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BEFORE THE CALIFORNIA STATE BOARD OF EQUALIZATION  
450 N STREET  
SACRAMENTO, CALIFORNIA  
STATE BOARD OF EQUALIZATION

APRIL 16TH, 2024

CALIFORNIA STATE BOARD OF EQUALIZATION  
BOARD MEETING

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ITEMS 3-7, 10, 13 AND 16

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REPORTED BY: Jillian M. Sumner, CSR NO. 13619

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APPEARANCES

For the Board of  
Equalization:

Honorable Sally J. Lieber  
Chair

Honorable Antonio Vazquez  
Third District

Honorable Mike Schaefer  
Fourth District

Hasib Emran  
Appearing for Malia M. Cohen  
State Controller  
(per Government Code  
Section 7.9)

Malia M. Cohen  
State Controller

For the Board of  
Equalization Staff:

Yvette Stowers  
Executive Director

Lisa Renati  
Chief Deputy Director

Norm Scott  
Chief Counsel (Acting)

Pamela DiNapoli  
Manager  
State-Assessed Properties Division  
Real Property Appraisal Section

Jason Ybarra  
Supervisor  
State-Assessed Properties Division  
Real Property Appraisal Section

Jack McCool  
Chief  
State-Assessed Properties Division

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APPEARANCES CONTINUED

For the Board of  
Equalization Staff:

Mary Cichetti  
Clerk  
Board Proceedings and  
Support Services

Guest Speakers:

Mark Stivers  
Director of Legislative and  
Regulatory Advocacy  
California Housing Partnership

Christina Wynn  
Assessor/President  
California Assessors' Association

Hon. Benjamin Allen  
Senator  
California State Senate  
District 24

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STATE BOARD OF EQUALIZATION  
450 N STREET, SACRAMENTO  
APRIL 16TH, 2024

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**ITEM 3**  
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MS. LIEBER: We'll go on to Item 3, which is  
it the audit of Terra-Gen Dixie Valley, LLC.

Items 3 through 7 are Constitutional  
Functions. Contribution Disclosure forms are not  
required pursuant to Government Code Section 15626.

And this is presented by Mr. McCool.

MR. McCOOL: Thank you.

Again, good morning, Chair Lieber and  
Honorable Members.

My name is Jack McCool, Chief of the  
State-Assessed Properties Division.

The State-Assessed Properties Division  
performs routine audits of state assessees under the  
authority of California Revenue and Taxation Code  
Section 828 and Government Code Section 15618.

The purpose of a property tax audit is to  
determine the accuracy, completeness and reliability of

1 the financial data furnished by state assessees and used  
2 by the Board in the valuation process.

3 Audits also include an internal review of the  
4 methods, calculations and assumptions used by the  
5 State-Assessed Properties Division.

6 Before you today for your consideration are  
7 three property tax audits completed by State-Assessed  
8 Properties Division staff.

9 The assessees have been presented with a copy  
10 of the audit report and provided an opportunity to  
11 provide additional information in response to the audit  
12 report.

13 Upon adoption of each audit, the assessee will  
14 receive official notice of their value change and  
15 provided 50 days in which they may appeal.

16 As a reminder to our public audience, due to  
17 the confidential nature of the material, and the fact  
18 that the audit report and findings are not attached to  
19 the Public Agenda Notice, we are limited in what we can  
20 discuss publicly on these agenda items.

21 The first audit for the Board's consideration  
22 is for Harbor Cogeneration Company.

23 I'm available to answer any questions if  
24 needed, and I ask for your adoption of this audit.

25 Thank you.

1 MS. LIEBER: Members, are there any questions  
2 for Mr. McCool?

3 Seeing none, Mr. McCool, I have Item 3 as  
4 Terra-Gen Dixie Valley.

5 MR. McCOOL: My mistake. I misspoke.

6 The first audit for the Board's consideration  
7 is for Terra-Gen Dixie Valley, LLC.

8 My apologies.

9 MS. LIEBER: Okay. Thank you so much.

10 And seeing no questions or comments, the  
11 suggested motion is to adopt the audit report for  
12 Terra-Gen Dixie Valley, LLC.

13 MR. VAZQUEZ: So moved.

14 MS. LIEBER: Mr. Vazquez.

15 Mr. Schaefer, would you like to second the  
16 motion?

17 MR. SCHAEFER: I second the motion.

18 MS. LIEBER: Thank you very much.

19 And we will -- we do not have written comments  
20 on this item, nor have we received any cards for anyone  
21 who would like to make public comment. So we'll go to  
22 the AT&T moderator.

23 Moderator, is there anyone who is waiting who  
24 would like to comment on Item 3?

25 AT&T MODERATOR: If you would like to provide

1 public comment related to Item 3, please press one, then  
2 zero at this time.

3 Command again is one, then zero.

4 And we have no comments.

5 MS. LIEBER: Okay. Thank you.

6 Members, we have a motion by Mr. Vazquez to  
7 adopt the audit report for Terra-Gen Dixie Valley, LLC.

8 Seconded by Mr. Schaefer.

9 If there are no further questions or comments,  
10 we can ask Ms. Cichetti to please call the roll.

11 MS. CICHETTI: Chair Lieber.

12 MS. LIEBER: Aye.

13 MS. CICHETTI: Member Vazquez.

14 MR. VAZQUEZ: Aye.

15 MS. CICHETTI: Member Schaefer.

16 MR. SCHAEFER: Aye.

17 MS. CICHETTI: Controller Cohen.

18 I believe you're muted.

19 MS. COHEN: Yes. Aye.

20 MS. LIEBER: Okay. The motion passes.

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**ITEM 4**

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MS. LIEBER: And we'll go on now to Item 4, the audit of Consolidated Communications of California Co., also presented by Mr. McCool.

