STATE BOARD OF EQUALIZATION
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April 29, 2014

Mr.
Law Offices

Mr.
Assistant County Counsel
County of

Re:
Assignment No.: 14-040

Dear Mr. and Mr. :

This is in response to your request for our opinion on the validity of the County Assessor's Office's (Assessor's) "raise letter" in C Corporation's (Corporation's) appeal of an escape assessment of its property located at , in , County, which includes a fiberglass insulation plant (subject property), as well as our opinion on the confidentiality of certain information for purposes of the Assessment Appeals Board (AAB) hearing.[1] As discussed below, it is our opinion that the Assessor's raise letter is valid as a procedural matter, and that the Assessor is required to present evidence of information supporting its assessment at the hearing, but the taxpayer and Assessor are entitled to request that certain data be presented in a portion of the hearing that is closed to the public.

Facts

The subject property was built in 1978-1979, and a warehouse was added in 1990. In 2002, the Assessor conducted a mandatory audit for tax years 1998-2001. Corporation executed waivers extending the time to complete the audit and issue escape assessments until June 30, 2005.[2] On February 8, 2005, the Assessor issued escape assessments for the years 1998 – 2001.

[1] This opinion is being requested in connection with a hearing before the County Assessment Appeals Board (AAB). Both parties are aware that we will be issuing this opinion, have examined and/or provided the facts set forth herein, and were given an opportunity to provide additional information in connection with this letter. The parties anticipate that this opinion will be issued prior to the hearing, as the AAB has granted a postponement of the hearing until May 1, 2014, to allow time for the State Board of Equalization's Legal Department to issue this opinion letter.

[2] See Corporation's Waiver of Statute of Limitations dated May 17, 2004, waiving all rights and privileges conferred by sections 532 and 5097, attached as Exhibit A to Corporation's February 14, 2014 letter to the State Board of Equalization (February Letter).

The "adjustments were caused primarily by: Non-reporting of fixtures and/or personal property [and] Erroneous reporting of fixtures and/or personal property."[3]

On May 13, 2005, Corporation appealed the escape assessments.[4] On August 3, 2006, Corporation signed waivers to extend the time for the AAB to hear appeals beyond the 2-year limit required by Revenue and Taxation Code section[5] 1604, subdivision (c). Corporation agreed to postpone the hearings to a date to be set upon mutual agreement or upon 60 days written request by any party.[6] Accordingly, the AAB initially set Corporation's 1998 – 2001 appeals for hearing on January 9, 2014.[7]

On December 5, 2013, the Assessor initiated an exchange of information by submitting certain data to Corporation, pursuant to section 1606.[8] According to that data, the assessments for 1998-2001 ranged from $46.67 million to $61.7 million. The Assessor stated that those figures were based on the Cost Approach and Historical Cost Approach, but reserved the right to develop assessments based on the Income Approach and Market Approach in rebuttal. The Assessor further stated that "[t]he income approach to value was not considered due to the companies' representatives' failure to provide revenue and expenses from the operation of [] this Plant, but we reserve the right to develop one in rebuttal."[9]

On December 24, 2013, Corporation provided documents in response to the section 1606 exchange.[10] On December 31, 2013, the Assessor issued a Notice of Proposed Escape Assessment, also described as the "raise letter,"[11] which the Assessor stated was in addition and supplemental to the 1606 exchange. The raise letter included new valuations of the subject property ranging from $313 million to $348 million based on the Income Approach to Value, which was calculated based on the Financial Statements for each of the audited years which, it appears, had not been previously provided to the Assessor.[12]

Law and Analysis

The Assessor's Raise Letter

An assessor is required to issue an escape assessment on discovery of any property belonging on the local roll that has escaped assessment. (Rev. & Tax. Code, § 531.) Property is considered to escape assessment each year until the assessment is discovered and corrected. (See

