

BUREAU OF REAL ESTATE APPRAISERS

SUNSET REVIEW REPORT

2025

Presented to the Senate Committee on Business,
Professions and Economic Development and the
Assembly Committee on Business and Professions



CALIFORNIA DEPARTMENT OF
CONSUMER
AFFAIRS

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BUREAU OF REAL ESTATE APPRAISERS

BACKGROUND INFORMATION AND OVERVIEW OF THE CURRENT REGULATORY PROGRAM

As of November 2024

Section 1 –

Background and Description of the Board and Regulated Profession

In 1989, the United States Congress passed Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), requiring all states to license and certify real estate appraisers who conduct appraisals for federally related transactions, which are sale transactions involving a federal agency in either the primary or secondary mortgage market. In response to the federal mandate, the California Legislature enacted the Real Estate Appraisers Licensing and Certification Law in 1990 (AB 527, Chapter 491, Statutes of 1990). The Office of Real Estate Appraisers (OREA) was established within the Business, Transportation and Housing Agency, and charged with developing and implementing a real estate appraiser licensing and certification program compliant with the federal mandate. In 2012, Governor Brown submitted a reorganization plan to the Legislature. As a result, on July 1, 2013, OREA became the Bureau of Real Estate Appraisers (Bureau) within the Department of Consumer Affairs (Department). The Bureau, entirely funded by licensing fees, is a single program comprised of two core components: licensing and enforcement.

The Bureau issues trainee licensees, residential licensees, certified residential licensees, and certified general licensees. The Licensing Unit implements the minimum requirements for licensure, according to criteria established by the federal government and California law, to ensure that only qualified persons are licensed to conduct appraisals in federally related real estate transactions. Applicants must meet minimum education and experience requirements and successfully complete a nationally approved examination. The Licensing Unit also registers Appraisal Management Companies (AMC) in compliance with California law.

The Enforcement Unit investigates the background of applicants, licensees, and AMC registrants to ensure they meet the standards for licensure. The Enforcement Unit also investigates complaints of violations of California law and national appraisal standards filed against licensed appraisers and registered AMCs.

The Bureau is responsible for the accreditation of educational courses and providers for real estate appraisers. The Bureau has reviewed and approved over 1,800 pre-licensing and continuing education courses. In addition to the real estate appraisal related courses offered by California's community colleges and universities, the Bureau accredits approximately 70 proprietary schools that provide appraisal education.

The Bureau is subject to unique federal oversight, in that the Appraisal Subcommittee and the Appraisal Foundation, are not part of the Bureau, but they have influence over the Bureau and its operations at the federal level.

- Appraisal Subcommittee

The Appraisal Subcommittee (ASC) was created in 1989 pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. The ASC's role as an independent federal institution is to generally oversee the real estate appraisal process as it relates to federally regulated transactions. More specifically, the ASC reviews each state's compliance with federal requirements for licensed appraisers and appraisal management companies and can take action in the case of noncompliance; maintains a national registry of approved appraisers; and oversees the Appraisal Foundation.

- Appraisal Foundation

The Appraisal Foundation is a nonprofit organization that works to advance professionalism for appraisers through the promulgation of standards, appraiser qualifications, and guidance regarding appraisal methods and techniques. The Appraisal Standards Board within the Foundation determines and maintains the Uniform Standards of Professional Appraisal Practice (USPAP), which all states must enforce to be compliant with federal requirements and allows state licensed appraisers to participate in federally regulated transactions. The Appraisal Qualifications Board within the Foundation establishes the minimum education and experience requirements as well as the examination requirements. The Appraisal Practices Board within the Foundation is charged with providing guidance and issuing opinions on recognized valuation methods and techniques.

The Bureau does not have any standing or advisory committees to advise or support its work. Therefore, the Bureau has no quorum issues as it does not have any standing bodies that would require one.

Internal Changes

Leadership

Since the last sunset review process, the Bureau has undergone significant changes in the executive leadership of the Bureau.

- After retirement of James Martin, previous Bureau Chief, Angela G. Jemmott was sworn in as the new Bureau Chief, effective March 2, 2022.
- John Hassler was hired as the Deputy Bureau Chief of Enforcement, effective March 14, 2022.
- Mujiburrahman Khateer was hired as the Deputy Bureau Chief of the Licensing and Administration Services Unit, effective December 27, 2023.
- Christina (Tinna) Morlatt was promoted to Deputy Chief of Enforcement on July 30, 2024.

Strategic Plan

The 2020-2025 Strategic Plan, adopted in July 2019, established goals and objectives aimed at furthering the Bureau's statutory directive:

Protection of the public shall be the highest priority for the Bureau of Real Estate Appraisers in exercising its licensing, regulatory, and disciplinary functions. Whenever the protection of

the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount (Business and Professions Code section 11310.1).

The 2020-2025 Strategic Plan focused on meeting specific goals in the following five areas:

- **Licensing and Registration**
The Bureau has implemented appraiser licensing requirements according to criteria established by the federal government and California law in order to protect consumers and to allow reasonable access to the appraisal profession.
The Bureau has implemented AMC registration requirements according to federal and California law in order to protect consumers and to allow reasonable access to AMCs serving clients with California property appraisal needs.
- **Enforcement**
The Bureau protects the safety of consumers through the enforcement of the laws and regulations governing the practice of licensed real estate appraisers and registered appraisal management companies.
- **Laws and Regulations**
The Bureau pursues statutes, regulations, policies, and procedures to strengthen and support the Bureau's mandate and mission.
- **Organizational Effectiveness**
The Bureau standard is to maintain an excellent organization through proper Bureau governance, effective leadership, and responsible management, with a focus on retention and succession planning.
- **Communication, Customer Service, and Outreach**
The Bureau informs consumers, licensees, and stakeholders about the practice and regulation of the profession, while ensuring responsive customer service.

Relocation

In February 2019, the Bureau relocated its headquarters from 1102 Q Street, Sacramento, California, to 3075 Prospect Park Drive, Suite 190, Rancho Cordova, California at a cost savings of approximately \$300,000.

Legislation – Bureau Sponsored

The Bureau has not sponsored legislation since the last sunset review.

Legislative Changes Affecting the Bureau

- **SB 1474 (Committee on Business, Professions, and Economic Development, Chapter 312, Statutes of 2020)**
Extended the Bureau's sunset date by one year to January 1, 2022, in response to the Covid-19 pandemic, among other provisions.
- **AB 948 (Holden, Chapter 352, Statutes of 2021)**
Enacted the Fair Appraisal Act, requiring that, after July 1, 2022, every real property sale contract include a notice informing the buyer of their right to an unbiased appraisal and how to file a complaint with the Bureau. This bill also required the Bureau to update its complaint form, track demographic information related to these complaints, and report that information to the Legislature by July 1, 2024.¹ Additionally, beginning January 1, 2023, applicants must complete at

¹ Please see the report that was finalized and submitted to the Legislature on November 21, 2024, attached as Attachment C.

least one hour of instruction in cultural competency, and continuing education for license renewals must include training in cultural competency and bias elimination.

- SB 800 (Archuleta, Chapter 431, Statutes of 2021)
Extended the sunset date for the Bureau to January 1, 2026.
- AB 342 (Valencia, Chapter 200, Statutes of 2023)
Authorized the Bureau to request specific demographic data from licensees during initial licensing or renewal. Beginning January 1, 2025, the Bureau must provide aggregate demographic data to the Department. The bill also stipulates that declining to provide the data does not lead to disciplinary action and is not a condition of licensure and requires the Bureau to maintain confidentiality and release information only in aggregate form.
- SB 1225 (Jones, Chapter 461, Statutes of 2024)
Allows licensees to petition the Bureau to remove information on lower-level disciplinary actions from its website if the posting is more than ten years old and the licensee demonstrates rehabilitation. The bill also mandates that the Bureau adopt regulations to set a reasonable fee and specify required documentation for this process. A similar process would apply to the estates of deceased licensees.

Regulatory Changes

- In 2020, the Bureau amended Title 10 section 3722 and 3723 to comply with Assembly Bill 2138 (Chiu, Chapter 995, Statutes of 2018), Substantial Relationship and Rehabilitation Criteria. The regulation provided clarity to applicants and licensees regarding when the Bureau considers a crime, professional misconduct, or act is substantially related to the qualifications, functions, or duties of a licensed appraiser. Further, it provided the specific crimes, professional misconduct, or acts that are substantially related to the qualifications, functions, or duties of a Bureau licensee.
- In 2021, the Bureau amended Title 10 sections 3577 and 3582, Federal Compliance. This aligned California regulations with federal requirements to ensure AMCs can continue to operate in California and be on the national registry.
- In 2021, the Bureau amended Title 10 sections 3561, 3569, 3570, 3602, and 3603 to conform with AB 2113 (Low, Chapter 186, Statutes of 2020) regarding expedited licensure for refugees, asylees, and special immigrant visa holders.
- In 2023, Title 10 sections 3500, 3542, 3543, 3568, 3525, 3541, 3561, 3569, 3570, and 3603 were amended to clarify the minimum and continuing education requirements for cultural competency and bias.
- In 2023, the Bureau amended Title 10 section 3576 to conform California regulations to the federal regulatory requirements for owners of real estate AMCs. More specifically, the regulation was amended to require that any AMC owner, including a partial owner, report to the Bureau if the owner has had a real estate appraiser's license or certification refused, denied, cancelled, revoked, or surrendered in lieu of revocation in California or any other state.
- In 2023, the Bureau amended forms related to Title 10 section 3527, 3561, 3563, 3568, 3602, 2603, 3681, and 3726 to ensure uniformity.
- In 2023, the Bureau amended form 5012 (AMC Renewals) to correct typos.

- In 2024, the Bureau amended Title 16 section 3681 to update Form REA 5012.
- In 2024, the Bureau amended Title 10 sections 3541 and 3568 to explain the minimum experience requirements and the minimum educational requirements for trainee licenses and supervising appraiser responsibilities. Further, section 3525 was amended and the words “appraiser” was changed to “person” in subsection (a) and (b). Subsection (c) was amended to explain that an applicant must have a license from a state or territory recognized by the Appraisal Subcommittee.

Major Studies (cf. Section 11, Attachment C)

The Bureau conducted a demographic survey in June 2023 that received 2,500 responses, representing a 27% response rate, and provided information that has and will continue to help shape the Bureau’s marketing and outreach efforts. For example, 59.91% of the participants were between the ages of 50–69 years old, and 65.02% of the respondents were planning to maintain their license for 6–10 and over 10 years. The full survey results can be found on pages 1-3 of the Bureau’s 2023 Fall/Winter Newsletter.²

National Associations

The Bureau is a member of the Association of Appraisal Regulatory Officials (AARO), a national organization of regulatory officials including approximately 48 states and territories. The Bureau maintains its membership, supporting the mission and work of AARO, and is a voting member. The Bureau Chief was appointed to the AARO Board of Directors in 2023 and is a voting member.

Committees, Workshops, Working Groups, Task Forces, on which the Bureau Participates

- In 2020, the Bureau Chief participated in an Appraiser Qualification Board focus group to assist with the evaluation of the proposed changes to the national Real Property Appraiser Qualification Criteria.
- In August 2022, the Bureau participated in a forum to explore education requirements, fair housing laws, and valuation bias education.
- In 2023 and 2024, the Bureau Chief attended quarterly meetings of the State Regulatory Advisory Group (SRAG) (members: Appraisal Foundation Board, Appraisal Qualification Board, Appraisal Standards Board, and various state regulators).
- In 2022, 2023, and 2024, the Bureau Chief conducted work group meetings with the California Community Colleges Real Estate Education Center Program Director.
- In 2023, the Bureau Chief presented at the Board of Equalization working group board meeting.
- In 2023 and 2024, the Bureau Chief met with WIN (Women in Northern California) a group of the Appraisal Institute.
- In 2023, the Bureau Chief was one of three state regulators invited to present at the Appraisal Foundation Special Board Meeting.

² A copy of this report is attached as Attachment C.

- In 2023, the Bureau Chief testified at the Appraisal Subcommittee Hearing that addressed current challenges and explored opportunities to improve the appraisal profession.
- In April 2023, the Bureau Chief presented at Appraiser Diversity Initiative Workshop.

National Meetings

- In 2022, the Bureau Chief attended the Spring Association of Appraiser Regulatory Officials Conference in Austin, Texas.
- In 2023, the Bureau Chief attended the Fall and Spring Association of Appraiser Regulatory Officials Conferences in Salt Lake City, Utah and Washington, DC.

National Examinations

The national uniform licensing and certification exam is developed and authorized by the Appraiser Qualification Board, an independent board of The Appraisal Foundation under the provisions of Title XI of FIRREA. The Bureau contracts with an exam provider (PSI) who administers and scores the national exam. The Bureau does not have a direct role in the exam’s development, scoring, analysis, or administration.

Section 2 – Fiscal and Staff

Fiscal Issues

The Bureau’s fund is not continuously appropriated. At the close of Fiscal Year (FY) 2023-24, the Bureau had a reserve balance equivalent to 8.9 months of operating expenses. There is no statutory reserve level requirement for the Bureau.

Table 2. Fund Condition (list dollars in thousands)							
(Dollars in Thousands)	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 ³	FY 2025-26 ³
Beginning Balance ¹	\$5,823	\$4,189	\$5,132	\$5,172	\$5,418	\$5,225	\$3,298
Revenues and Transfers	\$4,367	\$6,065	\$5,970	\$6,372	\$5,279	\$5,102	\$5,101
Total Resources	\$10,190	\$10,254	\$11,102	\$11,544	\$10,697	\$10,327	\$8,399
Budget Authority	\$5,992	\$5,756	\$6,145	\$6,234	\$6,530	\$6,538	\$6,734
Expenditures ²	\$5,967	\$5,200	\$5,819	\$6,126	\$5,472	\$7,029	\$7,102
Loans to General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accrued Interest, Loans to General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loans Repaid from General Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance	\$4,223	\$5,054	\$5,283	\$5,418	\$5,225	\$3,298	\$1,297
Months in Reserve	9.7	10.4	10.3	11.9	8.9	5.6	2.1

¹Actuals include prior year adjustments.

²Expenditures include reimbursements and direct draws to the fund.

³Estimate

According to the Bureau's FY 2023-24 Fund Condition, a deficit is expected to occur in FY 2027-28. While the Bureau currently has no plans to immediately raise fees, it is actively considering several strategies to maintain the sustainability of its services and operations. These include exploring alternative education and experience pathways, such as the Practical Applications of Real Estate Appraisal (PAREA) and the California Appraiser Career Education and Experience (ACEE) Practicum Program (Practicum Program), which could expand the licensee population and increase revenues; seeking federal grant opportunities; and reducing operational costs through the increased use of technology and digital media. The Bureau may also need to consider raising the maximum amount of fees in statute if it remains on track to have a deficit in 2027-28 despite, the strategies it employs to maintain services and operations. Such increases could be a part of the Bureau's sunset review legislation and then the Bureau could raise fees as needed pursuant to regulations when needed.

The Bureau's licensee population peaked in FY 2006-07 at 20,080 licensees, which resulted in surplus funds. Historically, three loans were made to the General Fund. The latest general fund loan was made in 2008 for \$16.6 million. The final repayment was in FY 2018-19 for \$500,000 with \$143,000 in interest. There is no outstanding balance due to the Bureau, and there have been no loans made during the current sunset period.

	FY 2020-21		FY 2021-22		FY 2022-23		FY 2023-24	
	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E	Personnel Services	OE&E
Enforcement	\$1,459	\$521	\$1,582	\$851	\$1,346	\$873	\$1,226	\$485
Examination	\$ -	\$72	\$ -	\$ -	\$-	\$7	\$0	\$65
Licensing	\$833	\$244	\$792	\$386	\$785	\$424	\$1,003	\$290
Administration ¹	\$729	\$213	\$729	\$331	\$1,054	\$484	\$941	\$225
DCA Pro Rata	\$ -	\$611	\$ -	\$629	\$ -	\$637	\$0	\$732
Diversion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(if applicable)	\$ -	\$-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTALS	\$3,021	\$1,661	\$3,103	\$2,197	\$3,185	\$2,425	\$3,170	\$1,797

¹Administration includes costs for executive staff, board, administrative support, and fiscal services.

The Bureau does not participate in the BreEze program and instead utilizes its internal system, the Real Estate Appraiser Licensing and Enforcement (REALE) system, which was developed in 2014. However, the Bureau is actively collaborating with the Department to explore options for system modernization and upgrades.

The license renewal cycle for all license types is every two years. This authority is granted within Business and Professions Code, sections 114004 through 11408 and the California Code of Regulations, Title 10, Investment, Chapter 6.5, Real Estate Appraisers, Article 5, Fees, Section 3582.

In 2006, amidst a rapidly increasing licensee population and thus an expanding budget, the Bureau temporarily reduced its issuance fee for trainees and residential appraisers to \$150 (from \$300) and certified appraisers to \$200 (from \$375) until 2014. In 2014, despite a declining population, since the Bureau was receiving repayments from the General Fund, with interest, the Bureau determined it was in the best interest of the licensee population to maintain the lower fees.

Effective July 1, 2018, the issuance fees for trainees and residential appraisers were returned to the regulatory rates of \$300 and certified appraisers of \$375. By June 30, 2019, the licensee population had dropped to 10,069 from a peak of 20,080 in FY 2006-07. Due to the continued decline, the Bureau performed a workload and cost analysis to determine the appropriate fee increase. The Bureau, via regulation, raised its fees for trainees and residential appraisers to \$450 and certified appraisers to \$525 with an effective date of January 1, 2020. No fee changes have occurred since January 1, 2020. These fees are currently set at their statutory limit.

Table 4. Fee Schedule and Revenue (list revenue dollars in thousands)							
Fee*	-	-	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	% of Total
*AT - Trainee License; AL - Residential License; AR - Certified Residential License; AG - Certified General License; AMC - Appraisal Management Company	Current Fee Amount	Statutory Limit	Revenue	Revenue	Revenue	Revenue	Revenue
Delinquent Renewal AL	\$450	\$450					
Delinquent Renewal AL Application Fee	\$400	-	\$42	\$34	\$34	\$26	0.6%
Delinquent Penalty AL Fee	\$125	-					
Delinquent Renewal AT	\$450	\$450					
Delinquent Renewal AT Application Fee	\$400	-	\$29	\$20	\$13	\$14	0.4%
Delinquent Penalty AL Fee	\$125	-					
Delinquent Renewal AG	\$525	\$525					
Delinquent Renewal AG Application Fee	\$400	-	\$70	\$83	\$87	\$69	1.4%
Delinquent Penalty AG Fee	\$125	-					
Delinquent Renewal AR	\$525	\$525					
Delinquent Renewal AR Application Fee	\$400	-	\$77	\$75	\$69	\$59	1.3%
Delinquent Penalty AR Fee	\$125	-					
Upgrade from AT to AL	\$450	\$450					
Application Fee	\$400	-	\$38	\$75	\$55	\$18	0.9%
Upgrade from AT to AR/AG	\$525	\$525					
Application Fee	\$400	-	\$62	\$63	\$66	\$46	1.1%
Upgrade from AL/AR to AR/AG	\$525	\$525					
Application Fee	\$400	-	\$63	\$87	\$93	\$48	1.3%
AL Reciprocity License	\$450	\$450					
Application Fee	\$400	-	\$3	\$4	\$3	\$2	0.1%
AR/AG Reciprocity License	\$525	\$525	\$49	\$72	\$100	\$54	1.3%

Table 4. Fee Schedule and Revenue (list revenue dollars in thousands)							
Fee*	-	-	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	% of Total
Application Fee	\$400	-					
Initial AL	\$450	\$450	\$49	\$73	\$40	\$25	0.9%
Application Fee	\$400	-					
Initial AT	\$450	\$450	\$211	\$343	\$127	\$74	3.5%
Application Fee	\$400	-					
Initial AR	\$525	\$525	\$48	\$54	\$39	\$22	0.8%
Application Fee	\$400	-					
Initial AG	\$525	\$525	\$36	\$32	\$39	\$60	0.8%
Application Fee	\$400	-					
AMC Application Fee	\$400	-	\$451	\$661	\$453	\$526	9.7%
AMC Certification of Registration	\$4,600	-					
AMC Controlling Person Application	\$80	-	\$8	\$6	\$3	\$21	0.2%
Temporary Practice Permits	\$235	-	\$86	\$94	\$75	\$65	1.5%
Investment Income - Surplus Money Investments	varies	-	\$25	\$20	\$135	\$225	1.9%
Petition For Equivalency	\$55	-	\$4	\$3	\$4	\$4	0.1%
Course Provider Accreditation	\$300	-	\$4	\$3	\$2	\$2	0.1%
Accreditation Course Review	\$200	-	\$41	\$40	\$34	\$38	0.7%
Penalty Fines	varies	-	\$89	\$96	\$56	\$60	1.4%
Penalty Cost of Enforcement	varies	-	\$21	\$23	\$20	\$6	0.3%
Penalty Monitoring	varies	-	\$4	\$7	\$4	\$5	0.1%
Renewal AT	\$450	\$450	\$106	\$87	\$85	\$85	1.7%
Application Fee	\$400	-					
Renewal AL	\$450	\$450	\$387	\$322	\$341	\$375	6.6%
Application Fee	\$400	-					
Renewal AR	\$525	\$525	\$2,654	\$2,028	\$2,285	\$1,698	40.0%
Application Fee	\$400	-					
Renewal AG	\$525	\$525	\$1,375	\$1,100	\$1,243	\$982	21.7%
Application Fee	\$400	-					

The Bureau has not requested any Budget Change Proposals during the last four fiscal years.

