To: Mayor Pat Humphrey and the Clare City Commission
From: Steven J. Kingsbury, MBA, CPFA, MiCPT
Treasurer, Finance and Technology Director
Date: May 31, 2018
Reference: Treasurer's Report for June 4, 2018

Act 51 Road Funding Increased Distributions: Included for the City Commission's reference you will find the monthly/annual history of the Act 51 funding received from the State by the City of Clare for both major and local streets. Within these two spreadsheets the percentage increase/decrease from the same prior period is included along with the increased amount of funding received fiscal year-to-date.

Assessing Reform Proposal: The Michigan Legislature has proposed through House Bill 6049 and Senate Bill 1025 significant changes to the property assessment laws in the State of Michigan. Both Governor Snyder and State Treasurer Khouri applaud the initiative, however, the Michigan Assessor's Association in particular along other entities that represent the interests of local governmental entities and their constituents have expressed significant concerns. As indicated in the attached press releases these bills were quickly introduced with little time for public comment which was acknowledged by Treasurer Khouri. The attached information is provided at this time for the Commission's reference and knowledge on the subject. Note that I've only included the summary letter from the MAA (dated May 11, 2018) and note the 61 pages of comments that this association received from its members.

CITY OF CLARE
ACT 51 DISTRIBUTIONS RECEIVED
MAJOR STREETS

	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
FY2013/14	15,780.18	13,225.92	12,923.12	12,330.25	12,035.83	12,385.29	12,857.74	16,294.21	12,543.79	12,997.53	12,617.62	13,650.28	159,641.76
FY2014/15	15,672.64	13,348.55	13,513.67	12,708.21	11,739.83	12,724.00	13,298.21	17,735.85	13,955.84	14,784.17	12,306.16	15,024.33	166,811.46
	-0.7%	0.9%	4.6%	3.1%	-2.5%	2.7%	3.4%	8.8%	11.3%	13.7%	-2.5%	10.1%	4.5%
FY2015/16	17,523.85	15,106.77	14,495.36	14,855.56	13,497.75	13,368.58	13,646.81	17,876.09	15,112.87	14,585.10	14,223.56	15,312.67	179,604.97
	11.8%	13.2%	7.3%	16.9%	15.0%	5.1%	2.6%	0.8%	8.3%	-1.3%	15.6%	1.9%	7.7%
FY2016/17	16,239.53	15,153.32	14,604.26	13,460.51	15,378.07	15,309.70	18,331.68	19,906.24	19,245.12	18,943.64	19,936.16	20,012.99	206,521.22
	-7.3%	0.3%	0.8%	-9.4%	13.9%	14.5%	34.3%	11.4%	27.3%	29.9%	40.2%	30.7%	15.0%
FY2017/18	23,101.50	19,835.62	20,621.98	19,881.25	17,441.31	18,544.18	21,068.59	34,634.74 [1]	21,807.03	19,960.12			
	42.3%	30.9%	41.2%	47.7%	13.4%	21.1%	14.9%	74.0%	13.3%	5.4%			

FY2016/17 to 2017/18 Increase:

	July	August	September	October	November	December	January	February	March	April
Monthly =	6,861.97	4,682.30	6,017.72	6,420.74	2,063.24	3,234.48	2,736.91	14,728.50	2,561.91	1,016.48
Cumulative =	50,324.25									

Footnotes:

1 - The February 2018 ACT 51 Receipts include $11,777.27 in a one-time lump sum disbursement from the State of Michigan in accordance with Public Act 82 of 2018.
Excluding the PA 82 disbursement the February 2018 ACT 51 funding was up $2,951.23 or 14.8% from the same period in 2017.

