

The California Association of County Treasurers and Tax Collectors

2019 Legislative Platform

Adopted XX



Proposed 2019 CACTTC Legislative Platform

The California Association of County Treasurers and Tax Collectors



Comprised of the Treasurer/Tax Collectors in the 58 counties throughout California, the association provides opportunities for education, networking and advocacy. The association has been in its current existence since 1981. Previous to that year, there were two Associations: the California Association of County Tax Collectors and the California Association of County Treasurers.

The purpose of this Association shall be to promote the general interests of the active members and the respective counties they represent; to strive for high professional standards and, through the exchange of information and ideas, stimulate a friendly and cooperative spirit among the membership.



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Summary of Proposals

Proposal 1

The Revenue and Taxation Code pertaining to preparation and delivery of the tax roll to the Tax Collector, and maintenance of the Redemption roll, is unclear and/or outdated in relation to how calculations may be applied to parcel information with new technologies being deployed in Tax Collector offices. This proposal updates and clarifies that updates can be entered in real-time by the Tax Collector.

Proposal 2

Current law requires publication of names in tax-defaulted notices and a new law requires a link to the website of the newspaper in which that publication is made, which creates difficult for compliance to the prohibition on listing the address of certain officials. This proposal would delete the requirement to publish the assessee name in the Notice of power and intent to sell, the Publication of affidavit of properties in default, the Notice of intended sale and the Notice of Chapter 8 agreement.

Proposal 3

By amending R&T code 4675, CACTTC could clarify that postmarks for excess proceeds are not acceptable. The last date to have a claim considered would be one year after the date of deed was issued, and that the claim would have to be in the office of the tax collector by the one-year date.

Proposal 4

Establishes that treasurer-tax collectors with at least three years' experience are qualified to hold the office of the consolidated treasurer-tax-collector-auditor-controller.

Proposal 5

Increases the threshold amount so that county resources are not expended for amounts less than twenty dollars (\$20) in overs/shorts. It will also permit tax collectors that have been authorized to use a Cash Difference Fund to comingle the overages and the shortages for property tax-related payments into the same account /fund held in the county's automated accounting system. The proposal also corrects a cross-reference in the body of this section of the Revenue and Taxation code section

Proposal 6

Will codify specific language that enables county treasurers to enter into agreements in order to provide secure transportation of moneys



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Proposal 1

San Mateo County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Current R&T code pertaining to preparation and delivery of the tax roll to the Tax Collector, and maintenance of the Redemption roll, is unclear or outdated in relation to how calculations may be applied to parcel information.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Clarify language in several R&T code sections to indicate that when a modern financial system or software is available in the Tax Collector's office, the installment split, calculation of late fees and penalties, and other calculations in which both the application and formula are dictated by code may be applied in real time by the Tax Collector's system rather than being entered on the roll by the Auditor. Additionally, add language clarifying that the Tax Collector is responsible for maintenance of the Redemption roll, including applying roll corrections, as received from the Assessor, and initiating refunds when necessary, and clarifying that the Tax Collector's system shall be the system of record for the redemption roll.

There are several R&T sections relevant to these issues. Some examples are: 2152 (b), 2152.5, 2623, 2626, 2627, 2825 (c) and (d), 2826 (c) and (d), 2855, 1204, 1802, 1803.

A suggested language amendment is: When a tax and financial accounting system generally automated and computer-based using specialized software and/or cloud-based services exists in either the Auditor or Tax Collector's office, this installment split may be performed by either the Auditor or Tax Collector.

Similar language can be appended to any/all relevant code sections.

Two key examples of much needed code amendments are:

2152. Entry of taxes. The auditor shall then:

(a) Compute and enter in a separate column on the roll the respective sums in dollars and cents, rejecting the fractions of a cent, to be paid as a tax on the property listed. Notwithstanding any contrary provisions elsewhere set forth in the law, all rates applicable to any assessment may be combined into a single figure for purposes of computation and extension of the roll.

