

Senate Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Forty-ninth Legislature
Second Regular Session
2010

CHAPTER 80

SENATE BILL 1217

AN ACT

AMENDING SECTIONS 42-16153, 42-16155 AND 42-16156, ARIZONA REVISED STATUTES;
RELATING TO PROPERTY TAX APPEALS AND REVIEWS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-16153, Arizona Revised Statutes, is amended to
3 read:

4 42-16153. Members

5 A. The state board of equalization consists of:

6 1. Ten members who are appointed by the board of supervisors of each
7 county with a population of more than five hundred thousand persons according
8 to the most recent United States decennial census.

9 2. ~~Six~~ TEN members who are appointed by the governor from each county
10 with a population of more than five hundred thousand persons according to the
11 most recent United States decennial census.

12 3. An additional member who is appointed by the governor, who is
13 designated as chairman and who serves in a full-time capacity.

14 B. Other than the chairman, members of the state board of equalization
15 shall be selected on the basis of their work experience and other
16 qualifications in at least one of the following categories:

17 1. Experience in at least three of the preceding eight years in
18 property valuation, property tax appeals or appraising real property.

19 2. A certified general appraiser under section 32-3612.

20 3. A property valuation hearing officer or member of the state board
21 of equalization, or any predecessor to the board, for at least three of the
22 preceding eight years.

23 4. A member of the state bar of Arizona with at least three years of
24 experience in property valuation or condemnation practice.

25 5. Experience in at least three of the preceding eight years as a real
26 estate broker.

27 C. Members who are appointed by the county board of supervisors serve
28 at the pleasure of the county board for terms that expire at the same time as
29 the elective term of the county supervisors. Members who are appointed by
30 the governor serve a term of five years. Members may be reappointed.

31 D. Except as provided in section 42-16154, subsection A, members of
32 the state board are eligible to receive:

33 1. Not more than three hundred dollars per day for time spent in
34 performing official duties, prorated for partial days spent on official duty.

35 2. Reimbursement for travel and other expenses as provided by law for
36 other state officers.

37 E. Members who are appointed by a county shall be paid by the
38 county. Members who are appointed by the governor shall be paid by the
39 state.

40 F. A member of the state board of equalization shall not:

41 1. Hold any other public office under the laws of this state or a
42 political subdivision of this state EXCEPT A POSITION ON A BOARD OR
43 COMMISSION THAT DOES NOT REGULARLY INTERACT WITH THE STATE BOARD OF
44 EQUALIZATION.

1 2. Be a candidate for an elective office under the laws of this or any
2 other state ~~nor take any direct or indirect part in an election campaign in~~
3 ~~the interest of a political party or any other organization, candidate or~~
4 ~~measure to be voted on by the people.~~

5 3. Hold any position of trust nor provide or engage in any occupation
6 or business that would conflict with the duties of a member of the board.

7 4. Other than the chairman, have been employed by a county assessor or
8 county attorney or by the department of revenue or the department of law
9 within two years before appointment.

10 G. The governor may remove any member of the state board who was not
11 appointed by a county board of supervisors for any of the following reasons:

12 1. Cause.

13 2. Failure to carry out the duties and responsibilities of the
14 position.

15 3. Failure to follow the rules of the board.

16 4. Failure to follow the directions of the chairman as provided by
17 law.

18 Sec. 2. Section 42-16155, Arizona Revised Statutes, is amended to
19 read:

20 42-16155. Hearing officers and employees

21 A. The state board of equalization may employ one or more hearing
22 officers who must meet the same qualifications prescribed for the members of
23 the board by section 42-16153.

24 B. Any training activity for hearing officers shall be held in public
25 with notice as prescribed by title 38, chapter 3, article 3.1.

26 C. A hearing officer is eligible to receive up to three hundred
27 dollars per day for time spent in performing official duties.

28 D. The state board may appoint a CHIEF clerk and any other employees
29 that it considers to be necessary to carry out its duties.

30 Sec. 3. Section 42-16156, Arizona Revised Statutes, is amended to
31 read:

32 42-16156. Case assignment

33 A. The chairman OR CHIEF CLERK of the state board shall assign tax
34 cases on a random basis to members of the board to be heard as provided by
35 this article. THIS SUBSECTION DOES NOT PREVENT THE CHAIRMAN OR CHIEF CLERK
36 FROM TAKING INTO ACCOUNT IN ASSIGNING TAX CASES THE AVAILABILITY OF MEMBERS,
37 REAL OR POTENTIAL CONFLICTS OF INTEREST OF MEMBERS OR THE CONVENIENCE OF
38 PETITIONERS OR THEIR REPRESENTATIVES WHO FILE MULTIPLE PETITIONS.