CITY OF CLARE
ACT 51 DISTRIBUTIONS RECEIVED
LOCAL STREETS

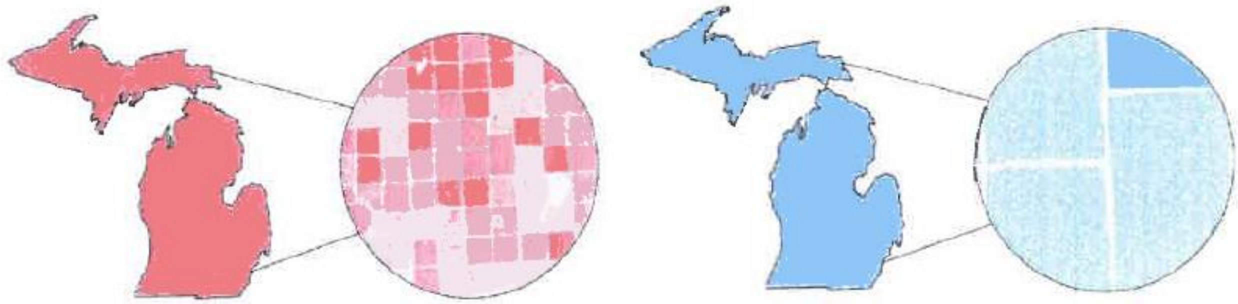
	July	August	September	October	November	December	January	February	March	April	May	June	TOTAL
FY2013/14	**7,002.90**	**5,869.28**	**5,734.93**	**5,471.83**	**5,349.13**	**5,505.56**	**5,715.57**	**7,243.17**	**5,576.02**	**5,777.71**	**5,608.83**	**6,067.88**	**70,922.81**
FY2014/15	**6,965.20**	**5,932.33**	**6,005.72**	**5,647.41**	**5,217.07**	**5,654.49**	**5,647.68**	**7,532.22**	**5,927.08**	**6,278.72**	**5,226.33**	**6,380.71**	**72,414.96**
	-0.5%	1.1%	4.7%	3.2%	-2.5%	2.7%	-1.2%	4.0%	6.3%	8.7%	-6.8%	5.2%	2.1%
FY2015/16	**7,446.01**	**6,418.93**	**6,159.13**	**6,312.19**	**5,735.25**	**5,680.33**	**5,798.55**	**7,595.57**	**6,421.92**	**6,197.66**	**6,044.03**	**6,506.51**	**76,316.08**
	6.9%	8.2%	2.6%	11.8%	9.9%	0.5%	2.7%	0.8%	8.3%	-1.3%	15.6%	2.0%	5.4%
FY2016/17	**6,901.90**	**6,440.31**	**6,206.95**	**5,720.85**	**6,535.85**	**6,506.91**	**7,791.31**	**8,460.53**	**8,179.54**	**8,051.41**	**8,473.24**	**8,505.90**	**87,774.70**
	-7.3%	0.3%	0.8%	-9.4%	14.0%	14.6%	34.4%	11.4%	27.4%	29.9%	40.2%	30.7%	15.0%
FY2017/18	**9,821.03**	**8,432.62**	**8,766.92**	**8,452.02**	**7,415.15**	**7,884.04**	**8,953.86**	**23,709.05** [1]	**9,267.15**	**8,482.28**			
	42.3%	30.9%	41.2%	47.7%	13.5%	21.2%	14.9%	180.2%	13.3%	5.4%			

FY2016/17 to 2017/18 Increase:

	July	August	September	October	November	December	January	February	March	April
Monthly =	**2,919.13**	**1,992.31**	**2,559.97**	**2,731.17**	**879.30**	**1,377.13**	**1,162.55**	**15,248.52**	**1,087.61**	**430.87**
Cumulative =	**30,388.56**									

Footnotes:

1 - The February 2018 ACT 51 Receipts include $13,994.94 in a one-time lump sum disbursement from the State of Michigan in accordance with Public Act 82 of 2018. Excluding the PA 82 disbursement the February 2018 ACT 51 funding was up $1,253.58 or 14.8% from the same period in 2017.