(b) Place in other columns the respective amounts due in installments. When a tax and financial accounting system generally automated and computer-based using specialized software and/or cloud-based services exists in either the Auditor or Tax Collector's office, this installment split may be performed by either the Auditor or Tax Collector.



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2152.5. Rejection of cent. Notwithstanding the provisions of any other law of this State, if so ordered by resolution of the board of supervisors of any county, adopted prior to the time the county auditor is required to compute and enter on the secured roll the respective amounts due in installments as taxes for the assessment year in which such resolution shall become effective, the county auditor shall reject any cent not evenly divisible by two in the computation of taxes on any assessment and in the extension of taxes, special assessments or charges on the county assessment roll for any other public agency. When a tax and financial accounting system generally automated and computer-based using specialized software and/or cloud-based services exists in either the Auditor or Tax Collector's office, this installment split may be performed by either the Auditor or Tax Collector.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

These changes will allow the Tax Collector in Counties who do not share a system or software with the Auditor/Controller, and in which there are limitations in either of the systems available, to utilize an available modern system or software solution to automatically make the calculations required by code in real time. This will allow the Tax Collector to meet their obligation to add penalties and provide other services in a timely manner, rather than experiencing delays in services while waiting for manual calculations or lengthy file preparations and transfers from another department.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Currently, only San Mateo County has been impacted; however, as several other Counties are considering modernization of their tax/financial systems, we anticipate that this may become an issue for more Counties in the future. In San Mateo, our Tax Collector system implementation project has been delayed by at least 6 months due to the inability to come to agreement as to who should be able to perform these calculations. The system currently in use by the Auditor does not have effective dating capability and is unable to perform tasks such as penalty calculations in real time, whereas we are in the process of implementing a modern Tax Collector only system which has effective dating and has the capability to make all calculations in real time and on the fly as needed. If we were to be forced to wait to receive these calculated amounts from the Auditor rather than allowing them to be calculated in real time by our system we would not be able to perform our duties of applying penalties and other costs and collecting in a timely manner.

Additionally, this would make it necessary to turn off much of the advanced functionality within our system, making downline processes such as Redemption and Escape payment plans, working with bankruptcy filings, and other processes impossible to perform within the system.



5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

While we have not yet suffered a financial loss, we have experienced a 6-month delay in our implementation. We are in danger of financial harm, as any further delays will require a change in our scope of work and project plan, as well as additional unexpected development, all of which would incur additional and unexpected costs.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

There is no anticipated impact to State agencies.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

It is likely that the state Auditor/Controller's associations may oppose, as this will allow for changes to functionality which have historically been "owned" by the Auditor/Controller.

8. HAS THIS BILL BEEN TRIED BEFORE?

No

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

- This bill would update the tax code to incorporate functionality available from automated and computer-based systems
- This bill would result in efficiencies for both Counties and Taxpayers
- This bill would proactively address potential issues as other Counties seek to modernize systems and processes, alleviating potential problems and extra costs



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Proposal 2

Los Angeles County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Government Code Section (GC) 6254.21 prohibits the posting of the home address or telephone number of any elected or appointed official or public safety official as defined in GC 6254.24 (public safety official) on the Internet without first obtaining the written permission of that individual. This GC Section defines public safety official broadly and in a manner that makes it virtually impossible to maintain a sacrosanct list of individuals covered under the statute, and restrict their specific records from databases Tax Collectors make available to the public. (See Attachment A.) That is the reason why Tax Collectors do not release any names of property owners on our respective websites. In essence, because we can't identify easily the population to which the statute applies, we apply the statutory restriction to all property owners in our databases. The intent of this prohibition was to protect any elected or appointed official at risk of harm by members of the public.