MR. McCOOL: Thank you.

Chair Lieber and Honorable Members, the next audit is for Consolidated Communications of California.

They were provided a copy of their audit report and findings. They did not provide information that would change the findings.

They will also have a 50-day window after adoption of the audit findings in which they may file an appeal.

I'm available to answer any questions, and I ask for your adoption of the audit for Consolidated Communications.

Thank you.

MS. LIEBER: Okay. Any questions for Mr. McCool?

Seeing none, the suggested motion is to adopt audit report for Consolidated Communications.

Mr. Schaefer, did you wish to make a motion?

1 MR. SCHAEFER: I so move.

2 MS. LIEBER: Thank you.

3 And seconded by Mr. Vazquez.

4 We'll go to public comment.

5 We do not have written comments or anyone that  
6 has filled out a comment card. So we'll go to the AT&T  
7 moderator.

8 Moderator, is there anyone who would like to  
9 make a public comment regarding Item 4?

10 AT&T MODERATOR: If you would like to make a  
11 public comment related to Item 4, please press one, then  
12 zero at this time.

13 And we have no comments.

14 MS. LIEBER: Thank you.

15 Okay. Members, we have a motion to adopt the  
16 audit report for Consolidated Communications from  
17 Mr. Schaefer, seconded by Mr. Vazquez.

18 Ms. Cichetti, if you would please call the  
19 roll.

20 MS. CICHETTI: Chair Lieber.

21 MS. LIEBER: Aye.

22 MS. CICHETTI: Member Vazquez.

23 MR. VAZQUEZ: Aye.

24 MS. CICHETTI: Member Schaefer.

25 MR. SCHAEFER: Aye.

1 MS. CICHETTI: Controller Cohen.

2 MS. COHEN: Aye.

3 MS. LIEBER: Thank you very much, Members.

4 The motion passes.

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7 **ITEM 5**

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10 MS. LIEBER: And we'll go on now to Item 5,  
11 the audit of LightSpeed Networks, Inc.

12 And this is also presented by Mr. McCool.

13 MR. McCOOL: Thank you.

14 Chair Lieber and Honorable Members, the final  
15 audit for your consideration today is for LightSpeed  
16 Networks.

17 LightSpeed was provided a copy of their audit  
18 report and findings. They did not provide information  
19 that would change the findings. And they will have an  
20 additional 50 days after adoption of the findings in  
21 which they may file an appeal.

22 I'm available for questions, and ask for  
23 adoption of the audit for LightSpeed Networks.

24 Thank you.

25 MS. LIEBER: Okay. Any questions, Members?

1           Seeing none, the recommended motion is to  
2 adopt the audit report.

3           MR. SCHAEFER: So moved.

4           MS. LIEBER: Mr. Schaefer moves, and seconded  
5 by Mr. Vazquez.

6           We have not received comment cards or have  
7 written comments on this item, so we'll go to the AT&T  
8 moderator.

9           Moderator, if you would let us know if there's  
10 anyone hoping to make comments regarding Item 5.

11          AT&T MODERATOR: If you would like to provide  
12 public comment related to Item 5, please press one, then  
13 zero at this time.

14          And we have no comment.

15          MS. LIEBER: Okay. Thank you.

16          Members, we have a motion by Mr. Schaefer,  
17 seconded by Mr. Vazquez to adopt the audit report for  
18 LightSpeed Networks.

19          And, Ms. Cichetti, if you would please call  
20 the roll.

21          MS. CICHETTI: Yes.

22          Chair Lieber.

23          MS. LIEBER: Aye.

24          MS. CICHETTI: Member Vazquez.

25          MR. VAZQUEZ: Aye.

1 MS. CICHETTI: Member Schaefer.  
2 MR. SCHAEFER: Aye.  
3 MS. CICHETTI: Controller Cohen.  
4 MS. COHEN: Aye.  
5 MS. LIEBER: Thank you. Motion passes.

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8 **ITEM 6**

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11 MS. LIEBER: And we'll go on now to Item 6.

12 This is land escaped assessment for Southern  
13 California Edison Company.

14 And this item will be presented by  
15 Ms. DiNapoli and Mr. Ybarra.

16 Please go ahead.

17 MS. DiNAPOLI: Good morning, Chair Lieber and  
18 Honorable Members of the Board.

19 I'm Pamela DiNapoli, Manager of the  
20 property -- the Real Property Appraisal Section.

21 With me today is Jason Ybarra, Supervisor of  
22 the Real Property Appraisal Section.

23 Revenue and Taxation Code 758 allows for the  
24 addition of assessments to the roll that have escaped  
25 assessments.

1                   We are here this morning to present land  
2 escape assessments for the Board's consideration.

3                   Agenda Item 6 and 7 represent new property  
4 acquired by state assessees that was not timely added to  
5 the applicable assessment roll.

6                   Both assessees have been notified of the  
7 escaped assessments and have been given an opportunity  
8 to provide additional information to change our escaped  
9 assessment findings.

10                  In addition, each assessee will have 50 days  
11 after adoption of the escaped assessments to file appeal  
12 if they so choose.

13                  The first set of land escaped assessments for  
14 the Board's consideration are for Southern California  
15 Edison Company.

16                  SoCal Edison had three land parcels that  
17 escaped assessment for the 2023 roll year.

18                  Mr. Ybarra and I are available should you have  
19 any questions, and I ask for the Board's adoption of  
20 these escaped assessments.

21                  Thank you.

22                  MS. LIEBER: Thank you so much.

23                  Members, are there any questions for staff?

24                  Mr. Schaefer.

25                  MR. SCHAEFER: Yes.

1           Ma'am, I don't quite understand the "not  
2 subject to Contribution Disclosure" statute.

3           Unfortunately, I don't have any contributions  
4 to report, but I just wondered why this is different  
5 than -- this wording appears when it doesn't appear on  
6 many other entries.