39 B. The chairman OR CHIEF CLERK shall assign each case involving:

40 1. Appeals of property valuations that are determined by the
41 department and equalization orders that are issued pursuant to statute to
42 members of the board who are appointed by the governor. This paragraph does
43 not apply to any properties that are valued by the department but would
44 otherwise be valued by the county assessor.

1 2. Property listed as class three pursuant to section 42-12003 or
2 property valued by the assessor at ~~one~~ THREE million dollars or less to be
3 heard by at least one member of the board or by a hearing officer who shall
4 be from the county in which the property is located.

5 3. Any other property to a panel of either three or five members of
6 the board, at least two of whom shall be from the county in which the
7 property is located unless the chairman is sitting as a representative of
8 that county. The chairman of the board shall designate a member to act as
9 chairman of each panel. When possible, at the chairman's discretion, on any
10 panel:

11 (a) Of three members, no more than one member may have been employed
12 by a county assessor or county attorney or by the department of revenue or
13 the department of law within four years.

14 (b) Of five members, no more than two members may have been employed
15 by a county assessor or county attorney or by the department of revenue or
16 the department of law within four years.

17 C. The chairman may sit on any case as a hearing officer representing
18 any county.

19 Sec. 4. Property tax appeals study committee; delayed repeal

20 A. A property tax appeals study committee is established consisting of
21 the following members:

22 1. The chairpersons of the senate finance committee and the house of
23 representatives ways and means committee.

24 2. The director of the department of revenue or the director's
25 designee.

26 3. The county assessor of each county with a population of more than
27 five hundred thousand persons or the assessor's designee.

28 4. Two county assessors, or their designees, from counties with a
29 population of less than five hundred thousand persons who are appointed by
30 the Arizona association of counties.

31 5. A member of a county board of equalization who is appointed by the
32 president of the senate.

33 6. The chairman of the state board of equalization, or the chairman's
34 designee.

35 7. Two members of the state board of equalization, each from different
36 counties, who are appointed by the chairman of the state board of
37 equalization.

38 8. A judge of the superior court who is familiar with property tax
39 appeals pursuant to title 42, chapter 16, article 5, Arizona Revised
40 Statutes, and who is appointed by the speaker of the house of
41 representatives.

42 9. Two property tax agents who are registered pursuant to title 32,
43 chapter 36, article 4, Arizona Revised Statutes, one each of whom are
44 appointed by the president of the senate and the speaker of the house of
45 representatives.

1 10. Two members of the state bar of Arizona who regularly represent
2 clients in property tax appeals, one each of whom are appointed by the
3 president of the senate and the speaker of the house of representatives.

4 11. Two members of the general public who are not regularly practicing
5 property tax agents but who have significant knowledge or experience in the
6 area of property taxes and property tax appeals, one each of whom are
7 appointed by the president of the senate and the speaker of the house of
8 representatives.

9 B. The chairpersons of the senate finance committee and the house of
10 representatives ways and means committee shall serve as cochairpersons of the
11 study committee. Members of the committee serve without compensation or
12 reimbursement of expenses. The study committee may use staff support and
13 meeting space provided by the legislature.

14 C. The study committee shall conduct meetings to identify and analyze
15 all issues involving the property tax appeal process and submit legislative
16 recommendations to the president of the senate and the speaker of the house
17 of representatives no later than December 15 of each year.

18 D. This section is repealed from and after December 31, 2012.

19 Sec. 5. Emergency

20 This act is an emergency measure that is necessary to preserve the
21 public peace, health or safety and is operative immediately as provided by
22 law.

APPROVED BY THE GOVERNOR APRIL 16, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2010.

Passed the House April 7, 2010,

by the following vote: 54 Ayes,

1 Nays, 5 Not Voting
with emergency

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

Passed the Senate February 22, 2010,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting
with emergency

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

12th day of April, 2010,

at 1:25 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 16th day of

April, 2010,

at 4:28 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 19th day of April, 2010,

at 11:40 o'clock a M.

[Signature]
Secretary of State

S.B. 1217