



**Background Memo: File No. 230234**  
**California Assessors' Information Technology Grant Program**

*Resolution authorizing the Assessor to enter into a Joint Exercise of Powers Agreement with other California counties to become a member of the California County Assessors' Information Technology Authority to receive, manage, and expend up to \$30,000,000 of State funds for technology improvements for County Assessor Offices.*

On behalf of the Office of the Assessor-Recorder, Supervisor Aaron Peskin introduced legislation (File No. 230234) to authorize San Francisco Assessor-Recorder to execute the Joint Exercise of Powers Agreement of the California County Assessors' Information Technology Authority (Authority) allowing the City and County of San Francisco to become a member with other county assessors. As a member of the Authority, the City and County of San Francisco would participate in the joint development and implementation of information technology solutions to assist in the collection, maintenance, and sharing of property data among county assessors, and in the standardization of statewide assessment practices. As a member of the Authority, the Office of the Assessor-Recorder would be able to more effectively and efficiently perform the tasks of the office.

California's 2022 Budget Act appropriated \$10 million for the first year of the County Assessors' Information Technology Grant Program (Program). This three-year, \$30 million investment had several requirements including, 1) the Program must benefit all 58 counties and taxpayers<sup>1</sup>, and 2) a joint powers authority must be formed so state funds could be deposited with a legal entity.<sup>2</sup>

On November 15, 2022, the Authority was formed by a Joint Exercise of Powers Agreement of the California County Assessors' Information Technology Authority. The Authority satisfies the requirements of the State Department of Finance and requires the county assessors throughout the state to work together to create technological systems to certify and share property value information statewide. The Authority is governed by the board of directors consisting of the California Assessors' Association (CAA) President, the

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<sup>1</sup> Cal. Rev. & Tax Code section 95.60.

<sup>2</sup> Ibid.

CAA Treasurer, the coordinating assessor, and six assessors chosen by the member assessors of the Authority.

### **Program budget**

In previous years, the California Assessors' Association (CAA) had worked to request funding for Assessors offices to be included in the State's budget. Last year, the CAA was successful, and the State agreed to a \$10 million grant to fund statewide information technology projects. The 2022-2023 budget of the State of California included \$10,000,000 to be disbursed, managed, and expended by a Joint Powers Authority comprised of California counties on behalf of their respective assessor departments. There is a commitment for an additional \$10,000,000 of funding the next two budget years for a total of \$30,000,000, subject to Budget Act appropriations. This grant does not require any matching funds from the counties.

### **Proposed projects**

The Authority has begun research of technology systems including electronic portals that would improve statewide coordination and communication for property assessment projects. Examples include portals for Proposition 19 and exemptions programs.

**Proposition 19 Portal:** In November 2020, California voters passed Proposition 19 which significantly changed property tax laws and benefits for families, seniors, severely disabled persons, and victims of natural disasters. Proposition 19 created the ability of certain property owners to transfer their base year value to any county in the State up to three times and, established new requirements for filing documents, certifying values across counties, and reporting to the State. Further, Property 19 revised the laws governing exclusion from reassessment of intergenerational property transfers. Proposition 19 is one of the largest changes in property tax laws in over 40 years. The new laws require the coordination and cooperation of county assessors to certify and share property valuation data statewide.

A Proposition 19 portal could support taxpayers in the ability to obtain and file the required forms, provide streamlined access for Assessor staff to communicate with one another about information needed to process an application, and develop reports for State agencies such as the Board of Equalization and Department of Tax and Fee Administration. The Legislative Analyst's Office estimated increased costs for counties by tens of millions of dollars per year in their analysis of Proposition 19. This e-portal project would attempt to streamline required activities and mitigate some of the costs.

**Exemptions E-filing:** Another project proposed for development is a portal that would provide easy access for taxpayers to obtain and file required exemptions forms. State law

provides for dozens of available exemptions, and most require annual filing. Assessors spend valuable resources mailing out thousands of exemption forms annually. This portal would enable taxpayers to streamline exemption filings by providing a single location to submit their forms and supporting documentation with the use of digital signatures, saving taxpayers time and reducing the potential for lost paperwork. A public portal is proposed for schools, churches, affordable housing providers, non-profit organizations, museums, health facilities, and other charitable organizations to electronically file their requests for exemption from property taxes with all Assessors' offices.

Members of the Authority would actively be engaged and collaborate in the development and implementation of the projects to include the design, review of functionality, system integration, software licensing, cloud computing, and cyber security of the systems. It is vital for our City and County to participate as an active member of the Authority to ensure systems compatibility and the sharing of best practices.

### **Fiscal impact**

There is no current fiscal impact to the City and County. The CAA funded the legal services needed to create the Authority and the initial \$10 million provided by the State Department of Finance has been deposited with the Authority to initiate the research and development of the Proposition 19 project.

In future years, there will be proportional share of maintenance costs beginning in the calendar year 2025 after the systems are developed and operational. At this time, the maintenance costs are unknown, but with other California Assessors' Association shared systems, the county costs are allocated based on population and parcel county of each participating county. For reference, a current shared system cost for eForms which is a data portal in which City and County of San Francisco makes available 110 forms to the public that are updated annually, is \$4,111.

The City and County of San Francisco will have the option to withdraw from the Authority with 90-day written notice.

### **Other member agencies**

As of December 12, 2022, the following 21 counties have become members of the Authority:

<b>Small Counties</b>	<b>Medium Counties</b>	<b>Large Counties</b>
Calaveras	Humboldt Kings	Alameda Los Angeles

Madera Modoc Mono Siskiyou	Marin Napa Placer San Luis Obispo Shasta Solano Yuba	Riverside Sacramento San Joaquin Sonoma Stanislaus
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**Agreement approved as to form**

The Agreement has been reviewed and approved as to form by the City Attorney's Office.

**Board of Supervisor authority**

The Board of Supervisors is authorized to approve and authorize the City and County to enter a joint powers authority established to satisfy conditions created by the California Department of Finance to qualify for grant funding for statewide Assessor-related information and technology projects.