7           MS. DiNAPOLI: I was just gonna say, that's a  
8 legal question. I'm gonna have to ask counsel to help  
9 me out here.

10          MR. SCHAEFER: Thank you.

11          MR. SCOTT: Good morning.

12          Norman Scott, acting Chief Counsel.

13          Good to see you all today.

14          In response to your question, Mr. Schaefer,  
15 the Contribution Disclosure statute applies to  
16 adjudicatory matters. This is not an adjudicatory  
17 matter, as that is defined in the statute; therefore,  
18 Contribution Disclosure statements are not required for  
19 this matter.

20          MR. SCHAEFER: Right. We're just getting a  
21 report here.

22          Yeah. Thank you.

23          MS. LIEBER: Okay. Any other questions for  
24 staff?

25          If not --

1 MS. COHEN: Yes, I have a question.

2 MS. LIEBER: Oh, Ms. Cohen.

3 MS. COHEN: Yes. Thank you.

4 So good morning, staff and team.

5 Mr. McCool, it's always good to hear your  
6 presentation.

7 I wanted to just ask quickly, how was the  
8 additional information provided, and then how was the  
9 additional information evaluated?

10 MS. DiNAPOLI: So for the original escapes --  
11 is that what you're asking?

12 MS. COHEN: Yes.

13 MS. DiNAPOLI: Okay. So they provide land  
14 change forms for us each year, and they typically  
15 provide them in their property statement, or a couple of  
16 years ago we actually created an e-mail where they could  
17 provide them directly. And so these were just missed.

18 We do several hundred every year, and these  
19 were missed. It was a BOE internal error. And so  
20 that's -- it was just an acquiring of parcels.

21 MS. COHEN: Can Southern Edison still appeal?

22 MS. DiNAPOLI: I think Mr. McCool would like  
23 to answer this.

24 MS. LIEBER: Mr. McCool.

25 MR. McCOOL: Chair Cohen, just to add



1 additional information to your original question, a  
2 30-day notice is provided to each state assessee once we  
3 have identified parcels that have escaped assessment,  
4 and tend to add them to the Public Agenda Notice.

5 So the additional information was provided in  
6 response to our 30-day notice. We received e-mail  
7 communications from Southern California Edison  
8 identifying the fact that they had filed these forms  
9 timely. That led us to investigate the matter further,  
10 and realize that it was an internal processing error for  
11 these particular land escapes, and, therefore, we did  
12 not apply any statutory interest or penalties for these  
13 particular escapes.

14 And, yes, your second question, there will be  
15 a 50-day window after adoption in which they can still  
16 appeal these escaped assessments.

17 MS. COHEN: Have they appealed before after  
18 the 50-day window?

19 MR. McCOOL: We -- we typically do not receive  
20 additional appeals. I can't say it's never happened,  
21 but probably 95-plus percent of the time we do not see  
22 appeals.

23 MS. COHEN: Okay. I get it.

24 Thank you very much. Thank you.

25 MR. McCOOL: Of course.

1 MS. COHEN: I have no other questions,  
2 Madam Chair.

3 MS. LIEBER: Thank you.

4 Any other questions for staff?

5 Seeing none, the recommended motion is to  
6 adopt the land escaped assessments for Southern  
7 California Edison Company.

8 MR. VAZQUEZ: So moved.

9 MS. LIEBER: Mr. Vazquez moves.

10 Mr. Schaefer seconds.

11 And we do not have written comments, nor do we  
12 have any comment cards in the auditorium.

13 AT&T moderator, if you would please let us  
14 know if there is anyone on the line who would like to  
15 make a public comment regarding Item 6 on the agenda.

16 AT&T MODERATOR: If you would like to provide  
17 public comment related to Item 6, please press one, then  
18 zero at this time.

19 And we have no comments.

20 MS. LIEBER: Okay. Thank you.

21 Members, we have a motion to adopt the land  
22 escaped assessments for Southern California Edison from  
23 Mr. Vazquez, seconded by Mr. Schaefer.

24 Ms. Cichetti, if you would please call the  
25 roll.

1 MS. CICHETTI: Chair Lieber.  
2 MS. LIEBER: Aye.  
3 MS. CICHETTI: Member Vazquez.  
4 MR. VAZQUEZ: Aye.  
5 MS. CICHETTI: Member Schaefer.  
6 MR. SCHAEFER: Aye.  
7 MS. CICHETTI: Controller Cohen.  
8 MS. COHEN: Aye.  
9 MS. LIEBER: Thank you, Members.  
10 The motion carries.

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13 **ITEM 7**

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16 MS. LIEBER: And we'll go on now to Item 7,  
17 which is also a land escaped assessment for T-Mobile  
18 West, LLC, doing business as T-Mobile.

19 Also presented by Ms. DiNapoli and Mr. Ybarra.

20 MR. YBARRA: Good morning, Chair Lieber and  
21 Honorable Members.

22 I am Jason Ybarra, Supervisor of the Real  
23 Property Appraisal Section.

24 The next land escapes on the agenda are for  
25 T-Mobile West, LLC.

1           This company had two parcels that escaped  
2 assessments for the 2023 roll. They were provided a  
3 copy of the land escaped assessments.

4           They will also have 50 days after adoption of  
5 the escaped assessments in which they may appeal.

6           We are available to answer any questions that  
7 you may have.

8           I ask for your adoption of land escaped  
9 assessments for T-Mobile West.

10          Thank you.

11          MS. LIEBER: Thank you.

12          Members, are there any questions for staff?

13          Seeing none, the recommended motion is to  
14 adopt the land escaped assessments for T-Mobile West,  
15 LLC.

