

January 21, 2020

The Honorable Caryn Tyson, Chairperson  
Senate Committee on Assessment and Taxation  
Statehouse, Room 123-E  
Topeka, Kansas 66612

Dear Senator Tyson:

**SUBJECT:** Fiscal Note for SB 266 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 266 is respectfully submitted to your committee.

SB 266 would remove two designations awarded by the International Association of Assessing Officers as qualifying credentials for county appraisers. The bill would require appraisal courses necessary to qualify for the registered mass appraiser designation and all continuing education courses to retain this designation to be approved by the Real Estate Appraisal Board beginning on July 1, 2020. The bill would require the Director of the Property Valuation Division at the Department of Revenue to only accept appraisal courses approved by the Real Estate Appraisal Board as alternatives to the courses required to be conducted by the Director.

The Real Estate Appraisal Board indicates SB 266 has the potential to increase administrative costs and staff time to review and approve all courses for the registered mass appraiser designation. The Board does not specifically license this designation and it currently does not have approved courses for this designation. The costs to review and approve courses for the registered mass appraiser designation are estimated to be negligible and would likely be recouped from course approval fees that are currently set at \$100 per course.

The Department of Revenue indicates that the bill has the potential to increase costs by requiring the approval of certain courses from the Real Estate Appraisal Board. The Property Valuation Division would now be responsible for developing courses specific to mass appraisal or contracting with vendors that can provide these courses that would need to be approved by the Real Estate Appraisal Board. Additionally, adapting the current registered mass appraiser designation without the use of International Association of Assessing Officers courses would increase staff time and resources for the Property Valuation Division; however, the additional actual costs cannot be estimated. The Board of Tax Appeals indicates that the bill would have no fiscal effect on its operations.

The Kansas Association of Counties indicates that the bill has the potential to increase costs for counties by removing two designations awarded by the International Association of Assessing Officers as qualifying credentials for county appraisers. If this limits the number of qualified appraisers in the state, county governments may be required to pay higher wages or pay other higher costs (mileage and other benefits) to attract qualified individuals to work as appraisers, particularly in certain areas of the state where there are fewer qualified and eligible individuals to perform these duties. However, the Kansas Association of Counties did not provide a precise estimate of any increased costs. Any fiscal effect associated with SB 266 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell  
Director of the Budget

cc: Jay Hall, Association of Counties  
Jody Allen, Tax Appeals  
Lynn Robinson, Department of Revenue  
Sally Pritchett, Real Estate Appraisal