



# Bill Impact Checklist

A reference guide to help you assess a bill's impact on Association members. Use this to note key information to report out to the CAA Leg Committee and to include in any bill analysis.

Bill Number (Author): SB 603 Niello Date: April 17, 2025

Recommended CAA Position: Support

Impacts to Assessors Operations	
<p><u>Implementation requirements:</u> How will this bill affect the workload of assessors? What resources, staffing and infrastructure would be needed to implement? Consider staffing, processing times, and related impacts.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Consistent with role and responsibilities</li> <li><input checked="" type="checkbox"/> Changes or repeals existing program</li> <li><input type="checkbox"/> Requires new operating procedures</li> <li><input type="checkbox"/> Imposes unreasonable burden</li> <li><input type="checkbox"/> Challenges with timing and scaling</li> </ul>	<p><u>Technology requirements:</u> does the bill necessitate new technology investments or updates to existing systems?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> New technology, new investment</li> </ul> <p><u>Technical feasibility:</u> do you see any obstacles in the technical execution?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Additional training and hiring</li> <li><input type="checkbox"/> Shifts burden of proof to Assessors</li> </ul>
Fiscal Impact	Legal Issues
<p>Does the bill introduce new costs or savings for existing operations?</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Minor impact – program absorption</li> <li><input type="checkbox"/> Additional costs</li> <li><input type="checkbox"/> Impacts property tax exemption</li> <li><input type="checkbox"/> Adds revenue</li> <li><input type="checkbox"/> Changes penalties or fees</li> </ul>	<p>Does the bill align with current laws and regulations? Are there risks of legal conflicts?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Creates conflict with existing law</li> <li><input type="checkbox"/> Possible constitutional issues</li> <li><input type="checkbox"/> Requires regulations or guidelines</li> <li><input type="checkbox"/> Provisions are not enforceable</li> <li><input type="checkbox"/> Resolves conflict in existing law</li> </ul>
Coordination requirements	Impact on Taxpayers
<ul style="list-style-type: none"> <li><input type="checkbox"/> Requires coordination among Assessors</li> <li><input type="checkbox"/> Requires coordination with BOE</li> <li><input type="checkbox"/> Requires coordination with local and/or state government</li> </ul>	<p>How will this bill affect taxpayer experience?</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Creates additional burden, confusion, complexity</li> </ul>

Notes: See attached Checklist

## **Assessor's Analysis of SB 603 (Niello)**

Prepared by Los Angeles County Assessor's Office

### **What the Proposed Law Does**

**SB 603** seeks to extend the time period for property owners affected by a disaster declared by the Governor to transfer their property tax base year value to a comparable property within the same county. Under current law, property owners have 5 years after a disaster to transfer the base year value to a newly acquired or constructed property. SB 603 would allow the county board of supervisors to extend this time period by up to an additional 3 years, providing more time for affected homeowners to find and purchase replacement properties.

Additionally, SB 603 provides that the state will not reimburse local agencies for the lost property tax revenue resulting from these extended transfers. This provision shifts the financial burden entirely to the local jurisdictions affected by the disaster, without additional state funding.

### **Observations and Recommendations**

#### **1. Urgency Clause Consideration:**

- To provide immediate relief to homeowners impacted by disasters, an urgency clause should be considered to ensure that SB 603 can take effect without delay following a disaster declaration, especially for those affected by the 2025 wildfire season.

### **Recommended Position**

1. Recommend support of this bill, as it provides crucial flexibility for disaster-affected homeowners, allowing them additional time to rebuild and secure replacement properties without facing adverse tax consequences. Additionally, the bill should incorporate an urgency clause to ensure its timely and appropriate application.

## AB 317 (Jackson) Bill Impact Review

AB 317, the “California First Time Homeowner Dream Act” proposes changes to CEQA and the Revenue & Taxation Code. The bill proposes to add a section to the R&T code to defer the payment of property tax without penalty or interest for qualifying projects.

There is no precedent for property tax payment deferral, therefore AB 317 is proposing an unfunded and self-certified benefit for private developers and placing the burden of proof and tracking on Assessors and Tax Collectors.

Among other requirements, eligibility for both the CEQA exemption and R&T code tax deferral benefits is predicated on the **intention** of the developer to create housing to be sold under a certain price (\$400,000) and the **intention** of the developer to sell the property to a first-time homebuyer.

