



**CAA Legislative Committee Meeting
Wednesday, October 9, 2024
Vespera Resort
147 Stimson Ave., Pismo Beach, CA**

**2:30 PM – Following Education and Standards Committees
Hybrid Meeting**

Join Zoom Meeting

<https://us06web.zoom.us/j/85824182118?pwd=BsoJF1CHoqba6lID46ikL8bWXBiUaC.1>

Meeting ID: 858 2418 2118

Passcode: 951710

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|--|-------------------------------|
| 1. Call to Order | Scott |
| 2. Roll call of Legislative Committee Members | Torres |
| Shelly Scott | Chair Marin |
| Joaquin Torres | Vice Chair SF City and County |
| Phong La | Member Alameda County |
| Jeffrey Prang | Member Los Angeles County |
| Chris Wilhite | Member San Bernardino County |
| Jordan Marks | Member San Diego County |
| Tom Bordonaro, Jr. | Member San Luis Obispo |
| Lawrence E. Stone | Member Santa Clara County |
| Kaenan Whitman | Member Tuolumne County |
| Christina Wynn | Assoc President Sacramento |
| 3. Adopt Agenda | Scott |
| 4. Approval of Legislative Meeting Minutes 8-7-24 | Scott |
| 5. Announcements | All |
| 6. Legislative Advocate Updates & CAA Legislative Recap | Grossglauser |

Bills Signed by the Governor:

AB 1785	San Bernardino	(Blanca Pacheco) California public records act update No position – letter of concern
AB 1868	Santa Clara & SF	(Laura Friedman) Property taxation, assessments, affordable housing Previously opposed, moved to no position April 2024

AB 2353	Santa Clara	(Christopher Ward) Welfare exemptions, pen & int. Moved to neutral if amendments are accepted
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AB 2897	Santa Clara	(Damon Connolly) Property taxation, assessments, affordable housing
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AB 1879	Alameda & LA	Electronic Signatures Signed by Governor Newsom 9-12-24
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7. Open Time

8. Action Item:
Review of Pinnacle Advocacy Contract

9. Adjourn



To: The California Assessors' Association

From: Rob Grossglauser & Larisa Mercado

Pinnacle Advocacy LLC

Date: September 27, 2024

Subject: 2024 Legislative Recap

This year has been an exceptional year of legislative engagement for the California Assessors' Association. Through strategic advocacy, targeted outreach, and sustained efforts, the CAA successfully advanced key priorities in property assessment policy and built strong relationships with policymakers and staff. This year's achievements reflect the Association's commitment to shaping positive outcomes and navigating the complexities of the legislative landscape with expertise and precision.

2024 marks a pivotal election year, making the start to the 2024 legislative year heavily focused on the elections for Capitol Staff and Legislators. Despite welcoming 37 new legislators in the beginning of 2023, this year we have 34 legislators leaving office. 17 members are termed out, and the other 17 are switching to run for the other house, or retiring from the Legislature to run for Congress, City Council, Mayor, or Board of Supervisors.

Last year Assembly Speaker Robert Rivas was sworn in as the new Assembly Speaker mid-year on July 1, 2023. This year, Senator Mike McGuire was sworn in as Senate Pro Tempore on February 5, 2025. The new leadership for both houses has been seen as a positive change and has introduced new dynamics in the Capitol.

For the past several years, California has been in a notable budget deficit with hopes looking high; however, the Governor's proposed budget in January 2024 predicted a \$38 billion dollar deficit, with the Legislators and the Governor coming to a Budget Agreement in July to address an even higher deficit of \$47 billion. With this immense deficit, the policy agenda for the Governor's Administration and the State Legislature continued with a focus on the state budget, mitigating homelessness, mental health, and reproductive healthcare policy. Lastly, and most notably, the highest priority for Legislators and the Governor was Artificial Intelligence. Over 35 bills focused on the policy just this year with engagement from stakeholders across California, including companies across the nation, and members of Congress weighing in on the matter.

2024 Legislative Overview

The California State Legislature introduced a total of 2531 pieces of legislation. Heading into the final four days before his midnight Monday deadline, Gov. Gavin Newsom will need to decide whether to sign or veto 465 bills still on his desk. So far, he's blocked 102 of 526 measures he's acted on since the Legislature adjourned Aug. 31, or nearly 20%. That compares to a 15% veto rate in 2023, when he blocked 156 bills.

While the Legislature can override vetoes, it takes a two-thirds vote in both the Assembly and Senate and that hasn't happened since 1979. Governors can also allow bills to become law without their signature, but that doesn't occur very often, either.

The following highlights the legislative activity Pinnacle Advocacy engaged in on behalf of CAA in 2024:

Legislative Engagement

This year, the CAA Legislative Committee tracked a total of 79 bills. The following highlights the legislative activity Pinnacle Advocacy lobbied on behalf of the CAA in 2024:

AB 1785 (Pacheco) California Public Records Act

The California Public Records Act prohibits a state or local agency from posting the home address or telephone number of any elected or appointed official on the internet without first obtaining the written permission of that individual. This bill would instead prohibit a state or local agency from publicly posting, as defined, the home address, telephone number, or both the name and assessor parcel number associated with the home address of any elected or appointed official on the internet without first obtaining the written permission of that individual. By expanding the scope of a current provision and thereby increasing the duties of local agencies, the bill would impose a state-mandated local program.

