



STATE OF CALIFORNIA

**STATE BOARD OF EQUALIZATION**

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October 18, 2002

JAMES E. SPEED  
Executive Director  
**No. 2002/068**

TO COUNTY ASSESSORS,  
COUNTY COUNSELS, AND  
OTHER INTERESTED PARTIES:

**CALIFORNIA CODE OF REGULATIONS  
TITLE 18. PUBLIC REVENUES**

**PROPERTY TAX  
AMEND RULE 281. "APPRAISER" DEFINED  
AMEND RULE 282. TEMPORARY CERTIFICATION  
AMEND RULE 283. PERMANENT CERTIFICATION  
ADOPT RULE 284. RETENTION & REVOCATION OF APPRAISER CERTIFICATE**

**NOTICE IS HEREBY GIVEN:**

The State Board of Equalization, pursuant to the authority vested in the Board by section 15606, subdivision (c) of the Government Code, proposes to amend Rule 281, "Appraiser" Defined, Rule 282, Temporary Certification, and Rule 283, Permanent Certification, and to adopt Rule 284, Retention and Revocation of Appraiser Certificate, in Title 18, Division 1, of the California Code of Regulations. A public hearing on the amended regulations and the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on December 18, 2002. Any person interested may present statements or arguments orally at that time and place. Written statements or arguments will be considered by the Board if received by December 18, 2002.

**INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

Under current law, Revenue and Taxation Code sections 670, 671, and 673, the Board of Equalization is responsible for the certification of appraisers and auditor-appraisers employed by counties, cities and counties, the state (i.e., the Board of Equalization), and appraisal commissions who value real and personal property for purposes of ad valorem taxation. Section 670 provides the requirements and criteria for the certification of appraisers and auditor-appraisers. Section 671 provides the annual training requirements necessary to maintain an appraiser certification.

And, finally, section 673 provides the requirements and criteria for the temporary certification of appraisers and auditor-appraisers.

Rules 281, 282, and 283 are amended to make specific the requirements and criteria for the certification of appraisers and auditor-appraisers employed by counties and the state (i.e., the Board of Equalization) who value real and personal property for purposes of ad valorem property taxation and Rule 284 is proposed to make specific the requirements and criteria for the maintenance of such certificates.

Rule 281 – "Appraiser" Defined. The proposed amendments specify those individuals who fall under the definition of "appraiser" for purposes of appraiser certification, as the rule was most recently amended in 1975, prior to the passage of Proposition 13 and the addition of Article XIII A to the California Constitution.

Rule 282 – Temporary Certification. The proposed amendments recognize the certification of appraisers employed by appraisal commissions and the appropriate application of Revenue and Taxation Code section 673 to assessors.

Rule 283 – Permanent Certification. The proposed amendments specify the relevant experience requirements for appraisers seeking certification by (1) adding additional qualifying job classifications, and (2) clarifying how the experience of non-appraiser employees of assessors' offices and the Property Taxes Department of the Board is counted towards meeting the four-year experience requirement.

Rule 284 – Retention and Revocation of Appraiser Certificate. The proposed rule specifies the circumstances in which the Board of Equalization would proceed with a formal hearing under the Administrative Procedure Act to revoke an appraiser's certificate.

## COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that the proposed amendments of Rules 281, 282, and 283 and the proposed adoption of Rule 284 do not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed amendments and the proposed rule will not result in direct or indirect cost or savings to any State agency, any cost to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with § 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary cost or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

## EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5, subdivision (a)(8), the Board of Equalization makes an initial determination that the proposed amendments and the proposed rule will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

The proposed amendments and the proposed rule will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The proposed amendments and the proposed rule will not affect small business because the proposed amendments and the proposed rule only clarify existing interpretations of statute.

#### COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The Board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

#### SIGNIFICANT EFFECT ON HOUSING COSTS

No significant effect.

#### FEDERAL REGULATIONS

Rules 281, 282, and 283 and proposed Rule 284 have no comparable Federal regulations.

#### AUTHORITY

Government Code section 15606, subdivision (c).

#### REFERENCE

Revenue and Taxation Code sections 670, 671, 673, and 1716; Government Code section 24002.5.

#### CONTACT

Questions regarding the substance of the proposed amendments and the proposed rule should be directed to Mr. Anthony Epolite, Tax Counsel, Property Tax Section, telephone (916) 324-2642, fax (916) 323-3387, email [anthony.epolite@boe.ca.gov](mailto:anthony.epolite@boe.ca.gov) or by mail to the State Board of Equalization, Attn: Anthony Epolite, MIC:82, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email [Diane.Olson@boe.ca.gov](mailto:Diane.Olson@boe.ca.gov) or to Ms. Joann Richmond, Property Taxes Analyst, telephone (916) 322-1931, email [Joann.Richmond@boe.ca.gov](mailto:Joann.Richmond@boe.ca.gov) or by mail to the State Board of Equalization, Attn: Diane Olson or Joann Richmond, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

#### ALTERNATIVES CONSIDERED

The Board must determine that no reasonable alternative considered by it or that has been otherwise identified and brought to its attention would be more effective in carrying out the purpose for which this action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

#### AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared initial statements of reasons and underscored versions (express terms) of the proposed amendments and the proposed rule. This document and all information on which the proposals are based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0080. The express terms of the proposed amendments and the proposed regulation (rule) are available on the Internet at the Board's website <http://www.boe.ca.gov>.

#### AVAILABILITY OF FINAL STATEMENT OF REASONS

Final statements of reasons will be made available on the Internet at the Board's website following its public hearing of the proposed amendments and the proposed rule. The final statements of reasons are also available for public inspection at the State Board of Equalization, 450 N Street, Sacramento, California.

#### ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed amendments and the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the amendments and the rule. The text of the modified rule(s) will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule(s) will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule(s) for fifteen days after the date on which the modified rule(s) is made available to the public.

STATE BOARD OF EQUALIZATION

/s/ Deborah Pellegrini

Deborah Pellegrini, Chief  
Board Proceedings Division

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

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

NOTE - Authority: Government Code section 15606(c).  
Reference: Sections 670, 673, and 1716, Revenue and Taxation Code.

**Rule 282. TEMPORARY CERTIFICATION.**

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

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

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

(d) A temporary certificate is suspended when the person to whom it was issued ceases to perform the duties of an appraiser for property tax purposes but is automatically reinstated when the person again performs such duties with less than a six months' break in service. When there is a break in service of six months or more, another temporary certificate must be issued, under the provisions of subsection (b), and such certificate shall be valid for one year thereafter.

NOTE - Authority: Government Code section 15606(c).

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

**Rule 283. PERMANENT CERTIFICATION.**

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

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

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

(3) The person has graduated from high school (or has the equivalent of a high school education as determined by the taking of a general educational development test ~~administered by an official general educational development center~~ approved by the ~~Bureau of Readjustment Education of the~~ California Department of Education) and has four years of relevant experience. "Relevant experience" means employment experience within the last ten years in any of the following occupations:

(A) an accountant, auditor, real property appraiser, building cost estimator, engineer, real estate loan agent, real estate loan underwriter, right-of-way agent, licensed building contractor, or

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

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

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

Four years of relevant experience or any combination ~~of four years~~ of relevant experience and education in an accredited institution of higher education totaling four years can be substituted for the educational requirement in subsection (a) (2). When fewer than four years of education in an accredited institution of higher education are used to meet the minimal qualifications, the number of qualifying years or fractions thereof shall be determined by the number of units in which passing grades were received. One year of education requirement shall consist of either 30 semester units or 45 quarter units. The qualifications of the person seeking permanent certification in this manner shall be submitted on a form supplied by the Board when the person files the application.

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

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

NOTE - Authority: Government Code section 15606(c).  
Reference: Sections 670 and 673, Revenue and Taxation Code; and Section 24002.5, Government Code.

**Rule 284. RETENTION AND REVOCATION OF APPRAISER CERTIFICATE.**

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

(b) In calculating the number of training hours completed for the current fiscal year, any excess hours earned from attending training in prior years shall be counted first.

(1) To retain an appraiser's certificate, excess training hours over the 24-hour annual requirement may be carried forward as a credit a maximum of three years, with a maximum of 72 training hours available for carryover into future years.

(2) To retain an advanced appraiser's certificate, excess training hours over the 12-hour annual requirement may be carried forward as a credit a maximum of two years, with a maximum of 24 training hours available for carryover into future years.

Excess training hours carried forward from prior years shall be applied on a first in/first out basis, such that training hours available from the earliest year of carryover shall be credited first to eliminate any deficiency in the current fiscal year.

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

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

(2) The letter sent to the appraiser will be accompanied by a report of the training and respective hours completed by the individual so that the appraiser will have an opportunity to reconcile his or her records with the report. If training has been completed but has not been included on the training report, the name of the course, date and proof of completion, and training hours earned must be submitted. For non-Board provided courses, a course outline or seminar agenda must also be submitted. Written corrections and/or changes to the report must be submitted no later than 30 calendar days after receipt of the letter advising the appraiser of the deficiency in training hours. No later than 30 calendar days after the receipt of this information, Board staff will review the information submitted and make necessary changes to the appraiser's training hours, if warranted, and notify the appraiser whether or not the corrections and/or changes have been accepted. A copy of the revised training report will be sent to the appraiser.

(3) If the appraiser is, in fact, deficient in training hours, a written plan on resolving the deficiency, as well as a plan for meeting the training requirements for the current fiscal year, must be submitted by the appraiser to the Board within 30 calendar days of receiving the above notification. The plan shall be submitted to the Board after the appraiser has consulted with and provided a copy of the plan to the assessor or Board division chief.

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

(5) During the conference call or meeting, the appraiser and the panel will discuss the training deficiencies and establish a plan to make up the deficiency and to satisfy the annual training requirements for the current fiscal year. The assessor or Board division chief, or their representative, may participate in the conference call or meeting. If the appraiser is unable to participate in the conference call or attend the meeting on the scheduled date, the appraiser must reschedule the conference call or meeting with the panel for a date within 30 calendar days of the originally scheduled date.

(6) If the appraiser presents an acceptable plan to the panel to make up the deficiencies, the Board shall notify the appraiser and the assessor or Board division chief. No further action will be taken unless the appraiser fails to meet the requirements of the plan by the deadline agreed upon by the parties.

(7) If the appraiser fails to participate in the conference call or attend the meeting with the panel or fails to follow the established plan, as set forth in subparagraphs (5) and (6) above, and remains delinquent at the end of the time frame specified, the panel will inform the Deputy Director of the Board's Property and Special Taxes Department, or his or her designee, that proceedings should be initiated to revoke the appraiser's certificate. A certified letter will be sent to the appraiser and the assessor or division chief by the Deputy Director, or his or her designee, regarding the Board's decision to initiate formal revocation proceedings.

(d) Formal revocation proceedings shall be initiated if the foregoing informal revocation process could not satisfactorily resolve the appraiser's deficiency in training hours. Formal revocation proceedings shall be conducted in a hearing before an administrative law judge in accordance with the Administrative Procedure Act contained in Chapter 9 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

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

Note: Authority: Section 15606, Government Code.

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