Revenue and Taxation Code (R&TC) 36.5, effective January 1, 2018, requires the posting to a Tax Collector's website of the notices we publish in a newspaper, either by providing a link to the newspaper publisher's site, or the posting of the notice published on the Tax Collector's website. In either instance, the notice is published as a PDF document. PDF is a file format that provides an electronic image of text or text and graphics that looks like a printed document and can be viewed, printed, searched and electronically transmitted. (See Attachment B.) Several of the notices the R&TC requires Tax Collectors publish require inclusion of, among other things, the name of the last assessee of the property, a description of the property [Assessor Identification Number (AIN)], and sometimes the street address of the property, if available. The posting requirement of R&TC 36.5 allows someone to search the PDF document posted by name, and identify the street address of the property. If the address isn't published in the posting, someone could take the AIN associated with that name, and then search a County Assessor's website to determine the situs address of the property. The posting requirement in R&TC 36.5 results in a PDF document which is searchable in an automated manner. This functionality makes the search for a name much easier to conduct than attempting to find a name by reading through the entire publication.

In June 2018, the State Controller issued an Informational Bulletin regarding this matter. (See Attachment C.) The State Controller recommended that Tax Collectors meet the requirement in R&TC 36.5 by providing a link to the newspaper publisher's site. Although the State Controller did not provide the reasoning behind this recommendation, one could assume it is to provide some distance between Tax Collectors and the publication.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Delete the requirement to publish the assessee name in:

1. R&TC 3362 Notice of power and intent to sell
2. R&TC 3372 Publication of affidavit of properties in default
3. R&TC 3704 Notice of intended sale
4. R&TC 3797 Notice of Chapter 8 agreement



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ARTICLE 1.5. Deeds to the State [3361 - 3366]

(Article 1.5 added by Stats. 1967, Ch. 894.)

3361.

Annually, on or before June 8th, the tax collector shall publish a notice of power and intent to sell all property that will be tax defaulted for one of the following:

- (a) Five years or more on the date specified.
- (b) Three or more years on the date specified in the case of residential real property that could serve the public benefit by providing housing or services directly related to low-income persons, for which a request has been made by a city, county, city and county, or nonprofit organization, pursuant to Section 3692.4, to offer that property at the next scheduled public auction.
- (c) Three years or more in the case of nonresidential commercial property, as defined in Section 3691, in an applicable county, on the date specified.

(Amended by Stats. 2004, Ch. 944, Sec. 1.5. Effective January 1, 2005.)

3362.

The published notice shall show:

- (a) The date of the notice.
- (b) (1) That on July 1, five years or more will have elapsed since the property became tax defaulted;
or
(2) That, on July 1, three years or more in the case of nonresidential commercial property, as defined in Section 3691, in an applicable county will have elapsed since the property became tax defaulted; or
(3) That, on July 1, in the case of real property that could serve the public benefit by providing housing or services directly related to low-income persons, three years or more have elapsed, and a request has been made by a city, county, city and county, or nonprofit organization, pursuant to Section 3692.4, to offer that property at the next scheduled public auction.
- (c) That, unless sooner redeemed or an installment plan of redemption is initiated, the property will be sold.
- (d) That the power to sell for nonpayment of taxes arises if the property remains tax defaulted at 12:01 a.m. on July 1.
- (e) That if the property is sold for nonpayment of taxes the right of redemption will terminate.
- (f) The official who will furnish all information concerning redemption.
- (g) The fiscal year for which the defaulted taxes were levied.
- (h) A description of the property. The assessments contained in this notice shall be numbered in ascending numerical order.
- (i) The amount necessary to redeem the property as of the date specified in the publication opposite the description of the property.
- ~~(j) The name of the assessee on the current roll.~~
- ~~(k)~~ (j) The street address of the property, if any, shown on the county assessment records.

(Amended by Stats. 2007, Ch. 340, Sec. 5. Effective January 1, 2008.)

ARTICLE 1.7. Published Delinquent List [3371 - 3376]

(Article 1.7 added by Stats. 1967, Ch. 894.)

3371.

- (a) Annually, on or before September 8, the tax collector shall publish the affidavit that the real property on which the taxes, assessments, penalties, and costs had not been fully paid are in default, together with a list of all that real property. However, in any county that mails delinquent notices to



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the assesses of record before June 30, the tax collector shall publish the affidavit and list of all that real property on or before September 8 of the year following the date of default.