The issue of protecting information for elected or appointed officials has been a discussion between the CAA and the sponsors of the bill for several years. AB 1785 made it out of each committee without obstacles, but throughout the bill's movement, the CAA engaged with the sponsors on a monthly basis to ensure the intent of the bill was executed, without affecting the complexities of implementation for the CAA. As the bill stands, a local agency cannot post the name and APN with the home address; however, the sponsors of the legislation wanted to go further and restrict access to the kiosks and open terminals in Assessors' offices. The CAA was successful in relaying how that restricted access is impossible and simply not feasible for their offices. Throughout the discussions, the CAA did not have a position on the bill given that the sponsors were working with the Association. The CAA, however, did write a "Letter of Concern" to the Senate and Assembly Floors stating that although protection is

necessary, and although the CAA does not oppose the language as written, AB 1785 is a very small-step and going through the Assessors' offices is not the correct avenue given that the public can get information from other open, and accessible sources.

AB 1785 was a priority for the CAA, and we continue to enforce and educate that the intent of the legislation is understandable, but not feasible. AB 1785 was enrolled to the Governor and awaits his signature.

AB 1868 (Friedman) Property taxation: assessments: affordable housing

Current law requires the county assessor to consider, when valuing real property for property taxation purposes, the effect of any enforceable restrictions to which the use of the land may be subjected. Under existing law, these restrictions include, among other enumerated items, a recorded contract with a nonprofit corporation that meets prescribed requirements, including requirements that the nonprofit corporation has received a welfare exemption for properties intended to be sold to low-income families who participate in a special no-interest loan program, and that the contract includes a deed of trust on the property in favor of the nonprofit corporation to ensure compliance with the terms of the program, as described. This bill would, for purposes of valuing property by the county assessor, establish a rebuttable presumption that, at the time of purchase, an assessor shall not include the value of the above-described deed of trust. By changing the manner in which county assessors assess property for property taxation purposes, this bill would impose a state-mandated local program. The bill would also make a technical, nonsubstantive change to those provisions.

The CAA had an oppose position shortly after the bill was introduced as our concerns were around the valuation methodology. AB 1868 stated that the assessed value of the purchased property is the first mortgage (and the down payment) which the CAA believes is unconstitutional. The second concerns was regarding the calling out an arbitrary number of "first mortgage" because it has no relationship to the market value of the property with or without the restrictive covenants, thus likely in conflict with the constitution. The CAA engaged with the sponsors of the bill, Habitat for Humanity, and relayed that such a number (first mortgage) is determined by private parties and not valid.

After several months of working with the sponsors, author's office, and Revenue and Taxation Committee Consultants, amendments were made on 4/18 that addressed all of the CAA's concerns. The CAA removed their opposition on AB 1868. AB 1868 has been sent to the Governor's desk and is awaiting action.

AB 1879 (Gipson) Property taxation: filing

The California Constitution provides for the taxation of property and establishes the State Board of Equalization to administer those taxes. Current property tax law, pursuant to constitutional authorization, sets forth procedures for imposing and collecting taxes on property in the state. Current law requires a person owning taxable personal property, as specified, to file annually a signed property statement declared to be true under the penalty of perjury with the assessor. Current law authorizes a property statement to be filed with the assessor through the United States mail, properly addressed with postage prepaid. This bill would instead authorize the statement to be filed through the United States mail provided it is

mailed in a manner that includes a postmark and is properly addressed with postage prepaid, as specified.

The CAA is the sponsors of AB 1879, and this bill was the highest priority for the Association. Currently, Assessors offices have the discretion to accept tax-related documents to be sent via electronic means; however, customers may still be required to provide a wet signature. This current process has proven cumbersome and onerous for both Assessor offices and California customers. Should an Assessors' office choose to allow a document to be sent electronically, the requirement for a "wet signature" should be altered to reflect the electronic system.

During an election year, Legislators are very weary to take on bills that increase a fee for any constituents. Because of this known obstacle, the CAA Legislative Committee committed to working with all stakeholders and Committees to ensure AB 1879's intent was carried through. The CAA worked with the Board of Equalization throughout the bill's movement through the Legislature to ensure that this new e-signature process is administratively feasible for their offices. The CAA worked collaboratively to keep the BOE apprised of all language crafted and the amendments taken.

In addition, the CAA engaged with Ryan Technologies throughout 2024 to address amendments Ryan Technologies was seeking relating to the Agent Authorization request. The discussions and negotiations were arduous and extensive as both organizations had to determine language that was administratively feasible for both parties. Lastly, the CAA engaged the Senate Revenue and Taxation Committee to ensure that the language Ryan was requesting was amenable to the Committee. Doing so kept the bill with no opposition from stakeholders and members of the Senate Revenue and Taxation Committee. It is for these reasons and the CAA's commitment to working with all stakeholders that AB 1879 had a smooth ride through the legislative process and was on consent in every committee. AB 1879 was signed by the Governor on September 12 and was a great "win" for the CAA!

