MASSACHUSETTS DEPARTMENT OF REVENUE
DIVISION OF LOCAL SERVICES
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Deputy Commissioner

June 8, 1992

To: Mayors, Managers, Boards of Selectmen, Finance Committees

A bill prepared by lobbyists for a small group of revaluation contractors has recently been added as an outside section (Section 396) of the House budget. This bill will immediately cut local aid to some 73 cities and towns using the Department of Revenue's Computer Assisted Mass Appraisal and Tax Administration program (DOR CAMA) and will prevent the Department of Revenue from providing any related assistance to these or any other communities, now and in the future. The sponsors of Section 396 intend to immediately cut off the Department's ability to "install, supply, service, maintain, train, distribute, or assist any computer assisted appraisal software program for any city or town." These revaluation firms have sent out mailings to communities indicating much more limited objectives and other serious misrepresentations. As Section 396 makes clear, their actual purpose is to limit the Division of Local Services to regulatory functions, eliminating local aid and service functions. The cost impacts for local governments would be immediate and substantial. A copy of Section 396 is attached.

The DOR CAMA program began before 1985 as part of a State-ordered revolution in local assessing practices to properly implement Proposition 2 1/2 and to meet requirements of the Sudbury Decision. The Legislature voted to fund this effort in 1985. Software and services for this program went through a competitive procurement process, but the firms supporting this legislation chose not to submit bids. Despite the seven year history of this program, the fact that over 73 cities and towns rely on it, and the commendations that it has earned from local officials, legislators, and organizations like the Massachusetts Taxpayers Foundation, the sponsors of this bill have taken steps to quietly eliminate it.

Concern about this issue now shifts to the Senate. If your community is already in the DOR CAMA program, please discuss with your assessors the dramatic impact that passage of Section 396 would have on your budget and tax billing process. Then, please contact your Senator and urge him or her to actively prevent passage of a bill or budget amendment with the House bill's intent. Considering the methods used to secure passage in the House, Senators will have to be especially aware of this issue to ensure a related bill is not inadvertently approved.

If your community is not involved in the program, act to preserve your options for the future. The DOR CAMA program was set up as a voluntary program to respect Massachusetts traditions of home rule. The issue can be summarized as "freedom to choose what is best for your community" vs. "dependency on high-cost proprietary systems and services". All communities, especially in these difficult times, should not be denied options to perform basic municipal functions at lower cost, at higher quality, and on a more timely basis because these options might adversely affect a particular private firm's profits. Funds saved through in-house revaluation and tax administration can be devoted to other priority services such as public safety and education.

The only beneficiaries of Section 396 are a few revaluation contractors. Those hurt by its passage are those 73 communities currently involved in the DOR CAMA program, additional communities who may wish to join the program, taxpayers in all of those communities, plus, indirectly, all communities who always have an alternative if they are dissatisfied with the cost or quality of privately contracted revaluations or who need a flexible, low-cost tax administration system. It is DOR support and training that makes this move to self-sufficiency possible in many communities, and it is this program of training and support that this group of vendors is targeting.

** Do all private revaluation firms support the efforts of this group? No! The largest mass appraisal firm in the country is taking pains and incurring costs to disassociate itself from this legislation.

** The DOR CAMA program was designed and implemented over many years with the active involvement of local officials, professional associations, private firms, and state legislators. The private firms behind this legislation are expending substantial sums to eliminate it precisely because it has been so successful.

** If your community is involved with DOR CAMA, support your assessors and collector/treasurers who have voluntarily assumed the hard work and responsibility of in-house work in the interest of the community's taxpayers and their own professionalism.

** Help ensure that your community has the freedom to choose, now or in the future, whether consultants or local officials can most fairly and efficiently assess property and issue timely tax bills; and

** Should your community elect in the future to be self-sufficient in these functions, maintain an in-house alternative that has training and support that your community can afford.

** Support efforts to professionalize tax assessment and administration in Massachusetts.

Please contact your Senator to prevent passage of this legislation and your Representative to ensure he or she knows what Section 396 contains if the issue goes to a budget conference committee. Call Marilyn Browne or David Davies at (617) 727-2300 for additional information.

General Appropriation Bill.

There being no objection, — Messrs. Hayward of Lynn and Manning of Milton moved tht the bill be amended by adding at the end thereof the following section:

"SECTION 396. Section 3 of Chapter 58 of the General Laws, as appearing in the 1990 Official Edition, is hereby amended by adding the following paragraph: —

Notwithstanding the provisions of the first paragraph, or any other provision of general or special law to the contrary, the commissioner shall not install, supply, service, maintain, train, distribute, or assist any computer assisted appraisal software program for any city or town.".

The amendment was adopted.

There being no objection, — Messrs. Finneran of Boston and Jordan of Springfield moved that the bill be amended in section 2, by striking out item 3222-9024 and inserting in place thereof the following item:

"3222-9024 For the rental assistance program in the form of vouchers for families and elderly of low-income; provided, that notwithstanding any general or special law to the contrary, said vouchers shall be distributed only to those households that receive chapter seven hundred and seven certificates, so-called, and housing vouchers under any existing voucher program on June thirtieth, nineteen hundred and ninety-two; provided further, that notwithstanding any general or special law to the contrary, of said chapter seven hundred and seven certificate holders, only those below two hundred percent of the federal poverty level shall receive said vouchers; provided further, that each such voucher shall be worth exactly three hundred dollars per month; provided further, that no vouchers whose use has been discontinued shall be reassigned at any time; and provided further, that no funds appropriated herein may be used for the administration of said program by local housing authorities or nonprofit organizations, including not more than five positions ...... 69,400,000".

Pending the question on adoption of the amendment offered by Messrs. Finneran and Jordan, Representatives Morrissey of Quincy, Klimm of Barnstable, Parente of Milford and Turkington of Falmouth moved, there being no objection, that the amendment be amended by striking out the text and inserting in place thereof the following:

"3222-9024 For a program of rental assistance for families and elderly of low-income including certificates and vouchers; provided that not more than ten percent of the amount expended for said rental assistance program may be used for the administration of said program; provided

Consent comm. # 8 F-241

Comm. from the Department of Revenue relative to a bill which will cut local aid to cities and towns using the Department of Revenue's Computer Assisted Mass Appraisal and Tax Administration Program.

In City Council,

June 15, 192

Referred to the City Manager for immediate action on motion of Councillor Duehay

Copy sent to City Mgr 6/16/92