[3] See Assessor's letter to Corporation dated February 8, 2005, regarding "Mandatory Property Tax Audit," attached as Exhibit B to Corporation's February Letter.
[4] See assessment appeal applications attached as Exhibit C to Corporation's February Letter.
[5] Unless otherwise specified, all section references contained herein are to the Revenue and Taxation Code.
[6] See "Stipulation[s] to Waive Time" attached as Exhibit D to Corporation's February Letter.
[7] Corporation's February Letter also states that it appealed most subsequent years and those appeals will be set for hearing later in 2014.
[8] See Exhibit E to Corporation's February Letter.
[9] *Ibid.*
[10] See Exhibit F to Corporation's February Letter.
[11] Although the Assessor entitled this document "Notice of Proposed Escape Assessment," it appears that both parties agree that this was a valid raise letter pursuant to section 1609.4. In any event, the letter appears to contain all the requirements of a raise letter in compliance with 1609.4, by informing the applicant of the higher assessed value and the evidence proposed to be introduced, at least 10 days prior to the hearing. If a dispute arises in this regard, the chair of the AAB must determine whether the Assessor gave the requisite notice. (Rule 313, subd. (f); see also Assessment Appeals Manual (May 2003), p. 42.)
[12] See Exhibit G to Corporation's February Letter.

Letters to Assessors (LTA) 2002/014.) Thus, an assessor, upon discovery of property that escaped assessment, is required to value the property upon discovery as of the appropriate lien date, enroll the correct value on the roll being prepared, process any necessary corrections to the current roll, and process appropriate escape assessments for *prior* years that fall within the statute of limitations. (*Ibid*.) According to section 532, subdivision (a), escape assessments "shall be made within four years after July 1 of the assessment year in which the property escaped taxation or was underassessed." If the assessor finds that the taxpayer failed to disclose, misrepresented, or fraudulently submitted or omitted information, among other things, the escape assessment is to be made "within eight years after July 1 of the assessment year in which the property escaped taxation or was underassessed." (Rev. & Tax. Code, § 532, subd. (b).)

Notably, the manner in which to count the period open under the statute of limitations for escape assessments is different from that for supplemental assessments. While supplemental assessment limitations periods are counted *forward* from July 1 of the assessment year in which the event occurred, the escape assessment limitations period is counted *back* from the date of enrollment. This is because once a property is underassessed or escapes assessment, it escapes assessment *each year* until the underassessment is discovered and enrolled. (LTA 2002/014, *supra*, at p. 3.) The case of *Montgomery Ward & Co. v. County of Santa Clara* (1996) 47 Cal.App.4th 1122 explains the following:

> To determine whether an escape assessment for a particular assessment year is valid and timely, two criteria must be met. First, the property must have escaped taxation or been underassessed in that year because the taxes were calculated based on an earlier and lower base year value. Second, the county must have billed the property owner for escape assessments "within four years after July 1" of this particular assessment year.
>
> By way of illustration, let us assume there was a change in ownership or new construction in June 1980 that was promptly reported, but the assessor did not revise the base year value or levy escape assessments until June 1990. Because the taxpayer was paying property taxes based on a prior and lower base year value, his or her property was escaping taxation or was underassessed in each of the assessment years since 1980. However, the assessor would not be permitted to levy escape assessments in June 1990 for the 1980-1981, 1981-1982, 1982-1983, 1983-1984, 1984-1985, and 1985-1986 assessment years as such assessments would not have been made "within four years after July 1" of any of those years. On the other hand, the assessor could bill the taxpayer for the 1986-1987 assessment year and subsequent years as such assessments would be made "within four years after July 1" of each of those years. (*Montgomery Ward & Co. v. County of Santa Clara* (1996) 47 Cal.App.4th 1122, 1134.)

Additionally, the four-year statute of limitations will be extended if the parties agree to extend the time. Revenue and Taxation Code section 532.1, subdivision (a), states that if the taxpayer and assessor agree in writing to extend the time to make an escape assessment, the assessment can be made at any time prior to the expiration of the time that was agreed upon.

In this case, Corporation and the Assessor agreed in writing to extend the time to make an escape assessment for tax years 1998 to 2001, until June 30, 2005. The escape assessments were issued on February 8, 2005. Therefore, the Assessor issued the escape assessments within the agreed-upon time frame, in compliance with section 532.1, subdivision (a).[13]

Next, Corporation filed assessment appeals on May 13, 2005. Section 1604, subdivision (c), requires the county board to hear and make a final determination on the application for reduction in assessment of property within two years of the timely filing of the application. However, section 1604, subdivision (c)(1) makes an exception to that two-year time limit and states that the time may be extended if the parties mutually agree in writing to an extension of time for the hearing. In this case, in accordance with section 1604, subdivision (c)(1), Corporation executed written stipulations to extend the time for the Board to hear appeals beyond the 2-year limit, stating that the hearing was to be "postponed to a date either to be set upon mutual agreement . . . or upon sixty (60) days written request by any one of the parties hereto." (See Exhibit C to Corporation's February Letter.)

