

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 87th General Assembly
3 Regular Session, 2009

As Engrossed: H3/23/09

A Bill

HOUSE BILL 2147

4
5 By: Representative Lovell
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For An Act To Be Entitled

9 AN ACT TO SET OUT THE PROCEDURE FOR EQUALIZATION
10 BOARDS TO FOLLOW WHEN CHANGING PROPERTY VALUES IN
11 A YEAR WHEN A COUNTY IS NOT COMPLETING
12 REAPPRAISAL; TO CONSULT WITH THE ASSESSMENT
13 COORDINATION DEPARTMENT TO UTILIZE DATA COMPILED
14 UNDER THE ASSESSMENT COORDINATION DEPARTMENT'S
15 SALES RATIO STUDY; AND FOR OTHER PURPOSES.

Subtitle

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18 TO SET OUT THE PROCEDURE FOR
19 EQUALIZATION BOARDS TO FOLLOW WHEN
20 CHANGING PROPERTY VALUES IN A YEAR WHEN
21 A COUNTY IS NOT COMPLETING REAPPRAISAL.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 *SECTION 1. Arkansas Code Title 26, Chapter 27, Subchapter 3 is amended*
27 *to add an additional section to read as follows:*

28 26-27-322. Change in market value – Board procedure.

29 (a) The purpose of this section is to:

30 (1) Set out the procedure for a county equalization board to
31 follow when changing real property values in a year when a county is not
32 completing reappraisal; and

33 (2) Require the county equalization board to consult with the
34 Assessment Coordination Department to utilize data compiled under the
35 department's sales ratio study.

36 (b) If in the judgment of the county equalization board or the county



1 judge based upon current economic conditions a number of real estate parcels
2 in a county may have decreased in market value since the last countywide
3 reappraisal, then the county equalization board may by its motion or the
4 county judge may petition for the county equalization board to enter into a
5 special session to determine what action is needed under this section to
6 address the decrease in market value.

7 (c) The county equalization board shall not take action as proposed in
8 the special session under subsection (b) of this section until the county
9 equalization board has:

10 (1) Consulted the county assessor on the proposed action in the
11 special session;

12 (2) Consulted the department on the proposed action in the
13 special session; and

14 (3) Analyzed the current real estate market in the county.

15 (d) The board may employ a professional appraisal manager to analyze
16 the current real estate market in the county to fulfill its obligation under
17 subdivision (c)(2) of this section.

18 (e) If the board determines in the special session that action is
19 needed under this section, the board shall adjust market values of real
20 estate in the county under the methodology established by the rules of the
21 department.

22 (f) The Assessment Coordination Department shall promulgate rules to:

23 (1) Set out the procedure for a county equalization board to
24 make a determination whether action is needed under this section; and

25 (2) Establish the methodology to be used when adjusting the
26 market values of real property.

27 (g) If the county equalization board fails to follow the methodology
28 to adjust real estate values as set out in the Assessment Coordination
29 Department's rules, the county equalization board shall be subject to
30 withholding of funds from the Arkansas Real Property Reappraisal Fund under §
31 26-26-1907.

32 (h) A special session convened under this section is subject to the
33 procedures for a special session of the county equalization board under § 26-
34 27-312.

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36 SECTION 2. EMERGENCY CLAUSE. It is found and determined by the

1 General Assembly of the State of Arkansas that several counties in the state
2 are considering changing real estate values during a year the counties are
3 not scheduled to complete reappraisal; that county equalization boards are
4 empowered to make such changes; that county equalization boards have no
5 guidance in the law on when to take action or the type of action that is
6 appropriate under these circumstances. Without proper guidance, county
7 equalization boards face the risk of unintentionally putting the county in
8 noncompliance. Therefore, an emergency is declared to exist and this act
9 being immediately necessary for the preservation of the public peace, health,
10 and safety shall become effective on:

11 (1) The date of its approval by the Governor;

12 (2) If the bill is neither approved nor vetoed by the Governor,
13 the expiration of the period of time during which the Governor may veto the
14 bill; or

15 (3) If the bill is vetoed by the Governor and the veto is
16 overridden, the date the last house overrides the veto.

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18 /s/ Lovell
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