

Budget Savings Options 2020

Dollars in Thousands

Agency Board of Tax Appeals

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-S			FTE Change	Brief Description and Rationale	Effective Date (MM/YY)	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)
			FY 20	FY 21	FY 21					
M	2	Forgo Avatech technology study			30	Voluntary Reduction	7/1			
H	2	Eliminate all Training/Professional Development			18	Voluntary Reduction	7/1			
M	2	Forgo paying for employee bar license dues			4	Voluntary Reduction	7/1			
M	2	Eliminate all travel			13	Voluntary Reduction	7/1			
H	2	Eliminate all subscriptions (e.g. Westlaw)			18	Voluntary Reduction	7/1			
M	1	Eliminate all purchases of misc items (goods & services)			20	Voluntary Reduction	7/1			
H	2	Personnel Layoffs			290	3	7/1	<p>Layoff Impact on Agency Mission A consequence of such a reduction would result in the BTA's inability to maintain the current services it provides to the taxpayers of the state. Of particular note is the current three-year backlog of tax appeal cases awaiting adjudication. The legislature addressed the backlog issue in the last budget cycle by allocating additional funding and resources. The bulk of this funding allowed the Board to increase the number of Tax Referee positions by three. This resulted in consistent increases in the agency's productivity as evidenced by the reduction of the agency's backlog in the last year by 25 percent.</p> <p>Moreover, the agency's historic data indicates that in times of economic downturns (i.e., 2008-14), taxpayers file significantly more property tax appeals. Therefore, any decrease in hours worked by staff or any personnel reduction will, at best, drastically impact agency's ability to maintain its current progress in reducing backlogged cases. Further, any work hour reductions or layoffs will almost guarantee that hearings officers cannot meet the statutorily-required response time to draft decisions---even if there is no uptick in the number of appeals filed.</p> <p>Agency Layoff Policy Our agency layoff policy permits a reduction in personnel based on seniority and performance considerations. At present, the Board plans to terminate one administrative employee, but would consider additional terminations if the recommended reductions are unsatisfactory in achieving the targeted dollar amount. In the event that additional BTA employees would be let go, the Board recognizes that it is in our best interest to lay off the employee(s) prior to June 30, so that the agency could pay the vacation leave buyout expenses in FY 2020 instead of FY 2021.</p>		

Priority:
L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

Impact:
1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)