Assessing Reform Proposal Summary

Specify minimum quality standards that every assessing district must meet, on their own, in cooperation with other local units, or through the county.

Local units could meet the quality standards by using their own dedicated assessor of record (employee or contractor), sharing an assessor of record with another local unit or multiple other local units, or having the county provide assessing services. Counties providing assessing services would also have to meet specified quality standards.

The quality standards primarily focus on: 1) ownership of the assessing function, 2) capacity to perform, 3) organization and transparency, and 4) compliance with the law. policy, and assessing standards.

- Provide training and start-up fundi~ (including necessary costs to increase the pool of advanced-level and master-level assessors)
- Phase in over 5 years
- Create regional and specialized boards of review (BORs) option and establish minimum standards for serving on any BOR, achieved through state support/training

Proposal Details

Quality standards

- Specify minimum quality standards that every assessing district must meet, on their own, in cooperation with other local units, or through the county
- Local units could meet the quality standards by using their own dedicated assessor of record (employee or contractor), sharing an assessor of record with another local unit or multiple other local units, or having the county provide assessing services (counties providing assessing services would also have to meet specified quality standards)
    - For an assessing district that does not use county assessing services, the STC must determine that the assessing district is in substantial compliance" with the following quality standards:
        - The assessor of record CAR) must:
            - be an MMAO(4) (master-level) or MM O(3) (advanced-level) assessor, subject to the STC's rating of the district
            - oversee and administer the district's assessing office

    - oversee and administer an annual assessment of all taxable property in the district in accordance with the constitution and laws of Michigan and all policies and guidelines of the STC
    - not be an elected official of the district
    - assess (in total across all assessing districts) at least 5,000 parcels that together generate at least $12M in property taxes/year, unless the STC grants a waiver based on a determination that the district, or districts, served by the AR has, or collectively have, sufficient resources and fiscal capacity to support the assessment function
    - provide full-time service to the district as an employee or contractor, unless the STC determines, based on the following considerations and other considerations the STC deems appropriate, that part-time service is sufficient:
        - the number and complexity of parcels in the district
        - the district's total SEV
        - the total weekly hours the assessor proposes to serve the district
        - the total anticipated workload of the assessor for all districts in which the assessor proposes to serve as AR, including the total number and complexity of all parcels subject to assessment
        - the assessor's certification level
- The assessing district has:
    - properly developed land values
    - adequate land value maps
    - an assessment database that is not in override
    - properly developed Economic Condition Factors (ECFs) an
    - annual personal property canvass and sufficient personal property records according to developed policy and statutory requirements
    - if providing a local board of review for residential real property, a board of review that operates within the jurisdictional requirements of the General Property Tax Act
    - an adequate process for determining whether to grant or deny
    - exemptions according to statutory requirements
    - an adequate process for meeting the requirements outlined in the STC's "Supervising Preparation of the Assessment Roll"
- The assessing district:
    - uses a Computer-Assisted Mass Appraisal (CAMA) system that is approved by the STC
    - follows a policy approved by the STC for the public inspection of its records
    - maintains reasonable office hours and availability, including by telephone and email
    - provides taxpayers online access to information regarding its assessment services, including parcel information, land value maps, land adjustments, and ECFs

