

**CHANGES WITHOUT REGULATORY EFFECT UNDER CALIFORNIA CODE OF
REGULATIONS, TITLE 1, SECTION 100**

Statement of Explanation

California Code of Regulations, Title 18. Public Revenues

Division 1, State Board of Equalization – Property Tax

Chapter 3, *Local Equalization*, Article 1. Hearing by County Board

Section 301, *Definitions and General Provisions*

Property Tax Rule¹ 301, *Definitions and General Provisions*, provides definitions of terms that govern the construction of the regulations regarding local equalization hearings by county boards. Section 16 of article XIII of the California Constitution specifically authorizes county boards of supervisors to adopt rules of notice and procedure to facilitate the work of local appeals boards under the county's control and to ensure uniformity in the processing and decision of applications before those local appeals boards. It also provides that two or more county boards of supervisors may jointly create a multijurisdictional assessment appeals board to equalize the valuation of taxable property within each participating county.

Previously, Revenue and Taxation Code section² 1752.2 authorized participating counties to adopt a set of rules and regulations for their multijurisdictional assessment appeals boards; if the participating counties did not adopt a set of rules or regulations, the law required the multijurisdictional assessment appeals board to operate pursuant to certain regulations adopted by the State Board of Equalization (Rules 301-326). In other words, a multijurisdictional assessment appeals board that adopted their own set of rules were previously not subject to Rules 301-326.

However, on September 30, 2021, the Governor of the State of California approved Senate Bill No. 825 (Stats. 2021, ch. 433) (SB 825), which amended Revenue and Taxation Code section 1752.2 to authorize the participating counties to adopt a set of rules of notice and procedures for the multijurisdictional assessment appeals board as may be required to facilitate their work and to ensure uniformity in the processing and decision of equalization petitions. The amendments, additionally, removed the de facto exception to the application of the above-mentioned State Board of Equalization regulations for multijurisdictional assessment appeals boards that had adopted their own set of rules. Ultimately, this statutory change resulted in Rules 301-326 applying to all county assessment appeals boards without exception.

¹ All references to Property Tax “Rule” or “Rules” are to sections of title 18 of the California Code of Regulations.

² All section references are to the Revenue and Taxation Code except as otherwise noted.

The proposed amendments to Rule 301, subdivision (d), are necessary to reflect the statutory changes made by SB 825 to section 1752.2, by specifically removing the language that allowed the application of different rules for counties in which their multijurisdictional assessment appeals boards adopted their own set of rules and regulations. Specifically, SB 825 removed the last sentence and amended the remaining sentence of section 1752.2, as follows:

The participating counties may adopt a set of rules and regulations of notice and procedures for the multijurisdictional assessment appeals board. If the participating counties do not adopt a set of rules and regulations, the board shall operate pursuant to Article 1 (commencing with Section 301) of Chapter 3 of Division 1 of Title 18 of the California Code of Regulations, as those provisions read on January 1, 2017. board, as may be required to facilitate their work and to ensure uniformity in the processing and decision of equalization petitions.

As a result, the proposed amendments to Rule 301, subdivision (d) remove the inconsistent language, as follows:

"Board" is the board of equalization or assessment appeals board of the county or a multijurisdictional assessment appeals board ~~for which the participating counties do not adopt a set of rules and regulations.~~

The Board has approved the changes to Rule 301, determining that the changes to Rule 301 are appropriate for processing under California Code of Regulations, title 1, section 100. This is because the changes “[make] a regulatory provision consistent with a changed California statute,” and the “regulatory provision is inconsistent with and superseded by the changed statute.” Additionally, the Board has “no discretion to adopt a change that differs in substance from the one chosen.” (Cal. Code Regs., tit. 1, § 100, subd. (a)(6).) Furthermore, the changes do “not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.” (Cal. Code Regs., tit. 1, § 100, subd. (a).)