conducting hearings, with the only option for relief being a 40-day extension of the two year deadline, granted by the Board of Equalization. While this extension may allow County Boards to make some progress in addressing back loaded cases, in many counties it will be drastically insufficient to fully address the issue.

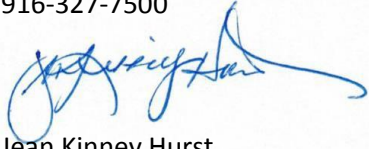
Without the proposed Executive Order, the passage of unsupported and arbitrary opinions will have a significant impact on local and state revenue. In six counties surveyed on April 13, there were 46,619 appeal applications pending board decision. Among those applications alone, the total estimated risk of loss is \$4.427 billion in property tax revenue. These revenue losses would come at a time when social safety net services are more important than ever.

For these reasons we urge you to issue an Executive Order to extend and toll the statutory time limit for the duration of the COVID-19 emergency, plus 120 days after termination of the emergency.

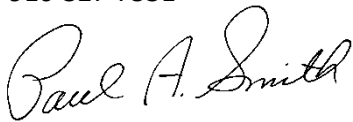
Sincerely,



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Cc: Honorable Members, Board of Equalization
California Assessors' Association
California Association of Clerks and Election Officials
Donna Seitz, Los Angeles County