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STATE OF CALIFORNIA

**STATE BOARD OF EQUALIZATION**

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No. 96/34

May 29, 1996

TO COUNTY ASSESSORS:

**STATE BOARD OF EQUALIZATION CERTIFICATION REQUIREMENTS FOR  
CONTRACT APPRAISERS**

Chapter 914, Statutes of 1995, (Assembly Bill 818) became effective October 16, 1995 and provides state funds to counties, subject to certain conditions, for property tax administration. Some assessors have expressed plans to use Chapter 914 funds to employ contract appraisers to reduce assessment backlogs. The purpose of this letter is to clarify State Board of Equalization appraisal certification requirements for contract appraisers.

County assessors may decide to employ appraisers on a contract basis when the workload does not justify the hiring of full-time, permanent staff members. These situations might include the reduction of real property appraisal backlogs (e.g., the processing of assessment appeals cases, changes in ownership, and new construction), the valuation of specialized properties (e.g., oil and gas resources), and the performance of mandatory audits of business property accounts. Based on statutory requirements, it has long been and continues to be our position that contract appraisers must obtain either temporary or permanent certification in order to perform this work.

Revenue and Taxation Code Sections 670 and 673 (all references are to the Revenue and Taxation Code unless otherwise noted) and Property Tax Rules 281, 282 and 283 address appraiser qualifications and certification for property tax purposes.

Property Tax Rule 281 defines appraiser and reads as follows:

“An appraiser for property tax purposes within the meaning of Section 670 of the Revenue and Taxation Code is an employee of the state, a county, or a city and county who renders value judgments in the administration of the valuation phase of ad valorem property taxation under Article XIII, 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.”

Property Tax Rule 282 requires a temporary or permanent State Board certification for those performing the duties of an appraiser, stating, in subdivision (a):

“A person shall not perform the duties of an appraiser, as defined in Section 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.”

Subdivision (b) of Property Tax Rule 282 describes in detail the qualifications required for temporary certification and the terms under which it remains in force. Property Tax Rule 283 describes in detail the education, experience, and examination requirements for obtaining permanent certification. In addition, Section 670 (d) prescribes further qualifications for an auditor-appraiser performing mandatory audits in accordance with Section 469. Thus, any person performing the duties of an appraiser or an auditor-appraiser, including persons employed on a temporary or contract basis, must have either temporary or permanent certification issued by the Board (Section 670 (a)). Furthermore, an auditor-appraiser performing mandatory audits must meet additional statutory requirements (Section 670 (d)).

We recommend the following course of action for contract appraisers to meet the State Board certification requirements. The assessor's office which hires the contract appraiser should submit the "Application for Temporary Appraiser's Certification" (Form C-740A, copy enclosed). Based on this information, we will grant or deny temporary certification. The temporary certification is valid for a maximum of one year (excluding reported breaks in service of six months or less, as noted above), and it is automatically reinstated, on request, for breaks in service of less than six months. If there is a break in service of six months or more, a new temporary certification must be obtained, which is also valid for one year (Rule 282 (c)).

In many cases, temporary certification will be sufficient. However, if the continuous employment period is expected to extend beyond one year, the contract appraiser must obtain permanent certification, which, in essence, requires the passage of an examination prepared or approved by the Board in addition to the requirements for temporary certification. The retention of permanent certification is subject to the completion of the standard annual training requirements (Rule 283 (a) and (b)).

It may be helpful to note that the permanent certification of any appraiser who has left government service (i. e., a former employee of an assessor's office or the State Board) is automatically reinstated when that person is again employed as an appraiser for property tax purposes and gives written notice of this to the Board. In other words, the permanent certification of these individuals remains valid.

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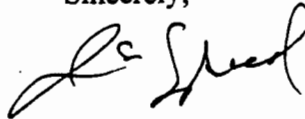
It has been suggested that temporary and/or permanent certification is not necessary for contract appraisers whose work activities are restricted exclusively to data collection and the assembling of appraisal units of comparison. However, this may violate existing statutes and is not advised for the following reasons: (1) it is often difficult to determine when data collection and the assembling of appraisal units of comparison ends and valuation begins; (2) the language in Section 670(a) expressly prohibits any person from performing the duties or exercising the authority of an appraiser for property tax purposes "unless he is the holder of a valid appraiser's or advanced appraiser's certificate issued by the State Board of Equalization"; and (3) Section 672 requires each appraiser at the time of certification to disclose his/her financial interest in any corporation, and appraisers who fall within the categories of officials designated in Government Code Section 87300 are required to separately file with the Fair Political Practices Commission.

If contract appraisers without certification are hired to perform data collection and the assembling of appraisal units of comparison, it must be demonstrable that this is all they do, and an appropriate county or city official must be prepared to verify that any such employee is not performing the duties or exercising the authority of an appraiser in violation of Section 670(a).

