

Mandatory Insurance Verification:

Where are we? What's the latest?

Senate Bill 2631, 2012 Regular Session of the Mississippi Legislature, created the Mississippi Vehicle Insurance Verification System (MVIVS). This bill required the Mississippi Department of Public Safety (DPS), the Mississippi Department of Revenue (DOR), and the Mississippi Insurance Department (MID) to create a common, carrier-based motor vehicle insurance verification system. MVIVS purpose is to encourage compliance with mandatory motor vehicle insurance. Failure to comply with the law could result in persons being ticketed during traffic stops and possible suspension or denial of vehicle registrations. System users include law enforcement agencies, courts, and other state and local agencies charged with administering the State's motor vehicle laws

A number of other states have similar programs that have recognized varying levels of success.

Following passage of SB 2631, representatives of DPS, DOR and MID began meeting to develop a Request for Proposal (RFP) for the system. While writing the specifications, several issues were identified as potential problems for implementation of the system as passed by the Legislature. The identified concerns included lack of due process for violators, loss of county revenue, lack of clarity regarding assignment of responsibilities among the participating agencies, and the technical limitations of the State's current Tag/Title Network. A decision was made to proceed with the RFP and request the Legislature address these issues during their next session. The RFP was issued and a vendor was selected; however, due to a multitude of reasons, further work on the system halted.

In 2014, effort was again made by the three state agencies, insurance company representatives, and the Mississippi Collectors and Assessors Association (MACA), to develop a business plan with workable solutions to the various 'roadblocks' implementing the system. After months of meetings, a business plan was drafted and presented to the leadership of the three agencies and the Legislature. As a result of this work, House Bill 946, 2015 Regular Session, was drafted to address some of the issues. Following several amendments, the conference report was passed by both the Senate and the House and is currently awaiting the Governor's signature.

The primary change made to the 2012 legislation is that MVIVS will only be used during traffic stops and will not be tied to registration and renewals. Due to the technical constraints of the current tag/title system, the registration process would create major hardships on the insurance companies, county tax collectors, county budgets, DOR, and the taxpayers of Mississippi.

HB 946 requires MVIVS to be operational by March 1, 2016.

The conference report is found at <http://billstatus.ls.state.ms.us/documents/2015/pdf/cr/HB0946CR.pdf>



**Tony Lawler, Director
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We don't change the message, the message changes us.

Across County Lines

April 2015

MS Chapter of International
Association of
Assessing Officers
2013-2015 Officers

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Jimmie Ladner.....Vice President
Ramona Blackledge.....Treasurer
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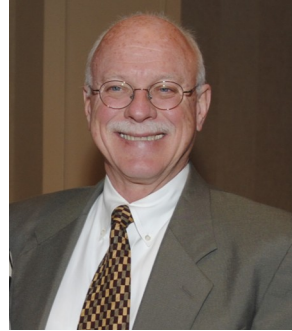


**2015
MACA
Summer Conference
July 12 -15, 2015**

**See Inside For
More Details**

MISSISSIPPI HIGH RESOLUTION IMAGERY PROJECT

In late summer 2011, in response to a USGS proposal to coordinate GIS activities in Mississippi, Joel Yelverton, the Executive Director of the Mississippi Assessors and Collector's Association, began assisting in organizing multi-county high resolution imagery acquisition projects. Imagery resolutions are 6 inch for urban areas and 1 foot for rural areas. Mr. Blake Wallace, Executive Director of the Hinds County Economic Development Authority, is acting as the primary administrator for these projects. From 2011 through 2014 fifty (50) counties have elected to participate in these projects which resulted in \$100,000's in savings to the taxpayer.



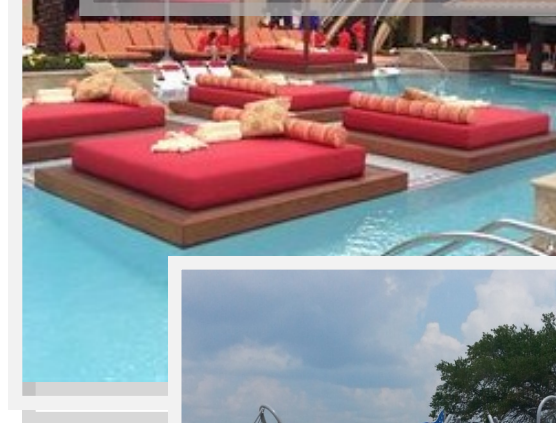
Joel Yelverton

DO NOT REGRET GROWING OLD. IT
IS A PRIVILEGE DENIED TO MANY.