This bill has implications for both assessors and tax collectors, whose work is based on **transactions not projections**. This fundamental distinction makes a tax code requirement with eligibility based on intention and self-certification impossible to administer accurately and difficult to defend.

It is valuable to note that the beneficiary of the tax deferral proposed is the developer, the first-time homebuyer realizes no property assessment or tax benefit from the bill.

Many components of the bill are copied from section 75.12 pertaining to assessments on the supplemental roll. However, in several instances the proposed bill language incorrectly places burden of proof and reporting on the Assessor, misconstrues intent of the section and portability to AB 317, and broadens intent beyond the ability to accurately implement.

AB 317 as written would shift the burden of proof of eligibility for tax deferral benefit to the Assessor.

2636.3 is added to R&T Code. Comments about impact to Assessors are noted in *italics*:

(a)(1) The property is zoned for residential use and contains one newly constructed single-family dwelling that is 1,500 square feet or less with no more than three bedrooms.

*Too vague, this requires further definition to know if it includes all SFR products – condo, townhome etc.*

(2) The property owner does not intend to occupy or use the property, and has notified the assessor pursuant to subparagraph (A) of paragraph (1) of subdivision (a) of Section 75.12, or meets the requirements of subparagraph (B) of paragraph (1) of subdivision (a) of Section 75.12.

*This is copied from 75.12 without changing the notification requirement. The Assessor has no mechanism for confirming eligibility for tax deferral.*

(3) The property is intended to be sold or transferred for less than four hundred thousand dollars (\$400,000).

*The work of Assessors and Tax Collectors is based on transactions, not projections. Per the California Constitution, property is assessed at market value when it is purchased, changes ownership or undergoes construction.*

*There is no verification model or mechanism in the tax code to base benefit eligibility on an intended market price.*

*This allows for “self-certification” by developer of intended sales price, possibly creating a private encumbrance scenario.*

*There is no requirement in the bill that if the eligibility requirements are not met, such as the property sells for more than \$400K, or is sold to someone other than a first-time homebuyer, that penalties and interest will be applied.*

(4) The property is intended to be sold or transferred to a first-time homebuyer.

*The work of Assessors and Tax Collectors is based on transactions, not projections.*

*There is no verification model or mechanism in the tax code to base benefit eligibility on financial status of the intended purchaser.*

*This allows for “self-certification” by developer of the financial status of intended purchaser.*

(5) The property owner requests deferment with the county assessor within 30 days of receiving the first tax bill for the property.

*This section incorrectly places the request for deferral with the Assessor within 30 days of receiving the first tax bill for the property.*

*The additional conflict with this section is that the first tax bill may be before the completion of the “newly constructed single-family dwelling” as stated in (a)(1), which is a requirement for eligibility.*

*If this section is amended to request deferral with the Tax Collector, there is a high likelihood that the eligibility burden would still be assumed to be with the Assessor.*

(b) (1) Payment of property taxes that have been deferred pursuant to subdivision (a) shall be deferred until a change in ownership occurs or until the property owner notifies the assessor pursuant to subdivision (c).

*This section incorrectly places the notice of ineligibility for deferral with the Assessor. It is also assumed that the Assessor will track the deferral status until the developer is no longer eligible or a change in ownership occurs.*

*All notice requirements are self-certified by developer.*

*If this section is amended to Tax Collector, there is a high likelihood that the eligibility burden would still be assumed to be with the Assessor.*

(c) (1) The property owner shall notify the assessor within 45 days of the earliest date that any of the following occur:

*This section incorrectly places the notice of ineligibility for deferral with the Assessor. It is also assumed that the Assessor will track the deferral status until the developer is no longer eligible or a change in ownership occurs.*

*All notice requirements below are self-certified by developers and neither the Assessor nor the Tax Collector have a way to verify or track the eligibility:*

- (A) The property changes ownership pursuant to an unrecorded contract of sale.
- (B) The property is leased or rented.
- (C) The property is occupied or used by the owner for any purpose other than provided in subdivision (b) of Section 75.12.
- (D) The property is occupied or used with the owner's consent for any purpose other than provided in subdivision (b) of Section 75.12.
- (E) The property is listed for sale, sold, or transferred for greater than four hundred thousand dollars (\$400,000).

