

Memorandum

To : Mr. Dean Kinnee
Executive Director (MIC 73)

Date: April 11, 2018

From : Henry Nanjo, Chief Counsel
Legal Department (MIC: 73)

Subject : **Board Meeting, May 30, 2018**
Item G - Chief Counsel's Rulemaking Calendar
Property Tax Rule 283, *Permanent Certification*

We request your approval to place proposed changes to Property Tax Rule (Rule) 283, *Permanent Certification*, on the Chief Counsel's Rulemaking Calendar for the May 30, 2018 Board meeting. The proposed changes (1) update Rule 283 to reflect organizational changes in state government and (2) add missing punctuation.

First, Rule 283, subdivision (a)(3)(B) refers to a person's experience as "a real estate licensee, licensed by the California Bureau of Real Estate, engaged in buying, selling, leasing, or managing real estate." As of July 1, 2013, the Governor's Reorganization Plan No. 2 replaced the Department of Real Estate with the Bureau of Real Estate (CalBRE) as the entity that issues real estate licenses. Operative July 1, 2018, Senate Bill (SB) 173 (Stats. 2017, ch. 828) moves the Bureau of Real Estate to the Business, Consumer Services, and Housing Agency and changes the name back to the Department of Real Estate. According to an analysis of Senate Bill 173, since the CalBRE was moved under the Department of Consumer Affairs, "the cost to administer the Real Estate and Subdivided Lands Laws has increased by several million dollars annually. The Bureau's responsiveness to the public and to its licensees has continued but at the cost of greater resource commitments and burdens on staff and administrators." Specifically, SB 173 amends Business and Professions Code (BPC) sections 10004 and 10005 by defining the term "Department" to mean the Department of Real Estate and providing that statutory references to "bureau," "department," and "Bureau of Real Estate" in part 1 of division 4 of the BPC regarding real estate licenses now mean the Department of Real Estate. Therefore, staff proposes to change "Bureau" to "Department" in Rule 283, subdivision (a)(3)(B) to reflect the amendments to BPC sections 10004 and 10005 made by SB 173.

Second, Rule 283, subdivision (a)(3)(B) is missing a comma between the words "selling" and "leasing" in the listed sequence. Therefore, staff proposes to add the missing comma after the word "selling."

Staff will request the Board's authorization to make the changes to Property Tax Rule 283, under California Code of Regulations, title 1, section 100 (Rule 100), without the normal

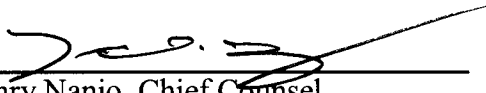
notice and public hearing process. The changes are appropriate for processing under Rule 100 because they make Property Tax Rule 283 consistent with the amendment to BPC sections 10004 and 10005 made by SB 173, and they do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

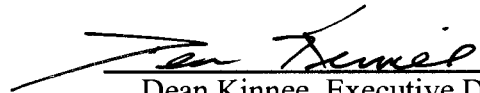
Attached is a strikeout and underlined version of the regulation illustrating the proposed changes.

If you have any questions regarding this request, please contact me at 1-916-323-1094.

Recommendation by:

Approved:


Henry Nanjo, Chief Counsel



Dean Kinnee, Executive Director

Approved:

BOARD APPROVED

At the 5/30/18 Board Meeting


Brenda Fleming, Chief Deputy Director


Joann Richmond, Chief
Board Proceedings Division

Attachment: Proposed Changes to Property Tax Rule 283

cc: Ms. Joann Richmond (MIC 80)
Mr. Henry Nanjo (MIC 73)
Mr. David Yeung (MIC 64)
Mr. Richard Moon (MIC 82)
Ms. Glenna Schultz (MIC 64)

NOTE: 2 changes to (a)(3)(B): Bureau to Department, and a comma after "selling"

State of California

BOARD OF EQUALIZATION

PROPERTY TAX RULES

Division 1. State Board of Equalization-Property Tax
Chapter 2. Assessment
Article 7. Qualifications of Appraisers

Rule 283. Permanent Certification.

Authority: Section 15606, Government Code.

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

(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 service of the state, a county, a city and county, or an appraisal commission who, within one year of employment, attains a passing grade 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, a city and county assessor, or 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 approved by 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 ~~Bureau~~ 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 Board's Property Tax Department, or

(D) an employee, other than an appraiser, appraiser aide, or appraiser trainee, of an assessor's office or of the property taxes department of the Board, except that such employment time shall be limited to qualifying for only 2/3 of the four-year experience requirement. 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 relevant experience and of 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 Rule 282 by reason of equivalent qualifications or under subsection (c) of Rule 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 with the Board, a county assessor, a city and county assessor, or 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 service of any of these offices.

Rule 283 (Contd.)

History: Adopted April 10, 1968, effective May 12, 1968.
Amended January 7, 1970, effective February 8, 1970.
Amended December 15, 1971, effective January 19, 1972.
Amended August 15, 1984, effective February 13, 1985.
Amended February 4, 1997, effective July 6, 1997.
Amended January 9, 2003, effective June 27, 2003.
Amended May 25, 2016, effective October 26, 2016.