



ANTONIO VAZQUEZ
CHAIRMAN
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: August 17, 2021

To: Mike Schaefer, Board Vice Chair, District 4
Ted Gaines, Board Member, District 1
Betty T. Yee, State Controller

From: Antonio Vazquez, Board Chairman, District 3
Malia M. Cohen, Board Member, District 2

Re: **Schedule Reopening of Public Policy Hearings on Assessment Appeals Boards' Remote Hearings at September 21-22, 2021 Board Meeting.**

The following is to provide notice of our intention to schedule reopening of the Board of Equalization's Item M Public Policy hearings on remote hearings for Assessment Appeals Boards (AABs) during the upcoming September 21-22 Board Meeting. The purpose of reopening these Public Policy hearings is to provide the Board, stakeholders, and the public with an update and an opportunity to discuss AAB remote hearings; and to solicit comments on issues and possible additional guidance and/or regulatory or legislative action that may be needed.

Proposed items to be discussed (subject to modification) include:

- *Review of Actions Taken by the Board of Equalization Regarding Remote Assessment Appeals Hearings: Informational Hearing Issues; Letters to Assessors; Issuing Guidance Regarding AB 107 (Chapter 264, Statutes of 2020) and AB 137 (*
- *Report of Surveys of Responses Received from Clerks of Assessment Appeals Boards Regarding Remote AABs Hearings.*
- *Evaluation of Remote Hearings – County Perspectives.*
- *Evaluation of Remote Hearings – Taxpayer Representative Perspectives.*
- *Possible Additional Guidance Needed Regarding AAB Remote Hearings.*
- *Impact of Possible Transition Plans for In-Person Hearings.*

Background

Board of Equalization Hearings on Remote Assessment Appeals Boards (AABs) Hearings

Responding to the COVID-19 pandemic during 2020, the Board held a series of meetings to determine the impact of the pandemic on property tax administration.

Many of these Board Meetings addressed specific impacts on AABs (including their procedures and requirements) to ensure fair and timely hearings for all parties, as well as the backlog of appeals facing numerous AABs and other issues involving the use of remote hearings for appeals. These Board Meetings regarding AABs issues solicited significant testimony from stakeholders, taxpayer representatives, and interested parties.

The first of these Board Meetings took place on April 21, 2020. See the Board Meeting Minutes for the April 21, 2020 Board Meeting linked at: <https://boe.ca.gov/meetings/pdf/2020/042120M.pdf>

Additional Board Meetings were held on the impact of the COVID-19 pandemic on property tax administration as follows here:

- Board Meeting May 13, 2020. See the Board Meeting Minutes for the May 13, 2020 Board Meeting linked at: <https://boe.ca.gov/meetings/pdf/2020/051320M.pdf>
- Board Meeting June 9, 2020. See the Board Meeting Minutes for the June 9, 2020 Board Meeting linked here: <https://boe.ca.gov/meetings/pdf/2020/060920M.pdf>
- Board Meeting July 22, 2020 (Postponed to the August Board Meeting).
- Board Meeting August 18-19, 2020. See the Board Meeting Minutes for the August 18-19 Board Meeting linked here: <https://boe.ca.gov/meetings/pdf/2020/081820-081920M.pdf>
- Board Meeting September 23-24, 2020. See the Board Meeting Minutes for the September 23-24, 2020 Board Meeting linked here: <https://boe.ca.gov/meetings/pdf/2020/092220-092420M.pdf>
- Board Meeting October 21, 2020. See the Board Meeting Minutes for the October 21, 2020 Board Meeting linked here: <https://boe.ca.gov/meetings/pdf/2020/102020-102120M.pdf>
- Board Meeting November 18, 2020. See the Board Meeting Minutes for the November 18, 2020 Board Meeting linked here: <https://boe.ca.gov/meetings/pdf/2020/111720-111820M.pdf>
- Board Meeting December 17, 2020. See the December 17, 2020 Board Meeting minutes linked here: <https://boe.ca.gov/meetings/pdf/2020/121720M.pdf>

Letters to Assessors Issued Regarding Assessment Appeals Boards

As a result of these hearings, the testimony received, and the passage of AB 107 (Chapter 264, Statutes of 2020) , the BOE issued the following Letters to Assessors (LTAs) regarding Assessment Appeal Board hearings:

- No. 2020/033 – July 9, 2020 – AMENDMENT TO THE ASSESSMENT APPEALS MANUAL – POSTPONEMENTS AND CONTINUANCES, linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta20033.pdf>
- No. 2020/048 – ASSEMBLY BILL 107 – UPDATE ON LEGISLATIVE STATUS ASSESSMENT APPEALS BOARDS – HEARINGS AND DECISIONS, linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta20048.pdf>
- No. 2020/053 – ASSEMBLY BILL 107 – SIGNED BY GOVERNOR ASSESSMENT APPEALS BOARDS – HEARINGS AND DECISIONS, linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta20053.pdf>
- No. 2020/057 – ASSESSMENT APPEALS BOARDS REMOTE HEARINGS DURING THE COVID-19 PANDEMIC, linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta20057.pdf>
- No. 2020/063 – ASSESSMENT APPEALS BOARDS REMOTE HEARINGS DURING THE COVID-19 PANDEMIC (Note: This letter supersedes LTA No. 2020/057, dated November 18, 2020), linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta20063.pdf>
- No. 2021/002 – ASSESSMENT APPEALS BOARDS REMOTE HEARINGS DURING THE COVID-19 PANDEMIC (Note: This letter supersedes LTA Nos. 2020/057, dated November 18, 2020, and 2020/063, dated December 16, 2020), linked at: <https://www.boe.ca.gov/proptaxes/pdf/lta21002.pdf>

AB 107 Impacts Regarding AAB Hearings

On September 29, 2020, Governor Newsom signed AB 107, which extended the deadline for AABs to complete appeals decisions until March 31, 2021. AB 137, Chapter 77, Statutes of 2021, extended this deadline to December 31, 2021. AB 107 also provided clarifications regarding the conduct of AABs hearings, including remote hearings as stated in BOE LTA 2020/053:

Effective September 29, 2020, Assembly Bill 107 (Stats. 2020, ch. 264) amends, among other things, Revenue and Taxation Code section 1604 to extend the deadline within which an assessment appeals board decision must be made; and adds sections 1616 and 1752.4 to expressly allow remote equalization hearings.

Assembly Bill (AB) 107 amends section 1604 to extend to March 31, 2021 the two-year deadline by which an assessment appeals board is required to render a final determination on a "qualified application." A "qualified application" is an

application that was timely filed and has a two-year deadline occurring during the period beginning on March 4, 2020 through March 30, 2021.

In addition, AB 107 adds sections 1616 and 1752.4 to the Revenue and Taxation Code. These sections expressly provide that existing law does not prohibit remote hearings. A remotely conducted hearing would include, but would not be limited to, the following:

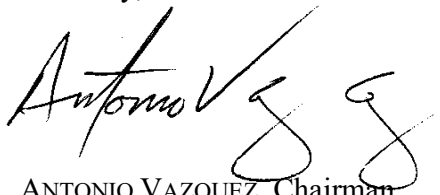
- the use of video, audio, and telephonic means for remote appearances;*
- the electronic exchange and authentication of documentary evidence;*
- e-filing and e-service;*
- the use of remote interpreting; and*
- the use of remote reporting and electronic recording to make the official record of an action or proceeding.*

Additionally, sections 1616 and 1752.4 would require that if a County Board of Supervisors has enacted any rules and procedures for appeals hearings, remote hearings must be compliant with those rules and procedures.

Conclusion

As we move forward in dealing with the reopening of our discussion on the current and future challenges of remote AAB hearings at the September 21-22, 2021 Board Meeting, it is our intention to provide an opportunity for those directly impacted to provide their comments and recommendations. We look forward to hearing from all stakeholders, taxpayer representatives, and interested parties regarding the current and future need for possible additional guidance and/or regulatory or legislative action concerning remote AAB hearings.

Sincerely,



ANTONIO VAZQUEZ, Chairman
Board of Equalization, 3rd District



MALIA M. COHEN, Member
Board of Equalization, 2nd District

cc: Ms. Kari Hammond, Chief Deputy, Office of Chairman Antonio Vazquez
Mr. Gary Gartner, Chief Deputy, Office of Vice Chair Mike Schaefer
Mr. Matt Cox, Chief Deputy, Office of Member Ted Gaines
Ms. Regina Evans, Chief Deputy, Office of Member Malia M. Cohen
Ms. Yvette Stowers, Deputy State Controller
Ms. Brenda Fleming, Executive Director
Mr. Henry Nanjo, Chief Counsel