The hearing was then scheduled for January 9, 2014.[14] Section 1606 and Property Tax Rule[15] 305.1 permit the applicant or the assessor, when the value of the property exceeds $100,000, to initiate an exchange of information with the other party by submitting certain information, and requires the initiating party to do so at least 30 days before the hearing. In this case, the Assessor initiated an exchange of information on December 5, 2013, in compliance with section 1606.

In initiating the exchange of information, the Assessor reiterated that the escape assessments issued in 2005 for the years 1998-2001 ranged from $46.67 million to $61.7 million, based on the Cost Approach and Historical Cost Approach. In doing so, the Assessor stated that "[a]ccording to this Audit, we have discovered assets not reported and[/]or appraised, and therefore, pursuant to California Revenue & Taxation Code [sections] 531.3, 4831.5 & 531.4 we have assessed this additional value for each of the audited years . . . ." (See Exhibit E to Corporation's February Letter.) This was in compliance with sections 531.3 and 531.4, which state that if a taxpayer fails to report property accurately, "regardless of whether this information is available to the assessee, to the extent that this failure causes the assessor not to assess the property or to assess it at a lower valuation than he would enter on the roll if the property had been reported to him accurately, that portion of the property which is not reported accurately, in whole or in part, shall be assessed as required by law." (Rev. & Tax. Code, § 531.4.)

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[13] Notably, if the escape assessments resulted from the taxpayer's failure to report property, then the Assessor is not limited to four years in making an escape assessment. Section 532, subdivision (b), provides that the time limitations period is eight years if conditions exist that warrant application of a penalty assessment provided in section 504. In this case, the escape assessments, which are attached as Exhibit B to Corporation's February Letter, state that the "Adjustments were caused primarily by: Non-reporting of fixtures and/or personal property. [and] Erroneous reporting of fixtures and/or personal property." Thus, if the AAB finds that the escape assessments were caused by Corporation's failure to report information that it was required to report, then the limitations period for the escape assessments is extended to eight years.

[14] We assume this was set by mutual agreement pursuant to the written stipulations, as we have no record of an objection raised in this regard.

[15] References to Property Tax Rules or Rules are to sections of Title 18 of the California Code of Regulations.

The Assessor's actions in this regard are consistent with *Domenghini* v. *County of San Luis Obispo* (1974) 40 Cal.App.3d 689, which held that if a taxpayer fails to provide information requested by the assessor, the assessor may make an escape assessment in the form of an "estimate" based upon the information in his or her possession, that is, on the best information then available to him or her. In this case, the Assessor stated that "[t]he income approach to value was not considered due to the companies' representatives failure to provide revenue and expenses from the operation of [] this Plant, but we reserve the right to develop one in rebuttal."[16] Thus, it appears the Assessor complied with sections 531.3, 531.4, and *Domenghini* v. *County of San Luis Obispo* by making an escape assessment in the form of an "estimate" based on the best information then available to the Assessor.

Subsequently, Corporation timely provided a response to the section 1606 exchange of information, on December 24, 2013. The Assessor then submitted the December 31, 2013 letter stating that it was therein sending information ten days prior to the scheduled hearing, and that the Assessor would be asking the AAB to increase the taxable enrolled values. This raise letter included an income analysis and new valuations ranging from $313 million to $348 million, based on the Income Approach to Value, which was calculated based on the Financial Statements for each of the audited years.[17] This was in accordance with section 1609.4, which states that "The assessor may introduce new evidence of full cash value of a parcel of property at the hearing . . . . If the assessor proposes to introduce evidence to support a higher assessed value than he placed on the roll, he shall, at least 10 days prior to the hearing, inform the applicant of the higher assessed value and the evidence proposed to be introduced and he may thereafter introduce such evidence at the hearing." (See also Property Tax Rule 313, subd. (f).) The Assessment Appeals Manual reiterates the validity of offering evidence to support a higher value at least ten days prior to the hearing:

> After the filing of an application, the assessor may request, pursuant to section 1609.4, that the board determine a higher assessed value than that placed on the roll and offer evidence to support the higher value. In this instance, the chairperson of the appeals board must determine whether or not the assessor gave notice in writing to the applicant (or agent) of this proposed action. If notice and a copy of the evidence the assessor is presenting to the board has been supplied to the applicant (or agent) at least ten days prior to the hearing, the assessor may introduce the evidence at the hearing. (Assessment Appeals Manual (May 2003), p. 42.)