16          Mr. Vazquez, did you wish to make that motion?

17          MR. VAZQUEZ: Yes.

18          MS. LIEBER: And, Controller, did you wish to  
19 second?

20          MS. COHEN: Chair, I'm happy to second.

21          MS. LIEBER: Thank you so much.

22          And we do not have any written comments, nor  
23 anyone who's turned in a comment card for the  
24 auditorium. So we'll go to the AT&T moderator.

25          Moderator, if you would please let us know if

1 there is anyone on the line who would like to make a  
2 public comment regarding Item 7.

3 AT&T MODERATOR: To provide public comment  
4 related to Item 7, please press one, then zero at this  
5 time.

6 And we have no comment.

7 MS. LIEBER: Thank you, Moderator.

8 Members, Mr. Vazquez has made a motion, with  
9 Controller Cohen seconding, to adopt the land escaped  
10 assessments for T-Mobile West, LLC.

11 Ms. Cichetti, if you would please call the  
12 roll.

13 MS. CICHETTI: Yes.

14 Chair Lieber.

15 MS. LIEBER: Aye.

16 MS. CICHETTI: Member Vazquez.

17 MR. VAZQUEZ: Aye.

18 MS. CICHETTI: Member Schaefer.

19 MR. SCHAEFER: Aye.

20 MS. CICHETTI: Controller Cohen.

21 MS. COHEN: Aye.

22 MS. LIEBER: Okay. The motion carries.

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**ITEM 10**

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MS. LIEBER: And the next item on the agenda is Item 10 under Board Member Matters.

This is the time limit on staff reports.

There is discussion and possible Board action as to whether staff reports should be limited to 15 minutes.

And this item will be presented by Member Schaefer.

Mr. Schaefer.

MR. SCHAEFER: Thank you, Madam Chair.

We don't really have a problem with the length of our meetings, except occasionally some of them that might've run 10 or 15 minutes, might run 30, 40 minutes.

And I just think as a guideline, 15 minutes when we are receiving, and -- receiving reports should be adequate and should conserve time for all of us, the audience and the Board Members, equally.

There are times when somebody would have a whole bunch of reports, and they would have extended time, and that would be accepted without question. But I would like to see a guideline that all official

1 reports that are coming to us were -- we're not really  
2 evaluating and trying to decide, we're just receiving  
3 the reports, that they should have sort of a standard  
4 15 minutes and a few minutes over.

5 I do find that if we don't have any  
6 limitation, somebody may be talking to us for half an  
7 hour or so, and we do have a busy agenda, a lot of  
8 things to do and places to go. And I just am trying to  
9 avoid that extra 10, 15, 20 minutes every meeting. It  
10 adds up to a week of our life over the course of a year.

11 And if anybody has any thoughts for or  
12 against, I'd like to hear it.

13 I'm comfortable with what we're doing now, but  
14 I do get a little upset when a normal 15-minute delivery  
15 does run into 30, 40, 50 minutes. And we really have to  
16 be aware of the staff time, audience time, as well as  
17 our own time.

18 Thank you.

19 MS. LIEBER: Thank you, Mr. Schaefer.

20 Members, are there any questions for  
21 Mr. Schaefer?

22 Mr. Vazquez.

23 MR. VAZQUEZ: I understand the concern.

24 I'm just a little taken aback, because at the  
25 end of the day, we only meet once a month up here. And

1 I kind of appreciate, you know, hearing from staff on  
2 what they have to report out. Because I learn usually a  
3 lot from it. And it's good information to take back at  
4 least to our constituents.

5 MR. SCHAEFER: Well, that's why we're here,  
6 and it's very important, yes.

7 MR. VAZQUEZ: That's why I was kinda wondering  
8 why we'd want to scale it back.

9 And I'll pretty much leave it up to the  
10 Executive Director to make that determination, as she  
11 preps and works with her staff on what she thinks is  
12 adequate or sufficient information to share with us.

13 And I'm comfortable with how it's currently  
14 being operated.

15 But looks like Executive Director is up here  
16 to make her comments as well.

17 MS. STOWERS: Just wanted to participate.

18 But thank you.

19 MS. LIEBER: Members, are there any questions  
20 for Ms. Stowers?

21 MR. SCHAEFER: Ms. Stowers, we don't have a  
22 requirement, maybe we can have an aspiration or a goal.  
23 I mean, Jerry Brown taught us all less is better.

24 MS. STOWERS: Thank you, sir. I appreciate  
25 the concerns and the comment.



1           We do do staff reports on a monthly basis.  
2   And we're doing these reports to, one, so you guys are  
3   exercising your oversight over the agency. And it's  
4   also showing how transparent we are, and allowing the  
5   taxpayers and the general public to understand the great  
6   work that we do, especially when it comes to overseeing  
7   the property tax system.

8           Staff reports, we try to be brief, but there  
9   are going to be times when they're gonna go into a  
10  little bit more detail.

11           For example, I'm gonna do a report today on an  
12  annual report, and it's going to be more than 15  
13  minutes, I guarantee you.

14           MR. SCHAEFER: Yes.

15           MS. STOWERS: When we do the report for the  
16  Taxpayers' Rights Advocate Office, the monthly report is  
17  brief. It's even briefer than what it was a year ago.  
18  But when she does her annual report, it's going to go  
19  20, 30 minutes.

20           When we report out on value setting, something  
21  we're going to be doing next month, it's what we do.  
22  It's our key job. So it is going to take time. And it  
23  does require action from the Board Members.

24           Same thing with legislation. Mr. Angelo is  
25  tracking legislation that affects BOE, and he's gonna

1 report out to you guys to let you know what's going on.  
2 So I understandably understand that might sometimes be  
3 frustrating when we're here just giving you information,  
4 and you think that you can't take any -- you're just  
5 receiving, and you can't move forward. But it's  
6 critical for the operation of the agency.