AB 2353 (Ward) Property taxation: welfare exemption: delinquent payments: interest and penalties

Current law imposes various penalties and costs for delinquent payment of real property taxes. Current law, however, requires the cancellation of any delinquent penalty, cost, redemption penalty, interest, or redemption fee upon satisfactory proof, as described, that the penalty, cost, interest, or fee attached due to an error of the tax collector, the auditor, or the assessor or due to their inability to complete valid procedures initiated prior to the delinquency date, as specified. This bill would provide that a property owner is not liable for interest or penalties, and would prohibit the tax collector from taking or continuing any collection action, with respect to ad valorem property taxes levied upon a property if, annually while receiving the benefit, the facilities are in the course of construction, as defined, and the property owner supplies evidence to the tax collector that the property owner has submitted to the county assessor an application for an exemption pursuant to the above-described partial welfare exemption, except as provided, and that the property received a specified reservation of tax credits or award of funds. The bill would require the tax collector to provide the list of eligible properties to the assessor.

The CAA had an “Oppose Unless Amended” position on AB 2353 and had extensive conversations throughout all of 2024 with the author’s office, CA Housing Partnership Corporation (Sponsors), Committee Consultants, and the Treasure Tax Collectors. The CAA’s concerns were that AB 2353 provides that a taxpayer is not liable for interest or penalties imposed by the county tax collector and would prohibit any collection action on delinquent installments of property taxes levied upon a property for which the taxpayer has submitted to the county assessor an application for an exemption pursuant to the welfare subdivision (g) of Section 214, including, but not limited to, the information required under Section 254. Exemption is always dependent on use. Construction is an exemption-eligible use. The CAA had concerns with the bill’s justification that developers are “inevitably refunded any taxes” only applies to projects that are under construction. Before that exemption eligible use, the property owner is liable for property tax for the entire project.

After months of engagement, the author’s office agreed to amendments that worked for the CAA and the Treasure Tax Collectors. The CAA was able to remove their opposition before the end of session. AB 2353 was sent to the Governor’s desk and is awaiting action.

AB 2506 (Lowenthal) Property taxation: local exemption: possessory interests: publicly owned housing

Would authorize a county board of supervisors to exempt from property taxation any possessory interest held by a tenant of publicly owned housing, as defined, with a value so low that the total taxes and applicable subventions on the property would amount to less than the cost of assessing and collecting them, except as provided. The bill would provide that there is a rebuttable presumption that the property taxes and applicable subventions on a possessory interest held by a tenant in publicly owned housing are less than the costs of assessing and collecting those taxes and applicable subventions. The bill would set forth procedures for granting or denying those exemptions and for implementing the exemption. The bill would provide that the board shall be deemed to have agreed with the rebuttable presumption and the exemption shall be deemed granted if the board does not take any action, if the board agrees, by a majority vote, to grant the exemption at a public hearing, or if the board fails to reach a majority vote for or against the exemption at the public hearing. By imposing additional duties on county boards of supervisors and local tax officials, the bill would impose a state-mandated local program.

The CAA had an “Oppose” position on AB 2506 and had 3 major concerns with the legislation:

1. The proposed low value limit is artificial, as the \$50,000 value is not based on a fiscal assessment of current costs to assess and tax properties.
2. County boards of supervisors that do not wish for the proposed presumption – that all tenants’ possessory interests in publicly owned housing fall below the proposed low value limit – to remain in effect in their jurisdiction would be required to take action by denying the application of the exemption by a majority vote in a public hearing.
3. The bill would require assessors to use the lease terms stated in the tenants’ lease agreements when assessing the value of tenants’ possessory interests in publicly

owned housing, notwithstanding the fact that the average length of a tenant's actual term of possession frequently exceeds the term stated in the lease agreement. This requirement would contravene existing and accepted possessory interest assessment practices.

AB 2506 made it out of Assembly Housing and Community Development Committee and was next headed to Assembly Revenue and Taxation Committee. The CAA submitted the oppose letter to Assembly R&T Committee and, at their benefit, did not need to engage any further due to the author pulling the bill from the hearing. The bill was then dead as of April 2024.

AB 2897 (Connolly) Property tax: welfare exemption: community land trusts

Current property tax law, pursuant to constitutional authorization, provides for a "welfare exemption" for property used exclusively for religious, hospital, scientific, or charitable purposes and that is owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met. Current law, for the 2022–23 fiscal year through the 2027–28 fiscal year, in the case of an owner of property that is a community land trust, as defined, requires that a unit continue to be treated as occupied by a lower income household for purposes of the welfare exemption if the occupants were lower income households on the lien date in the fiscal year in which their occupancy of the unit commenced and the unit continues to be rent restricted, notwithstanding an increase in the income of the occupants of the unit to 140% of area median income, adjusted for family size. Current law requires that a lease between a community land trust and a lower income household satisfy specified requirements in order for these provisions to apply, including being a renewable 99-year ground lease. This bill would eliminate specified requirements of a lease agreement between a lower income household and a community land trust in order for the unit to continue to be treated as occupied by a lower income household, as described above.

The CAA voted on a "Support if Amended" position on AB 2897 as they believed in the author's intent of the bill but believed that a few amendments were necessary. As initially written the CAA did not like the bill's removal of Section 401.2 (a)(11)(A)(iii), the requirement that a public agency make a finding that the affordability restrictions in the contract serve the public interest. Whereas eliminating the requirement does not affect how properties are valued, it creates inconsistency of administration and impacts uniformity as the same requirement is still in place for other types of low-income housing.

The author's office was very collaborative and worked with the CAA on amendments to address the CAA's concerns. The final bill expands the definition of community land trust and does not change what activities qualify for exemption. With the amendments, the CAA moved to a "Support" position. AB 2897 has been enrolled to the Governor and awaits his signature.

