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JAMES E. SPEED
Executive Director

March 27, 2002

No. 2002/023

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

PROPOSED NEW RULE 284, APPRAISER CERTIFICATE REVOCATION
AND REVISIONS TO RULES 281, 282, AND 283

On May 30, 2001, the Board's Property Tax Committee directed staff to initiate rulemaking to establish procedures for the revocation of appraisers' certificates in accordance with the requirements of Revenue and Taxation Code section 671. The procedures established by this rule will ensure that the standards of due process are met when the Board determines that an appraiser's certificate should be revoked. Enclosed is a draft of the proposed new rule, Property Tax Rule 284, *Appraiser Certificate Revocation*. In the process of developing Rule 284, staff updated and clarified existing Rule 281, "*Appraiser*" *Defined*, Rule 282, *Temporary Certification*, and Rule 283, *Permanent Certification*. Staff's proposed changes to these rules, which are shown in strikeout and underline form, are enclosed. Interested parties may submit proposed changes to any of these rules in the form of alternative text by May 13, 2002. Please reference the page and line number of all proposed changes for each rule.

Staff will review suggested changes and incorporate those that are deemed appropriate into the draft. It is anticipated that the project will then proceed as follows:

- Staff will distribute an agenda matrix summarizing proposed changes to the rules on June 13, 2002.
- Staff will meet with interested parties on June 27, 2002 to discuss the proposed new rule and revisions to the existing rules. The purpose of the meeting is to reach as much agreement as possible among interested parties regarding the final language of the rules.
- Staff will submit an issue paper and other required documents for the September 11, 2002 Property Tax Committee meeting at which the Committee will hear discussion of any unresolved issues regarding the rules.

TO COUNTY ASSESSORS AND
INTERESTED PARTIES:

2

March 27, 2002

This letter, the draft of the proposed new rule, and changes to the existing three rules, as well as all future documents regarding this project, will be posted on the Board's Web site (www.boe.ca.gov). The information can be accessed by way of the following links: (1) Property Taxes, (2) Property Tax Committee Work Plans, (3) Property Tax Committee Work Plans 2002.

If you have any questions regarding this project, please contact Mr. Anthony Epolite at (916) 324-2642, anthony.epolite@boe.ca.gov, or Ms. Margie Wing at (916) 324-0028, margie.wing@boe.ca.gov.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property Taxes Department

DJG:mw
Enclosures

1 **Rule 281. "APPRAISER" DEFINED.**

2 *Reference:* Sections 670, 673, and 1716, Revenue and Taxation Code.

3 An appraiser for property tax purposes within the meaning of sections 670 through 673 of the
4 Revenue and Taxation Code is a person employed by an employee of the state, a county, ~~or~~ a city
5 and county, or an appraisal commission who renders value judgments and/or who makes
6 building classification judgments for cost estimating purposes in the administration of the
7 valuation phase of ad valorem property taxation under Article XIII and Article XIII A, ~~sections~~
8 ~~1, 2, 9, 14, 17, 18, 19 and 24~~ of the California Constitution. ~~"Appraiser" includes persons who~~
9 ~~make building classification judgments for cost estimating purposes and auditors or auditor-~~
10 ~~appraisers who render market value judgments. It does not include elected officials.~~

1 **Rule 282. TEMPORARY CERTIFICATION.**

2 *Reference:* Section 24002.5, Government Code, and Sections 670, 673, Revenue and Taxation Code.

3 **(a)** A person shall not perform the duties of an appraiser, as defined in ~~section~~ regulation
4 281, unless the person has been issued a temporary or permanent certificate by the Board, nor
5 shall the person continue to perform such duties for more than a year (excluding any break in
6 service as an appraiser of less than six months which is reported to the Board) without having
7 been permanently certified.

8 **(b)** The board shall issue a temporary certificate to any other person employed to perform the
9 duties of an appraiser for property tax purposes in the service of the state, a county, ~~or a~~ city and
10 county, or an appraisal commission, if the person meets the minimum qualifications set out in
11 ~~section 283(a)~~ subsection (a) of regulation 283 or has equivalent qualifications which, in the
12 opinion of both the assessor and the Board, demonstrate that the person is competent to perform
13 the work of an appraiser. The assessor shall submit such qualifications to the Board on a form
14 supplied by the Board.

15 **(c)** ~~Within~~ No later than 30 days of ~~election or appointment~~ taking office, any person who
16 has been elected or appointed as assessor shall request and upon request, the Board shall issue a
17 temporary certificate to ~~any person who has been elected or appointed as assessor~~ such
18 individual.