(b) If the tax collector sends reminder notices prior to the close of the fiscal year and annually sends a redemption notice of prior year due taxes, the delinquent notice described in subdivision (a) may be published only for those properties that have been tax-delinquent for three or more years and for which the latest reminder notice or redemption notice was returned to the tax collector as undeliverable.

(Amended by Stats. 2003, Ch. 199, Sec. 5. Effective January 1, 2004.)

3372.

The notice shall show:

(a) The affidavit of tax default.

(b) The fact that the real property may be redeemed by the payment of the amount of defaulted taxes together with those additional penalties and fees as prescribed by law, or that the real property may be redeemed under an installment plan of redemption.

(c) The official who will furnish all information concerning redemption.

(d) The following information relating to each assessment of tax-defaulted property:

~~(1) The name of the assessee, and where there is more than one valuation the name of the assessee need be listed only once. For the purposes of this section, the name of the assessee may be the name of the assessee as shown on the current roll.~~

~~(2) (1) The description of the property.~~

~~(3) (2) The total amount necessary to redeem the property as of the date specified in the publication.~~

This information required to be published is the "published delinquent list." If any tax-defaulted property is redeemed, the information relating to the property may be omitted from any publication.

(Amended by Stats. 2007, Ch. 340, Sec. 6. Effective January 1, 2008.)

3704.

The notice of intended sale shall include all of the following:

(a) The date, time, and place of the intended sale, including the electronic address if the intended sale is by public auction via the Internet or other electronic media.

(b) The locations of computer workstations that are available to the public and instructions on accessing the public auction and submitting bids if the intended sale is conducted via the Internet or other electronic media.

(c) A description of the property to be sold.

~~(d) The name of the last assessee of the property.~~

~~(e) (d) The minimum acceptable bid of the property to be sold.~~

~~(f) (e) A statement that if the property is not redeemed before the close of business on the last business day prior to the date of the sale, the right of redemption will cease.~~

~~(g) (f) A statement that if the property is sold, parties of interest, as defined in Section 4675, have the right to file a claim with the county for any proceeds from the sale which are in excess of the liens and costs required to be paid from the proceeds.~~

~~(h) (g) A statement that if excess proceeds result from the sale, notice will be given to parties of interest, pursuant to law.~~

~~(i) (h) A statement that if the parcel remains unsold after the tax sale, the date, time, and location of any subsequent sale.~~

~~(j) (i) If applicable, that a deposit is required as a condition to submit bids on the property.~~

~~(k) (j) If applicable, a statement that, for any property purchased by a credit transaction, the right of redemption will revive if full payment is not received by the tax collector prior to the close of business on the date, as specified by the tax collector under Section 3693.1, that full payment is due.~~



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(Amended by Stats. 2004, Ch. 194, Sec. 21. Effective January 1, 2005.)

3797.

The notice of agreement shall state:

- (a) A description of the property substantially as described in the agreement.
- ~~(b) The name of the last assessee of the property. To ascertain the name of the last assessee of the tax defaulted property an examination shall be made of the assessment of this property on the last equalized roll, or if this property does not appear thereon, the last previous roll on which it was assessed.~~
- ~~(c)~~ (b) That an agreement for the sale of the property or for an option to purchase it, or both, as the case may be, has been made by the board of supervisors of the county with the taxing agency or nonprofit organization named in the agreement and has been approved by the Controller.
- ~~(d)~~ (c) That a copy of the agreement is on file in the office of the board of supervisors.
- ~~(e)~~ (d) If the right to redeem the property has not already been terminated, there shall also be a statement that unless the property is redeemed before the agreement becomes effective, the right of redemption will cease.
- ~~(f)~~ (e) The date and time that the agreement will become effective.
- ~~(g)~~ (f) That parties of interest, as defined in Section 4675, have the right to file a claim with the county for any proceeds received by the tax collector under the agreement which are in excess of the liens and costs required to be paid from the proceeds.
- ~~(h)~~ (g) If excess proceeds result from the agreement, notice will be given to parties of interest pursuant to law.