AB 3141 (Gipson) Property taxation: possessory interests: seaport environmental improvements

Current property tax law requires that all property subject to tax be assessed at its full cash value and includes certain possessory interests among those property interests that are subject to tax. Current property tax law defines a taxable possessory interest to be a use that is

independent, durable, and exclusive. Current property tax law specifies, for purposes of the definition of a taxable possessory interest, various types of possession or use that are not considered independent possession or use of land, including when that possession or use is a tenancy in a residential unit of a publicly owned housing project by a low-income household, as specified. This bill would provide, for the 2025–26 fiscal year to the 2029–30 fiscal year, inclusive, that there is no independent or exclusive possession or use of land or improvements if that possession or use is of any infrastructure at a public seaport, as defined, that is newly constructed on or after January 1, 2025, as described, as part of a nonrevenue-generating environmental improvement, as defined. The bill would, among other things, deem the construction or installation made or used for the operation of any fully automated cargo handling equipment, as defined, to be independent, durable, and exclusive, as specified.

The CAA adopted an “Oppose” position on AB 3141 due to the following main concerns:

1. The bill does not sufficiently identify what property constitutes “infrastructure at a public seaport that is newly constructed ... as part of a nonrevenue-generating environmental improvement.”
2. At the Wednesday, March 27, 2024, Legislative Committee meeting, background information on assessment practices related to tenant improvements at ports was provided. When port tenants – shipping companies – construct or install new improvements, the public authority that manages the port and the tenant will enter into a new lease agreement, to account for the newly-constructed or installed improvements. Through this bill, shipping companies seek to have the proposed exclusion applied by having assessors deduct the cost of the new improvements from the possessory interest assessment created by the new lease – method that does not comport with existing accepted assessment practices. In its current form, the bill does not provide a methodology by which the proposed new construction exclusion can be effectively administered.

The CAA met with the sponsors and the author’s office on the legislation to discuss the concerns with the legislation. Thankfully, AB 3141 was held under submission in Assembly Appropriations Committee, making AB 3141 dead for 2024.

SB 871 (Archuleta) Property taxation: homeowners’, veterans’, and disabled veterans’ exemptions & SCA 6 Property taxation: veterans’ exemption

The California Constitution declares that all property is taxable and establishes or authorizes various exemptions from tax for real property, including a homeowners’ exemption in the amount of \$7,000 of the full value of a dwelling that may be applied unless the dwelling receives another real property exemption. The California Constitution and existing property tax law establish a veterans’ exemption in the amount of \$4,000, as specified, for a veteran who meets certain military service requirements, and generally exempts from property taxation the same value of property of a deceased veteran’s unmarried spouse and parents. The California Constitution and existing property tax law establish a disabled veterans’ exemption in the amount of \$100,000 or \$150,000 for the principal place of residence of a veteran or a veteran’s spouse, as specified. This bill would provide that if Senate Constitutional Amendment 6 is approved by the voters at the statewide general election scheduled for November 5, 2024, then

commencing January 1, 2025, notwithstanding that prohibition, the homeowners' exemption also applies to property on which an owner receives the veterans' exemption or the disabled veterans' exemption.

SB 871 was a two-year bill from 2023 that was reignited in May of 2024. The CAA support SB 871 only if SCA 6 was amended. Given that SCA 6 was a constitutional amendment, a bill, which was SB 871, had to be introduced as the partnering bill to the constitutional amendment. The CAA supported SB 871's intent to provide an additional benefit to veterans without imposing a substantial burden on assessor personnel or resources. However, language in SCA 6 regarding proposed changes to the veterans' exemption would present substantial administrative challenges.

SB 871 was referred to Assembly Revenue and Taxation Committee and was never heard in committee, killing the bill for 2024. Because SB 871 was dead, SCA 6 did not meet the correct rules, thus dying as well.

SB 1164 (Newman) Property taxation: new construction exclusion: accessory dwelling units

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975–76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. This bill would exclude from classification as "newly constructed" and "new construction" the construction of an accessory dwelling unit, as defined, if construction on the unit is completed on or after January 1, 2025, and before January 1, 2030, until one of specified events occurs. The bill would require the property owner to, among other things, notify the assessor that the property owner intends to claim the exclusion for an accessory dwelling unit and submit an affidavit stating that the owner shall make a good faith effort to ensure the unit will be used as residential housing for the duration the owner receives the exclusion.

The CAA had an "Oppose" position on SB 1164 and had substantial concerns with SB 1164. The following delineates those concerns:

1. The eligibility requirement for SB 1164 remains unclear. The language of the Bill does not require that an Accessory Dwelling Unit ("ADU") be rented or otherwise occupied for the proposed new construction exclusion to be applicable. Instead, it only requires that a property owner submit an affidavit stating that they will "make a good faith effort" to ensure the ADU is used as residential housing for the duration they receive the exclusion.
2. The Bill does not provide clear instructions regarding the application process. It should be noted that this would provide a long-term benefit to the property owner without any follow-up reporting requirements or oversight that might otherwise be available under an alternative annual filing scheme.
3. The lack of clarity on what constitutes "any use other than residential housing" is concerning. The term "residential housing" is not self-defining and requires clarification to ensure consistent application. Inconsistency can undermine the

effectiveness of SB 1164, leading to an increase in assessment appeals which would strain administrative resources.