2015 MACA Summer Conference July 12-15, 2015 Golden Nugget Casino Biloxi, MS

Start making your plans now! Rooms have been “blocked” at a rate of \$99.00 per night. Reservations must be made by June 12, 2015 to receive the special rate. Call 228-435-5400 or go online at www.goldennugget.com/Biloxi/ using PROMO CODE: S156105



Welcome to Spring! I hope everyone is doing well this year. I don't know about you, but I'm ready for a little less rain and a few cool, sunny days. That's good weather for campaigning, you know. Campaign season is upon us and I hope all of you that are running for reelection is successful, as well as those seeking to fill the seats for our retiring bosses. Those are certainly some big seats to fill. Congratulations on another four years as well to those who are unopposed. I believe election years are good reminders to us that serving the public is what we should be doing everyday- election year or not. We are entrusted by the public to do a particular job whether it is as the elected official or as an employee of one of the many government offices or departments. We are here to serve the public trust to the best of our ability and when we put the best interest of the public first, I believe it creates a win-win situation for all parties. That being said, don't forget that continuing your education is a part of providing excellent customer service and there are opportunities for doing just that coming up soon. Recertification is coming up in April and IAAO Courses 102 (Income Approach to Valuation) and IAAO Course 400 (Assessment Administration) will be held in the summer. Please plan to attend these courses if you can. Again, I wish everyone the best of luck this year, and I thank all



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*2015 Spring Workshop
Pearl, MS*



Mississippi on the move with Tax Collector Education

The State of Mississippi County Tax Collectors now has an education system in place for improving the education of the Tax Collector and their deputies with in their office. In cooperation with The Mississippi Office of State Audit, The Mississippi Department of Revenue, The Mississippi Assessors and Collectors Association and The Center for Government & Community Development in the Mississippi State University Extension Service has worked very hard in establishing training programs and examinations set for obtaining Certification for Collector of Revenue I (CR1), Collector of Revenue II (CR2) and Mississippi Collector of Revenue (MCR). With the first classes starting in the spring of 2012 the courses have been steady and very successful. Over the past 3 years the program has produced 380 CR1's, 179 CR2's, and 37 MCR's as of September 30, 2014. The Mississippi Assessor and Collectors Association continue to look for ways to improve the service to the public taxpayers of Mississippi.

Travis Crimm, Jr.
Yazoo County
Tax Collector



The task ahead of us is never as great as the power behind us.

ASSESSOR/COLLECTOR EDUCATIONAL OPPORTUNITIES FOR 2015

April 7	Recertification-Meridian	MSU Meridian
April 9	Recertification-Hattiesburg	Woodall Technology Center
April 14	Recertification-Batesville	Batesville Civic Center
April 16	Recertification-Verona	North MS R & E Center
April 21	Recertification-Raymond	Central MS R & E Center
April 23	Recertification-Interactive Video	
	Starkville MSU Campus	
	Stoneville Capps Classroom	
	Raymond-MSU Extension Center	
	Biloxi-Costal R & E Center	
April 28	Recertification-Bay St. Louis	Longfellow Community Center
May 4-8	Certified Appraiser School Week One	MSU Campus, Starkville
May 5-11	Collector of Revenue II	Clinton, MS
May 11-15	IAAO Course 102 Income Approach to Valuation	MSU Campus, Starkville
May 18-22	Certified Appraiser School Week Two	MSU Campus, Starkville
June 1-5	IAAO Course 402 Tax Policy	Clinton, MS
June 3	MAE Exam	DOR, Clinton
June 8-12	IAAO Course 400 Assessment Administration	MSU Campus, Starkville
June 8-12	Collector of Revenue II	Batesville, MS
June 17	CAS & MAE Retake	DOR, Clinton
June 30	AEI & AEII Deadline	gcd.msstate.edu
July 12-15	MACA Summer Conference	Biloxi
July 21	MCR Comprehensive Exam	Raymond, MS
July 22	MCR Comprehensive Exam	TBD
July 23	MCR Comprehensive Exam	Hattiesburg, MS
October 19-22	MACA Fall Conference/IAAO Workshop	Vicksburg, MS

What it is Worth and Why Should I take Your Word?

Sales Ratio Studies, One tool to Validate Property Appraisals

If you work for the Tax Assessor's office, sooner or later you are going to have to defend the value of property assessed by your office. More than likely it will be a parcel you had no part in establishing the value. But, you have to answer the tax payer. More importantly, you have to give the tax payer an answer he or she understands and is believable. So what is this magic potion you are going to administer to make your customer satisfied? One possible solution is to have a short but defendable discussion on your office procedures for sales ratio studies.