Staffing Issues

The Bureau is comprised of 27 positions, and since January 2022, has experienced significant staff turnover (nine in total) due to retirements, transfers to other state agencies, separations, and employee death.

Over the past four years, while managing ongoing COVID-19 pandemic concerns and a nationwide shift to work from home, the Bureau encountered challenges recruiting for vacant investigator positions, which the Bureau attributes to higher educational requirements and lower salaries for investigators than those of real estate appraisers working in private industry. The Bureau also faced

some difficulties onboarding and training new staff. While the Bureau experienced a successful transition to telework for existing employees, remote onboarding for new employees proved difficult. The ability to return to the office and conduct the onboarding process in person has greatly alleviated those difficulties and employees have expressed their strong preference for in-person onboarding.

However, recruiting for some positions remains a challenge. The Bureau had key position recruitments open for up to two years, with continuous advertising of the vacancies with minimal response.

The Bureau has expanded its recruitment efforts including:

- Revised job announcements and Property Appraiser Investigator series exams increasing accessibility to employment.
- In January 2023, hired and dedicated a retired annuitant to assess and manage enforcement workload and work sample reviews.
- Continuing to work with the Department's Office of Human Resources on proposed changes to a Bureau specific class specification and address educational requirements that may be dissuading applicants from qualifying for investigator positions.
- Hired two investigators in June 2023 using the Temporary Authorization Utilization appointment.
- Hired a retired annuitant to provide temporary legal counsel in 2022.
- In December 2023, hired a consulting firm to assist with initial investigations and training development, which began in January 2024.
- In September 2023, began advertising for a Chief of Enforcement vacancy, which was filled as of July 30, 2024.
- Organized external training for technical staff in January 2024.
- Developed a non-telework schedule during the onboarding process to reinforce successful onboarding for new hires.

Staff Development

The Bureau consistently provides routine and periodic training to administrative, financial, technical (enforcement and licensing), and management staff. During the last four years, the Bureau has increased its efforts and spent \$2,126 in FY 2020-21, \$2,700 in FY 2021-22, \$10,812 in FY 2022-23, and \$9,065 in FY 2023-24 on training costs. The Bureau's investigators, on an ongoing basis, attend continuing education training, seminars, and conferences that provide information about the real estate appraisal industry and trends relating to a wide variety of real property issues, such as land rights, easements, eminent domain, and water rights. This training supports staff in being an expert witness as it relates to real property issues in court.

The investigators cannot perform their duties without being licensed by the Bureau (the hire is contingent on remaining licensed in good standing). It is mission critical that they receive the continuing education credit to meet their bi-annual licensing requirements.

The Bureau organized a more consolidated training program of the enforcement process including intake, investigation, preparing for hearing, expert testimony, and work sample review in January 2024.

Section 3 – Licensing Program

Licensing Performance Targets

Title 10 of the California Code of Regulations, section 3570, mandates a 90-day deadline for processing license applications or notifying applicants in writing if additional information is needed for incomplete applications. The Bureau experienced extended processing times of up to 80 days, particularly in 2023. However, the current average processing time for appraiser licensing applications has significantly improved to approximately 25 days as of October 2024. Additionally, trainee applications, AMC applications, and requests for license issuance after receiving examination scores, are now being processed in less than 10 days.

Although the Bureau has consistently met the 90-day requirement set in regulations, processing times increased significantly as stated above to as much as 85 days in 2023, with a backlog of over 350 applications. This delay was primarily due to a decrease in the number of staff in the licensing unit. To address this issue, the Bureau implemented new processes and established task queues in early 2024. Additionally, small-scale automation was introduced into the REALE system, which enhanced process monitoring and workload distribution. These measures effectively reduced processing times, as previously noted.

		FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Trainee	Active ³	634	798	661	436
	Out of State	20	20	14	5
	Out of Country	0	0	0	0
	Delinquent/Expired	163	119	108	113
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other ⁴	N/A	N/A	N/A	N/A
Residential	Active	952	934	879	804
	Out of State	49	45	38	29
	Out of Country	0	0	0	0
	Delinquent/Expired	100	85	61	76
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A
Certified Residential	Active	5027	4936	4756	4518
	Out of State	266	244	232	199
	Out of Country	0	0	0	0
	Delinquent/Expired	282	212	301	196
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A

³ Active status is defined as able to practice. This includes licensees that are renewed, current, and active.

⁴ Other is defined as a status type that does not allow practice in California, other than retired or inactive.

Certified General	Active	2829	2762	2687	2640
	Out of State	585	595	595	600
	Out of Country	0	0	0	0
	Delinquent/Expired	130	126	219	138
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A
Temporary Practice Permit	Active	365	384	318	283
	Out of State	N/A	N/A	N/A	N/A
	Out of Country	N/A	N/A	N/A	N/A
	Delinquent/Expired	N/A	N/A	N/A	N/A
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A
Appraisal Management Company	Active	227	225	220	205
	Out of State	123	120	117	107
	Out of Country	0	0	0	0
	Delinquent/Expired	22	23	23	30
	Retired Status if applicable	N/A	N/A	N/A	N/A
	Inactive	N/A	N/A	N/A	N/A
	Other	N/A	N/A	N/A	N/A

Note: "Out of State" and "Out of Country" are two mutually exclusive categories. A licensee should not be counted in both.

Table 7a. Licensing Data by Type – Trainee										
Trainee	Received	Approved/ Issued	Closed	Pending Applications**			Application Process Times			
				Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)	
FY 2020/21	(Exam)	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	370	370	2	Not Tracked	Not Tracked	Not Tracked	7	33	20
	Renewal	123	123	1	Not Tracked	Not Tracked	Not Tracked	3	0	3
FY 2021/22	(Exam)	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	370	223	5	Not Tracked	Not Tracked	Not Tracked	9	19	15
	(Renewal)	148	148	1	Not Tracked	Not Tracked	Not Tracked	7	0	7
FY 2022/23	(Exam)	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	140	140	3	Not Tracked	Not Tracked	Not Tracked	11	23	19
	(Renewal)	112	112	1	Not Tracked	Not Tracked	Not Tracked	3	0	3
FY 2023/24	(Exam)	NA	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	91	77	10	Not Tracked	Not Tracked	Not Tracked	40	39	40
	(Renewal)	125	125	1	Not Tracked	Not Tracked	Not Tracked	3	0	3

* Optional. List if tracked by the board.

** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7a. Licensing Data by Type – Residential										
Residential		Received	Approved/ Issued	Closed	Pending Applications**			Application Process Times		
					Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)
FY 2020/21	(Exam)	85	94	5	Not Tracked	Not Tracked	Not Tracked	6	29	20
	(License)	98	47	26	Not Tracked	Not Tracked	Not Tracked	14	26	21
	(Renewal)	450	450	1	Not Tracked	Not Tracked	Not Tracked	2	0	2
FY 2021/22	(Exam)	143	105	3	Not Tracked	Not Tracked	Not Tracked	4	29	20
	(License)	153	49	19	Not Tracked	Not Tracked	Not Tracked	40	67	50
	(Renewal)	365	345	0	Not Tracked	Not Tracked	Not Tracked	6	0	6
FY 2022/23	(Exam)	99	92	4	Not Tracked	Not Tracked	Not Tracked	10	28	20
	(License)	95	106	27	Not Tracked	Not Tracked	Not Tracked	50	66	57
	(Renewal)	369	369	0	Not Tracked	Not Tracked	Not Tracked	3	0	3
FY 2023/24	(Exam)	22	26	2	Not Tracked	Not Tracked	Not Tracked	30	27	29
	(License)	44	26	33	Not Tracked	Not Tracked	Not Tracked	49	24	42
	(Renewal)	321	321	3	Not Tracked	Not Tracked	Not Tracked	6	0	6

* Optional. List if tracked by the board.
 ** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7a. Licensing Data by Type – Certified Residential										
Certified Residential		Received	Approved/ Issued	Closed	Pending Applications**			Application Process Times		
					Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)
FY 2020/21	(Exam)	128	127	3	Not Tracked	Not Tracked	Not Tracked	6	33	20
	(License)	144	69	26	Not Tracked	Not Tracked	Not Tracked	16	37	23
	(Renewal)	2623	2623	1	Not Tracked	Not Tracked	Not Tracked	2	0	2
FY 2021/22	(Exam)	156	110	7	Not Tracked	Not Tracked	Not Tracked	5	25	19
	(License)	195	57	27	Not Tracked	Not Tracked	Not Tracked	38	63	45

	(Renewal)	2050	2050	4	Not Tracked	Not Tracked	Not Tracked	8	0	8
FY 2022/23	(Exam)	164	124	4	Not Tracked	Not Tracked	Not Tracked	13	35	22
	(License)	196	140	20	Not Tracked	Not Tracked	Not Tracked	47	67	52
	(Renewal)	2417	2417	1	Not Tracked	Not Tracked	Not Tracked	3	0	3
FY 2023/24	(Exam)	63	61	8	Not Tracked	Not Tracked	Not Tracked	36	33	35
	(License)	105	60	49	Not Tracked	Not Tracked	Not Tracked	47	44	46
	(Renewal)	1768	1768	1	Not Tracked	Not Tracked	Not Tracked	7	0	7

* Optional. List if tracked by the board.

** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7a. Licensing Data by Type – Certified General

Certified General		Received	Approved/ Issued	Closed	Pending Applications**			Application Process Times		
					Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)
FY 2020/21	(Exam)	63	56	3	Not Tracked	Not Tracked	Not Tracked	16	32	22
	(License)	90	39	8	Not Tracked	Not Tracked	Not Tracked	43	33	40
	(Renewal)	1397	1397	1	Not Tracked	Not Tracked	Not Tracked	2	0	2
FY 2021/22	(Exam)	53	64	1	Not Tracked	Not Tracked	Not Tracked	6	26	23
	(License)	112	20	16	Not Tracked	Not Tracked	Not Tracked	45	25	37
	(Renewal)	1145	1145	3	Not Tracked	Not Tracked	Not Tracked	9	0	9
FY 2022/23	(Exam)	58	40	2	Not Tracked	Not Tracked	Not Tracked	10	29	24
	(License)	125	47	12	Not Tracked	Not Tracked	Not Tracked	35	40	37
	(Renewal)	1347	1347	4	Not Tracked	Not Tracked	Not Tracked	3	0	3
FY 2023/24	(Exam)	46	37	6	Not Tracked	Not Tracked	Not Tracked	49	33	49
	(License)	133	37	5	Not Tracked	Not Tracked	Not Tracked	33	55	37
	(Renewal)	1059	1059	2	Not Tracked	Not Tracked	Not Tracked	9	0	9

* Optional. List if tracked by the board.

** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7a. Licensing Data by Type – Temporary Practice Permit										
Temporary Practice Permit	Received	Approved/Issued	Closed	Pending Applications**			Application Process Times			
				Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)	
FY 2020/21	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	365	365	6	Not Tracked	Not Tracked	Not Tracked	1	2	1
	(Renewal)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FY 2021/22	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	410	284	16	Not Tracked	Not Tracked	Not Tracked	1	9	3
	(Renewal)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FY 2022/23	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	318	318	18	Not Tracked	Not Tracked	Not Tracked	2	6	4
	(Renewal)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FY 2023/24	(Exam)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	289	289	7	Not Tracked	Not Tracked	Not Tracked	3	9	6
	(Renewal)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* Optional. List if tracked by the board.
** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7a. Licensing Data by Type – Appraisal Management Company										
Appraisal Management Company	Received	Approved/Issued	Closed	Pending Applications**			Application Process Times			
				Total (Close of FY)	Complete (within Board control)*	Incomplete (outside Board control)*	Complete Apps*	Incomplete Apps*	Total (Close of FY)	
FY 2020/21	(Exam)	NA	NA	N/A	N/A	N/A	NA	N/A	N/A	N/A
	(License)	25	25	2	Not Tracked	Not Tracked	Not Tracked	1	33	17
	(Renewal)	73	73	4	Not Tracked	Not Tracked	Not Tracked	11	0	11
FY 2021/22	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	23	27	0	Not Tracked	Not Tracked	Not Tracked	23	19	22
	(Renewal)	107	107	1	Not Tracked	Not Tracked	Not Tracked	12	0	12
FY 2022/23	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	23	22	0	Not Tracked	Not Tracked	Not Tracked	9	30	19
	(Renewal)	69	69	2	Not Tracked	Not Tracked	Not Tracked	19	0	19
FY 2023/24	(Exam)	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	(License)	14	14	2	Not Tracked	Not Tracked	Not Tracked	22	5	14
	(Renewal)	87	87	2	Not Tracked	Not Tracked	Not Tracked	27	0	27

* Optional. List if tracked by the board.

** The current system tracks only applications that have reached a final outcome (e.g., license issued or denied) and does not monitor "in-process" applications at any given point in time.

Table 7b. License Denial				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
License Applications Denied (no hearing requested)	2	0	2	2
SOIs Filed	0	0	0	0
Average Days to File SOI (from request for hearing to SOI filed)	0	0	0	0
SOIs Declined	0	0	0	0
SOIs Withdrawn	0	0	0	0
SOIs Dismissed (license granted)	0	0	0	0
License Issued with Probation / Probationary License Issued	1	1	0	0
Average Days to Complete (from SOI filing to outcome)	0	0	0	0

Criminal History Applications

The Bureau has not denied any applications based on criminal history. The Bureau conducts criminal background investigations in collaboration with the California Department of Justice and the Federal Bureau of Investigation. For all out-of-state applicants, the Bureau also checks the Appraisal Subcommittee National Registry. To date, the Bureau has not denied any license due to an applicant's failure to disclose information on their application.

Fingerprints

The Bureau fingerprints all applicants and utilizes either Live Scan to obtain electronic fingerprints for individuals in California or requires applicants to submit hardcopy fingerprint cards if they are out of state. All current licensees have been fingerprinted.

National Databank

The Appraisal Subcommittee maintains a National Registry of licensed appraisers that includes disciplinary actions. The Bureau checks the National Registry prior to renewing a license.

Primary Source Documentation

Examination results are received directly from the exam administrator, but education certificates are not received from the providers. The Bureau has not established the direct data sharing process with education providers. Currently, the Bureau uses course audit numbers to verify the documents and, if needed, request verification from the course provider. The Bureau further verifies applicants' examination scores by cross-referencing them with examination data received weekly from the examination administrator. Education certificates include an audit number that can be confirmed directly with the provider. The Bureau plans to implement a mechanism to receive education data directly from providers in the future. Applicants are also required to provide certified copies of any police reports and/or court documents related to the applicant's record. The Bureau follows up by acquiring an original set of documents directly from the arresting agency or the court of record in cases of significant violations or if incomplete records are submitted by the applicant.

Out-of-State and Out-of-Country Applicants

Applicants with an active license in good standing from another state may apply through the Reciprocal Application process. They are not required to take any additional exams in California if their home state's licensing examination was endorsed by the Appraiser Qualifications Board, and they maintain good standing in all states where they are licensed.

Additionally, appraisers with an active license in good standing in any other state(s) may apply for a Temporary Practice Permit to conduct real property appraisal assignments in California. The permit requires a copy of the contract or letter of engagement and is valid for one year and one assignment.

Out-of-country applicants must meet all the requirements for the specific licensing type they are applying for. Transcripts showing education or a degree earned outside the United States require translation and evaluation at a credentialing service. In addition to translating transcripts from colleges outside the United States, the credentialing service can determine if a degree is equivalent to an Associate of Arts degree, or a Bachelor of Arts degree earned from an accredited college in the United States. A credentialing service is also used to determine if a specific course is equivalent to the same course taken at an accredited college in the United States.

When a credentialing service is used to determine if a degree is equivalent to a degree earned in the United States, the applicant must submit documentation from a credentialing service indicating that the college is accredited, and the degree is equivalent to a degree earned from an accredited college in the United States.

Military Education, Training, and Experience

Military service, education or training can be applied for credit towards licensure only if the education and experience meets the minimum requirements of the Appraisal Foundation pursuant to Section 1112 of FIRREA. To date, the Bureau has not received any applications offering military education, training, or experience.

The minimum education requirements for licensure are established by the Appraisal Qualification Board and implemented by the Bureau. The Bureau has the authority to approve military education within the guidelines set by the Appraisal Qualification Board. Therefore, no regulatory changes are needed to comply with Business and Professions Code § 35.

The Bureau does identify and track applicants who are veterans. In addition, the Bureau has not received any applications pursuant to Business and Professions Code section 114.3, therefore there has been no impact on the Bureau revenue.

The Bureau has implemented the expedited process for military applicants as required by Business and Professions Code section 115.5 and the table below provides the statistics for applications that benefited from this process.

Military Applications by Fiscal Year				
License Level	FY 20-21	FY 21-22	FY 22-23	FY 23-24
Total	64	34	52	61

No Longer Interested

The Bureau sends electronic “No Longer Interested” notifications to DOJ on a regular and ongoing basis. There is no backlog in the processing of these notifications.

Examinations

The examination for each license category is a national examination developed by the Appraisal Qualifications Board of the Appraisal Foundation and administered to all license candidates nationwide. It is only offered in English.

The average pass rate for first-time test takers has recently been around 60%. However, an analysis of data from the past four years reveals a decline in this rate. This decline, after review and inquiry, was linked to a system error introduced by the exam administrator, PSI. Both PSI and the Appraisal Qualifications Board formally acknowledged these errors in an official letter. They stated that the issues were due to technical malfunctions in the reporting system and, consequently, should not have affected the licensees. As a result, the figures presented in Table 8 may not align with those reported in the Bureau’s information reported in the Department of Consumer Affairs’ Annual Reports. The Bureau is actively monitoring the situation and following up on corrective and preventive measures to prevent similar issues in the future.

There are currently no statutes hindering the Bureau’s efficient and effective processing of applications or examinations.

The Bureau does not offer a California-specific examination and therefore does not conduct an occupational analysis of the examination.

Table 8. Examination Data	
California Examination (include multiple language) if any: No State Exam	

National Examination (include multiple language) if any:					
License Type and Exam Title:		Licensed Residential	Certified Residential	Certified General	
FY 2020/21	# of 1 st Time Candidates	78	132	73	
	Pass %	50	53	59	
FY 2021/22	# of 1 st Time Candidates	112	141	33	
	Pass %	53	53	39	
FY 2022/23	# of 1 st Time Candidates	99	149	59	
	Pass %	54	47	42	
FY 2023/24	# of 1 st time Candidates	22	56	43	
	Pass %	54	58	62	
Date of Last OA		2021	2021	2021	

Name of OA Developer	The Appraisal Foundation, through the Appraisal Qualifications Board		
Target OA Date	N/A	N/A	N/A

Computer-based Testing

Testing for all three licensure categories is computerized; however, a pencil-and-paper option is still available. Each license-level examination consists of 110 scored questions, with subjects and required depth of knowledge aligned to the specific license type. The Appraiser Qualifications Board has prepared the examination outlines. To pass, candidates must achieve a scaled score of at least 75. Score reports are provided immediately after the exam. The examinations for all license categories are scheduled and administered at least five times weekly at 24 testing sites located throughout the state.

School Approvals

The Bureau's education program is guided by the standards set by the Appraisal Foundation through the Appraisal Qualifications Board. The Appraisal Qualifications Board defines the minimum national education requirements for real property appraiser licensing, which all states must adopt to ensure that California-licensed appraisers are eligible for listing on the National Registry and authorized to perform appraisals for federally related transactions.

The legal standards for course providers align with Appraisal Qualifications Board requirements. The Bureau approves courses and providers for both qualifying and continuing education, which may be offered by private vocational schools, professional organizations, or accredited community colleges and universities. While the Bureau does not directly collaborate with the Bureau of Private Postsecondary Education (BPPE) in the course approval process, it can accept coursework from BPPE-approved institutions, provided these courses meet the Appraisal Qualifications Board's minimum requirements.

The Bureau maintains a list of approved course providers, which currently includes 48 providers. These providers are reviewed every four years or whenever significant changes occur in their ownership, management, or operating policies. The Bureau has the authority to revoke a provider's approval if it no longer meets the established criteria or violates Bureau requirements.

The Bureau can accept international course providers, provided they meet the same standards as other approved providers. For example, online or asynchronous courses from international providers must be approved by the International Distance Education Certification Center (IDECC) and comply with the minimum Appraisal Qualifications Board requirements.

Continuing Education/Competency Requirements

The term of a California real estate appraiser's license is two years, and all licensed appraisers must meet minimum continuing education requirements before renewing their license. A total of 56 hours of continuing education is required during each four-year cycle, including the following mandatory courses for all license categories:

- A seven-hour National Uniform Standards of Professional Appraisal Practice course is required every two years.
- A four-hour Bureau-approved course titled "Federal and State Laws and Regulations," which includes an examination requirement, was added by SB 1196 (Hill, Chapter 800, Statutes of 2016).
- A three-hour Bureau-approved course titled "Cultural Competency and Elimination of Bias," was added as a requirement by AB 948 (Holden, Chapter 352, Statutes of 2021).

Continuing education courses or seminars must focus on appraisal-related topics, such as land use planning, appraisal software applications, cost estimating, green building appraisals, valuation bias, and fair housing.

