Ms. Patten welcomed those in attendance.

Minutes

February 16, 2018 - Regular Board Meeting

Mr. Hamilton motioned to approve the minutes of the February 16, 2018, regular board meeting; Mr. Lessard seconded the motion. A correction was requested to the meeting heading from “Utility Valuation Subcommittee Meeting” to “Regular Board Meeting”. Chair Patten called the motion to approve the minutes of February 16, 2018, regular board meeting as amended. All approved.

February 16, 2018 – Rules Subcommittee Meeting

Ms. Martin motioned to approve the minutes of the February 16, 2018, Rules subcommittee meeting. Mr. Gerzon seconded the motion. No discussion. Chair Martin called the motion to approve the minutes of February 16, 2018, Rules subcommittee meeting as written. All approved.

House Bill Update

House Bill 324 - The next work session is scheduled in the Ways and Means Committee on Monday, March 12,
2018, at 1:00 p.m. in Room 202. Mr. Michaud reported hearing about possible amendments to move the moratorium on valuation methodology and a change to the study commission membership.

*House Bill 1381 –* The House has not taken action to date. It is on their calendar and they are in session on March 15. A copy of a floor amendment by Representatives Bailey and Ames numbered 2018-0916-H has been distributed for review.

**Rules Subcommittee Update**

A copy of the proposed rule changes was distributed to the Board prior to the meeting for review. Ms. Martin summarized many of the changes as clarifications to existing rules, renumbering and changes to conform to the Rev 600 rules.

Ms. Pinkham-Langer provided some detail to the changes. The initial assignment was to update the definitions which had been done and previously approved by the Board. However, once the committee began to review the body of the rules, the list of definitions expanded.

The first change was to clarify ‘personal background check’. An emergency rule was created because (1) there were people being trained that the DRA did not know about, and (2) had not had a criminal background check. The rule requires that prior to beginning training a criminal background check must be completed. In addition, the DRA must be notified of all individuals being trained and more documentation be provided to detail the actual hours in training, where the hours were performed and who supervised the training. The Department is hoping to create and make available a sample form that can be used for training. Ms. Pinkham-Langer added a change was made to Asb 303.02 (b) on Page 9, to include “in-service supervised field training shall be in the presence of a DRA Certified Appraiser.”, to make sure that trainees are accompanied during that process.

A discussion took place about the requirement for completing a background check prior to training. An emergency rule was prompted after hearing about trainees entering properties and homes without having had a background check. Due to this being a simple, quick and inexpensive process, the committee felt it was well worth implementing this process. Positive feedback has been received from companies that have added this step to their hiring process and is important for public perception.

Ms. Pinkham-Langer continued on page 10, part of the duties of a measurer and lister is to understand the ethics. Ethics was added to the rules to make it clear that in each of the certification levels, the individual understands what the ethics are, what the data collection manual is, and that they read and understand the appropriate rules pertaining to what they are doing. The person training a measurer and lister will have to attest that the individual is familiar with and understands the ethics of the profession.

Ms. Pinkham-Langer continued the committee went through the different certification levels and added to what each level should be familiar with. For example, an Assessor Assistant (on page 11) has to know their duties, what they can and can’t do; they have to be aware of, read and understand the property assessing statutes and appraisal practice ethics; and be familiar with the Asb 300 and Rev 600 rules. It was an effort to make clear for people coming into this profession that they know the laws and rules.

The level of Property Assessor (bottom Page 11) was expanded to include what it takes to become an assessor; a lot of information was added pertaining to the assistance with the development and maintenance of a data collection manual, basic understanding of how the CAMA system works, sales validation experience, review and training of mass appraisal techniques, and market analysis; all things that one in this position should be able to do and understand as part of that job.
A lot of clarification was added to areas that were not necessarily defined, in particular the details for what work can be done at each certification level. Some reorganization and clarification was made to the section of types of misconduct and ‘sales chasing’ was added as a type of misconduct.

A change was made to Asb 301.12 Commissioner’s Review and Determination, to clarify its meaning to be a review of the factors relevant to the charge of misconduct and the action taken pursuant to the statute and the rule. Mr. Hamilton stated some parts of the process are working well including the need to look at the mitigating and aggravating factors of each of the offenses. However, the ability to communicate publicly about the individuals who may have been sanctioned by the department is not working well due to broad confidentiality requirements of the Department. He briefly explained the type of information that cannot be disclosed by the Department and how the settlement agreement provides some public disclosure requirement.

