



Indiana Economic Development Corporation

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October 21, 2009

Catherine H. Wolter  
Attorney  
Indiana Department of Local Government Finance

Dear Ms. Wolter:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small businesses associated with rule changes proposed by the Indiana Department of Local Government Finance ("DLGF") contained in LSA Document 09-197. Pursuant to mandates set forth in IC 6-1.1-35.5-4.5, the proposed rule amends sections 50 IAC 15-3 and 50 IAC 15-5 to add requirements for Level Two of property assessor-appraisers certification, and includes requirements for achieving Level Three certification and includes provisions for the revocation of Level Three certification. The proposed rule also makes requirements for professional appraisers and tax representatives to achieve Level Three certification. Additionally, the proposed rule makes amendments concerning certification expiration and suspension of Level Three certification for certain violations by a tax representative.

The DLGF estimates that the proposed rule will affect approximately 300 small businesses in Indiana. The estimate is based on data that shows that there are approximately 244 certified tax representatives and approximately 40 professional appraiser groups in the state that will be required to achieve Level Three-Appraiser certification by December 31, 2013.

The estimated total cost of achieving Level Three certification is approximately two thousand dollars (\$2,000) per student. This estimate is based on an approximate cost of \$400 per course multiplied by five required courses. The DLGF estimates that the total economic impact on all affected small businesses is approximately \$586,000 to achieve Level Three certification by December 31, 2013. DLGF data shows that it is likely that this estimate is much higher than the actual cost for small businesses going forward, because many of the impacted businesses have already completed all or most of the required classes as part of their continuing education for Level Two. It is already a requirement that certified Level One assessor-appraisers are required to complete 30 continuing education hours within a two year cycle and certified Level Two and Level Three assessor-appraisers are required to complete 45 continuing education hours within a two year cycle. Upon achieving a Level Three an individual may attend continuing education classes free of charge.

The DLGF estimates that the affected businesses will incur very minimal additional administrative expenses resulting from compliance with this rule. The cost will be incurred when individuals desire to receive credit for the successful completion of a course required by the rule must report and document the successful completion by fax to the DLGF.

The IEDC does not object to the economic impact to small business associated with the proposed rule. The purpose of this rule is to carry out a legislative mandate to elevate the competence of assessing officials and those who represent assessing officials to the tax payers. It is the responsibility of the DLGF to protect tax payers and ensure that assessing officials have the best training available. As noted above most businesses will not see the full potential impact of this rule, because they have already begun the process to achieve Level Three certification.

If you have any questions about the comments contained herein please contact me at 233-8962 or [rasberry@iedc.in.gov](mailto:rasberry@iedc.in.gov).

Regards,



Ryan Asberry  
Assistant Vice President