Continuing Education			
Type	Frequency of Renewal	Number of CE Hours Required Each Cycle	Percentage of Licensees Audited
All license types	Every 2-years	56 hours every 4 years	100% (see information below)

The Bureau reviews each course completion certificate upon receipt at renewal to ensure compliance with continuing education requirements. As a result, the Bureau has not collaborated with the Department to utilize primary source verification of continuing education completion through the Department's cloud system.

Bureau licensees must submit their proof of continuing education with their application for renewal. Bureau staff reviews each completion certificate for key details, including the course name and approval number, number of hours, method of instruction, completion date, and a penalty of perjury statement signed by the instructor or verifier. Due to this thorough review process and validation of hours at the time of renewal, a subsequent audit of licensee continuing education is not necessary.

If continuing education hours cannot be verified upon receipt of the application for renewal, the Bureau issues a deficiency letter, allowing the applicant to provide additional documentation. Unverified continuing education hours will pause the renewal process, and the application will remain deficient until the hours are verified, or the application for renewal is denied. Expired licensees have a two-year grace period after expiration during which they can still complete the renewal process by submitting proof of the required continuing education and payment of a late renewal fee.

Continuing education audits are not conducted because verification of continuing education completion is performed for every renewal applicant. Failure to submit the required continuing education documentation results in the denial of the application for renewal, ensuring that all licensees have met their continuing education requirements.

Continuing Education Provider Approval

Course providers are required to submit a detailed course description, including the method of instruction, a timed course outline, textbooks, proposed advertising, promotional materials,

examinations, and instructor’s biography. The course content must cover appraisal-related subjects that align with the requirements set by the Appraisal Qualifications Board.

The Bureau approves continuing education course providers and continuing education courses. Courses may also be pre-approved by the Appraisal Qualifications Board. The Bureau reviews course approval applications to ensure compliance with its approval policies and consistency with Appraisal Qualifications Board standards.

In the past four years, the Bureau has approved a total of seven course providers and 525 courses. If an application for a course does not initially meet the requirements set forth by the state or the Appraisal Qualifications Board, the Bureau collaborates with the applicant to enhance the course to ensure compliance with these standards. Thus, all continuing education course applications were ultimately approved.

CE Approved Course Providers		CE Approved Courses	
Year	Total	Year	Total
2021	2	2021	141
2022	1	2022	128
2023	3	2023	103
2024	1	2024	153

The Bureau does not conduct formal audits of all continuing education providers. Continuing education provider accreditation is valid for four years, after which providers must submit a new application for review. During this four-year period, providers are required to notify the Bureau of any significant changes to their educational offerings, ownership, or operating policies.

The Bureau’s full-time education coordinator oversees continuing education provider performance and compliance by gathering feedback from students, instructors, and providers. Additionally, Bureau staff investigators report on course content and quality after attending continuing education offerings. If needed, the education coordinator may request a formal audit or staff investigator attendance at a course to ensure compliance and quality.

Although a structured evaluation of the continuing education process has not yet been implemented, the Bureau gathers feedback from the enforcement team members who participate in courses as part of their license renewal process. This feedback is used to assess the effectiveness of the courses.

Section 4 – Enforcement Program

Enforcement Performance Targets

The primary goal of the Bureau's enforcement program is to process complaints in a timely, effective, and consistent manner, ensuring equity and thorough documentation. According to Appraisal Subcommittee Policy Statement Seven, complaints against appraisers should be resolved within one year of filing. The Bureau is currently facing a backlog of cases, with some cases exceeding a year in

age. Despite receiving a "Good" rating from the federal audit conducted by the Appraisal Subcommittee in 2023, the Bureau is proactively exploring several measures to address and reduce the backlog in the investigation process. These measures include hiring for vacant positions, streamlining the investigation process, standardizing investigation reports, and providing staff training. To enhance performance, the Bureau participates in settlement conferences, seeks early hearing dates, and collaborates with investigators to expedite the investigation process.

Another key focus of the enforcement program is to ensure that only qualified applicants are issued licenses. Except for Trainees, all applicants must complete a designated number of appraisal hours to qualify for a specific license type.

- Residential (AL) License – 1,000 hours and encompassing no less than six months of appraisal experience;
- Certified Residential (AR) License – 1,500 hours and encompassing no less than twelve months of appraisal experience; and
- Certified General (AG) License – 3,000 hours and encompassing no less than eighteen months of appraisal experience.

Investigators verify that the appraisal work submitted meets the minimum standards outlined in USPAP. This process ensures that only those appraisers who have demonstrated compliance with USPAP standards are granted licenses.

Enforcement Process

Since the last review, there has been an increase in the time required to complete cases, which could be due to complaints involving multiple appraisal reports and more complex allegations. These extended investigation times could be a reason for the decrease in disciplinary actions.

The most critical performance challenges include a high rate of enforcement staff attrition and difficulties in recruiting and hiring qualified personnel. Despite repeated efforts to hire Property Appraiser Investigators, Senior Property Appraiser Investigators, and Supervising Property Appraiser Investigators, recruitment has been limited. While some new hires have been made, the Bureau's enforcement team is now smaller than during the last Sunset review with only 9 staff compared to 15 staff in FY 2018-19.

To address these challenges, the Bureau has expanded marketing efforts to improve its hiring process and contracted with external trainers to help train new staff and assist with initial investigations. Additionally, the Bureau has streamlined processes and developed templates for common violations to improve efficiency in investigative report writing. In July 2024, the Bureau hired a new Deputy Chief of Enforcement to manage the growing backlog of complaints.

Table 9. Enforcement Statistics				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
COMPLAINTS				
Intake				
Received	313	295	202	223
Closed without Referral for Investigation	0	0	0	0

Table 9. Enforcement Statistics				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Referred to INV	314	290	208	223
Pending (close of FY)	1	6	0	6
Conviction / Arrest				
CONV Received	Not Tracked	210	109	62
CONV Closed Without Referral for Investigation	Not Tracked	53	0	0
CONV Referred to INV	Not Tracked	153	109	60
CONV Pending (close of FY)	Not Tracked	4	6	6
Source of Complaint ¹¹				
Public	205	139	27	38
Licensee/Professional Groups	35	31	2	11
Governmental Agencies	24	227	185	130
Internal	16	18	11	12
Other	33	90	86	94
Anonymous	Not Tracked	Not Tracked	Not tracked	Not Tracked
Average Time to Refer for Investigation (from receipt of complaint / conviction to referral for investigation)	3	3	2	5
Average Time to Closure (from receipt of complaint / conviction to closure at intake)	0	0	0	0
Average Time at Intake (from receipt of complaint / conviction to closure or referral for investigation)	3	3	2	5
INVESTIGATION				
Desk Investigations ⁵				
Opened	N/A	N/A	N/A	N/A
Closed	N/A	N/A	N/A	N/A
Average days to close (from assignment to investigation closure)	N/A	N/A	N/A	N/A
Pending (close of FY)	N/A	N/A	N/A	N/A
Non-Sworn Investigation				
Opened	314	443	317	283
Closed	279	286	162	296
Average days to close (from assignment to investigation closure)	183	185	186	225
Pending (close of FY)	167	171	221	213
Sworn Investigation				
Opened	N/A	N/A	N/A	N/A
Closed	N/A	N/A	N/A	N/A
Average days to close (from assignment to investigation closure)	N/A	N/A	N/A	N/A
Pending (close of FY)	N/A	N/A	N/A	N/A
All investigations ¹²				
Opened	314	443	317	283
Closed	279	286	162	296

⁵ BREa does not complete Desk Investigations. Each complaint by BREa is assigned to a non-sworn investigator for investigation.

Table 9. Enforcement Statistics				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Average days for all investigation outcomes (from start investigation to investigation closure or referral for prosecution)	183	185	186	225
Average days for investigation closures (from start investigation to investigation closure)	166	162	168	199
Average days for investigation when referring for prosecution (from start investigation to referral for prosecution)	370	329	457	462
Average days from receipt of complaint to investigation closure	183	187	187	246
Pending (close of FY)	167	171	221	213
CITATION AND FINE				
Citations Issued	80	70	31	31
Average Days to Complete (from complaint receipt / inspection conducted to citation issued)	187	352	409	683
Amount of Fines Assessed	\$119,000	\$81,500	\$88,250	\$78,000
Amount of Fines Reduced, Withdrawn, Dismissed	\$0	\$0	\$0	\$4,000
Amount Collected	\$115,936	\$106,581	\$30,000	\$49,328
CRIMINAL ACTION				
Referred for Criminal Prosecution	0	0	1	0
ACCUSATION				
Accusations Filed	5	4	4	4
Accusations Declined	0	0	0	0
Accusations Withdrawn	0	0	0	0
Accusations Dismissed	0	0	0	0
Average Days from Referral to Accusations Filed (from AG referral to Accusation filed)	72	67	100	97
INTERIM ACTION				
ISO & TRO Issued	0	0	0	0
PC 23 Orders Issued	0	2	1	0
Other Suspension/Restriction Orders Issued	0	0	0	0
Referred for Diversion	NA	NA	NA	NA
Petition to Compel Examination Ordered	NA	NA	NA	NA
DISCIPLINE				
AG Cases Initiated (cases referred to the AG in that year)	5	4	4	4
AG Cases Pending Pre-Accusation (close of FY)	2	0	0	0
AG Cases Pending Post-Accusation (close of FY)	4	2	2	2
DISCIPLINARY OUTCOMES				
Revocation	3	1	5	1
Surrender	2	0	2	8
Suspension only	1	0	0	0

Table 9. Enforcement Statistics				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Probation with Suspension	1	0	0	0
Probation only	5	0	6	12
Public Reprimand / Public Reproval / Public Letter of Reprimand	0	0	0	0
Other	0	5	0	0
DISCIPLINARY ACTIONS				
Proposed Decision	0	0	0	1
Default Decision	3	1	3	0
Stipulations	9	5	10	20
Average Days to Complete After Accusation (from Accusation filed to imposing formal discipline)	164	96	109	254
Average Days from Closure of Investigation to Imposing Formal Discipline	442	228	249	116 ⁶
Average Days to Impose Discipline (from complaint receipt to imposing formal discipline)	447	401	506	544
PROBATION				
Probations Completed	11	6	9	4
Probationers Pending (close of FY)	Not Tracked	15	11	19
Probationers Tolerated	0	0	0	0
Petitions to Revoke Probation / Accusation and Petition to Revoke Probation Filed	0	0	1	0
SUBSEQUENT DISCIPLINE				
Probations Revoked	0	0	0	0
Probationers License Surrendered	0	0	0	1
Additional Probation Only	0	1	0	0
Suspension Only Added	0	0	0	0
Other Conditions Added Only	0	0	0	0
Other Probation Outcome	0	0	0	0
SUBSTANCE ABUSING LICENSEES				
Probationers Subject to Drug Testing	N/A	N/A	N/A	N/A
Drug Tests Ordered	N/A	N/A	N/A	N/A
Positive Drug Tests	NA	N/A	N/A	N/A
PETITIONS				
Petition for Termination or Modification Granted	0	0	0	0
Petition for Termination or Modification Denied	0	0	0	0
Petition for Reinstatement Granted	1	0	0	0
Petition for Reinstatement Denied	0	0	0	0
DIVERSION				
New Participants	N/A	N/A	N/A	N/A

⁶ California Business and Profession Code §11315.5 grants BREA authority to enter into settlement terms and conditions as the director deems appropriate, for any administrative allegation of violation. For Fiscal Year 2023-2024, in-house Stipulated Settlements were included in the reporting. Previous years did not include in-house Stipulated Settlements in the reporting, only Attorney General actions were included.

Table 9. Enforcement Statistics				
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24
Successful Completions	N/A	N/A	N/A	N/A
Participants (close of FY)	N/A	N/A	N/A	N/A
Terminations	N/A	N/A	N/A	N/A
Terminations for Public Threat	N/A	N/A	N/A	N/A
Drug Tests Ordered	N/A	N/A	N/A	N/A
Positive Drug Tests	N/A	N/A	N/A	N/A

Table 10. Enforcement Aging						
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	Cases Closed	Average
Investigations (Average %)						
Closed Within:						
90 Days	145	148	65	131	489	48%
91 - 180 Days	14	25	28	45	112	11%
181 - 1 Year	64	53	16	43	176	17%
1 - 2 Years	54	57	51	47	209	20%
2 - 3 Years	1	2	2	29	34	3%
Over 3 Years	1	1	0	1	3	1%
Total Investigation Cases Closed	279	286	162	296	1023	100%
Attorney General Cases (Average %)						
Closed Within:						
0 - 1 Year	4	1	5	1	11	34%
1 - 2 Years	5	1	4	4	14	44%
2 - 3 Years	3	0	0	2	5	16%
3 - 4 Years	0	0	1	0	1	3%
Over 4 Years	0	0	1	0	1	3%
Total Attorney General Cases Closed	12	2	11	7	32	100%

There has been a decrease in disciplinary action since the last sunset review. In the previous sunset review period (2016 - 2019) 78 disciplines were imposed, and in the current sunset review period 52 disciplines were imposed. Extended investigation times and challenges with staffing were significant factors in the reduction of disciplinary outcomes.

Once the Bureau establishes jurisdiction, cases are prioritized as follows:

- Priority 1: Complaints where the public may be at risk of serious harm, or where the licensee or registrant is already under investigation for another open case.
- Priority 2: Complaints involving a licensee or registrant with a prior disciplinary history.
- Priority 3: All other complaints, handled in the order they are received.

Mandatory Reporting

Any mortgage lender, mortgage broker, mortgage banker, real estate broker, appraisal management company, employee of an appraisal management company, or any other person involved in a real estate transaction involving an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer who has a reasonable basis to believe an appraiser is failing to comply with the Uniform Standards of Professional Appraisal Practice, is violating applicable laws, or is otherwise engaging in unethical or unprofessional conduct, shall refer the matter to the applicable State appraiser certifying and licensing agency (15 USC 1639(e)).

The Bureau has received these reports without issue. The complaints are then investigated by the Bureau.

In addition, BPC §11318 requires licensees, applicants for licensure, course providers, or applicants for course provider accreditation report the following events:

- The bringing of an indictment or information charging a felony.
- The conviction of a licensee, applicant for licensure, course provider, or applicant for course provider accreditation of any felony or misdemeanor.
- The cancellation, revocation, or suspension of a license, other authority to practice, or refusal to renew a license or other authority to practice as an occupational or professional licensee or course provider, by any other regulatory entity.
- The cancellation, revocation, or suspension of the right to practice before any governmental body or agency.

The Bureau has received these reports without issue. If the Bureau subsequently finds out there was a conviction and were not notified, action may be taken against the licensee.

The Bureau does not receive civil settlement reports and there is no requirement for reporting settlements.

Settlements

Over the past four years, the Bureau has settled 31 cases pre-accusation. Since these cases were settled, none proceeded to a hearing. In addition, over the past four years, the Bureau has resolved 14 accusations; of these, five were settled before a hearing, seven resulted in a default due to no contest, one proceeded to a hearing, and one is still pending. 80.49% percent of cases settled and did not go to a hearing.

Statute of Limitations

There is no statute of limitations for the Bureau when seeking disciplinary action.

Unlicensed Activity/Underground Economy

California is not a mandatory licensure state, which means individuals can appraise property without a license if the property is not involved in a federally-related real estate transaction. When licenses are required, several factors prevent unlicensed individuals from practicing, including lenders ensuring appraisers are licensed in order to comply with federal law. In addition, practicing without a license may result in criminal action and Bureau citations. As a result, the Bureau receives very few complaints about unlicensed activity, with only one complaint reported in FY 2022-23.

In the rare instance of a complaint involving unlicensed activity, the case is investigated and may result in a citation, a cease-and-desist letter, and/or referral to the district attorney's office. The Bureau received a total of six complaints involving unlicensed activities during the sunset period.

Cite and Fine

The Bureau routinely exercises its authority to issue citations and fines. Under Business and Professions Code section 11315(e), the maximum fine per violation is \$10,000. However, citation fines typically range between \$1,000 and \$3,000. There have been no recent changes to the Bureau's citation and fine process.

The Bureau's most used enforcement tool is its citation and fine authority, which accounts for the majority of its actions. Citations are typically issued for violations that do not involve fraud, gross ethical violations, or significant incompetence. The most frequent violations resulting in citations include misrepresentation of property characteristics, failure to report comparable sale details, inadequate support for reported adjustment amounts, improper site value methodology, and inaccurate reporting of replacement cost figures.

The Bureau typically does not hold informal conferences outside of investigations and does not have a Disciplinary Review Committee. There have been no appeals in the past four fiscal years.

Business and Profession Code section 11319 designates the minimum standards outlined in USPAP as the standards for appraisal practice in California, and the most common violations resulting in citations pertain to Standard Rules 1 and 2 of USPAP. Typically, these violations involve minor to moderate issues related to competency or ethics, including:

- Incorrect application of recognized methods and techniques.
- Insufficient information to enable the intended user to fully understand the report.
- Use of inadequate or inappropriate market data.
- Inaccurate reporting of physical or locational characteristics.
- Errors or omissions in reports that render the appraisal report non-credible or misleading.

Over the past four years, the Bureau's average fine amount has been \$1,856. The most common fine is \$1,000. Because there have been no appeals, there is no difference in fine amounts between pre- and post-appeal cases.

After the Bureau issues a final order that includes a fine or issues a citation and fine, it waits until the payment due date, which is typically 30 days from the effective date of the final order or citation. If the fine is not paid by the due date, the Bureau sends a notice of overdue payment to the respondent. The Bureau will issue up to three notices before referring the matter for collection to the Franchise Tax Board (FTB). The Bureau then submits the necessary documents to the Department of Consumer Affairs to request the FTB intercept the outstanding fine amount.

Cost Recovery and Restitution

The Bureau includes a request for costs in every accusation and statement of issues. Under the authority granted by Section 11409(c)(2), the Bureau prohibits licensees who owe costs from renewing their licenses until the outstanding amount is paid.

In cases seeking revocation or, in some instances, probation, the Bureau requests cost recovery. Some surrenders are conditional upon payment of cost recovery, which must be settled before reapplication

or reinstatement. Most cases are settled, with the respondent typically agreeing to pay an administrative fine in addition to any probationary terms.

For revocations, fines usually amount to \$10,000, with cost recovery typically ranging from \$5,000 to \$15,000. In cases that proceed to a hearing, orders for partial or full cost recovery are common. The amount of recovery for hearings varies significantly, from a few thousand to tens of thousands of dollars, depending on the complexity and duration of the investigation and prosecution.

Currently, there is one outstanding cost award totaling \$49,452.11 that has not been paid and is in the FTB collection process. This cost award was submitted to the FTB in FY 2023-24. The FTB collection order remains active indefinitely, therefore it is not uncollectable.

The Bureau seeks cost recovery where appropriate and there are no specific cases that cost recovery is not sought.

After the Bureau receives a final order awarding costs, it waits until the payment due date, which is typically 30 days from the effective date of the decision. If the amount is not paid by the due date, the Bureau sends a notice of overdue payment to the respondent. The Bureau will issue up to three notices before referring the matter for collection to the Franchise Tax Board (FTB). The Bureau then submits the necessary documents to the Department of Consumer Affairs to request that the FTB intercept the outstanding cost recovery amount.

Table 11. Cost Recovery		(list dollars in thousands)			
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	
Total Enforcement Expenditures	\$1,980	\$2,433	\$2,219	\$1,711	
Potential Cases for Recovery *	13	6	14	12	
Cases Recovery Ordered	3	1	2	1	
Amount of Cost Recovery Ordered	\$29	\$12	\$18	\$49	
Amount Collected	\$21	\$23	\$20	\$6	

* "Potential Cases for Recovery" are those cases in which disciplinary action has been taken based on violation of the license practice act.

The Bureau does not have legal authority to seek restitution.

Table 12. Restitution		(list dollars in thousands)			
	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	
Amount Ordered	\$0	\$0	\$0	\$0	
Amount Collected	\$0	\$0	\$0	\$0	

Section 5 – Public Information Policies

The Bureau is using its website to keep the public informed on a variety of updates including industry trends, Bureau activities, announcements, and guides. The Bureau is using internet technology to receive work samples, communicate updates and announcements via email notifications and social media posts, and receive complaints via online complaint registration. The Bureau also produces a twice-yearly newsletter, all the issues of which are posted on the website. The Bureau’s website contains

sections for News and Announcements and Press Releases, where the public can access recent developments and up to date news.

The Bureau does not have an advisory committee and does not have meetings or minutes that could be posted online and does not webcast any meeting. However, the Bureau does hold events, which remain accessible to the public on the Bureau's website indefinitely either on its main page or as archived. For example, a webcast for an Educational Roundtable – Addressing cultural competency and Elimination of Bias – is available on the Bureau's website.

The Bureau's complaint disclosure policy aligns with the Department of Consumer Affairs' Recommended Minimum Standards for Consumer Complaint Disclosure. The Bureau posts accusations and disciplinary actions in accordance with Department guidelines. However, the Bureau will be reviewing its posting and disclosure policy to address the requirements set forth by SB 1225 (Jones, Chapter 461, Statutes of 2024), which allows for licensees to petition to have their disciplinary history removed from the website if it is more than ten years old, and the licensee has shown evidence of rehabilitation. As part of this implementation, the Bureau is developing criteria to determine rehabilitation, creating an application, setting fees, and preparing to promulgate regulations to execute these provisions. Business and Professions Code section 27 is not applicable to the Bureau and therefore the Bureau does not follow this section when posting information.