        - provides notice to taxpayers of all changes in assessment and denials of exemption claims
        - provides access to a pre-BOR meeting to informally resolve valuation disputes
        - meets International Association of Assessing Officers (IAAO) standards regarding recommended staffing levels based on the number and complexity of parcels in the district, unless the STC grants a waiver based on a determination that the district's staffing levels are sufficient to perform the assessment function
        - ensures its support staff and BOR members are sufficiently trained and its assessors maintain their certification levels
        - dedicates all revenue collected from any property tax administration fees to assessment administration and tax collection
    - 2 or more districts could share an MMAO(4) or MAAO (3) assessor (who is responsible for overseeing and administering each districts assessing office) and satisfy the quality standards
    - 2 or more districts could consolidate into a new assessing district, utilize an MMAO(4) or MAAO (3) assessor (who is responsible for overseeing and administering the district's assessing office), and satisfy the quality standards
- Require all counties that provide assessing services to have an MMAO(4) assessor, subject to phase-in (described below)
- Counties providing assessing services to local units must be in substantial compliance* with the following quality standards, as determined by the STC:
    - The assessor of record (AR) must:
        - be the director of tax or equalization for the county
        - be an MMAO(4f) (master-level) assessor (if a county does not employ an MMAO(4) assessor, it must contract with a county that does)
        - oversee and administer an annual assessment of all taxable property for each assessing district under his/her jurisdiction in accordance with the constitution and laws of Michigan and all policies and guidelines of the STC
    - The county has:
        - properly developed land values
        - adequate land value maps
        - an assessment database that is not in override
        - properly developed Economic Condition Factors (ECFs)
        - an annual personal property canvass and sufficient personal property records according to developed policy and statutory requirements
        - boards of review that operate within the jurisdictional requirements of the General Property Tax Act
        - an adequate process for determining whether to grant or deny exemptions according to statutory requirements
        - an adequate process for meeting the requirements outlined in the STC's "Supervising Preparation of the Assessment Roll"
    - The county assessing office:
        - uses a Computer-Assisted Mass Appraisal (CAMA) system that is approved by the STC
        - follows a policy approved by the STC for the public inspection of its records

        - maintains reasonable office hours and availability, including by telephone and email
        - provides taxpayers online access to information regarding its assessment services, including parcel information, land value maps, land adjustments, and ECFs
        - provides notice to taxpayers of all changes in assessment and denials of exemption claims
        - provides access to a pre-BOR meeting to informally resolve valuation disputes
        - meets International Association of Assessing Officers (IAAO) standards regarding recommended staffing levels based on the number and complexity of parcels across all served districts, unless the STC grants a waiver based on a determination that the office's staffing levels are sufficient to perform the assessment function
        - ensures its support staff and BOR members are sufficiently trained and its assessors maintain their certification levels
        - dedicates all revenue collected from its share of property tax administration fees to assessment administration
    - The county tax or equalization department:
        - provides assessing services for no more than 1 other county, unless the STC determines the department has the capacity, ability, and organizational structure to provide services for 2 or more additional counties
- Require the STC to develop and implement audit programs for counties and local units providing assessing services to determine substantial compliance with the quality standards and provide for corrective action
- Phase-in over 5 years
    - County must take over assessing for MCAO(2) units by Tax Day 2021 and for participating MAAO(3)/MMAO(4) units by Tax Day 2023
    - A county that does not have an MMAO(4) assessor by October 31, 2020, must contract with an MMAO(4) county for the provision of assessing services and the MMAO(4) county must take over assessing for the contracting county's MCAO(2) units by Tax Day 2021 and for participating MAAO(3)/MMAO(4) units by Tax Day 2023
- Recommend model county assessing office structure, including officer qualifications and responsibilities
- State shall provide training and start-up funding and shall work to increase the number of MAAO(3) and MMAO(4) assessors in the state
- Operational funding shall be provided pursuant to existing law (see MCL 211.44(3) and 211.10d(6

Regional and specialized boards of review (BORs)

- Create regional and specialized BORs
    - Specialized BORs to handle commercial and industrial property, all exemptions, and all transfers of ownership

- Allow local units that don't participate in county assessing to utilize regional and specialized BORs instead of maintaining their own BORs, or utilize specialized BORs while maintaining their own local residential BORs
- Allow local units participating in county assessing to maintain their own local residential BORs
- Establish minimum standards for serving on BOR (local, regional, or specialized)
- State shall provide training and start-up funding
- Require STC to certify all BOR members
- Require a county-provided BOR to follow all requirements that would otherwise apply to a local BOR, including any local poverty guidelines adopted by the assessing district