Thus, since the Assessor's raise letter was issued over ten days prior to the hearing that was scheduled for January 9, 2014, it was in compliance with section 1609.4 and Rule 313, subdivision (f). The language of those rules anticipates that an Assessor might have acquired new information during the exchange of information prior to an appeals hearing, and requires the Assessor to notify the taxpayer of any potential increase in valuation prior to the hearing.

In its February Letter, Corporation questions the timeliness of the raise letter. First, it asks whether the pendency of an assessment appeal extends or tolls the statute of limitations for issuing escape assessments. This question is inapplicable to this case, because the escape assessments were issued in 2005, which was within the time frame to which Corporation agreed,

[16] See Exhibit E to Corporation's February Letter.
[17] See Exhibit G to Corporation's February Letter.

and prior to the filing of any appeal. And, as explained below, a raise letter made pursuant to section 1609.4 as part of an assessment appeal is not an escape assessment made by an assessor pursuant to section 532.

Second, Corporation argues that although section 1609.4 and Rule 313 confer authority upon the Assessor to introduce evidence supporting a higher assessed value than he placed on the roll if he properly notifies the taxpayer, the Assessor has improperly used those rules to justify the fact that he is actually "issuing a new round of escape assessments," which Corporation argues is impermissible because it is now "more than eight years [after the 2005 escape assessments were issued]."[18] (February Letter at p. 4-5.) In conjunction with that argument, Corporation has also stated that raising the value of property six times higher than previously stated, only ten days before the hearing, and eight years after the initial escape assessments were issued, is an improper use of the raise letter and constitutes an abuse of the intent of the statutes. However, under the circumstances in this case, we disagree.

First, the calculation of the statute of limitations for an escape assessment should not be confused with the time limit for an assessor, at an AAB hearing, to seek a higher value than was placed on the roll as a result of that escape assessment. The statute of limitations period set forth in section 532 applies to an assessor's issuing of escape assessments, not to the time within which he must notify a taxpayer of his intent to seek a higher value at the hearing. In this case, the Assessor issued escape assessments in 2005, which was within the agreed-upon and lawful time frame. Once the taxpayer appealed, it became the duty of the AAB, not the Assessor, to determine the correct value of those 2005 escape assessments, within two years or an agreed-upon time frame. (See Rev. & Tax. Code, § 1604.) In other words, whether to allow the increased values stated in the raise letter is an issue under the authority of the AAB, whose duty it is to adjust the assessment up or down to more closely conform to the actual value of the property. (*State Board of Equalization* v. *Ceniceros* (1998) 63 Cal.App.4th 122, 131.) The assessor, on the other hand, having already issued escape assessments, participates in the appeal procedures in order to defend what he believes to be the correct valuation of the assessments. (*State Board of Equalization* v. *Ceniceros*, *supra*, at p. 131; Rev. & Tax. Code § 1610.2.) If an assessor believes that the correct valuation is higher than the value he had enrolled as a result of an escape assessment, section 1609.4 requires the assessor to notify the taxpayer of his intent, via a "raise letter", to present evidence of that higher value to the AAB. Then, during the appeal, both the taxpayer and the assessor have an opportunity to present evidence of their view of the correct value of the escape assessments to the AAB.

A consequence of issuing a raise letter is that the Assessor loses the presumption that he has properly performed his duties. (Rule 313, subd. (f); see also Rule 321, subd. (a).)[19] As such, the Assessor bears the burden of proof, must present evidence first, and is required to adequately explain to the appeals board why the original assessment was incorrect and provide a reasonable description of how the escape assessment was made. (Rev. & Tax. Code § 167; Assessment Appeals Manual, *supra*, at p. 88.) However, this assumes that the taxpayer has provided all

[18] Corporation's February Letter also states at page 4 that section 1609.4 is "primarily a notice requirement" as opposed to an authorization to present new evidence. However, to the extent that section 1609.4 is a "notice requirement," the notice it requires assessors to give is of new evidence the assessor plans to introduce at the hearing. Thus, section 1609.4 explicitly allows the assessor to introduce new evidence, and unless the assessor intends to present new evidence at the hearing, no notice is required.