The Bureau offers a licensee lookup feature on its website, which provides the following information: name, license number, company, phone number, address, license level, license status, license history, continuing education history, effective dates of all licenses, and any published disciplinary actions. Additionally, the Bureau provides all publicly available documents to the public upon request.

The Bureau maintains a continuously updated webpage and posts social media with information and links to all consumer and licensee materials. The Bureau offers an online platform for consumers to register complaints. Informational materials, including job opportunities and policy updates, are regularly shared, and updated on social media. Additionally, the Bureau distributes a biannual newsletter that includes articles, statistics, updates, and a summary of major enforcement actions taken over the previous six months.

Section 6 – Online Practice Issues

Given that the appraiser-client relationship and reporting process are well-regulated, the use of online services for these business activities is standard practice. Appraisers must provide valid, active license numbers that can be verified on the Bureau's website to receive a service order. With reduced opportunities for unlicensed activities, as discussed previously, the Bureau sees no need for additional regulations regarding the use of the internet in the appraisal business.

Section 7 – Workforce Development and Job Creation

Effective January 1, 2024, the Bureau implemented regulations allowing applicants to fulfill partial or complete experience requirements through the PAREA program as an alternative to the traditional trainee/supervisor model, which was a barrier for licensure due to the lack of supervisors. Additionally, the regulatory changes include provisions for awarding 100% experience credit through Practicum Program experience, aligning with federal criteria.

Important cooperative partnerships have also been established in the development of the Community College System-based appraiser Practicum Program. The Bureau has strengthened strategic relationships with the California Labor and Workforce Development Agency, the Community Colleges Chancellor's Office, Workforce and Economic Development Division, and the Business Department of West Los Angeles Community College. These foundational partnerships are crucial for building a robust platform to attract additional strategic partners. The Practicum Program is anticipated to be ready for a Spring 2025 enrollment and could provide an alternative pathway for education and experience to facilitate career advancement in the appraisal industry.

The Bureau does not experience licensing delays; therefore, no assessment has been completed.

The Bureau regularly coordinates with approved course providers regarding changes to minimum education requirements. The Bureau's website features a Course Provider Handbook, which outlines the licensing course requirements for both qualifying and continuing education, for use by current and potential course providers.

The Bureau is actively collaborating with the California Community College Real Estate Education Center (CCCREEC) located in Saddleback College on providing policy updates about the licensing requirements and processes. Although plans are still being finalized, the Bureau intends to provide these updates during either the spring or fall annual CCCREEC virtual conferences. The efficacy of this outreach will help guide future Bureau outreach efforts. In 2024, the Bureau updated the CCCREEC about the impacts of AB 948 on course curriculum and the status of the appraisal profession.

As mentioned, the limited number of supervisors willing to train new appraisers is a significant challenge. To address this, the Bureau is actively working to streamline career progression for appraiser trainees and licensed appraisers. By establishing a central hub and fostering collaboration, the Bureau aims to develop a skilled pool of supervisors and encourage participation in programs like the Practicum Program and PAREA. This approach is intended to improve access to supervisory services and facilitate career advancement, helping to mitigate the shortage of available supervisors.

Changing real estate market conditions and lending requirements continue to influence the demand for appraisal services. Since the 2008 market downturn, the volume of real estate transactions has fluctuated, and lending requirements have evolved. As of 2024, the number of licensed appraisers in California has decreased by approximately 50% from pre-2008 levels, though the rate of decline has slowed.

Several factors contribute to this trend:

- **Difficulty Entering the Profession:** The shortage of supervisors and increased licensing requirements have made it challenging for new appraisers to enter the field.
- **Decrease in Appraisal Requests:** The use of alternative valuation products and a reduction in the number of properties requiring appraisals have led to fewer appraisal requests.
- **Stagnant Wages:** Many appraisers face stagnant wages, which discourage new entrants and contribute to the retirement of current appraisers.
- **Challenges with Appraisal Management Companies:** Some appraisers have reported difficult working conditions with Appraisal Management Companies.

There has been no specific study to indicate or confirm a shortage of appraisers in California. The appraisal industry largely depends on the real estate market and has effectively adapted to market fluctuations. For instance, there was a significant increase in the appraiser population from 2009 to 2012, followed by a rise in trainees during 2021 and 2022 (post-COVID). This suggests that the appraisal industry possesses the capability to respond to changing circumstances and maintain stability.

As explained above, through establishing a central hub and fostering collaboration, the Bureau aims to develop a skilled pool of supervisors and encourage participation in programs like the Practicum Program and PAREA. This approach is intended to improve access to supervisory services and facilitate career advancement, helping to mitigate the shortage of available supervisors.

The Bureau has initiated collaboration with community colleges, as previously outlined, to introduce the Practicum Program. This is designed to facilitate access to the knowledge and experience needed for career development in the appraisal industry. It also aims to address challenges faced by vulnerable communities, particularly regarding limited access to appraisal services.

The Bureau has for the last two years participated in efforts to address the challenges of bias and the lack of diversity in the appraisal profession. The Bureau began with an extensive outreach strategy by preparing educators in the development of course curriculum on Cultural Competency and the Elimination of Bias in alignment of AB 948 (Holden, Chapter 352, Statutes of 2021). The Bureau, furthermore, highlighted this topic in the Bureau's Newsletters and within a series of email marketing efforts.

The Bureau fostered collaborations within stakeholders' gatherings as a panel member on the Appraisal Foundation webinars and at the Appraisal Subcommittee Hearing in Washington, DC. From the research efforts, the Bureau secured a partnership within the community college system. As previously discussed, the Practicum Program is designed to facilitate access to the knowledge and experience needed for career development in the appraisal industry. It also aims to address challenges faced by vulnerable communities, particularly regarding limited access to appraisal services.

Section 8 – Current Issues

Online Application and Payment Capability and Other IT Issues.

The Bureau does not participate in the BreEze program and instead uses a custom-built IT business enterprise tool, the REALE system. In use for eleven years, REALE includes database applications and reporting options that support efficient and effective processing and record-keeping for all Bureau functions, including licensing, enforcement, and education. The Bureau was not a defined program in any Breeze Release. BREALE offers a range of online services to enhance accessibility and efficiency for users, including online license renewal, temporary practice permit applications, real-time status updates on application processing, complaint filing, and customer satisfaction surveys.

The Bureau is actively discussing options with the Department's Office of Information Services to develop business requirements and system alternatives for an updated information technology database. The early planning efforts include all existing platforms within the Bureau.

Section 9 – Board Action and Response to Prior Sunset Issues

Issue #1: Recovery Account

Background: The Real Estate Appraisers' Licensing and Certification Law contains a provision in Business and Professions Code section 11411, requiring the establishment of a separate account called a recovery account.

Staff Recommendation: According to records, only one potential claimant has ever contacted the Bureau in the intervening years regarding this account, and that potential claimant never sought payment. Staff recommends that the Recovery Account be removed from the law.

2020 Response: The Bureau looks forward to working with the Committees on implementing this recommendation.

2025 Response: The Bureau continues to monitor for any potential claimants coming forward but has not been contacted since its last sunset review in 2019. The Bureau is committed to working with the Legislature to remove the Recovery Account from the law.

Issue #2: Court Clerk Mandatory Reporting

Background: Should court clerks be required to report to BREa when a judgment is entered against a BREa licensee for a crime or personal injury, or when a felony charge is filed against a BREa licensee?

Staff Recommendation: The law should potentially be amended to require that the clerk of the court provide notice to BREa, if there is a judgment for a crime committed in excess of \$30,000, for which the licensee is responsible due to negligence, error or omission in practice, or his or her rendering unauthorized professional services. The law should further be amended to require the clerk of the court to report any filings of charges of a felony against a real estate appraiser to the BREa.

2020 Response: The Bureau looks forward to working with the Committees and the Administration on this policy proposal.

2025 Response: This recommendation aligns with the Bureau's goal of maintaining public trust and ensuring the integrity of licensed professionals. Requiring such reporting would enhance the Bureau's ability to promptly address serious misconduct or criminal activity that could impact a licensee's qualifications to practice. Implementing these changes would strengthen the Bureau's oversight by allowing earlier detection and investigation of licensees involved in serious legal matters. This approach promotes accountability and helps protect consumers by addressing potential risks posed by appraisers engaged in criminal or negligent activity. The Bureau is committed to working with the Legislature on this policy proposal.

Issue#3: Licensee Compliance with Federal Law

Background: What changes, if any, might benefit the Bureau and its regulated profession to better support licensee compliance with federal law (such as with Uniform Standards for Professional Appraisal Practice (USPAP))?

Staff Recommendation: In accordance with Senate Bill 547 (Hill, Chapter 429, Statutes of 2017) updated the Business and Professions Code related to Appraisal Management Companies to comply with federal minimum standards, we recommend that the Bureau provide an update of compliance to this Statute.

2020 Response: Senate Bill 547 (Hill, Chapter 429, Statutes of 2017) was effective on January 1, 2018. The bill updated the Bureau's Appraisal Management Company (AMC) law to comply with the federal requirements. The Bureau promulgated regulations regarding the changes to AMC law, which were effective April 1, 2019. AMCs have complied with the new law and regulations; and in instances of violation, citations or discipline have been issued. To date, there have been four violations relating to this new law.

2025 Response: Since 2019, four legal cases have been settled against AMCs related to changes implemented by SB 547. Findings included non-payment, operating without a current certificate of registration, and unprofessional conduct by AMC employees. Disciplinary actions, including fines and cost recovery, were imposed for these violations. No further changes are required.

Issue #4: Clarifying That Investigators Do Not Conduct Appraisals or Appraisal Reviews

Background: Bureau Property Appraiser/Investigators (investigators) determine whether a licensee's appraisal report complies with the minimum standard stated in the Uniform Standards of Professional Appraisal Practice. Investigators do not conduct appraisal or appraisal reviews. However, those being investigated often attempt to discredit investigators by claiming the investigator completed an appraisal or appraisal review and failed to comply with Uniform Standards of Professional Appraisal Practice themselves.

Staff Recommendation: This deflection is a distraction that costs the Bureau time and money as the Bureau must educate each court individually that Bureau investigators conduct investigations to determine Uniform Standards of Professional Appraisal Practice compliance not appraisal or appraisal reviews. Amending Business and Professions Code to clarify investigators do not conduct appraisal or appraisal reviews and are exempt from Uniform Standards of Professional Appraisal Practice could potentially solve this issue.

2020 Response: The Bureau agrees with the staff recommendation and looks forward to working with the Legislature and the Administration to implement this policy proposal.

2025 Response: Amending the Business and Professions Code to explicitly state that Bureau investigators do not conduct appraisals or appraisal reviews and are therefore exempt from USPAP would help eliminate any confusion or misrepresentation in court. This would provide legal clarity, reducing the time and resources spent educating courts on the Bureau's processes and preventing licensees from using this deflection strategy. It would streamline the investigation process, reduce unnecessary legal costs, and ensure the Bureau's resources are used more efficiently. This legal clarification would help uphold the integrity of investigations and prevent licensees from undermining the investigative process through baseless claims. The Bureau again looks forward to working with the Legislature to implement this policy proposal.

Issue #5: California-Specific Continuing Education

Background: Though there is a national exam for real estate appraisers, are there areas of concern around any California specific courses or curriculum that is required. For example, a Bureau approved CE course every four years.

Staff Recommendation: The Bureau approves CE course providers and CE courses. Courses may also be pre-approved by the Appraisal Qualifications Board. The Bureau reviews course approval applications for compliance with the Bureau's approval policy and consistency with Appraisal Qualifications Board requirements. Are there CE courses that relate specifically to California? Is this something that could be developed and subsequently approved by the Appraisal Qualifications Board?

2020 Response: Effective January 1, 2013, SB 706 (Price, Chapter 712, Statutes of 2011) required applicants to complete a four-hour course on federal and state laws every four years as part of their continuing education. In 2017, SB 1196 (Hill, Chapter 800, Statutes of 2016) expanded the course requirement to those seeking a license. The Bureau approves this four-hour course, which includes an examination. Additionally, there are numerous California specific continuing education (CE) courses, which can be found on the Bureau's website at www.brea.ca.gov/html/SearchCourses.html. CE courses must meet the requirements of the Appraisal Qualifications Board. Those requirements are: 1) the course must be at least two classroom hours long and 2) participants must be present for at least 90 percent of the course hours to obtain credit. The Appraisal Qualifications Board allows, and the Bureau may grant, CE credit for courses that cover a wide range of topics.

2025 Response: Since the Bureau's prior sunset, AB 948 (Holden, Chapter 352, Statutes of 2021), which requires Bureau applicants and licensees to complete one hour of instruction in cultural competency at the time of application and renewal requirements.

As of January 1, 2023, the Bureau has verified that courses are available to ensure compliance with California's requirements for education on elimination of bias and cultural competency in compliance with AB 948. The Bureau does not believe additional courses should be required.

Issue #6: Fee Increases

Background: Are there continued justification for fee increases? What might justify recent fee increases? Are there more services the Bureau receives through DCA now? Is there more workload? Is there a dwindling licensee population? Staffing, enforcement, or investigation issues?

Staff Recommendation: We would like to see the justification for fee increases including what Statutory authority is there for BREA's \$400 Application Review Fee for License Renewal. Are there more services the Bureau receives through DCA now?

BREA should be prepared to explain to the Committees the impact of the drop in the number of licensees upon its operations, including the impact upon revenues and licensing staff, and any efforts made by the BREA to redirect staff to other areas of BREA's regulatory programs. Additionally, given the shrinking licensee population, does the Bureau believe the upcoming fee increase will sustain its regulatory functions?

2020 Response: The Bureau has always charged an application review fee to cover the costs of processing applications. The California Business and Professions Code (BPC) section 11400 states: "Initial Application Fees shall be paid." The initial application fees are detailed in California Code of Regulations (CCR) section 3582(b)(1). This section includes the application review fee along with the background, child support, and national registry fees. None of these fees are specifically prescribed or limited in statute. There is a maximum prescribed for the license and certification fee in law. BPC sections 11404 and 11405 establish the fee cap level at \$450 and \$525, depending on the type of appraiser.

The Bureau adheres to these maximum fees with the Issuance Fee (CCR section 3582(b)(2)). In 2019, when the Bureau began the regulatory process to raise fees, this was allowed because the statutory cap had not yet been reached. In addition to the public notices provided by the rulemaking process, the Bureau frequently communicated the proposed fee changes with stakeholders and the public. For example, on November 13, 2019, the Bureau posted an article on its website and sent an email blast to all interested stakeholders, including licensees. Additionally, an article was included in the Winter 2019 Newsletter and the fee increase was discussed at two appraisal group presentations in May and November of 2019. Throughout the rulemaking process, the Bureau did not receive any comments on the regulation to increase fees. It was approved by the Office of Administrative Law in 2019 and took effect on January 1, 2020.

The Bureau utilizes and greatly benefits from the full administrative services provided by the Department of Consumer Affairs (DCA) to operate, such as Human Resources, Fiscal Operations, Legislative Affairs, Business Services, and Information Technology. While the Bureau uses other Departmental services, they are utilized to a lesser degree, such as Legal Affairs, Public Affairs, Publications, Digital Print, and SOLID, DCA's training and planning unit.

There were several factors that contributed to the need to increase fees. The Bureau's budget is funded solely through fees charged to licensees, registrants, and course providers. The prior fee structure included a significant surplus and the General Fund borrowed from this surplus beginning in fiscal year 2002-2003. In response to the surplus, in 2006, the Bureau temporarily reduced licensing fees. Due to the Bureau's fiscal prudence and the loan repayments and their interest, the Bureau did not eliminate the temporary fee reduction until 2018 when the fund condition showed reserves reduced sufficiently. Although the loan repayment alleviated the need for a fee increase for those years, there was a structural imbalance in the Bureau's budget due to factors outside of the Bureau's control, such as employee compensation and employer's retirement contribution rate increases. During this same time, the Bureau's licensing population declined by approximately 10,353 appraisers over the past 12 years.

With a declining licensing population and expenditures outpacing revenues, the regulations increasing fees went into effect January 1, 2020. The Bureau had not increased fees since 2000 and only sought to increase fees after all cost saving measures had been exhausted. The Bureau implemented all feasible mitigation measures to create efficiencies and savings in all facets of the organization, including looking at staffing and other areas to reduce expenditures. For example, the Bureau moved its office from downtown Sacramento to Rancho Cordova to reduce rental costs by approximately \$300,000. The Bureau also updated its obsolete telephone system to a Voice Over Internet Protocol phone system. This created an efficiency as callers connect directly to specific units, such as Licensing, Education, or Enforcement via the telephone tree. This saves staff time transferring calls. In addition, the Bureau also made the following improvements and changes to achieve cost savings:

- Administration Unit: The Bureau assessed the workload of the Executive Assistant and the Enforcement Unit Office Technician (OT). The Bureau determined the OT workload could be redirected to the Executive Assistant, and permanently eliminated the Enforcement OT position. The Bureau also assessed the Information Technology workload and eliminated one position.
- Licensing Unit: The Licensing Unit has six positions to process all applications and respond to the public. Online renewal was available in 2014, however, the licensee population was slow to use it. Currently online renewal usage is at approximately 80 percent. The Bureau anticipates eliminating one Program Technician position in 2021 based on the continued workload reduction and efficiencies.
- Enforcement Unit: The Enforcement Unit had 16 positions to intake complaints and investigate the alleged violations against applicants, licensees, and AMC registrants including AMC Controlling Person criminal and license disciplinary history. The Enforcement Unit partnered with DCA's IT staff to develop an AMC online complaint system. Additionally, the Unit improved the complaint screening process. The Enforcement Unit currently has 12 positions to support its operations, a net reduction of four positions were eliminated for cost savings.

Through the budget change process, the Bureau eliminated five permanent positions. After the anticipated 2021 position reductions, the Bureau will have reduced its permanent positions from 34 to 27 and will continue to look for opportunities for permanent efficiencies, cuts, and savings.

The Bureau is working with DCA to develop an outreach plan to educate diverse communities and schools of the benefits of pursuing a career as a real estate appraiser. The Bureau has developed a brochure and is working on other multi-media tools for distribution.

2025 Response: Since the last sunset review, The Bureau has continued to closely monitor its budget and operations to ensure financial sustainability while maintaining the quality of services provided to licensees and the public. Several factors continue to justify the need for the current fee level, despite the Bureau's efforts to reduce operational costs and enhance efficiency.

The primary justification for the fee increases implemented in 2020 remains unchanged, and that is the Bureau is entirely fee-supported, and the significant reduction in the licensee population over the last decade has put a strain on the Bureau's financial stability. Since the last sunset review, the number of licensed appraisers declined approximately 15%, reducing fee revenues while operational costs—such as employee compensation, retirement contributions, and general overhead—have steadily increased. These cost pressures have necessitated regulatory fee increases to ensure the Bureau can continue to meet its regulatory mandates and protect public welfare.

As outlined previously, the Bureau's authority to charge fees, including the \$400 Application Review Fee, comes from the California Business and Professions Code sections 11400, 11404, and 11405, which establish the fees necessary to cover the costs of processing applications and conducting background checks. The Bureau continues to adhere to the fee caps outlined in these statutory provisions and has been transparent with stakeholders throughout the rulemaking process.

The Bureau has also continued to implement cost-saving measures in response to the ongoing fiscal challenges. These efforts include the following:

- Staff Reductions: As of 2024, the Bureau has reduced its permanent staff positions from 34 to 27, maintaining the elimination of five positions as outlined in the 2019 report. This streamlining

of staff has been achieved without compromising the quality of service, as the Bureau continues to optimize workflows and integrate new technologies.

- Online Services and Automation: The Bureau has further increased the use of online services, with more than 90% of license renewals now processed through the online portal. This has allowed for additional efficiencies in the Licensing Unit and reduced processing times.

In response to the continued decline in the licensee population, the Bureau has developed and launched targeted outreach programs aimed at increasing diversity in the appraisal workforce and attracting new entrants to the field. This includes the development of promotional materials, multi-media tools, and educational partnerships with diverse communities and schools. These efforts are ongoing, and the Bureau is working with the Department to expand outreach in underserved regions and ensure a stable and representative appraiser workforce.

The Bureau is confident that the fee increase implemented in 2020 via regulations will sustain its operations in the short term. However, the Bureau is committed to ongoing evaluation of both revenues and expenditures to ensure long-term sustainability. Should further fee adjustments become necessary, the Bureau will continue to follow a transparent and stakeholder-inclusive process, considering both operational needs and market conditions.

Issue #7: COVID-19 Adjustments

Background: In response to COVID-19 what has the Bureau done to adjust to pandemic and how it effects your profession?

Staff Recommendation: The Bureau should provide an update to the following:

In response to COVID-19, has the board implemented teleworking policies for employees and staff? How have those measures impacted board operations? If so, how? In response to COVID-19, has the board utilized any existing state of emergency statutes? If so, which ones, and why?

Pursuant to the Governor's Executive Orders N-40-20 and N-75-20, has the board worked on any waiver requests with the Department? Of the above requests, how many were approved? How many are pending? How many were denied? What was the reason for the outcome of each request?

In response to COVID-19, has the board taken any other steps or implemented any other policies regarding licensees or consumers?

Has the board recognized any necessary statutory revisions, updates or changes to address COVID-19 or any future State of Emergency Declarations?