*The work of Assessors and Tax Collectors is based on transactions, not projections. Per the California Constitution, property is assessed at market value when it is purchased, changes ownership or undergoes construction.*

*There is no verification model or mechanism in the tax code to base benefit eligibility on a listed or intended market price.*

*This allows for "self-certification" by developer of intended list and sales price, possibly creating a private encumbrance scenario. There is no way for the Assessor or Tax Collector to track the list or sale price until a sales transaction occurs.*

*There is no requirement in the bill that if the property sells for more than \$400K, or is sold to someone other than a first-time homebuyer, that penalties and interest will be applied.*

- (2) The failure to provide the assessor the notice required under this subdivision, whether requested or not, shall result in a penalty in the amount specified in Section 482.

#### **Section 480**

"The law requires any transferee acquiring an interest in real property, manufactured home, or floating home subject to local property taxation, and that is assessed by the county assessor, to file a change in ownership statement with the county recorder or assessor. The change in ownership statement must be filed at the time of recording or, if the transfer is not recorded, within 90 days of the date of the change in ownership,

#### **482.**

(a) (1) If a person or legal entity required to file a statement described in Section 480 fails to do so within 90 days from the date a written request is mailed by the assessor, a penalty of either: (A) one hundred dollars (\$100), or (B) 10 percent of the taxes applicable to the new base year value reflecting the change in ownership of the real property, manufactured home, or floating home, whichever is greater, but not to exceed five thousand dollars (\$5,000) if the property is eligible for the homeowners' exemption or twenty thousand dollars (\$20,000) if the property is not eligible for the homeowners' exemption if the failure

to file was not willful, shall, except as otherwise provided in this section, be added to the assessment made on the roll. The penalty shall apply for failure to file a complete change in ownership statement notwithstanding the fact that the assessor determines that no change in ownership has occurred as defined in Chapter 2 (commencing with Section 60) of Part 0.5. The penalty may also be applied if after a request the transferee files an incomplete statement and does not supply the missing information upon a second request.

### **Impacts to Assessors Operations**

All of the eligibility requirements are self-certified to receive the benefit and require the owner to self-report to the Assessor if they no longer qualify.

These requirements are inconsistent with current roles and responsibilities and impose unreasonable burden on Assessors. There are currently no processes or technological solutions available to verify and track the proposed eligibility requirements.

The proposed process would require manual systems to verify, track and share information with other departments necessary to implement.

### **Bill Impact Checklist**

#### **Fiscal Impact**

There is no precedent for property tax payment deferral, therefore AB 317 is proposing an unfunded and self-certified benefit for private developers and placing the burden of proof and tracking on Assessors and Tax Collectors.

It is valuable to note that once the property is sold, the deferred tax is transferred to the unsecured roll. Although the developer is still liable for the taxes, they are no longer attached to a property in the form of a lien.

The benefit comes at the cost of revenue for schools, municipalities, and special districts.

Assembly Bill 2353, passed in 2024, provides narrowly defined affordable housing developers with tacit approval to defer property tax payments without incurring penalties or interest while their applications for the Welfare Exemption are under review. The bill builds on the foundation of the Welfare Exemption program, which includes a robust organizational approval process and annual reporting requirements. These safeguards ensure that the trade-off of forgone property tax revenue is balanced by a demonstrable public benefit—namely, the creation and maintenance of affordable housing.

☐ Requires coordination among Assessors ☐ Requires coordination with BOE ☐ Requires coordination with local and/or state government

### **Legal Issues**

This bill conflicts with current law that requires taxes are due and payable at the time of billing. Additionally, it sets precedent for tax deferral without any appropriate regulations and guidelines.

It places burden and risk on Assessors and Tax Collectors to verify eligibility for tax deferral outside of the scope of the R&T Code.

Creates conflict with existing law. Possible constitutional issues. Provisions are not enforceable

### **Coordination Requirements**

As written, this bill would require extensive guidance from the BOE, and new tracking and reporting systems in coordination with the Tax Collectors.

### **Impact on Taxpayers**

This bill is titled the California First-Time Homebuyers Dream Act, although the beneficiary of the tax deferral is the developer, not the homebuyer.

### **Parking lot:**

Assessors are unlikely to take a position on the CEQA exemption portion of the bill unless the author indicates that the CEQA exemption is to serve as the verification of eligibility for tax deferral. Should that be the case, Assessors would be required to review the process to determine potential conflicts.



# Bill Impact Checklist

A reference guide to help you assess a bill's impact on Association members. Use this to note key information to report out to the CAA Leg Committee and to include in any bill analysis.