Ok, so we are going to get into this process that uses multiple types of algorithms to find the results for Absolute Standard Deviation so that we can plug that into the Coefficient of Dispersion, and also find the Mean, Medium, and Mode and.....Whooooaa! That blank stare you just got is pretty much the standard look that those of us that use all that gobly gook get all the time. Someone in your office is responsible for the Sales Program, and they are the only one that on a regular basis uses all that math. So, let's run through a short course on what a "Sales Study" means to the rest of us.

State Statute 27-1-21 requires all Tax Assessors to conduct a sales ratio study within their jurisdiction to establish the quality of their appraisals. As part of the annual audit process the manner of the sales program will be evaluated as well as the ultimate figures the state looks for;

Ratio - The standard for passing the assessment level test for Class 1 properties is a median ratio of 85 percent (85%) to 115 percent (115%) of market value. A median for Class II properties of 75 percent (75%) to 125 percent

(125%) of market value is deemed passing.

Standards of uniformity and Equality - It is generally recognized that the coefficient of dispersion about the median is the most accurate indicator of uniformity and equality. Therefore, the coefficient of dispersion about the median shall not exceed 20 percent for purposes of rejection.

Price Related Assessment Bias - A standard for regressivity based on the regressivity index shall not exceed 0.92 percent on the low end, and 1.08 percent on the high end.

Counties not meeting or exceeding the standards shown above will be deemed to have failed the tests.

From Section X, MS State School Manual 2013 update.

This is still probably too technical for the average customer so, you may end up saying something like, "The Department of Revenue requires us to study as many sales as possible to validate property values and then checks up on us."

Then the question becomes, "What constitutes a sale and how do you find out about it?" Good question. We all know about sales from mom and pop to the kids, or how about that great foreclosure deal a friend of yours got? So what is a valid sale? IAAO book, Property Assessment Valuation 2nd Edition, basically states that a valid sale is the transfer of property from a willing seller to a willing buyer using conventional forms of payment. Obviously that lends itself to a lot of interpretation. In IAAO's Standard on Verification and Adjustment of Sales, published in Journal of Property Tax Assessment & Administration - Volume 8, Issue 1, the bulk of the standard is what sales should be avoided.

Continued.....

Again, this is why one person or a section is dedicated to the sales study. The standards continue to evolve, and it takes someone being dedicated to the process to keep up. There was a time when foreclosures were just completely thrown out. But after the 2008 bust in real estate finance, new rules had to be applied, since most sales in many jurisdictions were foreclosures. Really smart math guys came up with new ways of trending foreclosure sales to a market model. Does the customer care about all that? Probably not. So maybe we could say something like, "We have state, national and international standards that we comply with to determine whether a sale is valid for our county."

So how do you even know a sale has occurred? In most offices the mapping department is responsible for reviewing all deeds filed in a jurisdiction to determine if there has been an ownership change. They become the front line of informing the sales analyst that a possible sale has transpired. Many offices also have a good relationship with real estate professionals in their districts and may be informed by them when a sale occurs. Homestead applications for first time filers are another great tool to look at. Also, fee appraisers will frequently let the local assessor's office know if they are working on a pending sell. So the bottom line is there are many avenues in which the assessor's office can acquire sales data from. This information will still have to be verified and validated.

The validation process is usually done through a sales questionnaire. The sales analyst will put together a letter to send out on all prospective sells. The questionnaire is put together so the sales analyst can make a determination whether or not to use the sale in the study. The sales letter is also an audit item used by the state, therefore becoming a very important part of the assessor's office on a day to day basis. Once the letter is returned then the sales analyst will decide to

use it on face value, exclude it based on information given, or contact the seller or buyer for additional information. The biggest problem with the sales letter is that there is no law requiring the buyer/seller to give us this information. The only time an assessor can ask how much you paid for your home, under penalty of law, is on the homestead exemption application. The tax payer is under penalty of law for knowingly providing false or miss-leading information on the form.

So what can you do with this information? If you went through the State Certification School, this will serve as a review of that block on Sales Ratio Studies. If not, then you can use the information to re-assure tax payers that your office uses the most current practices to validate the mass appraisal process in your jurisdiction. We do it because the Department of Revenue mandates it by statute. We do it to check our effectiveness. We do it because it is the only way we can fairly, without bias place a reasonable value on tax payer's homes. We do the work so that the tax payer knows they are being treated fair and equitable.

For a more detailed discussion consult the references cited in the Article, IAAOs Property Assessment Valuation 2nd edition, Chapter 6; IAAO's Standard on Verification and Adjustment of Sales, Journal of Property Tax Assessment & Administration - Volume 8, Issue 1. If you have access to the State School Manual 2013 Update, see section X.



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