2020 Response: The Bureau complies with the Department's Telework Program and has long embraced telework; however, the COVID-19 pandemic has expanded the number of people and days of telework. With 75 percent of its employees teleworking, the work of the Bureau has remained efficient and effective. The Bureau has not utilized any existing state of emergency statutes as the Bureau has not received any waiver requests.

The Bureau has not utilized the Governor's Executive Orders N-40-20 and N-75-20 as the waivers apply only to Division 2 and 3 entities. The Bureau's authority is derived from Division 4 of the Business and Professions Code.

In response to the COVID-19 pandemic, deadlines for licensees to complete most continuing education courses were extended. The Bureau was able to do this because its continuing education laws and regulations mirror federal requirements. When the federal government allowed renewals without completing continuing education, so did the Bureau. However, the Bureau did not extend the deadline to take the laws and regulations continuing education course because it is a requirement in the Business and Professions Code and does not have a federal parallel.

The Bureau has no need to make any statutory revisions currently. The Bureau has been monitoring COVID-19 for operational impacts and will continue to do so, but at this time the Bureau has not identified any necessary changes.

2025 Response: The Bureau has not identified any statutory revisions needed to address COVID-19 or future state of emergencies but continues to monitor any potential impacts on its operations.

Issue #8: Efficiency Concerns

Background: What efficiency concerns exist within BREA? What might justify recent fee increases (more services the Bureau receives through DCA, increased workload, fewer licensees, or other issues)? What structural issues might contribute to efficiency concerns?

Staff Recommendation: BREA should assess areas where it might lack efficiency. What accounts for recent fee increases? What does a diminishing licensee population mean for BREA, especially with the rise of technology in the space? Are there larger structural and organizational issues that need to be addressed? Why has the timeframe for approval of regulations increased? Will a new unit within DCA help to facilitate resolution of those problems, or potentially increase those problems in the future?

2020 Response: The decline of licensees has been consistent, and the Bureau has accounted for that in its budget. While the impact of technology is evolving, there will always be a need for real estate appraisers and the consumer protections they provide. The Bureau will continue to assess its operations for efficiencies. As previously indicated, the Bureau is funded by licensing fees. As the number of licensees declined, so did the revenues collected. Costs for employee compensation and benefits increased, causing a structural imbalance forcing the Bureau to seek a fee increase to keep its fund balanced.

The Bureau has paid the Department a five-year average of \$588,644 for pro rata and is satisfied with the services it receives. Using current salary, benefits and operational cost structures, the Bureau would likely pay a similar rate to any agency performing administrative work. The Bureau will engage with the Legislature, Administration and stakeholders should a proposal to consider alternative options be brought forward.

2025 Response: The Bureau continues to monitor and implement potential efficiencies within its operations, while adapting to the evolving demands of the profession and market conditions. In recent years, the Bureau has implemented several cost-saving measures, such as staff reductions, office relocations, and increased automation through online services. These actions have contributed to operational efficiencies. However, structural challenges remain, including increased employee compensation and benefit costs, which have placed pressure on the Bureau's budget. These rising costs, combined with a declining licensee population, created a structural imbalance that necessitated the fee increase in 2020.

The appraisal industry is experiencing a consistent decline in the number of licensed appraisers, which directly impacts the Bureau's revenue. While technology is increasingly being integrated into real estate transactions, the need for licensed appraisers and the consumer protections they provide remains critical. The Bureau recognizes the importance of adapting to technological advances but remains focused on ensuring the integrity and professionalism of the appraisal industry.

The Bureau has continued to work closely with the Department and is satisfied with the administrative support it receives. The Bureau pays an average of \$652,250 annually for DCA services, and the Bureau believes that similar costs would be incurred with any agency performing these services.

The Bureau did not complete a regulation in 2022, but under the Bureau's new leadership and the implementation of the Department's regulations unit, the Bureau has seen a steady increase in the number of regulatory package approvals, completing three in 2023 and, most recently, four in 2024. Several more packages are now in progress that the Bureau is optimistic it will successfully complete in the coming years in partnership with the Department and other key rulemaking entities.

The Bureau remains committed to identifying opportunities to enhance operational efficiency and maintain fiscal stability. The fee increases implemented in 2020 were necessary to address the structural imbalance caused by rising costs and a declining licensee population. Moving forward, BREA will continue to explore ways to improve processes and adapt to the evolving landscape of the appraisal profession.

Issue #9: Continued Regulation by the Bureau

Background: Should the licensing and regulation of Appraisers and Appraisal Management Companies (AMC) be continued and be regulated by the current Bureau?

Staff Recommendation: Staff recommends that appraisers and AMCs continue to be regulated by the Bureau in order to protect the interests of licensees and the public, and that the Bureau's operations and the Appraisers Law be reviewed again in four years by the respective policy committees of the Assembly and the Senate.

2020 Response: The Bureau appreciates the staff recommendation and the support of the Joint Committee. The Bureau agrees with the recommendation and remains committed to its mission of consumer protection and licensee compliance through proactive education and consistent interpretation and application of the laws governing the real estate appraiser industry.

2025 Response: The Bureau remains dedicated to its mission of enforcing compliance, promoting accountability, and safeguarding public trust in the appraisal industry.

Since the last review, the Bureau has enhanced its regulatory efforts through improved education, outreach, and enforcement, ensuring that both appraisers and AMCs adhere to legal requirements and ethical standards. The Bureau continues to provide guidance and resources to licensees, while also addressing emerging trends and challenges in the industry, such as advancements in technology and shifts in the real estate market.

The Bureau welcomes future reviews by the Legislature and is committed to maintaining its regulatory role in protecting consumers and educating licensees in the evolving appraisal landscape.

Section 10 –New Issues

The Bureau has two issues from the prior sunset review that were not resolved via a legislative change and presents these two items for future consideration. (Please see Section 9 for additional information.)

- Prior Issue #1: The Real Estate Appraisers' Licensing and Certification Law contains a provision in Business and Professions Code section 11411, requiring the establishment of a separate account called a Recovery Account. The Bureau believes a legislative change to remove the account requirement from statute would be the most efficient method of resolving this issue. In addition, the Bureau seeks to remove Business and Professions Code section 11412 because it relates to the Recovery Account.
- Prior Issue #4: Bureau Property Appraiser/Investigators are often discredited by those under investigation by them claiming the investigator completed an appraisal or appraisal review and failed to comply with Uniform Standards of Professional Appraisal Practice themselves. The Bureau continues to support amending statute to explicitly state that Bureau investigators do not conduct appraisals or appraisal reviews and are exempt from the Uniform Standards of Professional Appraisal Practice.

New Issues Identified in this Report

The Bureau does not have any additional new issues to raise in this report.

Section 11 – Attachments

- A. Bureau's administrative manual.
Please refer to Attachment A.
- B. Current organizational chart.
Please refer to Attachment B.
- C. Major studies.
Please refer to Attachment C.
- D. Year-end organization charts for last four fiscal years.
Please refer to Attachment D.

ATTACHMENT A

BUREAU'S ADMINISTRATIVE MANUAL.



The Bureau does not have an advisory committee and therefore does not have an administrative manual.

ATTACHMENT B

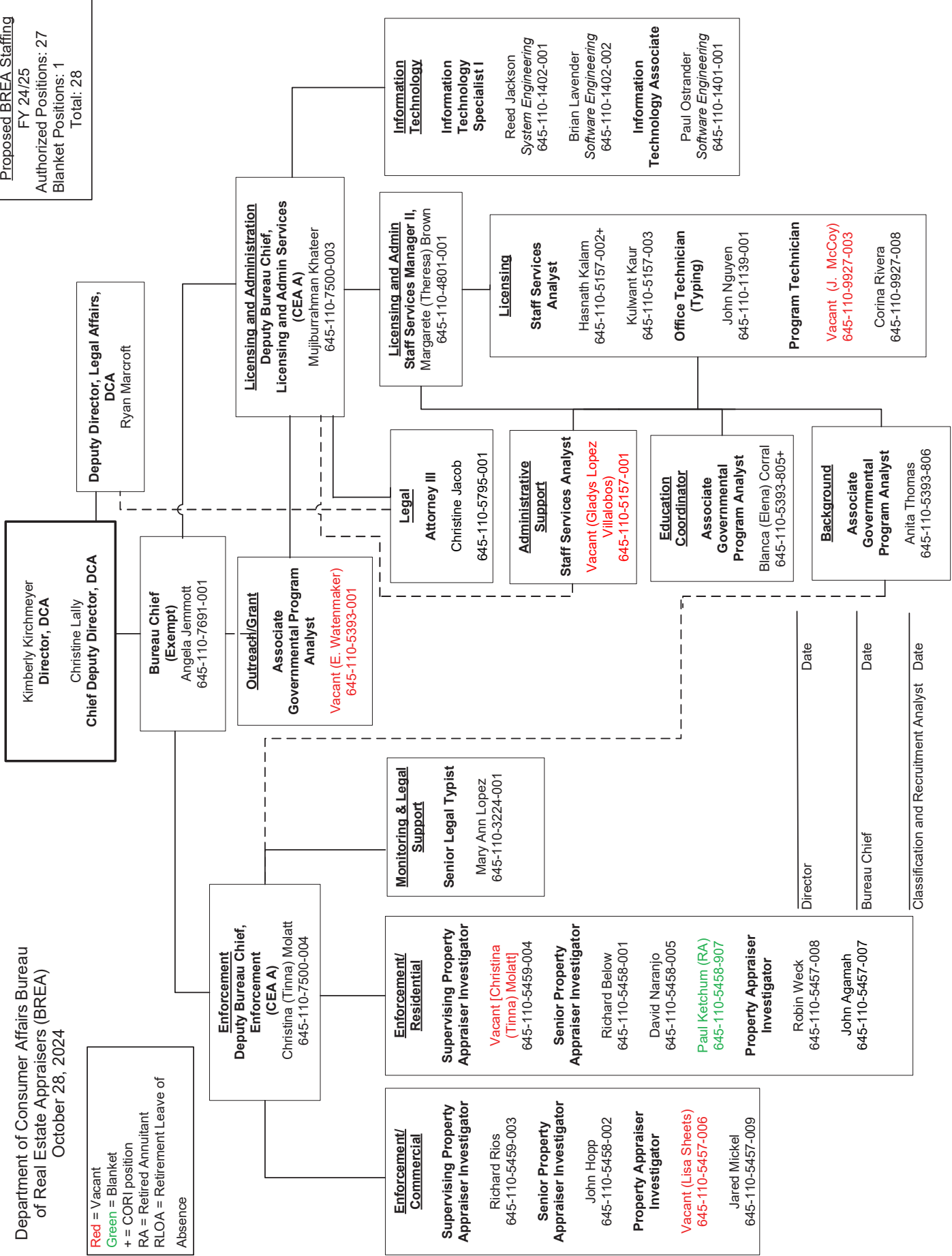
CURRENT ORGANIZATIONAL CHART.



Department of Consumer Affairs Bureau
of Real Estate Appraisers (BRE)
October 28, 2024

Red = Vacant
Green = Blanket
+ = CORI position
RA = Retired Annuitant
RLOA = Retirement Leave of
Absence

Proposed BRE Staffing
FY 24/25
Authorized Positions: 27
Blanket Positions: 1
Total: 28



Director _____ Date
Bureau Chief _____ Date
Classification and Recruitment Analyst _____ Date

ATTACHMENT C

MAJOR STUDIES.





California Bureau of Real Estate Appraisers

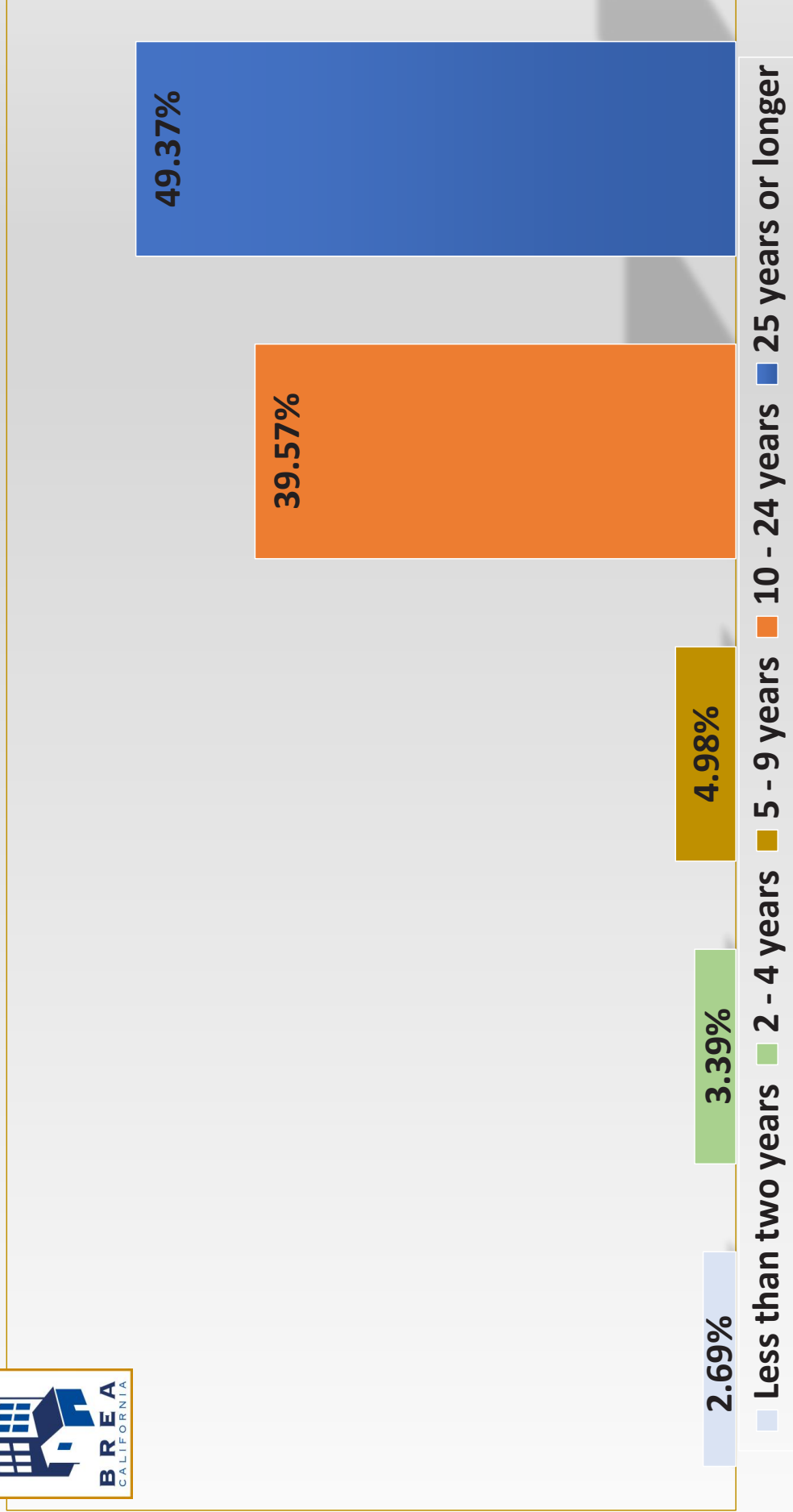
Final Results of Survey

June 12 - 22, 2023

Email Survey Invites	11,473
California Licensed Appraisers at Time of Survey	9,012
Percentage of Licensed Appraisers Who Responded to the Survey	27.45%
Survey Performance	
Trainee Respondents	89
Residential License Respondents	195
Certified Residential Respondents	1,475
Certified General Respondents	715
Respondents Who Do Not Hold an Appraisal License (No Further Data Was Collected)	26
Respondents In Total	2,500
	100%



How long have you been a real estate appraiser?



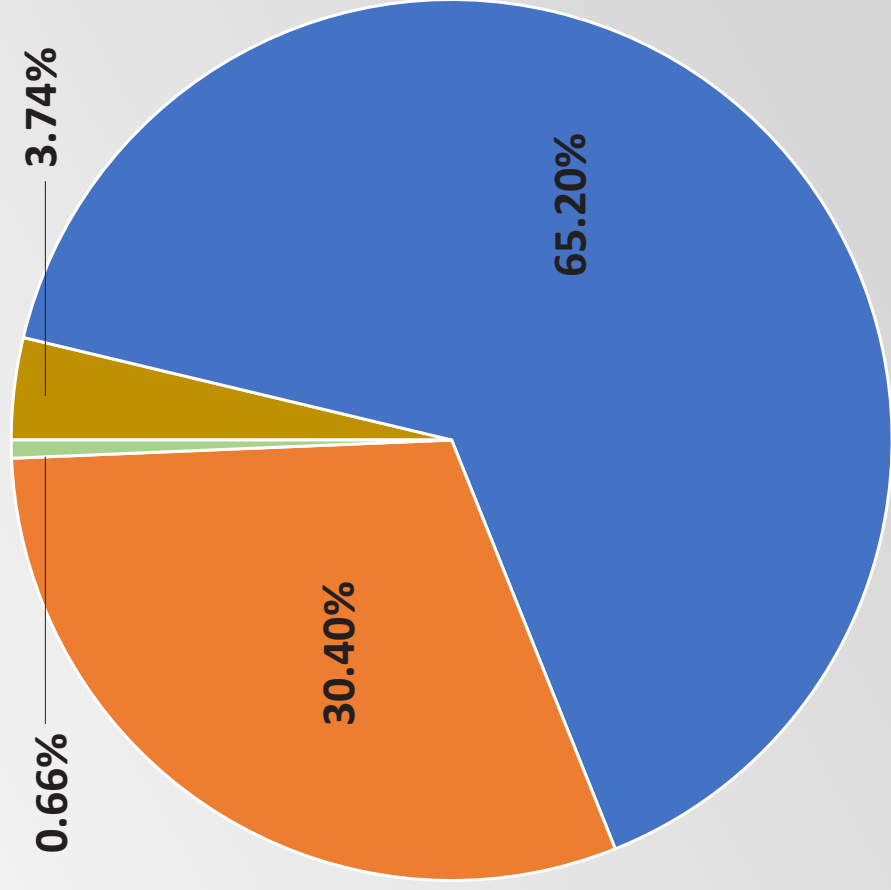
Do you plan to renew your real estate appraisal license?



■ Yes ■ No ■ Decline to state ■ Other



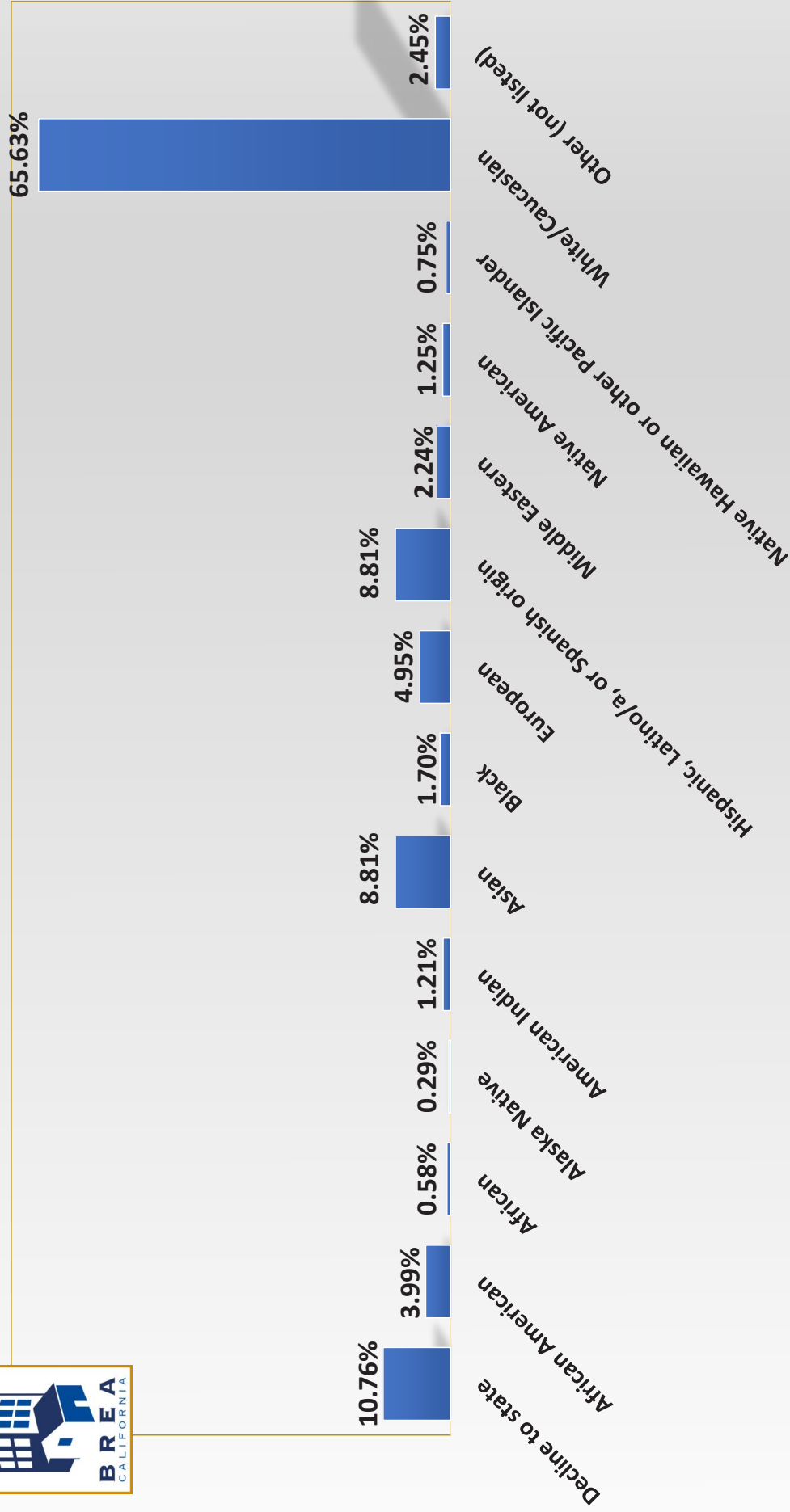
Please select your applicable gender category.