Bill Number (Author): \_\_\_\_\_ Date: \_\_\_\_\_

Recommended CAA Position: \_\_\_\_\_

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<p><u>Implementation requirements:</u> How will this bill affect the workload of assessors? What resources, staffing and infrastructure would be needed to implement? Consider staffing, processing times, and related impacts.</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Consistent with role and responsibilities</li><li><input type="checkbox"/> Changes or repeals existing program</li><li><input type="checkbox"/> Requires new operating procedures</li><li><input type="checkbox"/> Imposes unreasonable burden</li><li><input type="checkbox"/> Challenges with timing and scaling</li></ul>	<p><u>Technology requirements:</u> does the bill necessitate new technology investments or updates to existing systems?</p> <ul style="list-style-type: none"><li><input type="checkbox"/> New technology, new investment</li></ul> <p><u>Technical feasibility:</u> do you see any obstacles in the technical execution?</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Additional training and hiring</li><li><input type="checkbox"/> Shifts burden of proof to Assessors</li></ul>
Fiscal Impact	Legal Issues
<p>Does the bill introduce new costs or savings for existing operations?</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Minor impact – program absorption</li><li><input type="checkbox"/> Additional costs</li><li><input type="checkbox"/> Impacts property tax exemption</li><li><input type="checkbox"/> Adds revenue</li><li><input type="checkbox"/> Changes penalties or fees</li></ul>	<p>Does the bill align with current laws and regulations? Are there risks of legal conflicts?</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Creates conflict with existing law</li><li><input type="checkbox"/> Possible constitutional issues</li><li><input type="checkbox"/> Requires regulations or guidelines</li><li><input type="checkbox"/> Provisions are not enforceable</li><li><input type="checkbox"/> Resolves conflict in existing law</li></ul>
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<ul style="list-style-type: none"><li><input type="checkbox"/> Requires coordination among Assessors</li><li><input type="checkbox"/> Requires coordination with BOE</li><li><input type="checkbox"/> Requires coordination with local and/or state government</li></ul>	<p>How will this bill affect taxpayer experience?</p> <ul style="list-style-type: none"><li><input type="checkbox"/> Creates additional burden, confusion, complexity</li></ul>

Notes: \_\_\_\_\_

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\_\_\_\_\_





04/11/2025

The Honorable Mike Gipson  
Chair, Assembly Revenue and Taxation Committee  
1020 N St., Room 167A  
Sacramento, CA 95814

**RE: AB 317 (Jackson) California First Time Homeowner Dream Act.**  
**Notice of OPPOSITION** *(As Introduced on January 24, 2025)*

Dear Chair Gipson,

The League of California Cities (Cal Cities), the Urban Counties of California (UCC), the Rural County Representatives of California (RCRC), the California State Association of Counties (CSAC), and the California Special Districts Association (CSDA) must respectfully oppose **AB 317 (Jackson)**, which would negatively impact local government property tax revenue by deferring the payment of property taxes of specified properties.

While we find the intent of AB 317 laudable and have no concerns with the CEQA exemptions contained in the bill, we disagree that the property tax deferral proposed in this measure is necessary or helpful to facilitating first-time homeownership.

In the Assembly Natural Resources Committee bill analysis, the author is quoted stating that the bill "offers a practical solution by providing property tax deferral for eligible first-time buyers...". Unfortunately, this is not how the bill is drafted. Rather, AB 317 would provide a property tax deferral to the home developer, not the first-time buyer. It is unclear how providing a property tax deferral to a home developer would further home ownership for first-time homebuyers. Rather, this deferral will only deprive local governments of the revenues needed to provide and expand services that are of communitywide benefit. Property taxes represent a critical revenue source that local governments depend on to provide services, including public safety, education, parks, libraries, public health, and fire protection. Providing a seemingly unlimited property tax deferral to a home developer is unlikely to noticeably address the state's housing crisis and has the potential to harm local services at a time that people rely on them the most.

While Cal Cities, UCC, RCRC, CSAC, and CSDA support the intent to increase first-time home ownership across the state, local governments can ill-afford any additional erosion of local tax revenues in the short- or long-term.