7 MR. SCHAEFER: Sure. I see Mr. Angelo doesn't  
8 have any control over how much legislation is going on,  
9 and he has an obligation to report to us on all of it.  
10 So I can see that his role, as some of our other people,  
11 really can't have any limit.

12 But you also are telling me we're making  
13 progress if we're being a little more efficient than as  
14 time goes by.

15 I was reading in this book of Mr. Door about  
16 Ms. Midgin [phonetic], former member of the Board being  
17 praised for her efficiency in running a meeting, and I  
18 feel we're very efficient also.

19 So you're really supporting my concern that we  
20 should pay attention to length, and I think we are  
21 paying attention to it. And I think you're doing a good  
22 job.

23 MS. STOWERS: Thank you, sir.

24 MS. LIEBER: Thank you.

25 Any further questions for Ms. Stowers,

1 Members?

2 If not, is it the Members wish to take a  
3 motion?

4 MR. SCHAEFER: Well, I don't know if we need a  
5 motion. I wanted it to just be discussed, and I feel we  
6 accomplished that.

7 MS. LIEBER: Okay. Thank you.

8 Thank you, Mr. Schaefer.

9 And we do not have written comments, or anyone  
10 in the auditorium who wish to make a public comment. So  
11 we'll go to our AT&T moderator.

12 Moderator, if you would let us know if there's  
13 anyone who would like to make a comment on Item 10 on  
14 the Board Member Matters.

15 AT&T MODERATOR: If you would like to provide  
16 public comment related to Item 10, please press one,  
17 then zero at this time.

18 And we have no comment.

19 MS. LIEBER: Okay. Thank you. We'll bring it  
20 back to the Board.

21 Mr. Schaefer, did you want to make any further  
22 comments?

23 MR. SCHAEFER: No, I'm ready for the next  
24 item.

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**ITEM 16**

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MS. LIEBER: We'll go ahead and take up  
Item 16 concerning AB 2353 by Mr. Ward.

And this concerns property tax payments and  
the welfare exemption.

We have with us Mr. Mark Stivers, who is  
Director of Advocacy for the California Housing  
Partnership. And he'll be our first witness.

Thank you so much.

MR. STIVERS: Thank you, Chair Lieber.

Again, Mark Stivers with the California  
Housing Partnership. We advocate on behalf of  
affordable rental housing.

And I'm here today to ask the Board to take a  
support position on AB 2353, which is cosponsored by one  
of your members, Controller Cohen, and authored by  
Assemblyman Ward.

The issue that we're trying to solve is that  
when affordable housing developers apply for the welfare  
property tax exemption, they actually -- that process  
often takes about two years to get through. We need a  
clearance certificate from the Board of Equalization.

1 We need the applications approved by the county  
2 assessor's office.

3 And during that time when the applications are  
4 under review, these affordable housing developments,  
5 which we know are going to be affordable, they are deed  
6 restricted. We pay the taxes only to be reimbursed when  
7 that welfare exemption is ultimately approved.

8 And so we are floating hundreds of thousands  
9 of dollars for each development for a couple of years at  
10 a time, which invariably is then returned to us.

11 And so we've worked with the assessors and tax  
12 collectors for the last year on various approaches to  
13 solve that problem. We came up with a proposal this  
14 year that we think has brought agreement among all those  
15 groups.

16 And the idea is that the tax collectors would  
17 just not take enforcement actions if our affordable  
18 housing developers did not pay their taxes while the  
19 applications were under review.

20 So, in essence, it's tacit permission to the  
21 affordable housing developers to withhold payments while  
22 the application is under review.

23 If when the review is complete, there is any  
24 tax owed, yes, we would pay that tax and the interest on  
25 that tax. But just we would not have to float the

1 payments when these applications are invariably  
2 approved.

3           We have been -- we are aware of one minor  
4 technical issue that the assessors have raised. And it  
5 is around for this to work, the tax collectors need to  
6 know that the developers have filed an application with  
7 the assessor.

8           And the issue that we're discussing is just  
9 how is that communication going to occur. Are the  
10 assessors going to notify the tax collector directly, or  
11 are they going to notify our developers, who would then,  
12 in turn, notify the tax collector?

13           And we have told them we're open to both  
14 solutions. And it is my understanding that the tax  
15 collectors and assessors will be meeting tomorrow to get  
16 on the same page on that.

17           I'm sure Ms. Wynn will have more to share on  
18 that item.

19           But as far as we're concerned, we think we  
20 have an easy solution to the one issue that we are aware  
21 has been raised.

22           MS. LIEBER: Okay. Thank you.

23           Are there questions for Mr. Stivers?

24           Mr. Emran.

25           MR. EMRAN: No, no questions, Madam Chair.

1           But I just want to thank you, Mr. Stivers.

2           As you mentioned, the Controller is a proud  
3 cosponsor of this bill. I know we've been working with  
4 you since last year, and this year too, on solving such  
5 a macro issue. And looking forward to continuing our  
6 support and partnership.

7           Thank you.

8           MR. STIVERS: Thank you.

9           MS. LIEBER: Anyone else?

10          Okay. Seeing no questions, Mr. Stivers, if  
11 you can stay up here with us.

12          And we'll go now to Assessor Christina Wynn,  
13 who is President of the California Assessors'  
14 Association.

15          MS. WYNN: Good afternoon.

16          Can everybody hear me okay?

17          MS. LIEBER: Yes.

18          MS. WYNN: Great.

19          Thank you, Chair Lieber and Honorable Board  
20 Members.

21          I am Christina Wynn. I'm the current  
22 President of the California Assessors' Association. I'm  
23 also the assessor of Sacramento County.

