

County Assessment Function Funding Assistance Account (CAFFA)

Senate Committee on Finance and Revenue

4/16/2025



What CAFFA is

- The 1989 Legislature enacted HB 2338 in response to statewide deterioration in the prop tax system caused by various factors, including a lack of local funding
- This legislation established a quarterly grant program to help finance the process of county assessment and taxation (A&T)
- Grant funding comes from:
 - A portion of the county recording fee for certain documents
 - A portion of the interest paid on delinquent property taxes

How CAFFA works

- Each county turns over their share of recording fees and interest paid on delinquent taxes to DOR
- DOR redistributes these funds back to counties based on the estimated need for budgetary support of A&T
- The CAFFA grant for each county is based on the percentage that each certified county A&T budget bears to the total of certified county A&T budgets statewide
- Up to 10% of these funds are available to help support DOR's industrial and utility property appraisal responsibilities and other A&T system activities

County budgets and estimated need

To receive a quarterly grant, a county must apply to DOR and provide their preliminary budget for A&T expenditures in the upcoming year

DOR reviews each application to determine if the county budget will provide the resources to adequately perform the necessary A&T functions

If the proposed budget is inadequate, the department works with the county to improve the adequacy of the budget

DOR then certifies county budgets determined to be adequate

CAFFA financial information

CAFFA Deposits by Fiscal Year and Source (\$Millions)					
Fiscal Year	Delinquent Interest	Recording Fees	Legislative App.	Total Deposits	CAFFA Deposits as a Share of Cert. Expend.
2000-01	\$12.7	\$8.1	\$2.5	\$23.3	28%
2001-02	\$14.0	\$10.1	\$2.5	\$26.6	32%
2002-03	\$14.1	\$11.8	\$2.4	\$28.3	33%
2003-04	\$13.5	\$12.4	\$2.5	\$28.4	32%
2004-05	\$11.7	\$10.5	\$2.5	\$24.7	26%
2005-06	\$12.2	\$11.3	\$2.5	\$25.9	25%
2006-07	\$11.9	\$10.2	\$2.5	\$24.5	23%
2007-08	\$12.3	\$8.5	\$2.6	\$23.4	22%
2008-09	\$12.9	\$7.2	\$2.1	\$22.1	19%
2009-10	\$15.1	\$7.0		\$22.1	22%
2010-11	\$14.9	\$6.8		\$21.7	21%
2011-12	\$14.7	\$6.6		\$21.3	20%
2012-13	\$15.6	\$7.6		\$23.2	22%
2013-14	\$14.9	\$6.1		\$21.0	20%
2014-15	\$13.9	\$6.4		\$20.3	18%
2015-16	\$12.8	\$7.1		\$20.0	18%
2016-17	\$13.2	\$7.4		\$20.7	17%
2017-18	\$13.0	\$7.0		\$20.1	17%
2018-19	\$12.5	\$6.3		\$18.9	15%
2019-20	\$13.2	\$7.7		\$21.0	15%
2020-21	\$15.2	\$9.7		\$24.9	18%
2021-22	\$13.1	\$7.5		\$20.6	16%
2022-23	\$11.2	\$4.6		\$15.7	12%
2023-24	\$14.0	\$4.2		\$18.1	13%

CAFFA financial information (cont.)