For these reasons, Cal Cities, UCC, RCRC, CSAC, and CSDA must oppose **AB 317** and respectfully request your NO vote. We appreciate the author's willingness to work with us and look forward to continuing productive conversations. If you have any questions,



LEAGUE OF  
**CALIFORNIA  
CITIES**



do not hesitate to contact us at [btriffo@calcities.org](mailto:btriffo@calcities.org), [jkh@hbeadvocacy.com](mailto:jkh@hbeadvocacy.com),  
[sduckett@rcrcnet.org](mailto:sduckett@rcrcnet.org), [ejungwirth@counties.org](mailto:ejungwirth@counties.org), or [marcusd@cdda.net](mailto:marcusd@cdda.net).

Sincerely,

Ben Triffo  
Legislative Advocate, Cal Cities

Jean Kinney Hurst Legislative  
Legislative Advocate, UCC

Sarah Duckett  
Policy Advocate, RCRC

Emma Jungwirth  
Legislative Advocate, CSAC

Marcus Detwiler  
Legislative Representative, CSDA

Cc: The Honorable Corey Jackson  
Members, Assembly Revenue and Taxation Committee  
Harrison Bowlby, Associate Consultant, Assembly  
Revenue and Taxation Committee  
Julia King, Consultant, Assembly Republican Caucus



# Bill Impact Checklist

A reference guide to help you assess a bill's impact on Association members. Use this to note key information to report out to the CAA Leg Committee and to include in any bill analysis.

Bill Number (Author): SB710 (Blakespear) Date: 03/26/2025

Recommended CAA Position: Neutral, if amended

Impacts to Assessors Operations	
<p><u>Implementation requirements</u>: How will this bill affect the workload of assessors? What resources, staffing and infrastructure would be needed to implement? Consider staffing, processing times, and related impacts.</p> <p><input checked="" type="checkbox"/> Consistent with role and responsibilities</p> <p><input type="checkbox"/> Changes or repeals existing program</p> <p><input type="checkbox"/> Requires new operating procedures</p> <p><input type="checkbox"/> Imposes unreasonable burden</p> <p><input type="checkbox"/> Challenges with timing and scaling</p>	<p><u>Technology requirements</u>: does the bill necessitate new technology investments or updates to existing systems?</p> <p><input type="checkbox"/> New technology, new investment</p> <p><u>Technical feasibility</u>: do you see any obstacles in the technical execution?</p> <p><input type="checkbox"/> Additional training and hiring</p> <p><input type="checkbox"/> Shifts burden of proof to Assessors</p> <p>x None</p>
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<p>Does the bill introduce new costs or savings for existing operations?</p> <p><input type="checkbox"/> Minor impact – program absorption</p> <p><input type="checkbox"/> Additional costs</p> <p><input type="checkbox"/> Impacts property tax exemption</p> <p><input type="checkbox"/> Adds revenue</p> <p><input type="checkbox"/> Changes penalties or fees</p> <p>x None</p>	<p>Does the bill align with current laws and regulations? Are there risks of legal conflicts?</p> <p><input type="checkbox"/> Creates conflict with existing law</p> <p><input type="checkbox"/> Possible constitutional issues</p> <p><input type="checkbox"/> Requires regulations or guidelines</p> <p><input type="checkbox"/> Provisions are not enforceable</p> <p><input type="checkbox"/> Resolves conflict in existing law</p> <p>x Possible enforcement issue</p>
Coordination requirements	Impact on Taxpayers
<p><input type="checkbox"/> Requires coordination among Assessors</p> <p><input type="checkbox"/> Requires coordination with BOE</p> <p><input type="checkbox"/> Requires coordination with local and/or state government</p> <p>x None</p>	<p>How will this bill affect taxpayer experience?</p> <p><input checked="" type="checkbox"/> Creates additional burden, confusion, complexity</p> <p>X Potential for confusion based on "customer-sited" definition</p>

Notes: Potential enforcement issue pertaining to definition of "customer-sited" solar energy

system. See attached suggested amendments.

Addendum to CAA Bill Impact Checklist dated 03/26/2025

Suggested Amendments to SB710 (Blakespear)

1. Customer's own electrical needs, as defined in (b)(4), shall include surplus energy
2. Customer, as defined in (b)(4), does not have to be the owner of the real property
3. Language proposed in AB1516 (e)(1)(A)(i) and (ii), copied below, shall be incorporated

*(i) (I) The claim for an exclusion under this subdivision shall be considered timely if it is filed within three years of the date of purchase.*

*(II) An otherwise valid claim for exclusion under this subdivision filed after the deadline set by subclause (I) shall be applied beginning on the lien date of the assessment year in which the claim is filed.*

*(ii) The provisions of clause (i) shall become operative on January 1, 2027.*