Effective date: 1/1/19

*Substantial compliance means that any identified deficiencies do not pose a risk that the district
is unable to perform the assessment function

Michigan Assessors Association

May 11, 2018

Nick Khouri
Michigan State Treasurer
430 W Allegan St
Lansing, MI 48922

Dear Treasurer Khouri,

As President of the Michigan Assessors Association (MAA), I would like to thank you for providing Michigan's assessors an opportunity to respond to and make suggestions for improvement of the Proposed Assessing Reform bill. The MAA is fully dedicated to improving the assessing profession through education and training, and is supportive of efforts to strengthen both. I have shared the Summary and Proposed bill with our members, as we discussed during the meeting on May 2, 2018, and requested them to comment and make suggestions that would make the bill better.

Many positive aspects contained in the proposed bill that would have a positive impact on the assessing profession were also identified by our members. For example, requiring MAAO and MMAO supervision of the lower level assessors would solve many of the current assessing inadequacies. Experienced and competent assessing supervision will certainly improve the property tax function as well. Likewise, the development of well-educated and experienced assessment administration professionals will improve the assessing process. Enhancements which improve the accuracy, consistency and uniformity of assessments across the state are also fully supported. And, efforts anticipated to result in improved assessment rolls annually, with efficiency and continued open access for the taxpayers we serve, are supported.

The changes that have been suggested by our members as well as their comments and concerns follow. You will also find attached to this document a compilation of all of the written responses MAA has received regarding the proposal.

SUGGESTED CHANGES:

1. State Tax Commission (STC)/Dept of Treasury (DOT) oversight of Assessors and Equalization Directors should be performed by a certified MMAO/4 with actual experience as an assessor.

2. There should be a separation of the education and certification of assessors from the STC to LARA, as is normal with other forms of licensure including doctors, lawyers, nurses, builders, appraisers, etc.

3. The bill requires clarification for what constitutes an Assessing District. The term should be defined - is it a group of assessing units? or an individual unit? The term is used to signify both within the proposed bill.

4. The bill requires clarification of the requirements of Sec. 10G(2)(B)(iv) pertaining to full-time service and Sec. 10G(2)(C)(iii) requiring the Assessor of Record (AOR) to be physically present 8 hours weekly. Are these applicable to each unit? or each district? Also, which office is the AOR to be present at - the unit office? or the district office? NOTE: some townships do not have township offices. Language should be added to allow for a certified staff member to be present, rather than the AOR.

5. The bill must specify and define criteria for issuance of any waiver, rather than allow waivers to be issued on a case-by-case basis and subject to arbitrary conditions. It should also include a mechanism for appealing the denial of a waiver.

6. Define substantial compliance.

7. Regarding Regional Boards of Review -

   Commercial/Industrial:

   a. Commercial and Industrial property owners are not currently required to attend the Board of Review prior to filing with the Michigan Tax Tribunal, therefore these Specialized Boards of Review are not needed; OR
   b. If the Specialized Boards of Review are created, Commercial and Industrial property owners should again be required to appeal (ACTUAL appeals with documentation supporting their contentions of value and not just "place holders" to allow them to further their appeal) before filing with the Michigan Tax Tribunal.

   Exemptions:

   a. If this Board of Review is to hear ALL exemption requests, this should also include Principal Residence Exemptions and Veterans Exemptions (though the Veterans Exemptions would be a moot point should the bill to transfer this to an income tax credit in enacted);
   b. Poverty Exemption guidelines and policies, from each township/city/village within a county, will be required OR a County-wide policy must be developed.

   Transfers of Ownership:

   What is the purpose of this? Appeals of this type are few and seldom.

8. Remove the portions of the bill creating assessing districts or moving to County Assessing offices. Instead, allow MCAO's to sign, ONLY if co-signed (and therefore, supervised by) a MAAO or MMAO (as the AOR) for a minimum of two (2) years, or until they can demonstrate that they can meet the standards outlined. Provides mentoring opportunity.