24          Currently, the CAA's position on AB 2353 is  
25 opposed unless amended. But CAA continues to engage in

1 discussion with the author, the sponsors, and the County  
2 Treasurers and Tax Collectors Association.

3 The CAA has significant concerns with the  
4 current bill language, but all parties have been  
5 focussed on finding language that supports affordable  
6 housing, avoids unnecessary administrative complexities,  
7 and is consistent with California's property tax laws.

8 The CAA has a meeting scheduled for later this  
9 week with the Treasurer-Tax Collectors group. So a  
10 solution is still in the works, we're just not there  
11 yet. But everyone is committed and involved.

12 MS. LIEBER: Okay. Thank you.

13 Are there any questions for Ms. Wynn?

14 Mr. Vazquez.

15 MR. VAZQUEZ: It sounds like they're getting  
16 close to a resolution. So I'm wondering if it makes  
17 sense for us to kind of hold over on a position to give  
18 them the opportunity to work it out. It looks like  
19 they're almost there from what I'm hearing.

20 MS. LIEBER: And a question that I would have,  
21 do the two solutions that have been brought forward by  
22 the author and by the California Housing Partnership,  
23 are those the kinds of amendments that you're looking  
24 for?

25 MS. WYNN: Well, I don't -- I don't want to



1       disrupt this process that we're in right now, so I'd  
2       rather not comment on that question. I think we're open  
3       to everything.

4                But it is a little bit complicated, because  
5       we're talking about processes in assessors' offices, and  
6       processes with Treasurer-Tax Collector, and we're not  
7       under the same rules or jurisdictions.

8                MS. LIEBER: Okay. Thank you.

9                Other questions or comments?

10               Okay. I'm not seeing any.

11               We can check -- Mr. Stivers is asking for a  
12       support position on this. Is there anyone who would  
13       like to make a motion of support for AB 2353?

14               MR. EMRAN: So moved.

15               MS. LIEBER: There's a motion by Mr. Emran.

16               MR. SCHAEFER: I second.

17               MS. LIEBER: Second from Mr. Schaefer.

18               And we do not have written comments or any  
19       comment cards from individuals who are in the auditorium  
20       with us today.

21               So we'll go ahead and go to our AT&T  
22       moderator.

23               And, moderator, could you tell us if there is  
24       anyone who is waiting to offer comments on Item 16?

25               AT&T MODERATOR: If you would like to provide

1 public comment related to Item 16, please press one,  
2 then zero at this time.

3 And we have no comment.

4 MS. LIEBER: Okay. Thank you.

5 Members, we have a motion to support the bill  
6 from Mr. Emran, and a second from Mr. Schaefer.

7 Are there any other comments or questions?

8 Mr. Vazquez.

9 MR. VAZQUEZ: Just a quick question.

10 So this -- if it -- if the motion goes  
11 forward, it would basically grant the developer some  
12 relief, it sounds like, on the interest; is that it?

13 MR. STIVERS: Relief on floating the tax  
14 payments while the application is under review.

15 We are ultimately exempt, but we are paying  
16 them and floating those tax payments for a couple years  
17 while the application is under review. That's --

18 MR. VAZQUEZ: While you're waiting.

19 MR. STIVERS: -- receive. Right.

20 MS. LIEBER: So if I might make a few  
21 comments.

22 I really take to heart the comments raised by  
23 Christina Wynn, and always want to take into account the  
24 assessors' practices and -- and their capability of  
25 being able to carry out something, and the tax

1 collectors as well. But I do feel that these are  
2 projects that will ultimately be granted a welfare  
3 exemption.

4           And for my district, affordable housing is  
5 such an overwhelming need, that it is necessary for me  
6 to agree with any reasonable tool, which I feel that  
7 this one is.

8           I do want to commit to continuing to watch the  
9 process and be apprised by Mr. Stivers and Ms. Wynn  
10 about what is going on. And we can bring the bill back  
11 if we're not satisfied with the progress that has been  
12 made.

13           But for me, at this juncture and in the  
14 district that I represent, it is such a heartbreaking  
15 need. And we need to take the proactive steps that we  
16 can.

17           And I had a chance to share with Mr. Stivers  
18 briefly that I have had a family with an autistic four  
19 year old in a motel in my district for the past three  
20 months. And I simply cannot put them back out into an  
21 encampment with a young child who picks up everything  
22 off the ground and puts it in his mouth. And having a  
23 place to stay with a door that locks is absolutely  
24 essential for people.

25           And so I take very seriously the comments

1 raised by Ms. Wynn. But, for me, I want to be in  
2 support of this as we move forward. And I'll continue  
3 to watch the process very, very closely.

4 So if there are no further comments or  
5 questions, we can go ahead.

6 We have a motion from Mr. Emran, seconded by  
7 Mr. Schaefer to support -- adopt a position of support  
8 on AB 2353 by Mr. Ward.

9 And if the clerk would call the roll.

10 MS. CICHETTI: Chair Lieber.

11 MS. LIEBER: Aye.

12 MS. CICHETTI: Member Vazquez.

13 MR. VAZQUEZ: Aye.

14 MS. CICHETTI: Member Schaefer.

15 MR. SCHAEFER: Aye.

16 MS. CICHETTI: Deputy Controller Emran.

17 MR. EMRAN: Aye.

18 MR. STIVERS: Thank you.

19 I am confident we will resolve the concerns,  
20 and I will report back to you the progress.

21 MS. LIEBER: Thank you very much,  
22 Mr. Stivers.

23 And thank you, Ms. Wynn, for your help with  
24 this as well. I really appreciate it.

25 MS. WYNN: Of course.

1 MS. LIEBER: Thank you.

2 MS. WYNN: Thank you. Have a good afternoon.

3 MS. LIEBER: Thank you.

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6 **ITEM 13**

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9 MS. LIEBER: And we will go now -- we have  
10 Senator Ben Allen here, who's joined us for Item 13, SB  
11 1436. And this is California tax policy oversight  
12 Board.

