

MINUTES OF THE
ASSESSING STANDARDS BOARD

Approved as Amended

DATE: May 11, 2015

TIME: 9:30 a.m.

LOCATION: NH Department of Revenue Administration – Training Room, 109 Pleasant Street, Concord NH

BOARD MEMBERS:

Senator Regina Birdsell ~ Absent
Representative Peter Schmidt
Len Gerzon, Public Member, Chairman
Robert J. Gagne, NHA AO, City, Vice-Chairman
Joseph Lessard, NHA AO, Towns >3,000
Todd Haywood, NHA AO, Towns <3,000
Betsey Patten, Public Member
Vacant, Municipal Official, Towns >3,000

Senator Bette Lasky ~ Absent
Representative Mark Proulx ~ Absent
Stephan Hamilton, NHDRA
Eric Stohl, Municipal Official, Towns <3,000
Marti Noel, NHA AO
Thomas Thomson, Public Member
Vacant, Municipal Official, City

MEMBERS of the PUBLIC:

Cindy Brown, BTLA
David Cornell, NHDRA
Scott Dickman, NHDRA
Commissioner John Beardmore, NHDRA

Chuck Kurfehs, Manchester
Linda Kennedy, NHDRA
Mary Pinkham-Langer, NHDRA

Chairman Gerzon convened the meeting at 9:30 a.m.

Introductions followed.

Minutes

Ms. Noel ***motioned to accept the minutes of the March 20, 2015, regular board meeting.*** Selectman Stohl ***seconded the motion.*** No Discussion. Chairman Gerzon called the motion to accept the minutes of the March 20, 2015, meeting as written. ***All approved.***

Remarks from DRA Commissioner Beardmore

DRA Commissioner John Beardmore distributed a handout containing information relative to RSA 15-A, Financial Disclosure and the Statement of Financial Interest form and the DRA's recently completed financial operations audit for fiscal year ending 6/30/2014.

Commissioner Beardmore explained this type of audit takes place every six years and the auditors look for compliance by DRA administratively attached board members, as well as DRA appointed employees. Each individual is required to file annually within the first two weeks of January.

The auditors checked the Secretary of State's website to verify filing of the form by the board members. They found that 7 of 13 members of the Assessing Standards Board (ASB) did not file the form in January or at any other time during 2014.

Through a discussion between the DRA and the auditors, it was determined that the DRA would amend their internal policy to include the board members of the administratively attached boards in their distribution list. A reminder letter with a copy of the most up-to-date form will be sent to the individuals required to file. It will still be

the responsibility of the board members to comply and to get their forms to the Secretary of State's Office in a timely manner.

The following questions were raised:

- Do the House and Senate members who are required to file this form as members of the General Court have to file another form, as a member of the ASB?
- If a re-appointment occurs mid-year, does that person need to file another form or is the one filed in January sufficient?

Commissioner Beardmore indicated he would follow up and have the answers by the next meeting.

Legislative Update

HB 192 relative to the valuation of utility property has been re-referred. Mr. Gagne added the Senate amendment of House Bill 547 relative to the ASB to make recommendations on the valuation of telecommunication poles and conduits was amended to include HB 192 and its intent.

Chairman Gerzon reported that House Bill 547 was very well represented by the ASB at the Senate hearing. Concern and caution were voiced to the Senate. The message that bills of this nature, complicated and involving property tax, should be referred to the ASB for analysis and study, as it is a statutory charge of the board. The process of the Low Income Housing Tax Credit (LIHTC) was provided as an example.

Through discussion at the hearing, the amendment by the Senate provides the ASB time to study, work through and produce a draft recommendation by December 1, 2015 and a final recommendation by December 1, 2016. This amendment has been passed and adopted with amendment, but still needs to return to the House for a vote. It is not law to date. Whether or not the amendment passes, the topic is considered very important and will become a top priority of the board to address.