9. Candidates for becoming MAAO's should be required to have a minimum of two (2) years of VERIFIABLE assessing or equalization experience as a MCAO prior to being able to obtain certification as a MAAO.

10. Put some "teeth" in the Audit of Minimum Assessing Requirements (AMAR) process. When a unit does not comply, enforce the requirements through the use of the appropriate corrective actions handed out by the already established Assessor Discipline Committee. The last round of reviews appears to have an impact on the quality/procedures many assessors use. The AMAR is making a difference! Many of those that failed miserably on the first round of reviews, are passing this time - indicating that it IS working! How many local unit rolls have actually been seized by the STC for non-compliance since the institution of the AMAR process?

11. Remove reference to IAAO standards - there are no actual staffing standards only a survey with limited responses; however, IAAO does have Standards on Mass Appraisal and Ratio studies that would be highly useful in setting measurement standards of the quality of a "district's" work product. Instead, continue to use value thresholds and complexity of units (proportion of commercial/industrial component) as the standards for determining what level of certification is required for particular units. Also, remove the tax dollars collected requirement - continue with the value thresholds and complexity of units as the standards.

12. Terms used throughout the bill, including "adequate" and "reasonable", need to be defined for clarity specific to what they are describing.

13. Remove reference in Sec. 10G(1) to Director of Tax and County Tax Director - that term is not used to oversee and administer assessments, which function is done by the Equalization Director or the Assessor.

14. Remove requirement to provide online access to information regarding Land Adjustments and Economic Condition Factors (ECFs). Taxpayers and others do not understand ECFs without some explanation from the Assessor, putting this information online will only cause more confusion. And, specifically, if Land Adjustments remains, what information is to be provided? Again, this information will only cause more confusion without a conversation with the Assessor.

OTHER COMMENTS/CONCERNS:

1. Many Counties throughout the state do not have adequate facilities (including offices or buildings, computers, desks, etc.), budgets or staff to implement this proposal. And, 80% of a 1% administration fee will not cover the costs of such implementation. Will the State be paying the difference in the cost vs what can be collected from the administration fee portion of each unit's tax collections? and, where will that money come from?

   Additionally, has there been a financial analysis completed that shows the assessing portion of an administration fee would cover the cost of meeting IAAO standards (if used)? or if it would cover the cost of moving assessing to the county level?

2. How long does a unit have if the assessor of the district no longer wants to include the unit in the district - or the unit no longer wishes to be part of an assessing district - before the unit is required to be assessed by the county?? What are the requirements for district modification? The proposal outlines the timeline for leaving a County assessing district but nothing else. This should be spelled out.

3. As written, this proposal serves to expedite the "silver Tsunami" and will create a larger deficit of qualified assessors. Many former full-time assessors have had to supplement their retirements by working part-time in assessment administration. If they are forced to work for a County (which oftentimes does not allow for part-time workers due to unions, in addition to paying less for these positions), it is likely the State would see a mass exodus of these people from the assessing profession.

4. This legislation will create assessing "monopolies". As an example, several assessing companies already provide services to many assessing units. It is highly likely that they (or similar companies) would create giant assessing districts, forcing many of the currently certified assessors to work for them rather than the local units.

5. Education and the AMAR process has already been modified on multiple occasions since the dissolution of the State Assessors Board. These new programs haven't been given adequate opportunity to work before they are again changed. The constant changing has caused frustration of some newly certified people, who have since given up their pursuit.

6. As written, the proposal removes local control. First, accountability, in-depth knowledge [of a jurisdiction] and customer service at the local level (Township/City) is greater than that at the county and state levels. Local government has repeatedly proven to be the most transparent and accountable agency to serve the needs of its citizens. Taxpayers expect local service. Taking that away will lead to frustration on their part, potentially creating additional problems. Second, the constitutionality of some parts of the proposed bill has been questioned - in

Michigan Assessors Association

particular, that local municipalities are required to provide property assessment, tax collection and elections.