13 Senator Allen.

14 MR. ALLEN: Thank you, Madam Chair.

15 And do appreciate your flexibility. You know,  
16 we're all running around today. I'm going to go  
17 straight to a judiciary hearing after this.

18 But wanted to take a few moments out of  
19 your -- out of our day together to just ask for your  
20 support for SB 1436, which is a modest, but hopefully  
21 meaningful attempt to address basic questions of  
22 responsiveness and accountability from our tax  
23 infrastructure.

24 As you all know, of course, massive changes  
25 were made to the way we govern tax policy, and a lot of

1 power was taken away from this Board so as to create the  
2 infrastructure of CDTFA and OTA.

3 And, yet, while there were many benefits  
4 associated with those changes, we also want to make sure  
5 that there -- that some of the same kinds of issues of  
6 some of the value of responsiveness and oversight  
7 provided by an elected Board such as yours that were  
8 taken away under the reforms, are mitigated or rectified  
9 a bit through this legislation.

10 So I think everyone sees -- most people, at  
11 least, see the Franchise Tax Board as reliable,  
12 responsive to tax questions raised by taxpayers.  
13 Because -- partly because it involves elected officials  
14 who are responsible to their constituents.

15 And, unfortunately, CDTFA, OTA, they don't  
16 have quite the same level of transparency and  
17 accountability. And we certainly have heard some  
18 concerns from assessors and others about responsiveness  
19 to inquiries from taxpayers and tax officials at the  
20 local level.

21 So this Board seeks to create an oversight,  
22 tax policy oversight. Sorry -- this bill seeks to  
23 create a California Tax Policy Oversight Board, which  
24 would be made up of -- right now what we're working on  
25 is some details. I was just speaking with Board Member

1 Vazquez about this yesterday. But looking at the State  
2 Controller, Director of Finance, Chair of the BOE,  
3 potentially an appointment from the Senate pro tem and  
4 the Speaker. We're working on that right now.

5 But the idea is that this new Board would have  
6 the responsibility to host public meetings, to promote  
7 consistency in tax policy, and provide for the tax  
8 agencies to work collaboratively on issues brought by  
9 taxpayers, and provide recommendations to improve tax  
10 administration policies and procedures.

11 So it's a bit of a work in progress. We got  
12 the bill out of committee just last week, and now it's  
13 going to government -- it got out of Tax and Revenue and  
14 Finance Committee, now it's going over to the  
15 Governmental Organization Committee. So there's a lot  
16 of -- a lot of folks that are making changes to the  
17 bill.

18 But for us, it's an opportunity to, at least  
19 in a very modest way, reinject some of the  
20 responsiveness over the tax bureaucracy that was created  
21 in wake of the reform that stripped this Board of much  
22 of that work.

23 And it's with that spirit that I respectfully  
24 ask for your support for SB 1436.

25 MS. LIEBER: Thank you so much.

1           Mr. Vazquez, did you want to add some comments  
2 as well as --

3           MR. VAZQUEZ: Please.

4           MS. LIEBER: -- bringing this forward.

5           MR. VAZQUEZ: Yes.

6           First of all, I just want to thank the Senator  
7 for being really well supportive and moving this thing  
8 forward.

9           And we were actually somewhat surprised that  
10 it was unanimous by that committee. And as a matter of  
11 fact, there was comments by some of the members saying  
12 that they were definitely open to creating more  
13 authority for the BOE as we move forward on this  
14 particular issue.

15           So -- and I shared that with Senator. And  
16 he's looking at some possible amendments moving forward  
17 that I think, one, is gonna probably add a little bit  
18 more tea to this. And it looks like it's going to be  
19 very favorable for this new body, really the Franchise  
20 Tax Board, which we're a part of. So I'm definitely  
21 supportive.

22           And the only question I guess I have for the  
23 Senator is if, moving forward, there was one amendment  
24 that I think we had talked about originally. And I'm  
25 assuming, and I guess I'm hoping that that's going to be



1 included, which would at some point give this body also  
2 the authority, not only to have that oversight  
3 recognition of OTA and CDTF, but in the event of a  
4 vacancy being involved in that process of selecting  
5 whoever represents, or whoever heads up those agencies.

6 MR. ALLEN: Yeah.

7 I think the challenge -- so certainly  
8 something that I would be supportive of. The challenge  
9 there, of course, is, in order to be successful, you  
10 have to have the Governor's signature.

11 MR. VAZQUEZ: Right.

12 MR. ALLEN: That is something that, right now,  
13 that is under his control. And so how do we figure this  
14 out in a way that would be amendable to the Governor's  
15 Office?

16 MR. VAZQUEZ: Appreciate it.

17 MS. LIEBER: Thank you.

18 Other questions or comments for Senator Allen?

19 Mr. Emran.

20 MR. EMRAN: Thank you, Senator Allen.

21 Appreciate you always coming to this chambers  
22 and speaking to this Board, and especially staying so  
23 involved. I think the relationship with the Senator is  
24 so, so important here.

25 Specifically, as the bill is written, the

1 Controller has some concerns, specifically about the  
2 confusion it would cause with the general public when  
3 you bring in some -- all the collective tax agencies  
4 together. It kind of implies that these tax agencies,  
5 as stated, are currently not effectively communicating  
6 these issues.

7 As of now, she's gonna -- I'm gonna abstain on  
8 her behalf. But she's looking forward to seeing how  
9 this bill plays out in the process, and bringing in,  
10 like you said, the Governor as well. And kind of seeing  
11 how these various agencies can kinda coincide with each  
12 other and coexist in a way that helps serve the overall  
13 public.