[19] In this case, the loss of this presumption may not affect the burden of proof since the burden of proof in an appeal of an escape assessment is on the assessor. (Rev. & Tax. Code, § 167.)

required information; if the applicant has failed to supply all the information required by law to the assessor, the assessor maintains the presumption of correctness.[20] (Rev. & Tax. Code § 167; Rule 313, subd. (f); Assessment Appeals Manual, *supra*, at p. 88-89.) Thus, in this case, as the Assessor's raise letter was lawfully issued within the agreed-upon time frame of the assessment appeal process, it does not constitute a replacement of, or a "new round" of the 2005 escape assessments.

Corporation objects to the sheer increase in valuation between the initial 1606 exchange letter and the raise letter, arguing that increasing the value by six times the amount initially estimated constitutes an abuse of the statutes. However, as stated above, the statutes provide for the Assessor to present at hearing "a higher assessed value than he placed on the roll," and do not limit the amount by which the assessed value can be attempted to be raised.

For the above reasons, we also disagree with Corporation's third argument that an AAB decision to increase the value for the 1998 – 2001 assessments "would have no meaning because tax bills for those years cannot now be issued," since, it argues, just as refunds will not be issued unless a timely claim for refund is filed, escape assessments and bills can only be issued in accordance with section 532. However, the statute of limitations periods governing escape assessments are not applicable to an AAB's valuation decision because a valuation decision made by the AAB is not an escape assessment.

Confidentiality

Section 408, subdivision (a), provides in part: "Except as otherwise provided in subdivisions (b), (c), (d) and (e) any information and records in the assessor's office that are not required by law to be kept or prepared by the assessor . . . are not public documents and shall not be open to public inspection." Of relevance to this discussion, section 451 provides: "All information requested by the assessor or furnished in the property statement shall be held secret by the assessor. The statement is not a public document and is not open to inspection, except as provided in Section 408." Additionally, section 481 states that "All information requested by the assessor or the board pursuant to this article or furnished in the change in ownership statement shall be held secret by the assessor and the board. . . . These statements are not public documents and are not open to inspection, except as provided in Section 408."

However, the prohibition against disclosure of a taxpayer's information requested by the assessor does not apply when the taxpayer is a party to an assessment appeal proceeding. In *Chanslor-Western Oil & Dev. Co. v. Cook* (1980) 101 Cal.App.3d 407, 415-416, the court noted that section 1609.4 states that "The assessor may introduce new evidence of full cash value of a parcel of property at the hearing and may also introduce information obtained pursuant to Section 441."[21] The Court confirmed that this section *allows the assessor to use at the appeals hearing* "information obtained pursuant to Section 441" which is "limited to either market data or

[20] We offer no opinion as to whether the Assessor or Corporation bears the burden of proof in this case. Pursuant to section 167, the applicant bears the burden of proof except in an appeal of an assessment of an owner-occupied, single-family dwelling or in the appeal of an escape assessment unless the taxpayer has failed to file a change in ownership statement or business property statement.

[21] Upon request by an assessor, section 441, subdivision (d), requires an assessee to provide factual as well as interpretive data relevant to an estimate of the fair market value of the assessee's property. (*Roberts* v. *Gulf Oil Co.* (1983) 147 Cal.App.3d 770.)

information obtained from the taxpayer seeking the reduction."[22] (*Chanslor-Western Oil, supra*, 101 Cal.App.3d at p. 416, italics added.)

Consistent with that holding, the Assessment Appeals Manual states that:

> Section 441, subdivision (d), requires a taxpayer to make available to the assessor, for assessment purposes, information or records regarding the taxpayer's property or any other personal property located on premises the taxpayer owns or controls. The assessor may obtain details of property acquisition transactions, construction and development costs, rental income, and other data relevant to the determination of an estimate of value. Information obtainable under subdivision (d) of section 441 is relevant to a determination of value *and may be introduced at an appeals board hearing*. (Assessment Appeals Manual (May 2003), at p. 39, italics added.)