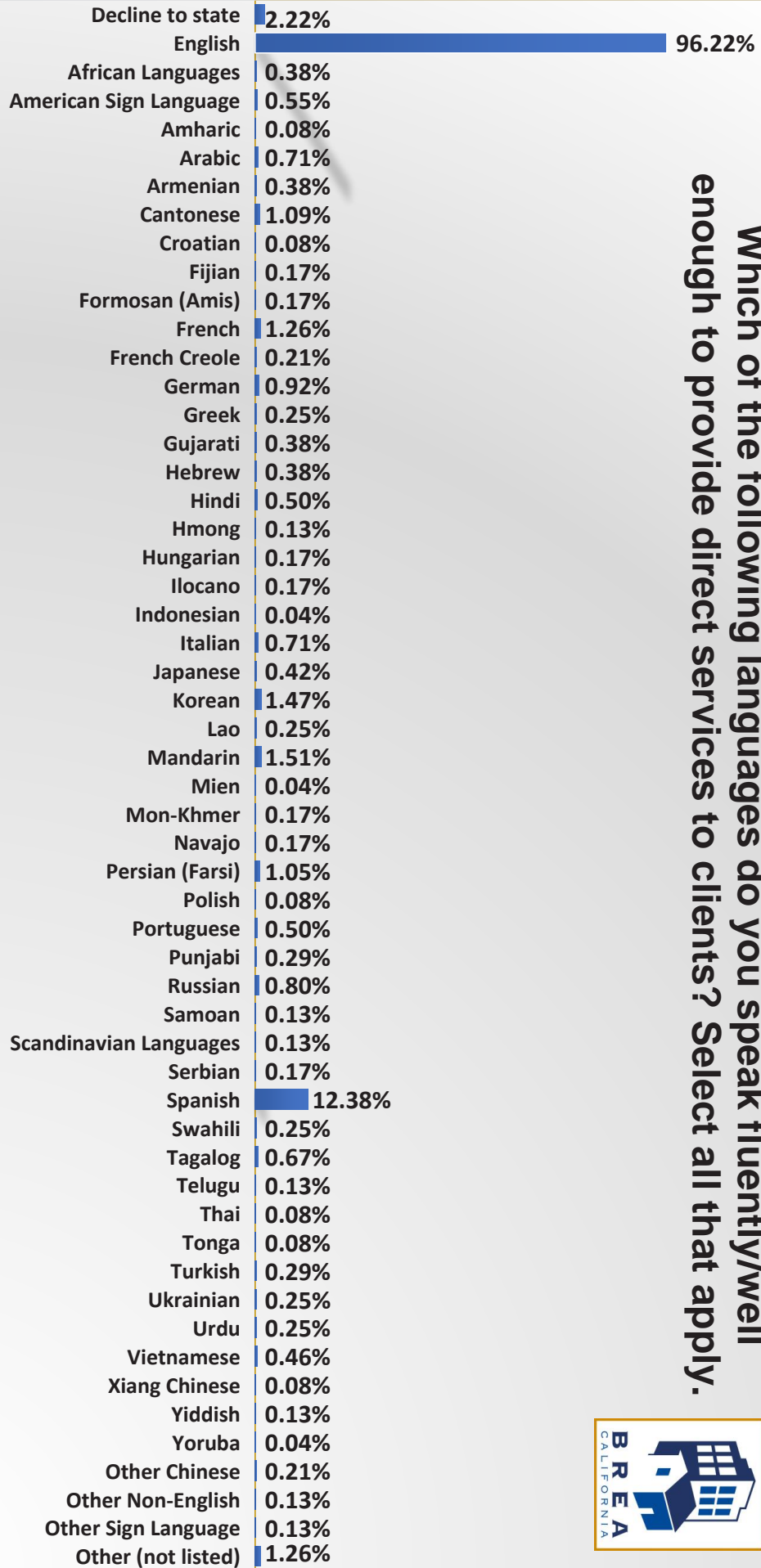


- Decline to state
- Male
- Female
- Nonbinary



Please select one or more of the following categories with which you identify.



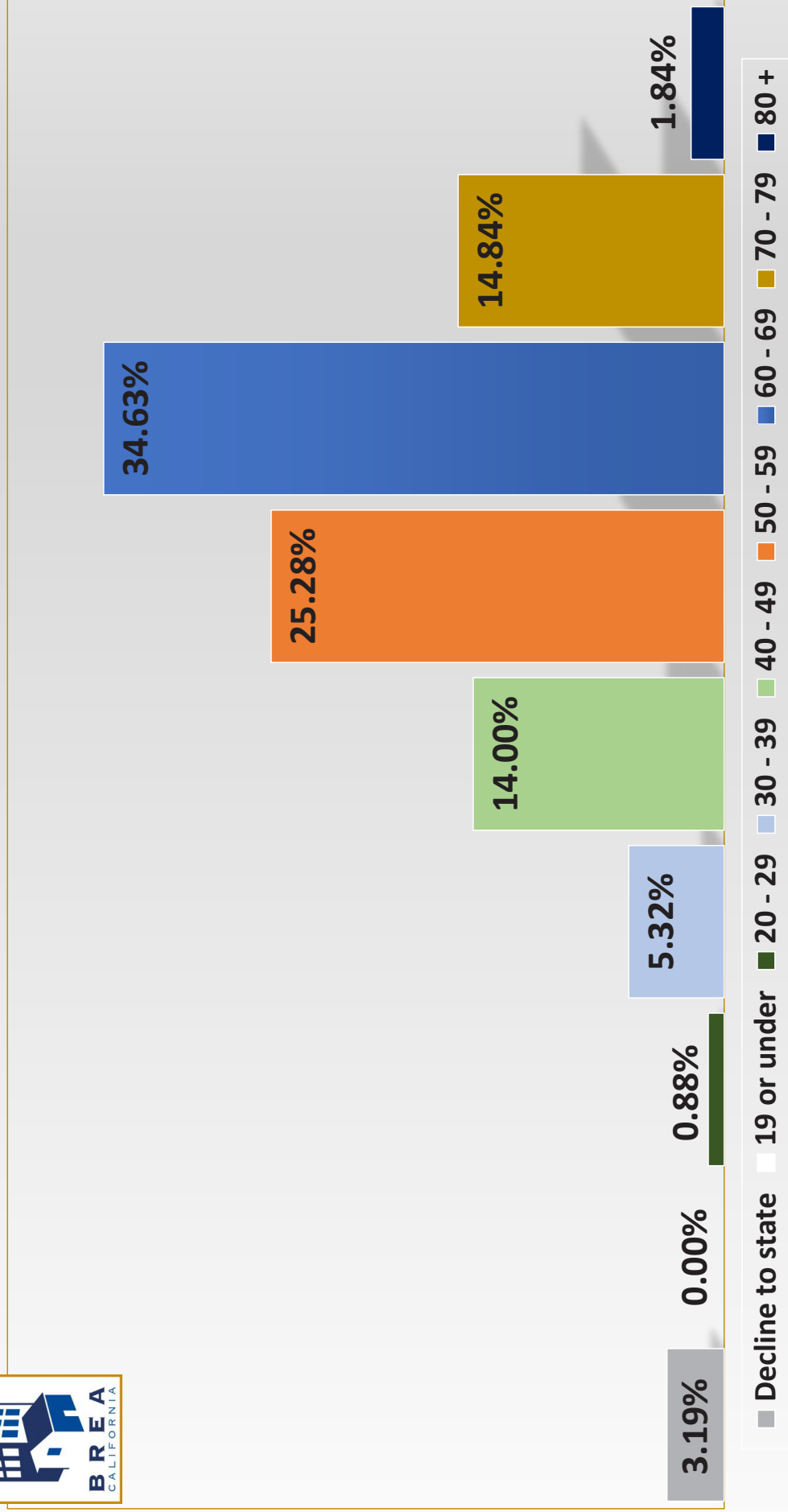


Which of the following languages do you speak fluently/well enough to provide direct services to clients? Select all that apply.



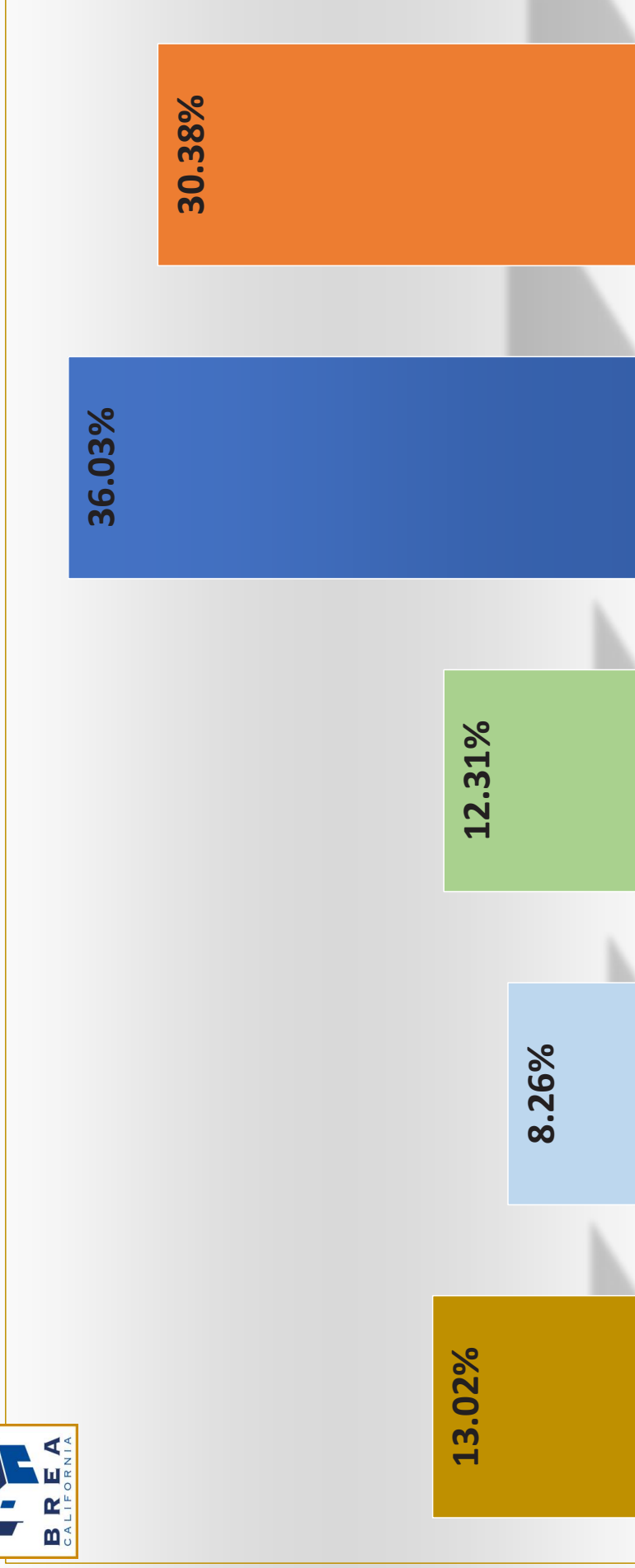


What is your age category?





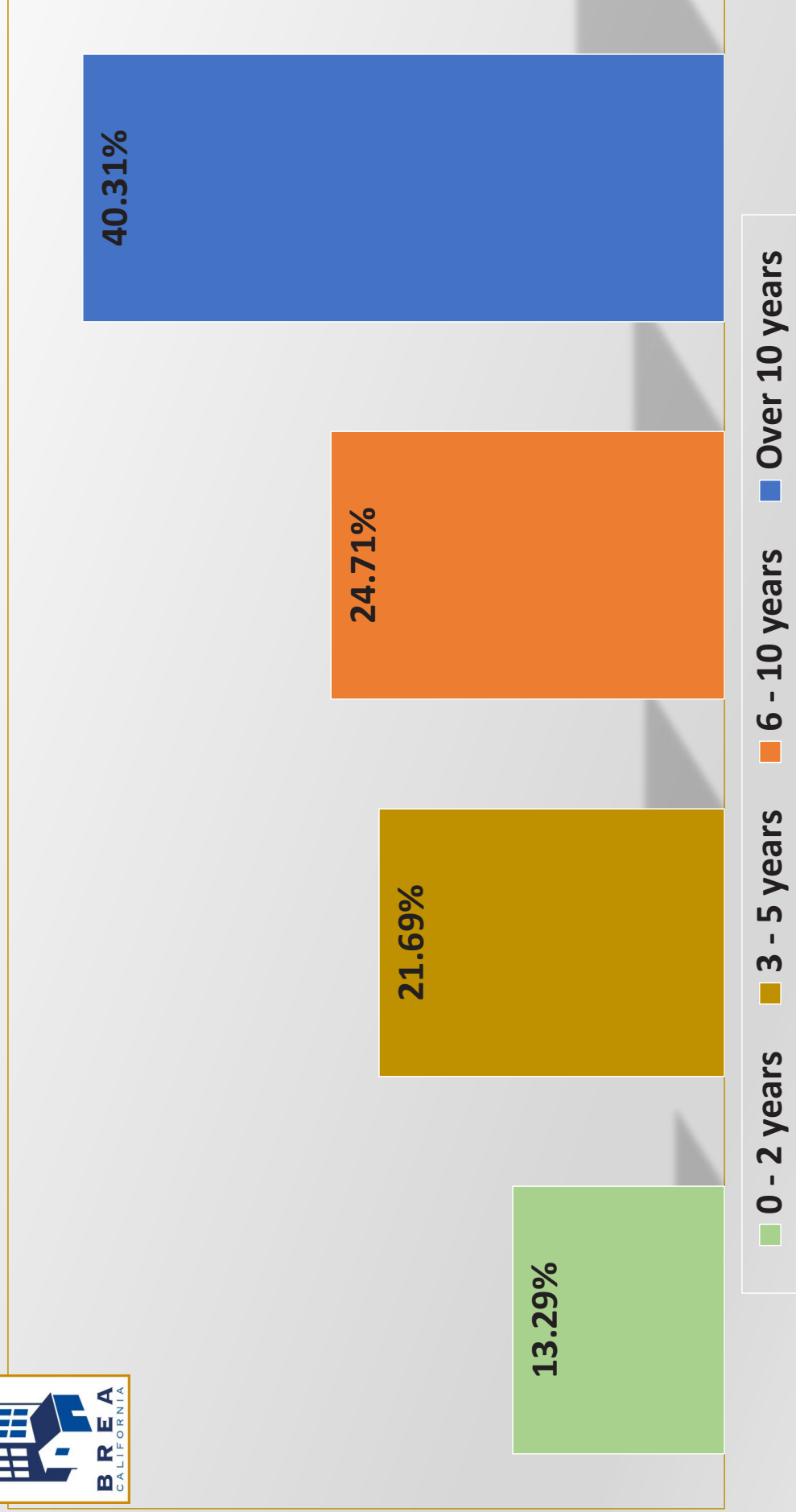
How many hours a week are you typically spending working as an appraiser or on appraiser-related activities?



- 0 - 5 hours per week
- 6 - 10 hours per week
- 11 - 20 hours per week
- 21 - 40 hours per week



How many more years are you planning to maintain your appraiser license?



Are you working primarily as a (choose only one):



78.99%

6.48%

5.95%

4.81%

2.89%

0.88%

■ Independent Fee Appraiser

■ Review Appraiser

■ Non-appraisal related occupation

■ Staff Appraiser

■ Manager/Supervisor

■ Appraiser Regulator (State/Federal/FHFA Enterprise)



Are you completing primarily assignments related to (choose only one):



■ Residential properties ■ Commercial properties



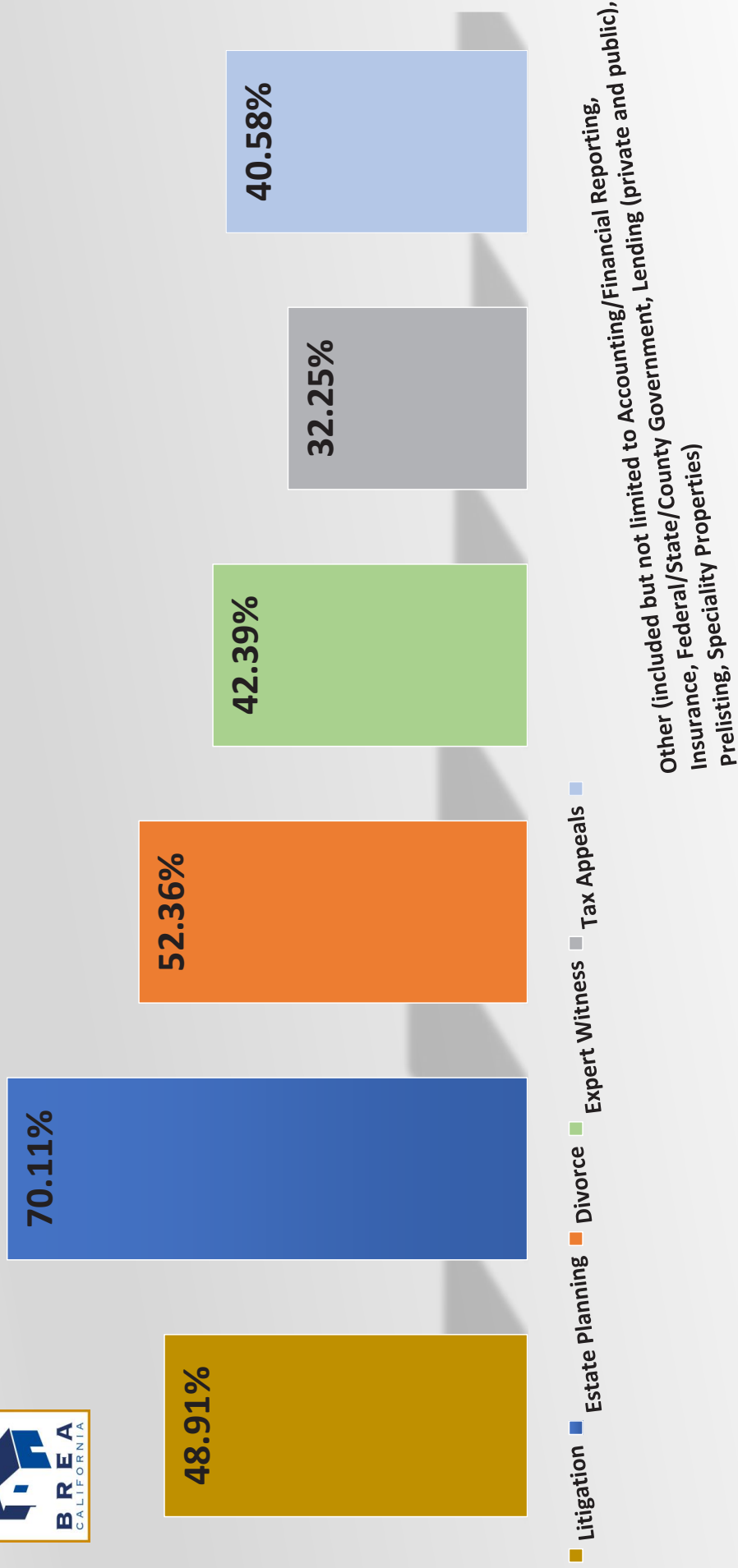
Are your primary clients:



■ Lenders ■ Non-lenders



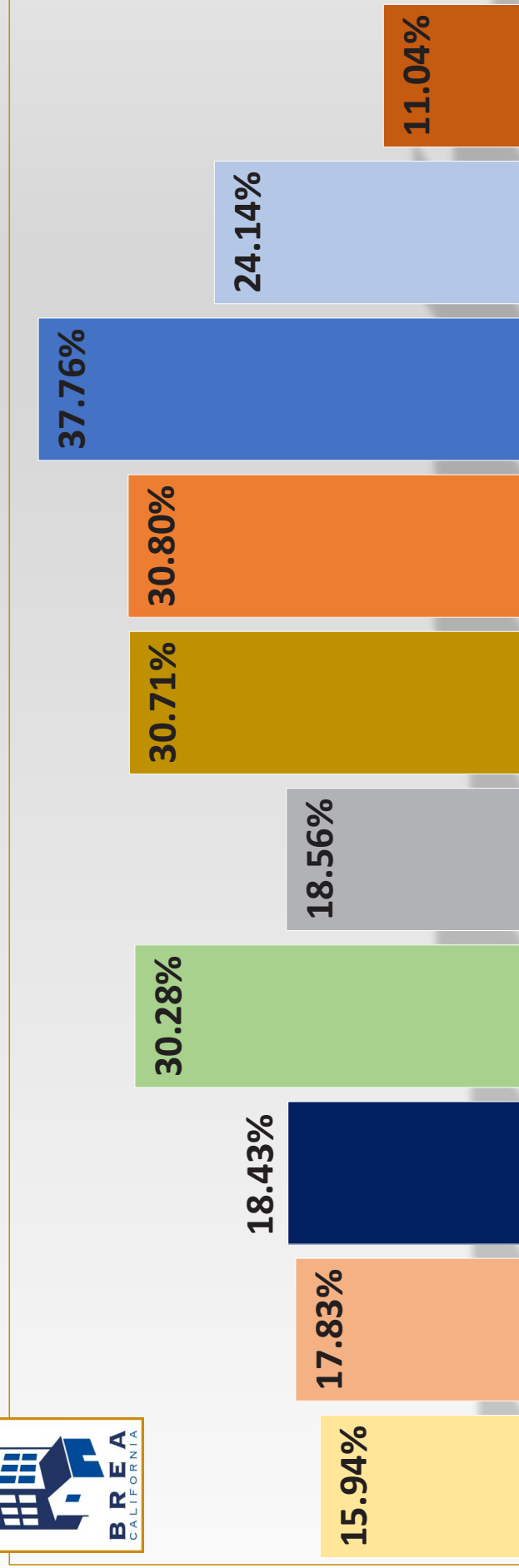
What type of specialty assignments do you perform? (Check all that apply)



■ Litigation ■ Estate Planning ■ Divorce ■ Expert Witness ■ Tax Appeals ■ Other (included but not limited to Accounting/Financial Reporting, Insurance, Federal/State/County Government, Lending (private and public), Prelisting, Speciality Properties)



Please select all regions in which you practice real estate appraisal.