4. SB 1164, as amended, prescribes a valuation methodology for the assessment of newly constructed ADUs upon the expiration of the 10-year exclusion period, a change in ownership, or a change of use, whichever occurs first. However, upon review, the proposed approach is inconsistent with existing assessment practices under Proposition 13, which requires newly constructed property to be assessed as of the date the new construction is completed – not as of a future date.
5. SB 1164, as amended, expands on the self-reporting requirement of the property owner to include informing the Assessor within 30 days that the ADU has been converted to a use other than residential housing. The self-reporting requirement would require additional systems to be put in place: verification of the accuracy and authenticity of the self-reported information; additional staffing to handle the increased workload associated with processing self-reported data, addressing discrepancies, and conducting follow-ups; and continuous monitoring and implementation of regular control checks to audit and ensure the integrity and accuracy of the self-reported data.
6. Setting aside discussion of the merits of the substantive requirements to obtain the proposed new construction exclusion, assessors recognize the challenge of developing and maintaining new tracking systems to monitor properties that received the exclusion that would be necessitated by the Bill.

SB 1164 made it through the first house without obstacles. The CAA adopted their position as the bill was moving over to Assembly. This position was adopted more than halfway through the legislative process due to the CAA contemplating the impacts of their opposition and the optics of them being the main opposition. Because of this, the CAA worked diligently with the California League of Cities and the California State Association of Counties and continued to relay the administrative and fiscal impacts. All Associations brought their opposition forward collaboratively. SB 1164 was set for Assembly Revenue and Taxation Committee and the bill was pulled by the author, killing the bill for 2024.

Closing Remarks

Pinnacle Advocacy is very thankful for the opportunity to represent the California Assessors Association and the success the CAA was able to achieve in 2024. We look forward to continuing to support the CAA in 2025.

CALIFORNIA ASSESSORS' ASSOCIATION AGREEMENT FOR CONSULTING SERVICES

This agreement is made and entered into this first day of January, 2025, by and between the California Assessors' Association (CAA) hereinafter referred to as CLIENT and Pinnacle Advocacy LLC (Pinnacle), herein after referred to as CONSULTANT.

The CLIENT and CONSULTANT, for mutual consideration as defined herein, agree to the following terms, services and conditions:

1. TERM

This agreement is effective commencing January 1, 2025, and ending December 31, 2026.

2. SERVICES

CONSULTANT agrees to perform professional service for CLIENT, as requested by CLIENT, including but not limited to:

- a. Reconnaissance of proposed state governmental actions which may affect CLIENT, to include:
 1. Maintaining an overview of legislative and executive agency activities.
 2. Advising appropriate CLIENT staff on all activities and initiatives determined to be of significance to CLIENT.
 3. Research to adequately provide this function.
- b. Analysis of proposed state legislative and executive agency actions affecting CLIENT.
- c. Consultation with CLIENT on potential implications of issues and alternative responses to state initiatives and participation in CLIENT meetings as scheduled; consultation with CLIENT on any and all activities as requested by CLIENT or as deemed necessary by CONSULTANT.
- d. Development, coordination and execution of CLIENT'S advocacy efforts, including communication with legislative officials and other government officials for the purpose of influencing legislation or administrative actions.
- e. Monitoring all introduced legislative bills for consultation with CLIENT to determine those of interest to CLIENT.
- f. Assisting CLIENT in the development and execution of legislative programs, jointly or separately for CLIENT.
- g. Primary emphasis shall be given to issues that will provide specific and identifiable benefit to CLIENT.

3. FEES

For the services outlined herein, and while this Agreement is in effect, CLIENT agrees to pay CONSULTANT by the following funding method:

\$9,250.00 monthly for services in 2025 for a total 2025 contract value of \$111,000.00 payable quarterly in installments of \$27,750.00 due in the months of March, June, September, and December 2025.

\$9,500.00 monthly for services in 2026 for a total 2026 contract value of \$114,000.00 payable quarterly in installments of \$28,500.00 due in the months of March, June, September, and December 2026.

4. REPORTS OF WORK

CONSULTANT shall submit to CLIENT reports of work performed to implement CLIENT'S legislative programs as well as other reports as requested.

CONSULTANT shall provide oral reports as scheduled at the convenience of CLIENT and CONSULTANT.

5. LAWS, RULES AND REGULATIONS

CONSULTANT shall conduct all affairs on behalf of CLIENT in accordance with all applicable laws and regulations, specifically in conformance with local, state and federal political reform laws.

- a. CONSULTANT shall be responsible for meeting its legal obligations to file the proper reports as required by the Political Reform Act of 1974, if applicable, and related statutes. CLIENT shall not be responsible for CONSULTANT'S failure to perform.
- b. CONSULTANT shall prepare for CLIENT'S signature and file the proper reports for the CLIENT as a Lobbyist Employer under the Political Reform Act of 1974.

6. CONFIDENTIALITY

CONSULTANT agrees to maintain in strict confidence all information supplied by CLIENT to CONSULTANT. CONSULTANT will not disclose any such information to third parties and will use any such information only as authorized by CLIENT. In addition, CONSULTANT will maintain in strict confidence all advice provided to CLIENT.