(Amended by Stats. 1984, Ch. 988, Sec. 66. Effective September 11, 1984.)

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

The changes will remove the assessee name from the required publication. The publication postings on the internet are in a PDF file format, and in several cases include a property owner name and situs address or AIN. As a result, persons who search the publication postings by name, in either an automated manner or by reading the posting in its entirety, are able to identify a property owner's name, and the situs address.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Each County Tax Collector is subject to the R&TC, although the functionality of each County's website differs.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

No, not to date.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?



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Any agency that relies on the inclusion of the name of the assessee of the property in the publications noted.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

Yes, the newspaper publishers. In the State Controller's Informational Bulletin, the State Controller recommends that County Tax Collectors comply with 36.5 by linking to the newspaper's website. Although the State Controller did not provide the reasoning behind this recommendation, one could assume it is to provide some distance between the Tax Collector and the publication. If the requirement to include the name of the assessee of the property in the publication was deleted, then there would be no need to choose the link option.

8. HAS THIS BILL BEEN TRIED BEFORE?

No. 36.5 became law January 1, 2018.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1. Limits a workaround through which the safety of appointed and elected officials could be compromised, without significant impact to the property owner.
2. Limits a workaround through which the safety of appointed and elected officials could be compromised, without significant impact to the property owner.
3. Limits a workaround through which the safety of appointed and elected officials could be compromised, without significant impact to the property owner.



Proposal 3

Lassen County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

In a desire to bring a singular interpretation to the last date to be considered as a party of interest with a claim to excess proceeds, I am proposing to clarify RTC 4675(a) to provide a finite definition of one-year expiration. I am looking to avoid confusion over the legal authorization to accept valid post marks to qualify for this code.

4675.

(a) Any party of interest in the property may file with the county a claim for the excess proceeds, in proportion to his or her interest held with others of equal priority in the property at the time of sale, at any time prior to the expiration of one year following the recordation of the tax collector's deed to the purchaser. The claim must be in the tax collector's office by the one-year expiration date, postmarks will not be accepted.

(b) After the property has been sold, a party of interest in the property at the time of the sale may assign his or her right to claim the excess proceeds only by a dated, written instrument that explicitly states that the right to claim the excess proceeds is being assigned, and only after each party to the proposed assignment has disclosed to each other party to the proposed assignment all facts of which he or she is aware relating to the value of the right that is being assigned. Any attempted assignment that does not comply with these requirements shall have no effect. This paragraph shall apply only with respect to assignments on or after the effective date of this paragraph.

(c) Any person or entity who in any way acts on behalf of, or in place of, any party of interest with respect to filing a claim for any excess proceeds shall submit proof with the claim that the amount and source of excess proceeds have been disclosed to the party of interest and that the party of interest has been advised of his or her right to file a claim for the excess proceeds on his or her own behalf directly with the county at no cost.

(d) The claims shall contain any information and proof deemed necessary by the board of supervisors to establish the claimant's rights to all or any portion of the excess proceeds.

(e) (1) Except as provided in paragraph (2), no sooner than one year following the recordation of the tax collector's deed to the purchaser, and if the excess proceeds have been claimed by any party of interest as provided herein, the excess proceeds shall be distributed on order of the board of supervisors to the parties of interest who have claimed the excess proceeds in the order of priority set forth in subdivisions (a) and (b). For the purposes of this article, parties of interest and their order of priority are:

(A) First, lienholders of record prior to the recordation of the tax deed to the purchaser in the order of their priority.

(B) Second, any person with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser.

(2) (A) Notwithstanding paragraph (1), if the board of supervisors has been petitioned to rescind the tax sale pursuant to Section 3731, any excess proceeds shall not be distributed to the parties of interest as provided by paragraph (1) sooner than one year following the date the board of supervisors determines the tax sale should not be rescinded, and only if the person who petitioned the board of supervisors pursuant to Section 3731 has not commenced a proceeding in court pursuant to Section 3725.