19 **(d)** A temporary certificate is suspended when the person to whom it was issued ceases to
20 perform the duties of an appraiser for property tax purposes but is automatically reinstated when
21 the person again performs such duties with less than a six months' break in service. When there

- 1 is a break in service of six months or more, another temporary certificate must be issued, under
- 2 the provisions of subsection (b), and such certificate shall be valid for one year thereafter.

1 **Rule 283. PERMANENT CERTIFICATION.**

2 *Reference:* Sections 670, 673, Revenue and Taxation Code.
3 Section 24002.5, Government Code.

4 **(a)** The Board shall issue a permanent certificate to any person employed to perform
5 the duties of an appraiser for property tax purposes in the ~~state~~ service ~~or in the service~~ of
6 the state, a county, ~~or a~~ city and county, or an appraisal commission who, within one year
7 of employment, attains a passing grade in an examination prepared or approved by the Board
8 and who meets the following minimum qualifications:

9 (1) The person is currently employed by, or has a bona fide employment offer from, the
10 Board, a county assessor, ~~or a~~ city and county assessor, or ~~a county~~ an appraisal commission, and

11 (2) Either the person is a graduate of an accredited four-year institution of higher
12 education, or

13 (3) The person has graduated from high school (or has the equivalent of a high school
14 education as determined by the taking of a general educational development test ~~administered by~~
15 ~~an official general educational development center~~ approved by the ~~Bureau of Readjustment~~
16 ~~Education of the~~ California Department of Education) and has four years of relevant experience.

17 "Relevant experience" means employment experience within the last ten years in any of the
18 following occupations:

19 **(A)** an accountant, auditor, real property appraiser, building cost estimator, engineer, or
20

21 **(B)** a real estate licensee, licensed by the California Department of Real Estate,
22 engaged in buying, selling, leasing, or managing real estate, or

1 (C) an appraiser aide or appraiser trainee in an assessor's office or in the property taxes
2 department of the Board, or

3 (D) an employee, other than an appraiser, of an assessor's office or of the property
4 taxes department of the Board, except that ~~only 2/3 of~~ such employment time shall be limited to
5 qualifying for only 2/3 of the four-year experience requirement. ~~deemed qualifying employment~~
6 experience. The remaining 1/3 of time shall be accumulated by other relevant experience as
7 described in subparagraphs (A), (B), and (C) above or by education in an accredited institution of
8 higher education.

9 Four years of relevant experience or any combination ~~of four years~~ of relevant experience and
10 education in an accredited institution of higher education totaling four years can be substituted
11 for the educational requirement in subsection (a) (2). When fewer than four years of education
12 in an accredited institution of higher education are used to meet the minimal qualifications, the
13 number of qualifying years or fractions thereof shall be determined by the number of units in
14 which passing grades were received. The qualifications of the person seeking permanent
15 certification in this manner shall be submitted on a form supplied by the Board when the person
16 files the application.

17 (b) When a person has been temporarily certified under subsection (b) of Section regulation
18 282 by reason of equivalent qualifications or under subsection (c) of Section regulation 282 by
19 reason of election or appointment as assessor, the person shall be admitted to the examination
20 referred to in subsection (a). Upon receiving a passing grade in the examination, the person shall
21 be issued a permanent certificate by the Board.

1 (c) A permanent certificate is suspended when the person to whom it was issued terminates
2 employment ~~by~~ with the Board, ~~by~~ a county assessor, ~~or a~~ city and county assessor, or ~~by a~~
3 ~~county reappraisal~~ an appraisal commission, but it is automatically reinstated when the person is
4 again employed to perform the duties of an appraiser for property tax purposes in the ~~state~~
5 service of any of these offices ~~or in the service of any county or city and county.~~

1 **Rule 284. APPRAISER CERTIFICATE REVOCATION.**

2 **(a)** A person who holds a permanent certificate to perform the duties of an appraiser for
3 property tax purposes in the service of the state, a county, a city and county, or an appraisal
4 commission shall adhere to the annual training requirements as set forth in section 671 of the
5 Revenue and Taxation Code. The training requirement for an appraiser's certificate or advanced
6 appraiser's certificate shall be met for each fiscal year, commencing July 1 and ending June 30.
7 Failure to obtain such training shall constitute grounds for revocation of the appraiser's certificate
8 or advanced appraiser's certificate.