7. CONFLICT OF INTEREST

CONSULTANT agrees that prior to entering into contract for consulting services with any party, associate or individual other than CLIENT, CONSULTANT shall meet and confer with CLIENT to discuss the potential for conflict of interest created by such additional contract(s). It is understood that even though the final determination to enter into such contracts remains at the discretion of CONSULTANT, such determination may require CLIENT to terminate the agreement.

8. MODIFICATION AND TERMINATION OF AGREEMENT

This Agreement may be amended by mutual consent of both CLIENT and CONSULTANT or terminated by either upon thirty (30) days written notification to the other party. In the event of termination, CONSULTANT shall be entitled to receive pro-rated compensation for work performed in a satisfactory manner.

9. INDEMNIFICATION

CONSULTANT shall defend, hold harmless, and indemnify CLIENT and its' officers, agents, board, and employees from all liabilities and claims for damages for death, sickness or injury to persons or property, Including, without limitation, all consequential damages, from any cause whatsoever arising from or connected with the operations or services of CONSULTANT, its' agents or employees.

10. INSURANCE

Without limiting CONSULTANT'S obligations to indemnify CLIENT hereunder, CONSULTANT shall maintain and keep in force during the term of this Agreement, the following insurance:

- a. Automobile Liability Insurance covering bodily injury and property damage for all activities by CONSULTANT arising out of, or in connection with, this Agreement, including coverage of owned, hired, and non-owned vehicles, in an amount no less than \$500,000 combined single limit for each occurrence.
- b. Bodily Injury and Property Insurance for all activities of CONSULTANT (and its' subcontractors) arising out of or in connection with, this Agreement, written on a Comprehensive General Liability form including, but not limited to, premises and operations, independent contractors, products and completed operations, contractual liability and personal Injury, in an amount no less than \$1,000,000 combined single limit for each occurrence and aggregate.
- c. Each said comprehensive general liability and automobile liability Insurance policy shall be endorsed with the following specific language:
 1. CLIENT, its' officers, agents, boards and employees are named as additional Insured for all liability arising out of the operations by, or on behalf of, the named insured, in the performance of this Agreement.
 2. The insurance provided herein is primary, and no insurance held or owned by CLIENT shall be called upon to contribute to a loss.
 3. The coverage provided by this policy shall not be reduced or cancelled without thirty (30) days written notice given to CLIENT.
- d. Workers' Compensation Insurance to cover CONSULTANT'S employees (and as required by the Labor Code of the State of California). CONSULTANT shall require all subcontractors to provide Workers' Compensation Insurance for all subcontractors' employees (if applicable). All Workers' Compensation policies shall be endorsed with the following specific language:

"This policy shall not be cancelled or materially changed without first giving thirty (30) days prior notice to CLIENT in writing.

11. INDEPENDENT CONTRACTOR STATUS

This Agreement is by and between two independent contractors and is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, Joint venture or association.

12. NON-ASSIGNMENT

It is acknowledged and understood that the services to be rendered to CLIENT by CONSULTANT hereunder are personal in nature and therefore CONSULTANT may not assign this Agreement, nor may CONSULTANT assign any moneys to be received hereunder without the written consent of CLIENT first being obtained.

13. DISCRIMINATION

There shall be no discrimination against any employee who is employed in the work covered by this contract or against any application for such employment because of race, color, sex, sexual orientation, or national origin. This provision shall include, but not be limited to, the following: employment upgrading, demotion or transfer, recruitment advertising, layoff, or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

14. PRINCIPAL CONTACTS

Rob Grossglauser shall be the principal contact and representative on behalf of CONSULTANT. The President of CAA, Chair and Vice-Chair of the CAA Legislative Committee and/or their staff, as designated, shall be the principal contacts on behalf of CLIENT.

15. ENTIRE AGREEMENT

This Agreement embodies the entire agreement between the parties hereto, and there are no inducements, promises, terms, conditions or obligations made or entered into by CLIENT or CONSULTANT other than those contained herein.

The foregoing provisions are agreed to by CONSULTANT and CLIENT.

PINNACLE ADVOCACY, LLC

CALIFORNIA ASSESSORS' ASSOCIATION

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

CALIFORNIA ASSESSORS' ASSOCIATION AGREEMENT FOR CONSULTING SERVICES

This agreement is made and entered into this first day of January, 2023, by and between the California Assessors' Association (CM) hereinafter referred to as CLIENT and Pinnacle Advocacy LLC (Pinnacle), hereinafter referred to as CONSULTANT.

The CLIENT and CONSULTANT, for mutual consideration as defined herein, agree to the following terms, services and conditions:

1. TERM

This agreement is effective commencing January 1, 2023, and ending December 31, 2024.

2. SERVICES

CONSULTANT agrees to perform professional service for CLIENT, as requested by CLIENT, including but not limited to:

- a. Reconnaissance of proposed state governmental actions which may affect CLIENT, to include:
 1. Maintaining an overview of legislative and executive agency activities.
 2. Advising appropriate CLIENT staff on all activities and initiatives determined to be of significance to CLIENT.
 3. Research to adequately provide this function.
- b. Analysis of proposed state legislative and executive agency actions affecting CLIENT.
- c. Consultation with CLIENT on potential implications of issues and alternative responses to state initiatives and participation in CLIENT meetings as scheduled; consultation with CLIENT on any and all activities as requested by CLIENT or as deemed necessary by CONSULTANT.
- d. Development, coordination and execution of CLIENT'S advocacy efforts, including communication with legislative officials and other government officials for the purpose of influencing legislation or administrative actions.
- e. Monitoring all introduced legislative bills for consultation with CLIENT to determine those of interest to CLIENT.
- f. Assisting CLIENT in the development and execution of legislative programs, jointly or separately for CLIENT.
- g. Primary emphasis shall be given to issues that will provide specific and identifiable benefit to CLIENT.