A new rule was added, Asb 308.15 pertaining to public disclosure. This process would provide for a public disclosure for the amount and type of discipline that is imposed for a decertification issue in front of the commissioner.

The ethics were renumbered and formatted to be consistent with other IAAO and USPAP documents.

Mr. Gagne motioned to approve the Asb rule changes submitted by the Rules subcommittee and enter into rulemaking. Mr. Lessard seconded the motion. No discussion. Chair Patten called the motion. All approved.

Mr. Hamilton motioned to readopt the Code of Ethics and Standards of Professional Conduct. Mr. Gagne seconded the motion. No discussion. Chair Patten called the motion. All approved

Mr. Hamilton commended Ms. Pinkham-Langer and the Rules subcommittee for their extended effort to complete the rules.

Utility Valuation Subcommittee

A discussion ensued about conflicting House Bill amendments. The amendment to House Bill 1381 changed the Board’s recommendation pertaining to the locked base year to allow the municipality to make an adjustment to the base year value to reflect the value of new construction. There were several details left to be worked out which is why the Board supported House Bill 324, however, this amendment fixes one of those details. Mr. Michaud mentioned the last work session before going to the Senate is scheduled for March 22 and suggested the subcommittee meet after that.

Chair Patten stated no matter what the House does, there were still issues the subcommittee needed to discuss and recommend to the full Board. A brief discussion followed about when to schedule the next meeting and what may need to be discussed pending the outcome of the House Bills 324 and 1381 on March 22.

**Next Meeting**

Utility Valuation Subcommittee Meeting - Friday, March 30, 2018, 9:30 a.m. at DRA - at the call of the Chair

Regular Board Meeting – Friday, April 13, 2018, at 9:30 a.m., location to be determined – at the call of the Chair

Mr. Gerzon proposed a meeting of the Manual Subcommittee to be held on Friday, April 13, 2018, at 9:00 a.m. to begin the process.
Mr. Edwards asked, in preparation of the subcommittee meeting, if there was a way to capture what needed to be addressed in advance. Chair Patten stated the issues still pending are how to deal with land and land values; how to apply new construction and to determine a FERC transmission definition. Mr. Hamilton added we could make that part of the communication on the following Monday, if we are going to need to examine these issues more closely and send out some relevant definitions and statutes.

A brief discussion took place as to whether or not rulemaking would be necessary pending the outcome of the House Bills.

**Other Business**

Mr. Edwards asked how the municipalities or general public would know what the sanctions are or what actions have been taken by the Commissioner. Mr. Hamilton stated that is the problem that we are trying to resolve with these rules is to make sure that it does get shared with the public and the vision is to add a section to the Department’s website that would display information about sanctioned individuals. At this time, the public is notified through a meeting of the ASB. In addition, the settlement agreements typically cause the individual to notify and provide a copy of the agreement to every community they work for.

Mr. Brown requested the task or priority list be brought back and updated with current and future tasks.

Mr. Michaud provided a brief update of pending legislation:

- SB 340 - Adds a level to the A/R Process

Mr. Hamilton explained this change will impose a different reporting style on the DRA when completing assessment review reports essentially separating results into two sections: results for work that has been completed such as pick-ups and cyclical inspections and results of the review of the community’s permanent records such as applications for credits and exemptions and current use; with a single conclusion at the end. He feels this will provide the community more detailed information to assist them in the allocation of their limited resources to make their systems better. Senator Gray added this change is meant to break things out into current practices rather than past practices

- HB 1210 – Proposal to have the ASB study issues around current use
- SB 405 – Competing bill which proposes a study commission to study the issues of current use
- SB 403 – Removes tax base from communities by exempting campgrounds and RV parks from taxation

Mr. Gagne **motioned to adjourn**; Ms. Martin **seconded the motion**.

Chair Patten adjourned the meeting at 10:45 a.m.

Respectfully submitted,

Stephanie Derosier
Municipal and Property Division
NH Department of Revenue Administration

All meetings are recorded and available upon request.
Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

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