9 **(b)** In calculating the number of training hours completed for the current fiscal year,
10 the hours earned from attending training in that fiscal year shall be counted first. Any training
11 hours in excess of the annual requirement shall be applied to a future year only after the training
12 hours earned in the current fiscal year have been counted. To retain an appraiser's certificate,
13 excess training hours over the 24-hour annual requirement may be carried forward as a credit
14 a maximum of three years, with a maximum of 72 training hours available for carryover
15 into future years. To retain an advanced appraiser's certificate, excess training hours over the
16 12-hour annual requirement may be carried forward as a credit a maximum of two years,
17 with a maximum of 24 training hours available for carryover into future years. Excess
18 training hours carried forward from prior years shall be applied on a first in/first out basis,
19 such that training hours available from the earliest year of carryover shall be credited first
20 to eliminate any deficiency in the current fiscal year.

1 (c) The Board shall initiate informal revocation procedures if, upon review of an
2 individual's annual training report, the appraiser appears to be deficient in meeting the annual
3 training requirement. The steps of the informal revocation process are as follows:

4 (1) A letter will be sent to the appraiser who appears to have deficient training hours
5 and to the assessor of the county or the city and county where the appraiser is employed or
6 to the appropriate Board division chief. The assessor or division chief shall indicate whether
7 or not the person is still employed by that office as an appraiser and, if applicable, should note
8 whether the appraiser has transferred to another county, city and county, or Board division or if
9 the person is no longer employed by any of these offices as an appraiser.

10 (2) The letter sent to the appraiser will be accompanied by a report of the training
11 and respective hours completed by the individual so that the appraiser will have an
12 opportunity to reconcile his or her records with the report. If training has been completed but
13 has not been included on the training report, the name of the course, date and proof of
14 completion, and training hours earned must be submitted. For non-Board provided courses,
15 a course outline or seminar agenda must also be submitted. Corrections and/or changes to the
16 report will be accepted within the time frame specified in the letter. Board staff will then review
17 the information submitted and make necessary changes to the appraiser's training hours,
18 if warranted.

19 (3) If the appraiser is, in fact, deficient in training hours, a written plan on resolving
20 the deficiency, as well as a plan for meeting the training requirements for the current fiscal year,
21 must be submitted by the appraiser to the Board by the date specified in the letter. A copy
22

1 of the plan must be concurrently submitted to the assessor or division chief where the appraiser
2 is employed.

3 (4) If the Board does not receive a response by the specified date, Board staff will contact
4 the appraiser to determine the reason for the lack of a response. If the written plan is not
5 received within 10 days from this follow-up contact date, a registered letter will be mailed to the
6 appraiser advising him or her of a conference call or meeting with a panel of Board staff to
7 remedy the deficiency. This letter will indicate the date, time, and location (if applicable) of the
8 conference call or meeting.

9 (5) During the conference call or meeting, the appraiser and the panel will discuss the
10 training deficiencies and establish a plan to make up the deficiency and to satisfy the
11 annual training requirements for the current fiscal year. If the appraiser is unable to
12 participate in the conference call or attend the meeting on the scheduled date, the appraiser
13 must reschedule the conference call or meeting with the panel for a date within 30 days
14 of the originally scheduled date.

15 (6) If the appraiser presents an acceptable plan to the panel to make up the deficiencies,
16 no further action will be taken unless the appraiser fails to meet the requirements of the plan
17 by the deadline agreed upon by the parties.

18 (7) If the appraiser fails to participate in the conference call or attend the meeting with
19 the panel or fails to follow the established plan, as set forth in subparagraphs (5) and (6) above,
20 and remains delinquent at the end of the time frame specified, the panel will recommend
21 to the Deputy Director of the Board's Property Taxes Department that proceedings be initiated
22 to revoke the appraiser's certificate. If such a recommendation is made, the Deputy Director

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2 will meet with the panel and the appraiser to determine if formal revocation procedures
3 should be pursued or if the panel and the appraiser should establish a new plan to make up
4 the training deficiency.

5 (8) After the Deputy Director meets with the panel and the appraiser, a letter will be sent
6 to the appraiser and the assessor or division chief regarding the Deputy Director's decision.

7 **(d)** The Board shall initiate formal revocation proceedings if the Deputy Director determines
8 that the foregoing informal revocation process could not satisfactorily resolve the appraiser's
9 deficiency in training hours. Formal revocation proceedings shall be conducted in a hearing
10 before an administrative law judge in accordance with the Administrative Procedure Act
11 contained in Chapter 9 (commencing with Section 11500) of Part 1 of Division 3 of Title 2
12 of the Government Code.

13 **(e)** The Board shall prescribe the contents of a form that provides for holders of
14 certificates to report the training and respective hours completed each fiscal year. Reporting
15 required by this subsection shall be effective as of the fiscal year commencing
16 July 1, 2003.

17 Note: Authority: Section 15606, Government Code.

18 Reference: Sections 670 and 671, Revenue and Taxation Code.