3. FEES

For the services outlined herein, and while this Agreement is in effect, CLIENT agrees to pay CONSULTANT by the following funding method:

\$8,500.00 monthly for services in 2023 for a total 2023 contract value of \$102,000.00 payable quarterly in installments of \$25,500.00 due in the months of March, June, September, and December 2023.

\$9,000.00 monthly for services in 2024 for a total 2024 contract value of \$108,000.00 payable quarterly in installments of \$27,000.00 due in the months of March, June, September, and December 2024.

4. REPORTS OF WORK

CONSULTANT shall submit to CLIENT reports of work performed to implement CLIENT'S legislative programs as well as other reports as requested.

CONSULTANT shall provide oral reports as scheduled at the convenience of CLIENT and CONSULTANT.

5. LAWS, RULES AND REGULATIONS

CONSULTANT shall conduct all affairs on behalf of CLIENT in accordance with all applicable laws and regulations, specifically in conformance with local, state and federal political reform laws.

- a. CONSULTANT shall be responsible for meeting its legal obligations to file the proper reports as required by the Political Reform Act of 1974, if applicable, and related statutes. CLIENT shall not be responsible for CONSULTANT'S failure to perform.
- b. CONSULTANT shall prepare for CLIENT'S signature and file the proper reports for the CLIENT as a Lobbyist Employer under the Political Reform Act of 1974.

6. CONFIDENTIALITY

CONSULTANT agrees to maintain in strict confidence all information supplied by CLIENT to CONSULTANT. CONSULTANT will not disclose any such information to third parties and will use any such information only as authorized by CLIENT. In addition, CONSULTANT will maintain in strict confidence all advice provided to CLIENT.

7. CONFLICT OF INTEREST

CONSULTANT agrees that prior to entering into contract for consulting services with any party, associate or individual other than CLIENT, CONSULTANT shall meet and confer with CLIENT to discuss the potential for conflict of interest created by such additional contract(s). It is understood that even though the final determination to enter into such contracts remains at the discretion of CONSULTANT, such determination may require CLIENT to terminate the agreement.

8. MODIFICATION AND TERMINATION OF AGREEMENT

This Agreement may be amended by mutual consent of both CLIENT and CONSULTANT or terminated by either upon thirty (30) days written notification to the other party. In the event of termination, CONSULTANT shall be entitled to receive pro-rated compensation for work performed in a satisfactory manner.

9. INDEMNIFICATION

CONSULTANT shall defend, hold harmless, and indemnify CLIENT and its' officers, agents, board, and employees from all liabilities and claims for damages for death, sickness or injury to persons or property, Including, without limitation, all consequential damages, from any cause whatsoever arising from or connected with the operations or services of CONSULTANT, its' **agents** or employees.

10. INSURANCE

Without limiting CONSULTANT'S obligations to indemnify CLIENT hereunder, CONSULTANT shall maintain and keep in force during the term of this Agreement, the following insurance: •

- a. Automobile Liability Insurance covering bodily injury and property damage for all activities by CONSULTANT arising out of, or in connection with, this Agreement, including coverage of owned,hired, and non-owned vehicles, in an amount no less than \$500,000 combined single limit for each occurrence.
- b. Bodily Injury and Property Insurance for all activities of CONSULTANT (and its' subcontractors) arising out of or in connection with, this Agreement, written on a Comprehensive General Liability form including, but not limited to, premises and operations, independent contractors, products and completed operations, contractual liability and personal injury, in an amount no less than \$1,000,000 combined single limit for each occurrence and aggregate.
- c. Each said comprehensive general liability and automobile liability Insurance policy shall be endorsed with the following specific language:
 1. CLIENT, its' officers, agents, boards and employees are named as additional Insured for all liability arising out of the operations by, or on behalf of, the named insured, in the performance of this Agreement.
 2. The insurance provided herein is primary, and no insurance held or owned by CLIENT shall be called upon to contribute to a loss.
 3. The coverage provided by this policy shall not be reduced or cancelled without thirty (30) days written notice given to CLIENT.
- d. Workers' Compensation Insurance to cover CONSULTANT'S employees (and as required by the Labor Code of the State of California). CONSULTANT shall require all subcontractors to provide Workers' Compensation Insurance for all subcontractors' employees (if applicable). All Workers' Compensation policies shall be endorsed with the following specific language:

"This policy shall not.be cancelled or materially changed without first giving thirty (30) days prior notice to CLIENT in writing.

11. INDEPENDENT CONTRACTOR STATUS

This Agreement is by and between two independent contractors and is not intended and shall not be construed to create the relationship of agent, servant, employee, partnership, Joint venture or association.

12. NON-ASSIGNMENT

It is acknowledged and understood that the services to be rendered to CLIENT by CONSULTANT hereunder are personal in nature and therefore CONSULTANT may not assign this Agreement, nor may CONSULTANT assign any moneys to be received hereunder without the written consent of CLIENT first being obtained.