Finally, in addition to certification requirements, we note that any person hired by or performing any duties on behalf of an assessor is subject to the same constitutional and statutory requirements as employees of the county assessor, including but not limited to confidentiality and conflict of interest provisions. Whether such persons are considered "consultants" or "independent contractors," rather than county employees, from the standpoint of labor law or personnel regulations, does not affect their duty to act as the agents of the assessor in full compliance with the statutory obligations imposed upon the assessor's staff including confidentiality and conflict of interest responsibilities.

If you have any questions regarding this topic, please contact the Training Unit at (916) 445-4982.

Sincerely,



J. E. Speed  
Acting Deputy Director  
Property Taxes Department

JES:jm

Enclosure

Cert-pl.doc



## APPLICATION FOR TEMPORARY APPRAISER'S CERTIFICATION

(Pursuant to Section 673, Revenue and Taxation Code  
and California Administrative Code, Title 18,  
Chapter 1, Subchapter 2, Article 7, Rule 282(c).)

Employer \_\_\_\_\_ Employer Code Number \_\_\_\_\_  
SEE REVERSE FOR CODE NUMBER

Applicant's Name \_\_\_\_\_  
LAST FIRST M.I.

Date of Employment \_\_\_\_\_ Position for which applying<sup>+</sup> \_\_\_\_\_

**SBE USE ONLY:**

Certificate Number \_\_\_\_\_

<b>EDUCATION:</b> CIRCLE THE HIGHEST GRADE YOU COMPLETED IN SCHOOL → 1 2 3 4 5 6 7 8 9 10 11 12		DATE COMPLETED		HIGH SCHOOL GRADUATE * YES ___ NO ___		
NAME AND LOCATION OF HIGH SCHOOL		YEARS COMPLETED	HOURS OR UNITS PASSED	GRADUATE	DEGREE	DATE COMPLETED
NAME OF COLLEGE OR UNIVERSITY		COURSE OF STUDY		YES ___ NO ___		
UNIVERSITY GRADUATE STUDY		COURSE OF STUDY				
BUSINESS CORRESPONDENCE TRADE OR SERVICE SCHOOLS		COURSE STUDIED		YEARS	MONTHS	
CERTIFICATES OR LICENSES		NUMBER	EXPIRATION DATE	+ Auditor-Appraisers Please Complete <input type="checkbox"/> CPA or PA License Number _____ <input type="checkbox"/> Passed Civil Service or Merit System Examination Title of Exam _____ <input type="checkbox"/> Degree With Specialization in Accounting - Please Enclose A Listing of Accounting Courses		

\*If NO, do you have the equivalent of a high school education as determined by the taking of a general education development test administered by an official general educational development center approved by the Bureau of Readjustment Education of the California Department of Education? \_\_\_\_\_

**EXPERIENCE (Show most recent first):**

DATES OF EMPLOYMENT			EMPLOYERS' NAMES AND ADDRESSES	TITLE OF JOB AND DESCRIPTION OF DUTIES	REASON FOR LEAVING
FROM	TO	NO. YEARS			

Please indicate in the "Remarks" section any special skills or qualifications that you have or any training that you have received (other than that included in your academic background).

Remarks \_\_\_\_\_

Applicant's Signature \_\_\_\_\_ Date \_\_\_\_\_

Assessor's Signature \_\_\_\_\_ Date \_\_\_\_\_

**STATE BOARD OF EQUALIZATION USE ONLY:-**

Approved  Yes  No Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

EXPIRATION DATE \_\_\_\_\_

TEMPORARY CODE \_\_\_\_\_

AUDITOR STATUS \_\_\_\_\_

(Circle One) TR, TS, SQ, SS

(Circle One) 0, 1, 2, 3, 4, 5, 6, 7, 8

## EMPLOYER CODE

1 Alameda	34 Sacramento
2 Alpine	35 San Benito
3 Amador	36 San Bernardino
4 Butte	37 San Diego
5 Calaveras	38 San Francisco
6 Colusa	39 San Joaquin
7 Contra Costa	40 San Luis Obispo
8 Del Norte	41 San Mateo
9 El Dorado	42 Santa Barbara
10 Fresno	43 Santa Clara
11 Glenn	44 Santa Cruz
12 Humboldt	45 Shasta
13 Imperial	46 Sierra
14 Inyo	47 Siskiyou
15 Kern	48 Solano
16 Kings	49 Sonoma
17 Lake	50 Stanislaus
18 Lassen	51 Sutter
19 Los Angeles	52 Tehama
20 Madera	53 Trinity
21 Marin	54 Tulare
22 Mariposa	55 Tuolumne
23 Mendocino	56 Ventura
24 Merced	57 Yolo
25 Modoc	58 Yuba
26 Mono	59 SBE - Division of Assessment Standards
27 Monterey	60 SBE - Division of Intercounty Equalization
28 Napa	61 SBE - Valuation Division
29 Nevada	62 SBE - Office of Appraisal Appeals
30 Orange	63 SBE - Property Tax Administration
31 Placer	64 City of Alameda
32 Plumas	65 City of Pasadena
33 Riverside	