(B) If a proceeding has been commenced in a court pursuant to Section 3725, any excess proceeds shall not be distributed to the parties of interest as provided by paragraph (1) until a final court order is issued.



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(f) In the event that a person with title of record is deceased at the time of the distribution of the excess proceeds, the heirs may submit an affidavit pursuant to Chapter 3 (commencing with Section 13100) of Part 1 of Division 8 of the Probate Code, to support their claim for excess proceeds.

(g) Any action or proceeding to review the decision of the board of supervisors shall be commenced within 90 days after the date of that decision of the board of supervisors.

(Amended by Stats. 2014, Ch. 501, Sec. 2. (AB 2257) Effective January 1, 2015.)

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

To clarify in the body of RTC 4675(a) that the one-year expiration is a hard deadline and post marks would not be accepted as RTC 166 is not applicable.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

Currently across the State, different counties are either accepting or not accepting postmarks for excess proceeds. For the counties that are not accepting postmarks RTC 166 is clouding the ability of those Tax Collectors and in some cases forcing them to accept postmarks even if their instructions specifically state must be "received". The word "Received" opens up the claim for R&T code 166, which allow postmarks to qualify as being "received".

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

In a response to my inquiry on CACTTC, several counties have had issues with R&T Code 166 overriding their ability not to accept postmarks.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW?

No, not as yet, it depends on if our County Counsel is going to want to take a hard line on the post mark and R&T code 166

6. IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

7. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

I do not believe that there would be any state agencies affected.

8. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

9.

Yes, Global Discoveries who seem to be the ones postmarking on the last day as a way of jumping in at the last minute on excess proceeds, and they are using R&T Code 166 to their benefit, not the benefit of the County or the other party of interests.

10. HAS THIS BILL BEEN TRIED BEFORE?



11.
No.

12. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

- 1) It would make the process the same across the State, to where no counties would accept postmarks for excess proceeds claims.
- 2) It would protect the public from companies like Global Discoveries from filing claims late, and taking a portion of the proceeds for themselves
- 3) It would allow the public to have a clearer understanding across the State of California regarding the time frame requirements for submitting a claim for excess proceeds.



Proposal 4

Madera County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Current law does not permit elected Treasurer Tax Collectors the ability to be considered to become eligible for election or appointment to the office of a combined Auditor - Controller - Treasurer -Tax Collector. This proposal would made an addition to the statute to affirm that Treasurer-Tax Collectors are qualified to be appointed or elected to that consolidated office

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Add (e)

ARTICLE 4. Qualifications for Office [26945 - 26946]

(Article 4 added by Stats. 1957, Ch. 1543.)

26945.

No person shall hereafter be elected or appointed to the office of county auditor of any county unless the person meets at least one of the following criteria:

(a) The person possesses a valid certificate issued by the California Board of Accountancy under Chapter 1 (commencing with Section 5000) of Division 3 of the Business and Professions Code showing the person to be, and a permit authorizing the person to practice as, a certified public accountant or as a public accountant.

(b) The person possesses a baccalaureate degree from an accredited university, college, or other four-year institution, with a major in accounting or its equivalent, as described in subdivision (a) of Section 5081.1 of the Business and Professions Code, and has served within the last five years in a senior fiscal management position in a county, city, or other public agency, a private firm, or a nonprofit organization, dealing with similar fiscal responsibilities, for a continuous period of not less than three years.

(c) The person possesses a certificate issued by the Institute of Internal Auditors showing the person to be a designated professional internal auditor, with a minimum of 16 college semester units, or their equivalent, in accounting, auditing, or finance.

(d) The person has served as county auditor, chief deputy county auditor, or chief assistant county auditor for a continuous period of not less than three years.

(e) The person has served as county treasurer tax collector for a continuous period of not less than 3 years.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

Current law does not directly authorize the serving Treasurer-Tax Collectors the ability to be considered for a combined Auditor Controller Treasurer Tax Collector position. By adding the position of



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Treasurer-Tax Collector to the qualifications for the combined office, the Board of Supervisors and constituents would have more choices if they are presented a choice to consolidate the independent offices of Auditor-Controller and Treasurer-Tax Collector.