13. DISCRIMINATION

There shall be no discrimination against any employee who is employed in the work covered by this contract or against any application for such employment because of race, color, sex, sexual orientation, or national origin. This provision shall include, but not be limited to, the following: employment upgrading, demotion or transfer, recruitment advertising, layoff, or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

14. PRINCIPAL CONTACTS

Rob Grossglauser shall be the principal contact and representative on behalf of CONSULTANT. The President of CAA, Chair and Vice-Chair of the CAA Legislative Committee and/or their staff, as designated, shall be the principal contacts on behalf of CLIENT.

15. ENTIRE AGREEMENT

This Agreement embodies the entire agreement between the parties hereto, and there are no inducements, promises, terms, conditions or obligations made or entered into by CLIENT or CONSULTANT other than those contained herein.

The foregoing provisions are agreed to by CONSULTANT and CLIENT.

PINNACLE ADVOCACY, LLC

CALIFORNIA ASSESSORS' ASSOCIATION

By: _____

Signature

Rob Grossglauser
NAME

Principal
TITLE
Date

Signature

Don H. Gaekle
NAME

President
TITLE

Date



CAA Legislative Committee Meeting
Wednesday, August 7, 2024
Hybrid Meeting

PlumpJack Inn "Valley Room" 1920 Olympic Valley Road
Olympic Valley, CA

1. Call to Order

The meeting was called to order at 2:53 pm by Chair Shelly Scott

2. Roll call of Legislative Committee Members

Assessor Torres called the roll, and the following were present:

Shelly Scott, Chair, Marin
Joaquin Torres, Vice Chair, SF City and County
Jeffrey Prang, Los Angeles County
Chris Wilhite, San Bernardino County
Jordan Marks, San Diego County
Tom Bordonaro, Jr., San Luis Obispo
Lawrence E. Stone, Santa Clara County
Kaenan Whitman, Tuolumne County

Christina Wynn, Association President, Sacramento

Absent:

Phong La, Alameda County

A quorum was established.

3. Adopt Agenda

MSC (Stone/Marks) to adopt the agenda, as presented.

4. Approval of Legislative Meeting Minutes (June 20, 2024)

MSC (Torres/Wilhite) to approve the minutes, as presented.

5. Announcements

Governor's Executive Order N-2-24 to Help with Additional Housing discussed.
We will see creative housing solutions proposed in the next legislative session.

6. Legislative Advocate Updates & CAA Legislative Recap

See notations on review of assigned bills

7. Review of Assigned Bills / Action Items

- AB 1785** **Pacheco** California Public Records Act, commonly referred to as the Judges Bill
Assigned to: San Bernardino
Update: Previously the committee took no position while the author was working on amendments. CAA to issue a letter of concern, seeking definition and clarity of on-line and kiosk search restrictions. The bill amendments were discussed. Rob clarified that the CAA didn't have a position on this bill but we did ask for clarity for un-restricted.
ACTION TAKEN: Issue Concern Letter MSC (Prang/Wilhite)
Ayes: 8(Scott, Torres, Prang, Wilhite, Marks, Bordonaro, Stone, Whitman)
Noes: 0
Absent: 1(La)
Abstain: 0
- AB 1879** **Gipson** Electronic Signatures Assigned to:
Assigned to: Alameda & L.A.
Update: Amendment received this morning added reference to BOE rule 305 allowing the BOE agent authorization form to be accepted by all Assessors. Due to potential shared system costs, Rob will share with the Senate Rev & Tax committee that this amendment is too late, but CAA is willing to work on this with Ryan LLC next year. Ryan was requesting an amendment; CATA was seeking the same request. Ryan withdrew their opposition upon the offer of the BOE to review. CATA dropped effort to sunset fees. This bill may find its way to the Governors desk soon.
NO ACTION TAKEN

AB 2353 **Ward** Property Taxation: welfare exemption: delinquent payments: interest and penalties.
Assigned to: Santa Clara
Update: Oppose unless Amended letter was not released at the request of Senate Revenue and Taxation committee chief consultant because he gave the sponsor and author a deadline of June 19 to amend the bill. The bill was amended with a new approach, which removed the opposition elements articulated in the CAA letter. The sponsor noted they will take any amendments we or the TCC propose, however the CAA Leg. Meeting the TCC's recent position was unknown with proposed amendments. With new amendments, the Leg. Committee can move to neutral.
ACTION TAKEN: Release oppose unless amended letter if amendments are not accepted OR move to neutral if the amendments are accepted. MSC (Stone/Bordonaro)
Ayes: 8 (Scott, Torres, Prang, Wilhite, Marks, Bordonaro, Stone, Whitman)
Noes: 0
Absent: 1 (La)
Abstain: 0

PREVIOUS ACTION TAKEN: MSC (Marks/Bordonaro) to remain in Oppose unless Amended on AB 2353; with motion to add a definition of "course of construction" to the bill language. Additionally, to provide guidance on Ad Valorem vs. Non-Ad Valorem impacts and put burden on TTC to ask Assessors annually. Additionally, to empower the CAA President to make the decision on when or whether to release the position letter.

8. Open Time – Appreciation to Madame Leg. Chair for her 2-year effort, she has been doing a great job as the CAA Leg. Chair.

9. Adjourn

MS (Stone/Prang) 4:21pm