- Northern and Sierra
- Central Coast
- San Joaquin Valley
- Orange County
- San Diego Area

- Greater Sacramento
- Greater Bay Area
- Inland Empire
- Los Angeles County
- I also practice outside California

BUREAU OF
REAL ESTATE
APPRAISERS

AB 948

REGULATORY

REPORT

JULY 2024



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Assembly Bill (AB) 948 (Holden, Chapter 352, Statutes of 2021) amended Business and Professions Code sections 11340 and 11360, and added sections 11310.3 and 11424, to place new requirements on the Bureau of Real Estate Appraisers (Bureau) relative to the demographics and other information of those who file complaints about appraisals of real estate. The key provisions of AB 948 are as follows:

1. Complaint Form Update

The Bureau must include a check box on its existing complaint form that asks whether the complainant believes the real estate appraisal was below market value. The complaint form can be completed and submitted conveniently online, or a paper version of the form is also available to complainants.

2. Demographic Information Collection

The Bureau must collect specific demographic information from complainants involved in real estate transactions. This information is provided voluntarily and includes data on sellers, individuals seeking refinancing, buyers, or their authorized representatives.

3. Reporting Requirements

The Bureau is mandated to compile the collected demographic information and report it to the Legislature by July 1, 2024.

Implementation

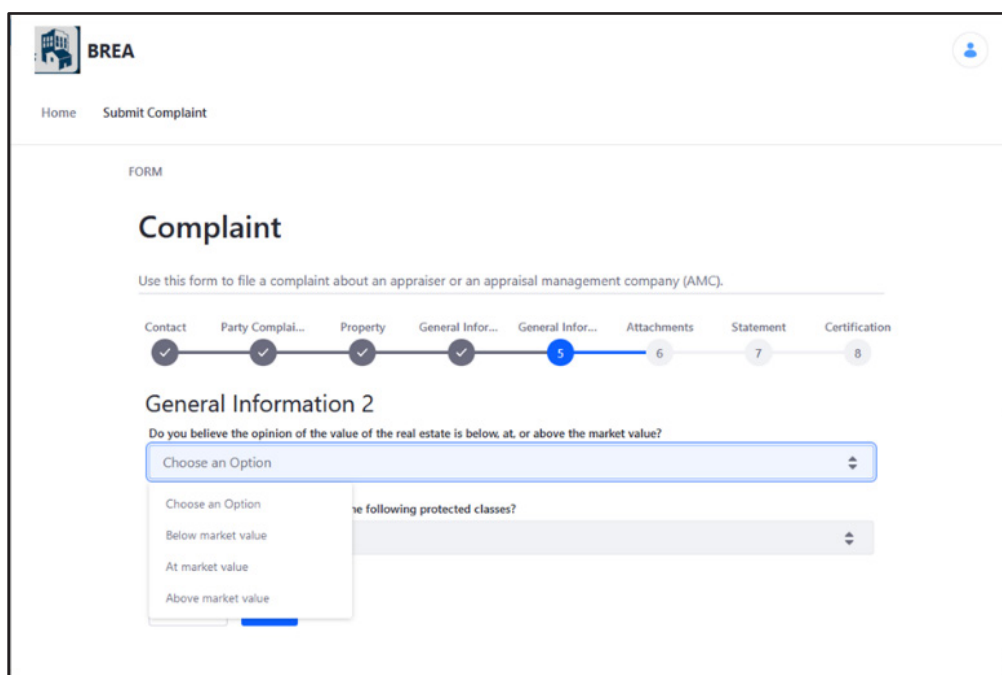
This report outlines complaint data collected by the Bureau from January 2022 through June 2024. The provisions of AB 948 necessitate the following actions by the Bureau:

- Revision of the complaint form to include the new check box.
- Development of a system to collect and manage demographic information.
- Compilation and analysis of the collected data.
- Preparation and submission of a comprehensive report to the Legislature by the specified deadline.

These changes aim to enhance transparency and ensure that the Bureau is informed about potential biases or discrepancies in real estate appraisals, thereby promoting fairness and accountability in real estate transactions.

As required, the Bureau amended its complaint form to include the required information. Figure 1 is an image of the check box that was added to the Bureau’s complaint form with a dropdown menu for market value opinion information. The PDF version of the complaint form is included as an attachment.

Figure 1: Image of the online complaint form with the check box



The screenshot displays the BREA online complaint form. At the top left is the BREA logo and the text "BREA". Below it are navigation links for "Home" and "Submit Complaint". The main heading is "FORM" followed by "Complaint". A sub-heading reads "Use this form to file a complaint about an appraiser or an appraisal management company (AMC).". A progress bar shows eight steps: Contact, Party Complai..., Property, General Infor..., General Infor..., Attachments, Statement, and Certification. The fifth step, "General Infor...", is currently active and highlighted in blue. Below the progress bar is the section "General Information 2" with the question "Do you believe the opinion of the value of the real estate is below, at, or above the market value?". A dropdown menu is open, showing options: "Choose an Option", "Below market value", "At market value", and "Above market value". To the right of this dropdown is another dropdown menu labeled "the following protected classes?".

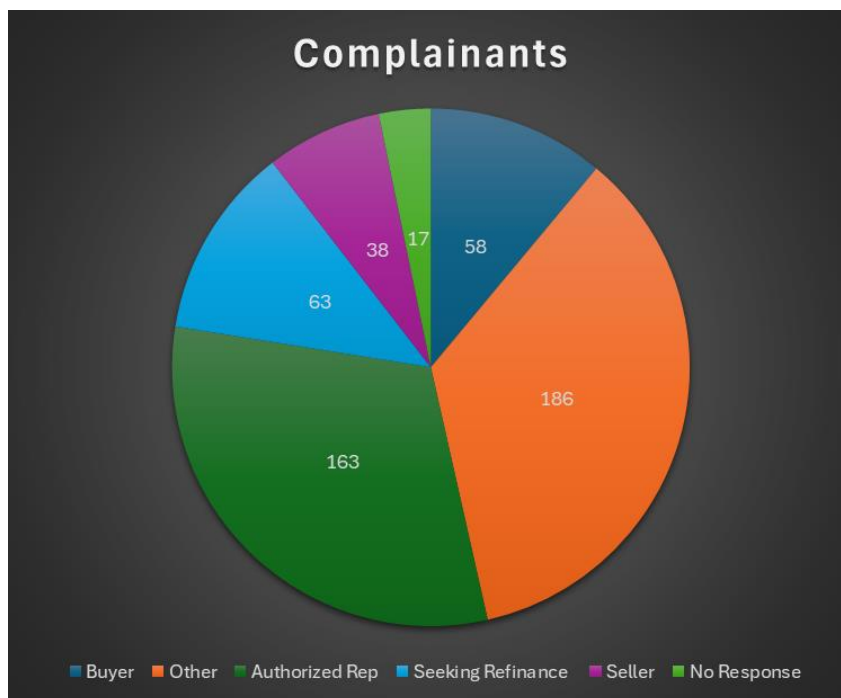
Although AB 948 required the Bureau to request and gather specified demographic information, it allowed answering those questions in the complaint form to be voluntary. The data collected by the Bureau from January 2022 to June 2024 indicates, as shown in Table 1, that 59% of complainants chose to provide demographic information, while the remaining 41% declined to respond.

Table 1: Complainant response rate to demographic information

Total Complaints	Responded		Not Responded	
	Number	Percent	Number	Percent
525	309	59%	216	41%

The Bureau also received complaints from a variety of types of complainants, including buyers, sellers, authorized representatives, and other sources (for example realtors, personal assistants, and appraisers). Figure 2 shows the breakdown of the number of complaints received by each type of complainant.

Figure 2: Complainant types



In the updated complaint form, complainants were asked if they believed the real estate appraisal they received was below, above, or at market value. Table 2 shows the breakdown for each value category.

Table 2: Response rate to market value question

Market Value Status	Complaints	Percentage
Below Market Value	180	56%
Above Market Value	79	25%
At Market Value	62	19%
Total	321	100%

Additionally, Table 3 below includes a further breakdown of the information showing which types of complainants believed that their appraisal was above, below, or at market value.

Table 3: Response rate by complainant type

Complainants	Complaints	Above Market Value	Below Market Value	At Market Value	No Response
Buyer	58	20	19	13	6
Other	186	51	60	40	35
Authorized Rep	163	0	14	4	145
Seeking Refinance	63	5	54	2	2
Seller	38	3	33	2	0
No Response	17	0	0	0	17
Total	525	79	180	61	205

Note: Due to the limited dataset within the reporting period and its distribution across various demographic categories and combinations selected by the complainants, graphical representation of the demographic data was not feasible. For ease of reference, the raw data has been included as an appendix.

Table 4 shows the protected class categories on the complaint form and corresponding complaints for each category. Note that complainants were allowed to select more than one type of protected class that applied.

Table 4: Protected categories selected by complainants

No	Demographic Category	Responses	No	Demographic Category	Responses
1	Race	68	9	Nation Origin	19
2	Prefer not to disclose	56	10	Sexual Orientation	16
3	Age	48	11	Source of Income	15
4	Color	40	12	Gender	12
5	Marital Status	29	13	Other	8
6	Religion	25	14	Ancestry	5
7	Military/ Veteran Status	24	15	Genetic Information	3
8	Medical Condition	23			

Most critically, the Bureau's updated complaint form asks complainants if they are a member of a protected class. Complainants are allowed to select several categories that apply. From January 2022 through June 2024, the Bureau received 525 complaints and 309 responded to the question. Table 5 below shows how many complainants believed their real estate was appraised below market value, broken down by protected class. For the purposes of this report, it is important to note that the "Protected Class" and "Below Market Value" data lists are separate and do not complement each other. Additionally, the term "Complaints" in the following table refers to the number of complaints associated with a single specific protected class, rather than the total number of complaints.

Table 5: Complainants claiming appraisal below market values

Category	Complaints	Below Market Value
Race	12	8
Prefer not to disclose	52	23
Age	15	10
Color	40	0
Marital Status	29	1

Category	Complaints	Below Market Value
Disability	11	4
Religion	25	1
Military or Veteran Status	24	9
Medical Condition	23	1
Nation Origin	19	2
Sexual Orientation	16	1
Source of Income	15	0
Gender	12	4
Other	8	0
Ancestry	5	0
Genetic Information	3	0
Multiple	0	63
No Response	0	17
No Specific category selected	0	36
Total	309	180

The limited data collected here offers a beginning view of the protected classes that perceive appraisals as being below market value based on the bias in the industry. Despite covering only a limited time period, this information along with more comprehensive survey data on diversity in the industry will assist the Bureau in developing and implementing effective strategies to achieve the overarching goal of safeguarding public trust through licensing, education, enforcement, and the implementation of AB 948 requirements.

Appendix: Complainant data (complainant type, market opinion, and protected group)

Complainant Type	
Authorized Representative	163
Buyer	59
Seller	38
Those Seeking to Refinance	63
Other	192
Market Value Opinion	
Above Market Value	79
At Market Value	62
Below Market Value	179
Protected Groups	
Race	68
Color	40
Religion	25
Gender	43
Sexual Orientation	16
Age	48
Nation Origin	18
Disability	28
Military or Veteran Status	24
Medical Condition	23
Source of Income	15
Marital Status	29
None	100
Prefer Not to Disclose	56

Complainant Type	Market Value Opinion	Protected Groups
Buyer	Above market value	Race
Buyer	Above market value	Race
Buyer	Above market value	Prefer Not to Disclose
Buyer	Above market value	Prefer Not to Disclose
Buyer	Above market value	None
Buyer	Above market value	Prefer Not to Disclose
Buyer	Above market value	Race, Color
Buyer	Above market value	Prefer Not to Disclose
Buyer	Above market value	Gender, Color, Age
Buyer	Above market value	Prefer Not to Disclose
Buyer	Above market value	No Comment
Buyer	Above market value	Race, Gender
Buyer	Above market value	None

Complainant Type	Market Value Opinion	Protected Groups
Buyer	Above market value	No Comment
Buyer	Above market value	Race, Color
Buyer	Above market value	No Comment
Buyer	Above market value	No Comment
Buyer	Above market value	None
Buyer	Above market value	Gender
Buyer	Above market value	Military or veteran status, Sexual orientation, Disability, Marital status, Gender
Other	Above market value	Medical Condition
Other	Above market value	None
Other	Above market value	Gender, Race
Other	Above market value	None
Other	Above market value	None

Complainant Type	Market Value Opinion	Protected Groups
Other	Above market value	No Comment
Other	Above market value	No Comment
Other	Above market value	No Comment
Other	Above market value	No Comment
Other	Above market value	Religion, Race, Color
Other	Above market value	None
Other	Above market value	Prefer Not to Disclose
Other	Above market value	None
Other	Above market value	Gender, Disability
Other	Above market value	No Comment
Other	Above market value	None
Other	Above market value	No Comment
Other	Above market value	Religion
Other	Above market value	None

Complainant Type	Market Value Opinion	Protected Groups
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	Age
Other	Above market value	None
Other	Above market value	Prefer Not to Disclose
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	No Comment
Other	Above market value	No Comment
Other	Above market value	None

Complainant Type	Market Value Opinion	Protected Groups
Other	Above market value	Gender, Sexual Orientation, Marital Status, Race, Source of Income, Disability, Age, Other
Other	Above market value	Race
Other	Above market value	Medical Condition, Military or Veteran Status
Other	Above market value	Marital Status, Disability, Nation Origin, Other
Other	Above market value	Medical Condition, Disability, Age
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	Military or Veteran Status

Complainant Type	Market Value Opinion	Protected Groups
Other	Above market value	Military or Veteran Status
Other	Above market value	Military or Veteran Status
Other	Above market value	None
Other	Above market value	Race, Gender, Sexual Orientation, Marital Status, Medical Condition, Disability, Age, Source of Income
Other	Above market value	None
Other	Above market value	None
Other	Above market value	None
Other	Above market value	Age
Seller	Above market value	Military or Veteran Status
Seller	Above market value	Disability, Genetic Information, Other, Prefer Not to Disclose

Complainant Type	Market Value Opinion	Protected Groups
Seller	Above market value	Disability, Genetic Information, Other, Prefer Not to Disclose
Those seeking to Refinance	Above market value	None
Those seeking to Refinance	Above market value	Disability, Military or Veteran Status, Medical Condition, Marital Status
Those seeking to Refinance	Above market value	Color, Medical Condition, Disability, Age
Those seeking to Refinance	Above market value	Color, Medical Condition, Disability, Age
Those seeking to Refinance	Above market value	Color, Medical Condition, Disability, Age
	Above market value	National origin, Medical condition
Authorized Representative	At market value	Age
Authorized Representative	At market value	Race
Authorized Representative	At market value	None

Complainant Type	Market Value Opinion	Protected Groups
Authorized Representative	At market value	Age
Buyer	At market value	None
Buyer	At market value	No Comment
Buyer	At market value	No Comment
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	None
Buyer	At market value	None
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	Ancestry
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	Prefer Not to Disclose
Buyer	At market value	Medical Condition
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	None
Other	At market value	None
Other	At market value	Military or Veteran Status

Complainant Type	Market Value Opinion	Protected Groups
Other	At market value	Prefer Not to Disclose
Other	At market value	Age
Other	At market value	Prefer Not to Disclose
Other	At market value	None
Other	At market value	None
Other	At market value	None
Other	At market value	Race, Color, Religion, Gender, Sexual Orientation, Age
Other	At market value	None
Other	At market value	None
Other	At market value	Race, Age, Nation Origin
Other	At market value	None
Other	At market value	None
Other	At market value	None
Other	At market value	Prefer Not to Disclose, Age
Other	At market value	No Comment
Other	At market value	None
Other	At market value	No Comment

Complainant Type	Market Value Opinion	Protected Groups
Other	At market value	None
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	Prefer Not to Disclose
Other	At market value	None
Other	At market value	None, Sexual Orientation, Gender, Religion, Color, Nation Origin
Other	At market value	None
Other	At market value	None
Other	At market value	None
Other	At market value	None
Other	At market value	None
Other	At market value	Prefer not to disclose
Other	At market value	None
Seller	At market value	Disability, Military or Veteran Status, Religion

Complainant Type	Market Value Opinion	Protected Groups
Seller	At market value	Medical Condition, Disability, Source of Income, Age
Seller	At market value	No Comment
Those seeking to Refinance	At market value	Disability
Those seeking to Refinance	At market value	None, Prefer Not to Disclose
	At market value	Prefer not to disclose
	At market value	None
Authorized Representative	Below market value	Race, Color
Authorized Representative	Below market value	None
Authorized Representative	Below market value	No Comment
Authorized Representative	Below market value	No Comment
Authorized Representative	Below market value	Race, Marital Status, Gender
Authorized Representative	Below market value	Race, Color, Gender, Age
Authorized Representative	Below market value	Race, Color

Complainant Type	Market Value Opinion	Protected Groups
Authorized Representative	Below market value	Disability
Authorized Representative	Below market value	None
Authorized Representative	Below market value	Age
Authorized Representative	Below market value	Age
Authorized Representative	Below market value	Religion, Color
Authorized Representative	Below market value	Prefer Not to Disclose
Authorized Representative	Below market value	Race, Color, Religion
Buyer	Below market value	Military or Veteran Status
Buyer	Below market value	Military or Veteran Status
Buyer	Below market value	Race, Marital Status, Color
Buyer	Below market value	Race, Color
Buyer	Below market value	Age
Buyer	Below market value	Gender

Complainant Type	Market Value Opinion	Protected Groups
Buyer	Below market value	None
Buyer	Below market value	Prefer Not to Disclose
Buyer	Below market value	Religion
Buyer	Below market value	None
Buyer	Below market value	Prefer Not to Disclose
Buyer	Below market value	Race, Gender, Color, Marital Status, Age
Buyer	Below market value	Race, Color, Gender, Marital Status, Age
Buyer	Below market value	Race
Buyer	Below market value	missing info
Buyer	Below market value	Military or Veteran Status
Buyer	Below market value	Military or Veteran Status
Buyer	Below market value	Military or Veteran Status, Disability, Race

Complainant Type	Market Value Opinion	Protected Groups
Buyer	Below market value	Nation Origin
Other	Below market value	None
Other	Below market value	Prefer Not to Disclose
Other	Below market value	Religion, Gender, Marital Status, Nation Origin, Disability
Other	Below market value	Gender, Disability, Age
Other	Below market value	Age, Source of Income, Gender, Marital Status
Other	Below market value	Age, Source of Income, Gender, Marital Status
Other	Below market value	Race
Other	Below market value	Prefer Not to Disclose
Other	Below market value	None

Complainant Type	Market Value Opinion	Protected Groups
Other	Below market value	Military or Veteran Status
Other	Below market value	Religion, Marital Status
Other	Below market value	Age
Other	Below market value	Prefer Not to Disclose
Other	Below market value	Prefer Not to Disclose
Other	Below market value	None
Other	Below market value	None
Other	Below market value	Race, Age
Other	Below market value	None
Other	Below market value	None
Other	Below market value	No Comment
Other	Below market value	Source of Income, Disability, Other
Other	Below market value	No Comment

Complainant Type	Market Value Opinion	Protected Groups
Other	Below market value	Gender
Other	Below market value	No Comment
Other	Below market value	No Comment
Other	Below market value	No Comment
Other	Below market value	None
Other	Below market value	Gender
Other	Below market value	None
Other	Below market value	None
Other	Below market value	Race
Other	Below market value	No Comment
Other	Below market value	No Comment
Other	Below market value	None
Other	Below market value	None
Other	Below market value	No Comment

Complainant Type	Market Value Opinion	Protected Groups
Other	Below market value	Marital Status
Other	Below market value	No Comment
Other	Below market value	Race
Other	Below market value	Race, Religion, Nation Origin
Other	Below market value	Race, Religion, Nation Origin
Other	Below market value	None
Other	Below market value	Prefer Not to Disclose
Other	Below market value	Race, Color, Gender, Source of Income, Medical Condition, Marital Status
Other	Below market value	None
Other	Below market value	Marital Status, Age
Other	Below market value	Prefer Not to Disclose