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Unknown.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

No harm at this time.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

None.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

The Auditor-Controllers may object due to the adjustment of qualifications.

8. HAS THIS BILL BEEN TRIED BEFORE?

No.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1. In many counties, Treasurer Tax Collectors are the most prominent fiduciary in the county. Many times the TTC is often the most qualified and independent public official to understand and evaluate the financial activities of the local government. Their fiscal position and experience allows them to be an excellent choice to lead a combined agency.

2. It gives the appointing authority (Board of Supervisors) additional options by expanding the qualifications criteria.

3. It creates an option for boards of supervisors to place value on experience should the need arise.



Proposed 2019 CACTTC Legislative Platform

Proposal 5

Madera County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Revenue and Taxation Code Section 2611.5 is specific to tax collectors and allows a tax collector to increase the amount tendered to pay any tax, assessments, penalty, cost or interest which is due and owing the county, when a difference of ten dollars (\$10) or less exists.

Issue #1: This amount needs to be increased to \$20.00, as this amount has not been increased since 1990 (over 27 years ago.) This change would apply for both shortages and overages.

In the same Code Section it states, “When an amount paid to the county on any tax, assessment, penalty, cost and interest exceed the amount due the county and the excess does not exceed ten dollars (\$10.00) the excess amount may be deposited into the overage account.”

Issue #2: Shortages and the overages are referred to in the same exact code section because the legislative intent was to allow these shortages and overages to offset each other with respect to the collection of property taxes, assessments, penalty, cost and interest, all specific to tax collections.

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Add Section (A) & Section (B)

(A) Notwithstanding any provision of law, and when the Board of Supervisors has authorized by resolution creating a cash difference fund assigned to the tax collector, the tax collector is permitted to use the cash difference fund to make up any shortage up to twenty dollars (\$20) for the payment of any tax assessment, penalty, cost or interest which is due and owing.

(B) When an amount paid to the county on any tax, assessment, penalty, cost and interest has exceeded the amount due and the excess does not exceed twenty dollars (\$20.00) the excess amount may be deposited “into the same account that has been established by the Board of supervisors for the tax collector’s office known as the Cash Difference Fund.”

Proposed Correction “All transfers between the fund and the accounts may be made and retained in electronic data processing equipment and *no written report* pursuant to Section ~~29073~~—29373 of the Government Code, warrant, special warrant, or check warrant need be prepared by the auditor or treasurer

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN’S TERMS?)

It will increase the threshold amount so that county resources are not expended for amounts less than twenty dollars (\$20). It will also permit tax collectors that have been authorized to use a Cash Difference Fund to comingle the overages and the shortages for property tax-related payments into the same account /fund held in the county’s automated accounting system. These changes would then therefore not “require” another 2nd fund sometimes required by county auditors based on the government code reference to the cash difference fund.



The measure also corrects a typo in the body of this section of the Revenue and Taxation code section

4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

Some counties already comingle (combine) their overages and shortages account. Other counties have two separate funds, and at least one county offsets any shortage directly from the tax category receipts using code section 2611.

County auditors are relying upon government code to make their recommendations, which speaks to all county departments that may have an overage and/or a shortage. Revenue and taxation code essentially governs more of the functions of the tax collectors department and therefore is more specific to treasurer collectors' handling of overs and shorts, which occur on a regular basis due to the volume of transactions that are handled by tax collectors up and down the state of California.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

Current law requires extensive staff time to research the intent and treatment of the over/short account in order to properly explain the underlying intention and the treatment of over and short accounts that are set up specifically for tax collection purposes.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

None.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

This proposal is specific to tax collections and tax collectors, and therefore should not engender any opposition from others.