7. Unless Counties are required to have both an Equalization and Assessing Department separately, a potential conflict exists. The law currently provides for three (3) levels of equalization: at the local, county and state levels. Co-mingling local assessing and county equalization could negatively affect the oversight afforded by the county equalization process.

While there are many parts of the proposed bill that our members agree with, many are concerned that they, along with other organizations that are directly involved in assessment administration (including MAED, MAC, MML, among others), learned about this proposed bill at the 11th hour. It is disheartening that this was presented as a way to gain consistency and transparency in property tax, yet none of us were involved in the process of formulating the bill. It is quite possible that there would be fewer questions and less concern about the ramifications had assessors and equalization directors been directly involved.

Likewise, while we are grateful for the opportunity to provide input, the limited timeframe given us to respond is seen by many as short-sighted and underhanded, and that the Treasurer, while admitting that property tax is the largest tax collected in the State, does not respect the opinion or knowledge of the very assessors that do this very important work. It should also be known that if any members of the MAA were involved in the drafting of this bill, they were not acting on behalf of the MAA. The MAA Board had no knowledge of the proposed bill prior to May 2nd, 2018, and granted no member authorization to represent the MAA or its members.

Finally, the MAA and its members believe this proposed legislation has merits but there are serious flaws and concerns about the language and implementation. As an organization whose mission it is "to improve the standards of assessment practice ... and promote justice and equality in the distribution of the tax burden", we sincerely believe that the suggestions made herein should be considered in any final draft of the legislation before it can be supported.

Respectfully Submitted,

Amy L DeHaan

Amy L DeHaan, MMAO(4)
2018 Michigan Assessors Association President

encl: MAA member responses to Proposed Assessing Reform bill

P. O. Box 638 ~ Grand Ledge, MI 48837 ~ 517.925.8862 ~ maamemberservices@gmail.com
www.maa-usa.org

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

May 17, 2018

Amy L. Dehaan
Assessor, Garfield Township
3848 Veterans Drive
Traverse City, MI 49684

Dear Amy:

Thank you, and the Michigan Assessors Association, for our recent conversations concerning proposals to improve the quality and consistency of property tax assessing throughout Michigan. I apologize for the short turn around for comments, but I always viewed it as the start of the process, not the end.

I believe we share the same goals -- to ensure accurate, uniform, and equitable assessments and board of review determinations while improving the training and career opportunities for assessors across Michigan. We have time to work together this summer on the details that help us meet these goals.

While the plan is to introduce a bill before the legislature's summer break, there will not be any votes before the fall. My plan has always been to work through the details of the bill with all stakeholders, especially your organization and members, to find a solution that works for both local governments and the taxpayers of Michigan.

Treasury is committed to the fair and efficient administration of all taxes and the property tax is by far Michigan's largest tax, generating over $14 billion per year. Improving assessing quality and consistency is a main focus of mine as I near the end of my tenure as State Treasurer.

I look forward to working with you and your organization on this important issue.

Sincerely,

Nick A. Khouri
State Treasurer

From: MAA Webmaster [mailto:newsletter@maa-usa.org]
Sent: Friday, May 18, 2018 3:43 PM
To: Edie Hunter
Subject: MAA eAlert - Proposed Assessing Reform

MICHIGAN ASSESSORS ASSOCIATION eALERT!

May 18, 2018

Greeting Edith Hunter,

Thank you so much for sending in your thoughts and concerns on this issue. Attached is the response that MAA sent to Treasurer Khouri, along with the responses I received from our members – some were not included simply because they were not received in time to include by last Friday - though they are included. MAA leadership was charged with formulating these responses into concrete suggestions for changes. My goal of sharing this with you is so you know that the MAA Board has expressed the concerns of our members, and will be working on behalf of our members to make this bill something we can all live with.