A discussion about how to proceed took place. A clear statement was made by the Senate President that this topic should be addressed by the ASB. It was suggested work begin on a framework to receive and study the issues identified by HB 547 and to be able to recommend legislation, whether or not the bill passes.

Selectman Stohl stated he believes a subcommittee is needed to investigate this issue and ***nominated Ms. Patten to chair this committee.*** Mr. Hamilton ***seconded the motion.*** Discussion followed.

The first task of the subcommittee would be to determine whether or not there is a problem. If a problem is found, the next task would be to decide how to address it. The matter of the 400 pending cases was brought up. Three out of four counts consisting of those cases are to avoid paying a tax at all. The fourth deals with the issue of value and has not been mediated between taxpayer and assessor, which could provide a solution. It is believed these cases will continue pending until a decision is made in the Concord case.

Through discussion, it was agreed it is important to begin the process of gathering data and create a framework to determine whether or not there is a problem. If one is found, it will take significant time to study, investigate and formulate a solution or to make an appropriate recommendation.

Chairman Gerzon called the motion to appoint Ms. Patten as chairman of a subcommittee to be established to determine the issue of whether or not there is a problem relative to the issue of the valuation of telecommunication poles and conduits and the application of utility property assessments? ***All Approved.***

Ms. Patten suggested the task of defining the issue and determining whether or not there is a problem is important. The Senate made it clear the ASB should be looking at this and through a subcommittee a paper trail can be created to provide support to whatever conclusion is found. It is the board's statutory duty under RSA 21-J:14 to address this issue and make a recommendation regardless of any of the decisions.

Mr. Gagne ***motioned to create a subcommittee to determine the issue of whether or not there is a problem relative to the issue of the valuation of telecommunication poles and conduits and the application of utility property assessments.*** Ms. Patten ***seconded the motion.*** No discussion. Chairman

Gerzon called the motion. **All Approved.**

Ms. Patten suggested a five member committee consisting of one public member, one assessor, one non-assessor, and both a House and Senate member. All meetings will be public and at a neutral location to avoid the perception of weighted influence. She asked Selectman Stohl and Mr. Lessard to sit on the committee fulfilling the public member, assessor and non-assessor representation; both accepted. Ms. Patten will contact the House and Senate members to see who may have the time and inclination to attend the meetings. She anticipates meeting at least twice a month through November if HB 547 passes; if the bill does not pass, the deadline will no longer be December 1. There is a significant amount of information anticipated to review and study and this schedule will allow the necessary time to create a paper trail and complete the work. Ms. Patten will also reach out to members of the House involved in the bill and attempt to notify the company representatives involved of the meetings.

A discussion took place pertaining to conduits and the scarcity of reliable information.

Rental and Expense Information

Ms. Noel stated there is nothing to report at this time. The committee is anticipating a meeting after mid-May.

Next Meeting Dates

Definitions Subcommittee – Friday, June 5, 2015, at 2:00 p.m. at the DRA

Regular Board Meeting - Friday, June 26, 2015, at 9:30 a.m. at the DRA

Poles Wires and Conduits (PWC) Subcommittee

Tentative Dates and Times:

Friday, June 12, 2015, at 9:30 a.m., location TBD

Friday, June 26, 2015, at 1:00 p.m., location TBD

Ms. Patten will look into the availability of the Legislative Office Building before finalizing the meeting dates and times. The information will be e-mailed to the Board and posted on the DRA's website.

Mr. Lessard **motioned to adjourn**. Ms. Noel **seconded**.
Chairman Gerzon adjourned the meeting at 11:07 a.m.

Respectfully submitted, Stephanie Derosier
NH Department of Revenue Administration – Municipal and Property Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5096
Facsimile: (603) 230-5947
Web: www.revenue.nh.gov
E-mail: asb@dra.nh.gov

In person at: 109 Pleasant Street, Concord
In writing to:
NH Department of Revenue
Assessing Standards Board
PO Box 487
Concord, NH 03302-0487