



# 11B2

**Agenda Bill No.:** 24-1363

**Assembly Meeting Date:** 02/27/24

Business Item Description:	Attachments:
Subject: Amending HBC Section 3.72.020 Full and True Value	1. Ordinance 24-02-667 2. Jesse Kiehl Draft Senate Bill 3. Request for Assembly Action from Property Tax Assessment Ad Hoc Advisory Board
Originator: Property Tax Assessment Ad Hoc Committee	
Originating Department:	
Date Submitted: 2/22/24	

Full Title/Motion:
Motion: Introduce Ordinance 24-02-667 and set it for its first public hearing 3-12-24 and second public hearing 3-26-24

Administrative Recommendation:

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$	\$	\$	N/A

Comprehensive Plan Consistency Review:	
Comp Plan Goals/Objectives:	Consistent: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary Statement:
At the Committee of the Whole meeting on February 20, 2024, Senator Kiehl's draft Senate Bill were discussed as it relates to the recommendations of the Property Tax Assessment Ad Hoc Advisory Board's recommendations.

Referral:	
Referred to:	Referral Date:
Recommendation:	Meeting Date:

Assembly Action:	
Meeting Date(s): 2/27/24	Public Hearing Date(s): 3/12/24 and 3/26/24
	Postponed to Date:

**An Ordinance of the Haines Borough Assembly Amending Haines  
Borough Code Section 3.72.020 Full and True Value.**

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

**Section 1.** Classification. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

**Section 2.** Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

**Section 3.** Effective Date. This ordinance is effective upon adoption.

**Section 4.** Amendment of Section 3.72.020. Section 3.72.020 shall be amended as follows:

NOTE: **Bolded/UNDERLINED** ITEMS ARE TO BE ADDED  
~~STRIKETHROUGH~~ ITEMS ARE DELETED

3.72.020 Full and true value.

The assessor shall assess property at its full and true value as of January 1st of the assessment year. The full and true value is the estimated price that the property would bring in an open market and under the then prevailing market conditions in a sale between a willing seller and a willing buyer both conversant with the property and with prevailing general price levels. **If the appellant provides a long form fee appraisal to support the appellant's valuation and the board of equalization does not find in favor of the appellant, the board shall make specific findings on the record to support its decision.**

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 26th DAY OF MARCH, 2024.

ATTEST:

\_\_\_\_\_  
Thomas C. Morphet, Mayor

\_\_\_\_\_  
Aleka Fullerton, MMC, Borough Clerk

Date Introduced: 02/27/24  
Date of First Public Hearing: 03/12/24  
Date of Second Public Hearing: 03/26/24

**SENATE BILL NO. 242**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-THIRD LEGISLATURE - SECOND SESSION

**BY SENATOR KIEHL**

**Introduced: 2/19/24**

**Referred: Community and Regional Affairs**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to assessment of property, boards of equalization, and certification of**  
2 **assessors; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 29.45.110(a) is amended to read:

5 (a) The assessor shall assess property at its full and true value as of January 1  
6 of the assessment year, except as provided in this section, AS 29.45.060, and  
7 29.45.230. The assessor shall determine the full and true value as provided in  
8 standards adopted by the department under (e) of this section or another set of  
9 standards provided by ordinance [IS THE ESTIMATED PRICE THAT THE  
10 PROPERTY WOULD BRING IN AN OPEN MARKET AND UNDER THE THEN  
11 PREVAILING MARKET CONDITIONS IN A SALE BETWEEN A WILLING  
12 SELLER AND A WILLING BUYER BOTH CONVERSANT WITH THE  
13 PROPERTY AND WITH PREVAILING GENERAL PRICE LEVELS].

14 **\* Sec. 2.** AS 29.45.110 is amended by adding a new subsection to read:

1 (e) The department shall adopt standards for assessing the full and true value  
 2 of property under (a) of this section that are not inconsistent with standards adopted by  
 3 the International Association of Assessing Officers and update the standards when  
 4 necessary.

5 \* **Sec. 3.** AS 29.45 is amended by adding a new section to read:

6 **Sec. 29.45.115. Assessor certification.** A municipality may not employ an  
 7 assessor, including a private contractor, unless the assessor has a level 3 certification  
 8 from the Alaska Association of Assessing Officers or works under the supervision of  
 9 an individual with a level 3 certification from the Alaska Association of Assessing  
 10 Officers.

11 \* **Sec. 4.** AS 29.45.200(a) is amended to read:

12 (a) The governing body **shall appoint one or more boards** [SITS AS A  
 13 BOARD] of equalization for the purpose of hearing an appeal from a determination of  
 14 the assessor [, OR IT MAY DELEGATE THIS AUTHORITY TO ONE OR MORE  
 15 BOARDS APPOINTED BY IT]. An appointed board **shall** [MAY] be composed of  
 16 not less than three persons, who shall be members of the governing body, municipal  
 17 residents, or a combination of members of the governing body and residents. The  
 18 governing body shall by ordinance establish the qualifications for membership. **The**  
 19 **governing body may by ordinance appoint itself to sit as a board of equalization.**

20 \* **Sec. 5.** AS 29.45.210(b) is amended to read:

21 (b) The appellant bears the burden of proof. The only grounds for adjustment  
 22 of assessment are proof of unequal, excessive, improper, or under valuation based on  
 23 facts that are stated in a valid written appeal or proven at the appeal hearing. **The** [IF  
 24 A VALUATION IS FOUND TO BE TOO LOW, THE] board of equalization may **not**  
 25 raise the assessment **in the current year unless requested to do so by the appellant.**  
 26 **If the appellant provides a long form fee appraisal to support the appellant's**  
 27 **valuation and the board of equalization does not find in favor of the appellant,**  
 28 **the board shall make specific findings on the record to support its decision.**

29 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
 30 read:

31 TRANSITION: REGULATIONS. The Department of Commerce, Community, and

1 Economic Development may adopt regulations necessary to implement the changes made by  
2 this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not  
3 before the effective date of the law implemented by the regulation.

4 \* **Sec. 7.** Section 6 of this Act takes effect immediately under AS 01.10.070(c).

5 \* **Sec. 8.** Except as provided in sec. 7 of this Act, this Act takes effect January 1, 2025.



Haines Borough  
**BOROUGH ASSEMBLY  
ACTION REQUEST**

DATE: December 29, 2023

TO: Borough Assembly

FROM: Property Tax Assessment Advisory Board

ACTION:

*Motion: Gilbert moved to “approve the proposed amendment to HBC 3.72.020 as written and recommend it to the Assembly for approval” and the motion carried 4-1 with Hansen opposed.*

RATIONALE:

The Property Tax Assessment Advisory Board was charged with reviewing existing code, policy and procedures of the property tax assessment process and to recommend changes to improve the process for both citizens and the borough administration. The definition of "full and True Value" has been the subject of much discussion and interpretation. The proposed amendment to borough code narrows the definition because **“In an appeal, a complete defense does take on some elements of a single-property appraisal. Computer-assisted mass appraisal for all its strengths tends to retreat into the background during a protest. A protest, by nature of its focus on an individual property, often requires the skill of individual property appraisal.”**

This quote is from page 229 of Assessment Administration published by the Internationale Association of Assessing Officers.

**BOARD REQUEST:**

The Property Tax Assessment Advisory Board requests that the assembly amend the definition of Full and True Value to bring our definition into alignment with the International Association of Assessing Officers.

SUBMITTED BY Paul Rogers

Paul Rogers, Chair  
Property Tax Assessment Advisory Board