I spoke directly with Treasurer Khouri yesterday and now know that the intent from the start was to get the bill introduced-without a vote and provide adequate time to work on hammering out the details throughout the summer. He acknowledged that they may have gone about this wrong by giving such a short window to respond before getting the bill introduced. However, he is interested in hearing what we have to say and wants our input. A letter from him expressing just that is also attached.

MAA's Legislative Chair, Ruth Scott spoke with Senator Jim Stamas, who will be sponsoring the bill in the Senate. Senator Stamas has been involved in local government for many years prior to serving in both the Michigan House and Senate. As such, he has a good understanding of the broad range of issues involved and the importance of the work we do. He wanted to convey that this is the beginning of a conversation and it is his intention to meet with the various stakeholders over the summer to craft the best solution to the issues raised.

I believe, as most of us do, that there is always room for improvement within our profession. I think we can all agree that the purpose of the bill is in the best interest of the profession, but the details need significant work. The proposal as written will not work for all counties or governmental units in the state. I promise that MAA Leadership will work diligently with the Treasurer, Legislators and the other stakeholders, to address your collective concerns and make this proposal better. I appreciate insight and thoughts you have shared and am open to further communication. However, I don't feel that hundreds of us making direct contact with Treasurer Khouri is the way to accomplish the changes that are needed. Please share your thoughts and concerns with your MAA District Representatives – or me, directly, and allow us to speak up for and on behalf of our members, as we should.

I feel that we are being given a unique opportunity to sit at the table and help transform the Michigan assessing world in a way that will create more uniformity and efficiencies, along with providing for better educated and qualified assessors. I very much appreciate MAA members allowing us [MAA leadership] to work with the Treasurer and Legislators throughout the summer toward our common goal of making our profession the best it can be.

Members' Assessing Reform Proposal Response   Letter to MAA from State Treasurer Khouri

Best regards,
Amy L. DeHaan, MAA President
Michigan Assessors Association

https://www.maa-usa.org
(eAlert # 05182018)

Michigan Assessors Association
P.O. Box 638
Grand Ledge, Michigan 48837
www.maa-usa.org

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To: Steven Kingsbury
Subject: NEWS RELEASE: Gov. Rick Snyder and State Treasurer Nick Khouri Applaud Legislative Action to Improve the Way Michigan Administers Property Taxes

--- PRESS RELEASE ---

For Immediate Release

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

May 23, 2018

Contact: Ron Leix, Treasury, 517-335-2167

Gov. Rick Snyder and State Treasurer Nick Khouri Applaud Legislative Action to Improve the Way Michigan Administers Property Taxes

More than $14 Billion in Property Taxes Collected Annually

LANSING, Mich. – Gov. Rick Snyder and State Treasurer Nick Khouri today commended state Rep. James Lower and state Sen. Jim Stamas for introducing legislation that would dramatically improve the way Michigan assesses and collects the state's $14 billion in property taxes.

"I thank Representative Lower and Senator Stamas for their leadership in introducing this legislation and look forward to working with my legislative and local government partners throughout the summer as we develop a solution to this emerging issue," Gov. Snyder said.

The two property tax reform bills—House Bill 6049 and Senate Bill 1025—would update property assessing laws to specify minimum quality standards that every city, township or county assessing office must meet. The change is intended to improve taxpayer and local government fairness by providing transparent and consistent assessments

In addition, the goal is to provide dollars for training and start-up to bolster the state's shrinking assessor and board of review talent pools.

In Michigan, more than 1,500 local units of government are responsible for uniformly assessing property statewide and more than 1,500 local boards of review are responsible for quality control. Currently, there are approximately 150 master-level assessors equipped to handle complex assessments for the state's local entities, with about half of these type of assessors nearing retirement in the coming years.

"I applaud the Michigan Legislature for taking up this highly complex but important topic," Khouri said. "We must develop a framework that creates accurate property tax assessments statewide. Restoring taxpayer faith in the property tax system continues Michigan's comeback in an increasingly competitive marketplace."

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