8. HAS THIS BILL BEEN TRIED BEFORE?

No

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1. It corrects an incorrect cross-reference.
2. It clarifies the law specifically for tax collections and tax collectors on how to handle the extreme volume of overs and/or shorts that any tax collecting department may encounter
3. It allows increasing the threshold to \$20.00 to further reduce unnecessary limited county resources to be expended on processing refunds under a certain amount which take considerable staff time to reconcile; it will also limit additional costs associated with staff time and resources to request shortages for an amount that is so little to not justify the collections.



Proposal 6

Madera County

1. PLEASE PROVIDE A BRIEF DESCRIPTION OF THE PROBLEM AND THE PROPOSED SOLUTION:

Recently a County Treasurer was unable to properly enter into a contract for armored car services for transporting daily cash receipts to the bank in a secure fashion. Such contracts are an integral part of the treasurer's statutory requirements of safeguarding as stated in Government Code Section 53682(c).

2. WHAT IS THE SPECIFIC RECOMMENDED STATUTORY CHANGE YOU ARE PROPOSING?

Government Code Section 53682.

Notwithstanding any other provision in this article except Section 53652, the treasurer may deposit moneys in and enter into contracts with any depository, as defined in subdivision (c) of Section 53630, for services to be rendered by that depository that in the treasurer's judgment are to the public advantage.

One copy of each contract entered into under this section shall be filed with the auditor or corresponding officer of the local agency. The contract shall:

- (a) Fix the duration of compensating deposits, if any.
- (b) Fix the interest rate of that compensating deposit, if any.
- (c) Specify the services to be rendered by the depository, including bank courier / armored car transport agreement (s) and / or contract (s) that for pick-up and transportation of monies received by county treasurer or other departments requiring secure transportation. This agreement may specify costs, frequency of pick up, location (s) of pick up and any other services provided, that are necessary in the conduct of the office.
- (d) Indicate whether the depository shall bear the expenses of transportation of the money to and from the depository.
- (e) Fix the consideration payable by the agency for such services.
- (f) Specify who may deposit moneys into the treasurer's active account and how those persons are to make those deposits.

3. WHAT IS THE GENERAL EXPLANATION FOR WHAT THESE CHANGES WILL DO (IN LAYMAN'S TERMS?)

This will codify specific language that enables county treasurers to enter into agreements in order to provide secure transportation of moneys.



4. HOW MANY COUNTIES HAVE BEEN IMPACTED BY THIS PROBLEM? WHICH COUNTIES? Please include specific examples from each county as to what has been problematic and how this proposal would solve the problem.

There are inconsistent applications of the code with regarding to armored car services contracts let by county treasurers.

5. HAS YOUR COUNTY BEEN HARMED FINANCIALLY BY THE CURRENT LAW? IF SO, HOW MUCH AND BY WHOM? PLEASE INCLUDE SPECIFIC EXAMPLES.

Inconsistent application and interpretation of the law across the state results in comes counties' treasury staff time being dedicated to research, preparation, and coordination with county administration in order to contract for services that are clearly a responsibility of the county treasury.

6. WHICH STATE AGENCIES WOULD BE IMPACTED IF THE LAW WERE TO CHANGE?

No state agencies would be impacted.

7. IS THIS PROPOSAL LIKELY TO ENGENDER OPPOSITION FROM ANYONE? WHO? WHY?

None.

8. HAS THIS BILL BEEN TRIED BEFORE?

No.

9. WHAT ARE THREE REASONS WHY A LEGISLATOR SHOULD CARRY THIS BILL? (HOW DOES IT MAKE THE LAW BETTER / MORE JUST /MORE EFFICIENT FOR COUNTIES AND TAXPAYERS?)

1. It clarifies the law regarding county treasurers' letting of contracts for the "transportation of the money to and from the depository."
2. This would allow the treasurer to establish pick up locations and times confidentially: Due to the increasing amount of cash likely to arrive in the county treasury office due to Proposition 64, the confidentiality of cash movements from the county treasury is becoming an increasing necessity.
3. All costs of transportation are paid by the pool participants which can be outside agencies such as schools and courts.

