

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Community Affairs Committee

BILL: CS/SB 512

INTRODUCER: Community Affairs Committee and Senator Fasano

SUBJECT: Property Assessments/Appraisers/Independent Review

DATE: April 22, 2008 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Molloy	Yeatman	CA	Fav/CS
2.			FT	
3.			GA	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

The committee substitute (bill) requires the Department of Revenue (department) to conduct an independent review of the assessment of any property owned or controlled by a property appraiser at least once every two years. The property appraiser must identify the property to the department, and provide the department with any data necessary to conduct the review. When conducting a review, the department must comply with all standards with which property appraisers are required to comply, and the review must be completed within the timeframe established in statute for the review of assessment rolls.

The bill amends section 195.096, Florida Statutes.

II. Present Situation:

Duties of the property appraiser in making assessments

Current law provides factors to be considered by the property appraiser when arriving at just valuation for assessment purposes, and requires that the property appraiser complete assessment of the value of all property by July 1 of each year. However, the law does not address the

potential conflict of interest that arises when a property appraiser is assessing his or her own property.

Department of Revenue- Oversight of assessment rolls

On or before July 1, each assessment roll must be submitted to the executive director of the Department of Revenue for review to determine if the rolls meet the appropriate requirements of law relating to form and just valuation. The executive director or a designee must disapprove all or part of any assessment roll that is not in full compliance or assessed in accordance with the law, and must issue a notice to the property appraiser by November 15th. Within 15 days of receipt of notice and not later than December 1, the property appraiser must notify the executive director in writing of the intent to comply with requested revisions, or must request a conference to resolve the difference. The conference must be held not later than December 15th and at its conclusion, but not later than January 1st, the executive director must issue an administrative order to incorporate the remedial steps which must be taken to ensure that property on the assessment roll is assessed at just valuation.

III. Effect of Proposed Changes:

Section 1 creates subsection (10) in s. 195.096, F.S, to provide that in addition to the review of the county assessment rolls, the department must review the assessment of any property that is subject to ad valorem taxation and owned by a property appraiser. At least once every 2 years during its review of the assessment rolls, the department must review the assessment of property that is:

- Individually or jointly owned by a property appraiser;
- Held in trust or other representative capacity for the benefit of a property appraiser; or
- Owned by a closely held corporation or partnership in which a property appraiser owns more than a 25 interest.

The property appraiser must identify such property to the department and must make available any data the department deems necessary to conduct the review. When conducting the review, the department must be in compliance with all standards with which the property appraiser is required to comply. The department must complete the assessment review within the timeframe set forth for review of assessment rolls.

Section 2 provides that the act shall take effect July 1, 2008.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. **Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Department of Revenue reports that the bill does not provide an intended purpose for the review and does not provide for administrative appeals of departmental reviews or for resolution of disagreements between the department and the property appraiser. Depending on the intended use and scope of the work, independent reviews may be costly and time-consuming, and the resources necessary to produce the review and the operational impacts may be substantial.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Additional Information:**

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by the Community Affairs Committee on April 22, 2008:

The bill clarifies that Department of Revenue will perform an assessment review of property owned by a property appraiser at least once every two years. The property appraiser must identify such property to the department, and departmental reviews must be conducted under the same standards that property appraisers are required to use.

B. Amendments:

None.