It additionally explains that "[c]onfidential documents, as described in sections 408 and 451, obtained by the assessor while discharging the duties of his or her office may not be disclosed to the public or competitors of the taxpayer unless a court so orders. *If the confidential information relates to the applicant, it may be used in the course of the appeals hearing*." (*Id*. at p. 102, italics added.) Furthermore, "If the opinion of value is to be supported with evidence based on an income study, the assessor and applicant must present the gross income, the expenses, and the capitalization method and rate or rates employed." (*Id*. at p. 43, underline added.)

The Assessor raises an apparent conflict between its duty to keep confidential information secret (Rev. & Tax. Code §§ 408, 451, 481) and the requirement that the hearing be open and public (Property Tax Rule 313, subd. (g)). Courts have held that different statutory sections dealing with the same subject should be harmonized as to give effect to all sections, to the extent possible. (*State Board of Equalization* v. *Ceniceros* (1998) 63 Cal.App.4th 122, 132; Code Civ. Proc., § 1858.) We believe the resolution between the assessor's duty to keep information a secret, but being required to present information supporting the assessment at an appeals hearing, is that the taxpayer or assessor may request that certain data be presented at a hearing that is closed to the public.[23] As stated in the Assessment Appeals Manual, (May 2003) at p. 96:

> Section 1605.4 and Rule 313 require that appeals board hearings and hearing officer hearings must be open, accessible, and audible to the public. When a portion of a hearing involves evidence regarding trade secrets for which the assessor or applicant wishes to maintain confidentiality, that portion of the hearing may be closed to the public. If the board grants the request of the

[22] Although section 1609.4 provides that the assessor may introduce information obtained pursuant to section 441, that is subject to the qualification that such procedural rules shall not be construed as permitting any violation of sections 408 or 451, which protect the confidentiality of information of property acquisitions provided by a taxpayer under compulsion. Accordingly, the assessor's use of "information" obtained pursuant to section 441 is limited to either market data or information obtained from the taxpayer seeking the reduction, and not relating to the business affairs of another taxpayer. (*Chanslor-Western Oil & Dev. Co. v. Cook* (1980) 101 Cal.App.3d 407.)

[23] Of course, the confidential information of third parties may not be disclosed even in a closed hearing. (*Chanslor-Western Oil v. Cook* (1980) 101 Cal.App.3d 407; *Trailer Train Co. v. State Bd. of Equalization* (1986) 180 Cal.App.3d 565; see also back-up letter to Annotation 260.0095 (January 14, 1994).)

assessor or applicant to close a portion of the hearing, only evidence relating to the confidential information may be presented during the time the hearing is closed to the public.

A *trade secret*:

> … means information, including a formula, pattern, compilation, program, device, method, technique, or process, that: (1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. (Civil Code section 3426.1.)

Counties should include in their local rules a procedure for maintaining the confidentiality of transcripts and exhibits presented during portions of appeals hearings closed to the public.

While the hearing process itself must be open to the public, there is no requirement that appeals board members must arrive at a decision before closing a hearing. Therefore, at the conclusion of taking evidence, the board may deliberate in private to reach a decision. (Section 1605.4; Rule 313, subsection (g)(1).) (Assessment Appeals Manual, *supra*, at p. 96.)

Thus, the Assessor is required to present evidence of information supporting its assessment at the hearing, but the taxpayer and Assessor are entitled to protect from public disclosure any information that derives value from not being publicly known and that is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. The issue of what specific information ultimately constitutes a trade secret is a question of fact. (*Thompson v. Impaxx, Inc*. (2003) 113 Cal.App.4th 1425, 1430.) Either party may request that the AAB determine that certain information constitutes "trade secrets" to be presented in a closed session, but it appears that the taxpayer is in the best position to determine whether any information "will be detrimental to [its] business interests." (See Rev. & Tax. Code § 1605.4.)

The views expressed in this letter are only advisory in nature; they represent the analysis of the legal staff of the Board based on present law and the facts set forth herein, and are not binding on any person or public entity.

Sincerely,

/s/ Sonya S. Yim

Sonya S. Yim
Tax Counsel III (Specialist)

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