14 So just want to thank you again for being here  
15 today.

16 MS. LIEBER: Mr. Schaefer, did you have  
17 comments?

18 MR. SCHAEFER: Yes.

19 Senator, nice seeing you again. I remember  
20 you being with us in Santa Monica.

21 MR. ALLEN: Yeah.

22 MR. SCHAEFER: I'm concerned if we go through  
23 the fruition of the bill, that we're creating some extra  
24 bodies. And, actually, the problem arose because of  
25 misbehavior or misjudgments by some of the prior

1 incumbents in our job. I would hope that we would keep  
2 an eye out to utilize some of us. I know you utilize  
3 the Chair to avoid creating more of a bureaucracy going  
4 back more to what we had before the divestiture. I  
5 would hope that would be in the mind, because we all  
6 represent taxpayers.

7 Thank you.

8 MR. ALLEN: Yeah.

9 If I may, Madam Chair.

10 MS. LIEBER: Please.

11 MR. ALLEN: To just respond to both of the  
12 excellent comments.

13 One of the challenges here as we try to figure  
14 out the path forward with this bill is, you know, how --  
15 so right now it's a modest bill. I mean, this just  
16 creates an oversight board without a lot of direct  
17 power, though there is power associated with hearing  
18 issues and, you know, having the opportunity to ask  
19 questions of the leadership.

20 So, in that sense, I think it is meaningful.  
21 It doesn't have enough teeth to satisfy Senator Dahle,  
22 for example, who gave quite a long exposition as to why  
23 he was -- he voted for the bill, he supported the bill,  
24 but he wanted it to be much stronger as an oversight  
25 mechanism.

1           The more of that we create, the more we step  
2 into some of the concerns that were just raised by the  
3 two Members; a bigger bureaucracy, you know, and -- and,  
4 you know, some sort of additional layer of complexity  
5 that might actually complicate the running of these  
6 institutions.

7           Right now, as we have it envisioned, and as  
8 it's expressed in the -- in the language and print, it's  
9 a board that will have the opportunity to have  
10 discussion and ask questions of leadership, so as to  
11 provide an additional layer of responsiveness and  
12 accountability for taxpayers and for this Board.

13           But, you know, one of the difficult questions  
14 I think for the bill moving forward is how much further  
15 do we go in terms of giving it more teeth. And if the  
16 more we do, the more we're going to run into challenges  
17 potentially with the Governor, and also challenges along  
18 the lines that were raised by our two Members here.

19           So I certainly welcome additional feedback and  
20 thoughts from everybody as we try to figure out how to  
21 navigate this moving forward.

22           Right now it's a modest role. There's a part  
23 of me that thinks that's probably the best -- that might  
24 be the best path. Although I know there are other, you  
25 know, folks that want us to be more ambitious.

1           That's -- but I'm just being really candid  
2    about the tradeoffs that we're -- that we're struggling  
3    with now.

4           MS. LIEBER:   Okay.

5           I think if everybody is a little bit  
6    dissatisfied, it means that you're winning in the  
7    Capitol.

8           And so if there are no further questions or  
9    discussion, is there a motion to support SB 1436?

10          MR. VAZQUEZ:   So moved.

11          MS. LIEBER:   Moved by Mr. Vazquez.

12          Is there a second?

13          MR. SCHAEFER:   Second.

14          MS. LIEBER:   Seconded by Mr. Schaefer to  
15    support the bill.

16          And we do not have any written comments, nor  
17    anyone in the auditorium who submitted a comment card.  
18    And so let's go to our AT&T moderator.

19          Moderator, if you would please let us know if  
20    there is anyone on the line who would like to make a  
21    public comment regarding Item 13.

22          AT&T MODERATOR:   If you would like to provide  
23    public comment related to Item 13, please press one,  
24    then zero.

25          We have no comments.

1 MS. LIEBER: Thank you.

2 So, Members, we have a motion from Mr.  
3 Vazquez, and a second from Mr. Schaefer to support  
4 SB 1436.

5 And I'll just add my comments briefly that,  
6 you know, I want to recognize that it's definitely a  
7 work in progress, and it's a very narrow path.  
8 Especially given appropriations this year.

9 But I think it's very, very important to have  
10 the oversight of agencies. And particularly agencies  
11 that have such a crucial impact on people's lives.

12 And so if there's no further discussion, I'd  
13 like to go ahead and have Ms. Cichetti call the roll  
14 please.

15 MS. CICHETTI: Chair Lieber.

16 MS. LIEBER: Aye.

17 MS. CICHETTI: Member Vazquez.

18 MR. VAZQUEZ: Aye.

19 MS. CICHETTI: Member Schaefer.

20 MR. SCHAEFER: Aye.

21 MS. CICHETTI: Deputy Controller Emran.

22 MR. EMRAN: Abstain.

23 MS. LIEBER: So it's three in favor and one  
24 abstention.

25 MR. ALLEN: Thank you, Members. Thank you

1 very much.

2 MS. LIEBER: So we're in support.

3 Thank you so much.

4 (Whereupon the item concluded.)

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REPORTER'S CERTIFICATE

State of California )  
 ) ss  
County of Sacramento )

I, Jillian Sumner, Hearing Reporter for the California State Board of Equalization, certify that on April 16, 2024, I recorded verbatim, in shorthand, to the best of my ability, the proceedings in the above-entitled hearing; that I transcribed the shorthand writing into typewriting; and that the preceding pages 1 through 43 constitute a complete and accurate transcription of the shorthand writing.

Dated: July 18, 2024

  
\_\_\_\_\_  
JILLIAN SUMNER, CSR #13619  
Hearing Reporter