

Meeting Notes
Local Government Commission
Assessment Appeals Process
Working Group
March 31, 2017

Participants: Senator John H. Eichelberger Jr., Chair
Representative Warren Kampf
Bert Goodman, Esq.
Douglas Hill, County Commissioners Association of Pennsylvania
Joan Righter Price, Esq., Assessors' Association of Pennsylvania
Rodney Ruddock, Commissioner, Indiana County
Terry Tomassetti, Esq., Commissioner, Blair County
Steve Howe, Dauphin County Director of Assessment and Tax Claim
Lee Derr, Esq., Senator Eichelberger's Office
Philip Klotz, Local Government Commission
Danette Magee, Local Government Commission

The working group met to expound upon several issues that were discussed by the group at its February 13, 2017, meeting relating to 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. The following issues were deliberated.

Training and Qualifications of Members of a Board of Assessment Appeals/Revisions and Auxiliary Appeal Boards

Issues:

1. A proposal was presented for consideration relating to the topics of training and the hours required for members of the various assessment appeal boards.
2. The training should be required of appeal board members serving in Allegheny County and Philadelphia.
3. Training curriculum and delivery method can be provided by CCAP/AAP.
4. Training must be completed before a member can serve on an appeals board.

Outcomes:

1. Amend the Consolidated County Assessment Law (CCAL) to require 12 hours of training for members of the *permanent* boards of assessment appeals and assessment revision,

within 90 days of appointment or taking the oath of office, on the following topics, generally:

- a. The assessment valuation process in PA (3 hours).
- b. Legal and constitutional issues relating to the assessment process in PA. Duties and responsibilities of the assessment appeal board members. (3 hours).
- c. Real estate exemptions (6 hours).

Specify that all exemption appeal hearings be conducted by the board of assessment appeals or board of assessment revision.

2. Amend the CCAL to include 6 hours of training for members of *auxiliary* appeal boards on the following topics:
 - a. The assessment valuation process in PA (3 hours).
 - b. Legal and constitutional issues relating to the assessment process in PA; duties and responsibilities of the assessment appeal board members. (3 hours).

An auxiliary appeal board may *not* hear exemption appeals.

3. Amend the General County Assessment Law to require assessment appeal board members to undergo 12 hours of training as specified in #1 above. (Note: Senator Eichelberger will discuss with Philadelphia's mayor.)
4. CCAP/AAP will recommend and provide training curriculum and method of delivery. Electronic delivery should be available as an option.

Auxiliary Appeal Boards

Issues:

1. There is a need for more flexibility in the formation of auxiliary appeal boards and the membership thereof.
2. Auxiliary appeal boards must have a defined number of members. A "board" cannot consist of one person.

Outcomes:

Amend 53 Pa.C.S. § 8853 of CCAL to:

1. Provide a county with the discretion to appoint the number of auxiliary appeal boards needed (CCAL currently authorizes the appointment of no more than 4 boards).
2. Authorize the county to appoint a "pool" of trained auxiliary appeal board members who can be appointed and reappointed to serve on any auxiliary appeal board as needed.
3. Require that each auxiliary appeal board consist of 3 members all of whom must be present for the appeal hearing.

Formal Appeal Process

Issues:

1. Recourse is needed when a county is unable to certify the assessment roll by November 15 due to a large number of appeals during the course of a reassessment.
2. Must the county seek court approval to extend the deadline?

Outcomes:

Amend 53 Pa.C.S. § 8848 (c) to:

1. Specify that a county may seek court approval to extend up to 30 days beyond November 15 for the certification of the assessment roll.
2. A county may only seek one extension.

Revaluation Company Software

Issues:

1. County commissioners do not have access to the formula used by a revaluation company for “proprietary” reasons making it difficult to fully understand the service/product that is being purchased.
2. Public disclosure of the key elements considered and used to value and assess property is necessary in order to educate property owners about the process and assist them in navigating any necessary appeals.
3. Contractors provide a low bid by using Computer Assisted Mass Appraisal (CAMA) models, which may reduce accuracy of the reassessment.
4. There is lack of human follow up to check the CAMA models for accuracy, particularly as pertains to areas with irregular terrain. The computer numbers require fine-tuning by onsite inspections, which can result in higher labor costs for the revaluation company.
5. The reassessment process is removed from county government, yet the county is held responsible.
6. A third-party review should be required prior to the certification of the new assessment values.

Outcomes:

1. The AAP contracting standards subcommittee will invite representatives from the two major revaluation companies working in Pennsylvania to discuss “proprietary” information.
2. The contracting standards subcommittee will continue to address the issues in #2-#6.

Informal Review Process

Issues:

1. Each county should supervise the informal review process; revaluation company personnel are not always very helpful during this stage.
2. Property owners are confused by the process and not afforded complete information about how values are established.

Outcomes:

The CCAL does not authorize an informal assessment *appeal*. Section 8848 (b) authorizes an informal *review*: “In conjunction with a countywide revision of assessments, a designee of the county assessment office may meet with property owners to review all proposed assessments and *correct errors* prior to the completion of the final assessment roll.

1. Amend 53 Pa.C.S. § 8848 (b) to prohibit personnel from a revaluation company or county assessment office from making adjustments to the market/assessed value during the informal review. Personnel may only make corrections to tabular data or property characteristics collected by the revaluation company/county.
2. Amend 53 Pa.C.S. §8848 (b) to require that informal reviews be completed no later than the date by which the county issues formal appeal notices.

Issues Requiring Further Discussion

1. Appeals to Court

- Possibly require the creation of an easily accessible database in each county that lists the names and addresses of each taxing district in the county to assist property owners.

2. Building Permits

- Possibly amend CCAL to require municipalities to furnish certificates of occupancy to the county assessment office.
- Amend 53 Pa.C.S. § 8861(c) of the CCAL to increase the penalty (amount?) and change the violation from a summary offense (current law) to a civil offense