Complainant Type	Market Value Opinion	Protected Groups
Other	Below market value	None
Other	Below market value	Nation Origin, Race
Other	Below market value	Age, Medical Condition
Other	Below market value	None
Other	Below market value	Military or Veteran Status
Other	Below market value	missing info
Other	Below market value	Military or Veteran Status
Other	Below market value	Military or Veteran Status
Other	Below market value	Prefer Not to Disclose
Other	Below market value	Prefer Not to Disclose
Other	Below market value	None
Other	Below market value	Race, Marital Status, Nation Origin
Other	Below market value	Age, Medical Condition

Complainant Type	Market Value Opinion	Protected Groups
Seller	Below market value	Race, Color, Gender, Age
Seller	Below market value	Race, Color, Gender, Age
Seller	Below market value	Race, Color, Religion, Gender, Marital Status
Seller	Below market value	None
Seller	Below market value	Military or Veteran Status
Seller	Below market value	None
Seller	Below market value	No Comment
Seller	Below market value	Medical Condition, Marital Status
Seller	Below market value	Disability
Seller	Below market value	Medical Condition, Marital Status
Seller	Below market value	Medical Condition

Complainant Type	Market Value Opinion	Protected Groups
Seller	Below market value	None
Seller	Below market value	Prefer Not to Disclose
Seller	Below market value	Race, Gender
Seller	Below market value	Military or Veteran Status, Race, Source of Income, Other
Seller	Below market value	None
Seller	Below market value	Race, Gender
Seller	Below market value	None
Seller	Below market value	Prefer Not to Disclose
Seller	Below market value	Nation Origin
Seller	Below market value	Age
Seller	Below market value	Medical Condition, Marital Status, Sexual Orientation, Gender, Religion,

Complainant Type	Market Value Opinion	Protected Groups
		Disability, Genetic Information
Seller	Below market value	Gender, Marital Status, Ancestry, Religion
Seller	Below market value	None
Seller	Below market value	Medical Condition, Gender, Source of Income, Disability, Nation Origin, Race, Color
Seller	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Race, Nation Origin
Those seeking to Refinance	Below market value	Age
Those seeking to Refinance	Below market value	Color, Race
Those seeking to Refinance	Below market value	Race, Religion, Source of Income, Age
Those seeking to Refinance	Below market value	Race, Color, Marital Status, Military or

Complainant Type	Market Value Opinion	Protected Groups
		Veteran Status, Disability
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race, Color, Gender, Nation Origin, Age
Those seeking to Refinance	Below market value	Age, Disability, Medical Condition, Ancestry, Gender
Those seeking to Refinance	Below market value	Race, Color, Marital Status, Nation Origin, Source of Income, Age, Gender
Those seeking to Refinance	Below market value	Military or Veteran Status, Race
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race, Color, Sexual Orientation, Marital Status, Source of Income,

Complainant Type	Market Value Opinion	Protected Groups
		Age, Gender
Those seeking to Refinance	Below market value	Age
Those seeking to Refinance	Below market value	Race, Color, Religion, Gender, Marital Status, Age, Nation Origin
Those seeking to Refinance	Below market value	Disability
Those seeking to Refinance	Below market value	Race, Color, Ancestry
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race, Color, Nation Origin
Those seeking to Refinance	Below market value	No Comment
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	No Comment
Those seeking to Refinance	Below market value	Nation Origin, Race,

Complainant Type	Market Value Opinion	Protected Groups
		Color, Religion
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Age, Medical Condition, Military or Veteran Status
Those seeking to Refinance	Below market value	Race
Those seeking to Refinance	Below market value	Race, Religion, Gender
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Age
Those seeking to Refinance	Below market value	Race, Gender, Sexual Orientation, Marital Status, Medical Condition, Age
Those seeking to Refinance	Below market value	Color, Race, Religion

Complainant Type	Market Value Opinion	Protected Groups
Those seeking to Refinance	Below market value	Color, Religion
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race
Those seeking to Refinance	Below market value	Age
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Age
Those seeking to Refinance	Below market value	Race
Those seeking to Refinance	Below market value	Gender
Those seeking to Refinance	Below market value	Race, Gender
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Race, Marital Status
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race, Sexual Orientation

Complainant Type	Market Value Opinion	Protected Groups
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	No Comment
Those seeking to Refinance	Below market value	Prefer Not to Disclose
Those seeking to Refinance	Below market value	None
Those seeking to Refinance	Below market value	Race, Color, Sexual orientation
Those seeking to Refinance	Below market value	Sexual orientation, Race, Color
Those seeking to Refinance	Below market value	Race, Color
-	Below market value	Prefer not to disclose
-	Below market value	Sexual orientation
-	Below market value	Gender, Religion, Other
-	Below market value	None
-	Below market value	Age, Gender
Authorized Representative	No Comment	No Comment

Complainant Type	Market Value Opinion	Protected Groups
Buyer	No Comment	No Comment
Buyer	No Comment	Military or Veteran Status
Buyer	No Comment	No Comment
Buyer	No Comment	No Comment
Buyer	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	Prefer Not to Disclose
Other	No Comment	Prefer Not to Disclose
Other	No Comment	No Comment
Other	No Comment	None
Other	No Comment	Prefer Not to Disclose
Other	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	Sexual Orientation, Gender, Marital Status
Other	No Comment	Race, Color, Gender, Sexual

Complainant Type	Market Value Opinion	Protected Groups
		Orientation, Medical Condition, Disability, Age, Other, Nation Origin, Religion, Source of Income
Other	No Comment	Ancestry
Other	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	Prefer Not to Disclose
Other	No Comment	No Comment
Other	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment

Complainant Type	Market Value Opinion	Protected Groups
Other	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	Source of Income, Color
Other	No Comment	No Comment
Other	No Comment	None
Other	No Comment	None
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	No Comment
Other	No Comment	Race, Religion, Source of Income, Disability
Other	No Comment	No Comment
Other	No Comment	No Comment
Seller	No Comment	No Comment
Seller	No Comment	No Comment
Seller	No Comment	Race, Color, Religion

Complainant Type	Market Value Opinion	Protected Groups
Seller	No Comment	No Comment
Seller	No Comment	Sexual Orientation
Seller	No Comment	Sexual Orientation
Those seeking to Refinance	No Comment	No Comment
missing info	No Comment	No Comment



THE CALIFORNIA APPRAISER

**Message from the Chief:
BRE A Demographic Survey
2023 1**

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Reminders BACK

Our Mission: Safeguard public trust by promoting professionalism in the real estate appraisal industry through licensing, education, and enforcement.

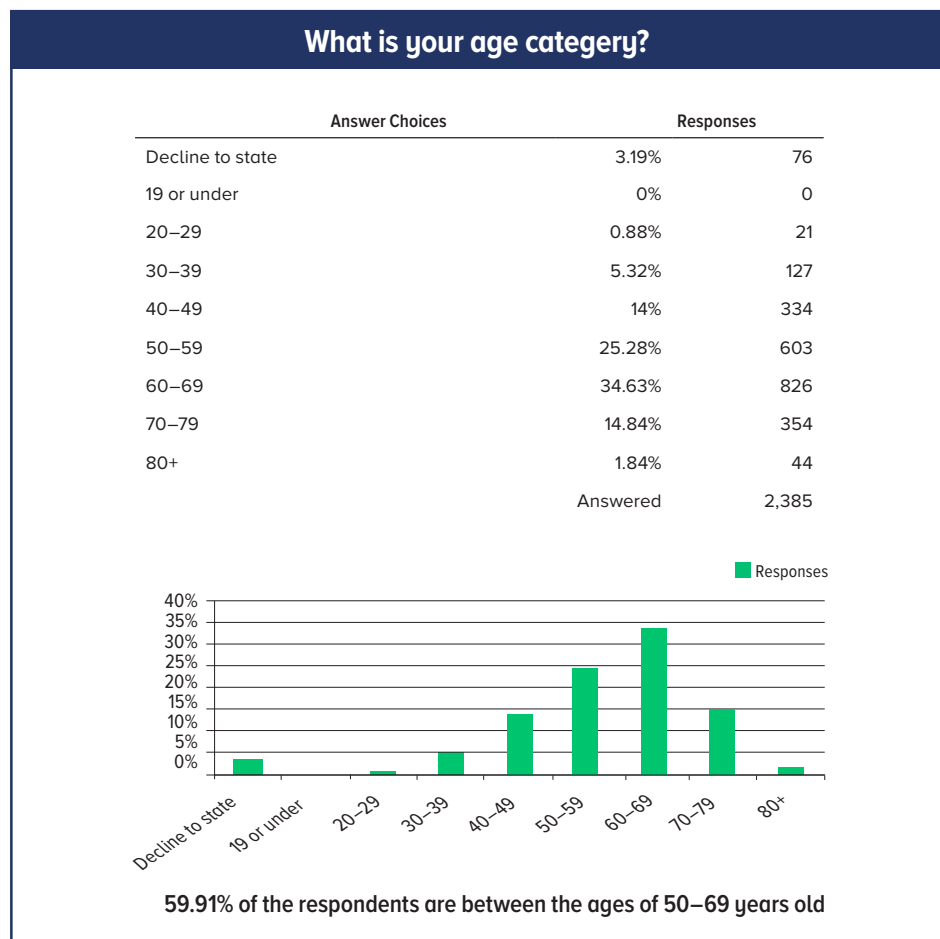
FALL/WINTER 2023

Message from the Chief

We must begin by thanking everyone that took the time to participate in the demographic survey in June. The survey gleaned an amazing 27% response rate.

BREA DEMOGRAPHIC SURVEY 2023

BREA received 2,500 responses to the survey within a two-week period. The information provided has and will help shape BREA's marketing and outreach efforts.



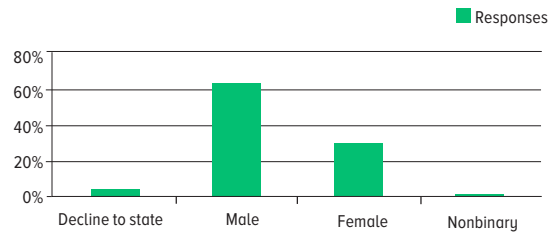
Highlighted are a selected few of the data findings due to the extensive volume of information collected.

(Message from the Chief continued on page 2)

(Message from the Chief continued from page 1)

Please select your applicable gender category.

Answer Choices	Responses	
Decline to state	3.74%	91
Male	65.20%	1,585
Female	30.40%	739
Nonbinary	0.66%	16
		Answered 2,431

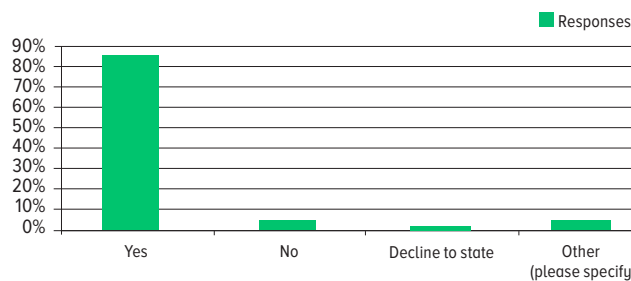


65.20% of the respondents are male

Please be advised the entire Demographic Survey data results will be published in BREA's legislative report by July 1, 2024, as required by AB948 (Holden).

Do you plan to renew your real estate appraisal license?

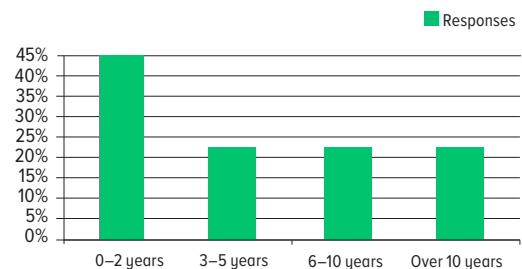
Answer Choices	Responses	
Yes	85.37%	2084
No	6.84%	167
Decline to state	2.79%	68
Other (please specify)	5%	122
		Answered 2,441



87.37% of the respondents plan to renew their license

How many more years are you planning to maintain your appraiser license?

Answer Choices	Responses	
0–2 years	13.29%	312
3–5 years	21.69%	509
6–10 years	24.71%	580
Over 10 years	40.31%	946
		Answered 2,347

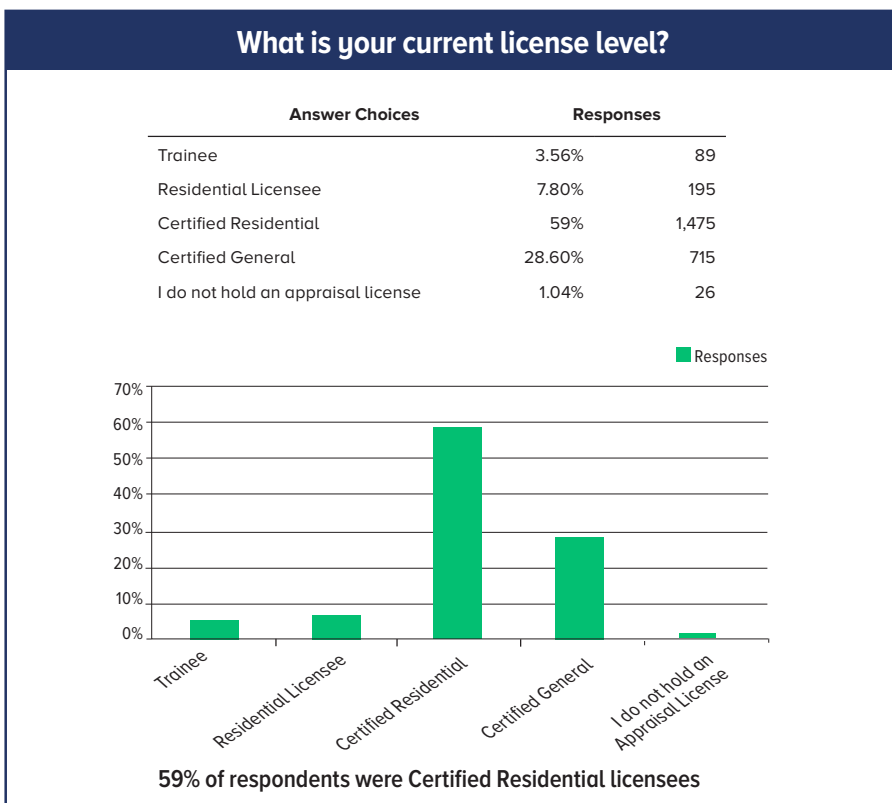
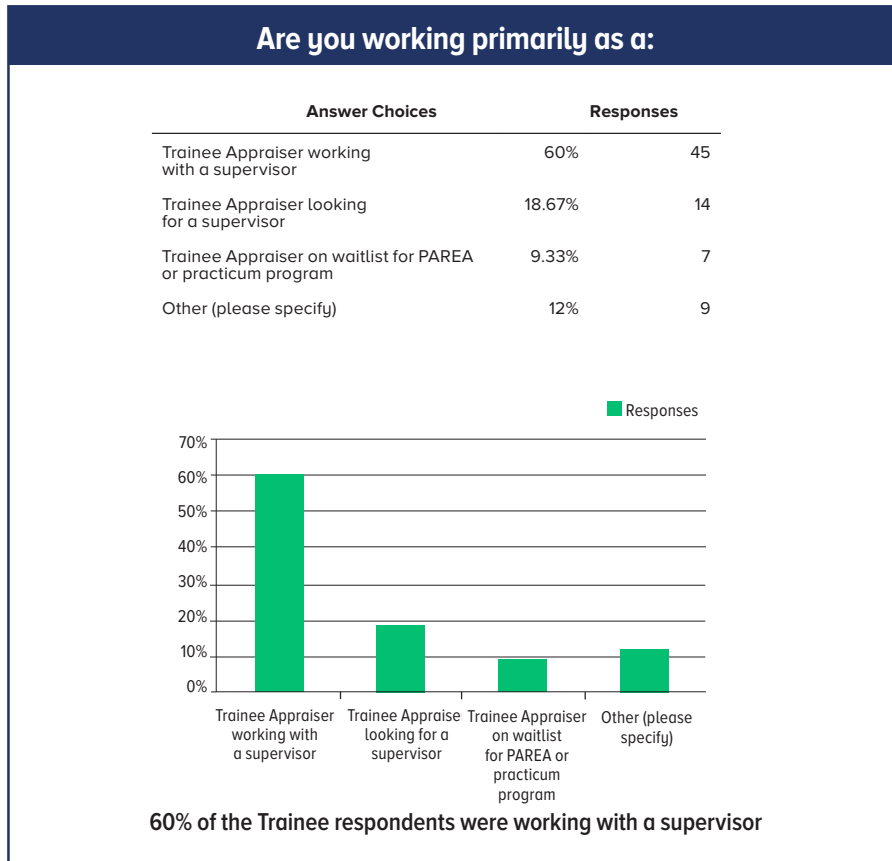


65.02% of the respondents are planning to maintain their license for 6–10 and over 10 years

(Message from the Chief continued on page 3)

(Message from the Chief continued from page 2)

In addition to the entire Demographic Survey data results, the Bureau will deliver a compilation of the information/data voluntarily submitted on the complaint forms since January 1, 2022.



Angela Jemmott, Bureau Chief



Did You Know?

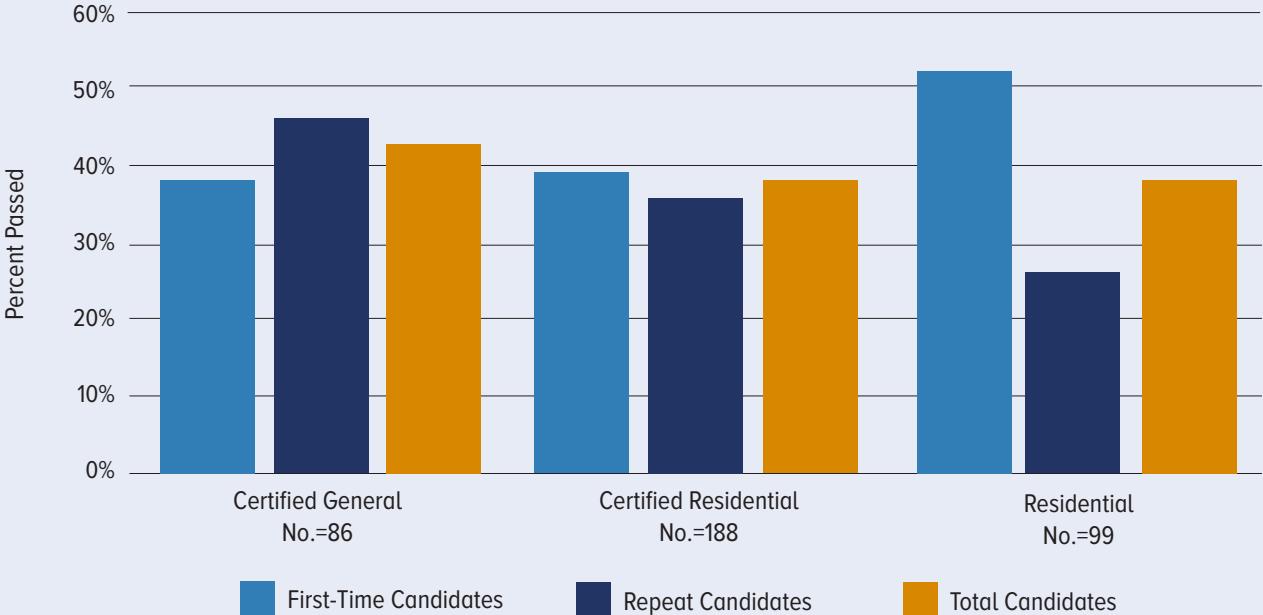
Check out The Appraisal Foundation’s [December newsletter](#) to stay up to date on the latest news! Learn about The Appraisal Foundation’s work, it’s roles, and responsibilities in the appraisal industry.

To see all newsletters, press releases, annual reports, and more, click [here](#). ■

CA Exam Results

The following graph shows the California Appraisers Examination statistics from January 1, 2023, through September 30, 2023, as provided by PSI Services. The numbers indicate the pass rate by candidate and exam type.

**California Appraiser Examination Results
1/1/2023–9/30/2023**





Reconciliation: It's All About the Quality and Quantity of Your Data

Often, we here at BREA see the following statement in the Sales Comparison Approach Reconciliation:

“All comps given equal weight.”

Of course, it's possible when an appraiser is in a new tract-home subdivision that all the comps are recent, proximate, and so similar to the subject that each was roughly “equal” to the subject. Ask yourself, however, is this always the case?

Let's look at what USPAP requires:

Standards Rule 1-6(a): “In developing real property appraisal, an appraiser must reconcile the **quality and quantity** of data available and analyzed within the approaches used.”

Standards Rule 2-2(a)(x)(5): “The content of an Appraisal Report must be appropriate for the intended use of the appraisal and, at a minimum provide sufficient information to indicate that

the appraiser complied with the requirements of Standards 1 by **summarizing** the information analyzed and the reasoning that supports the analyses, opinions, and conclusions, including **reconciliation of the data and approaches**”

The key phrase in the above USPAP references is “**quality and quantity**” Were the comparables you found recent, proximate, and/or similar to the subject? How many comparables were available? Did you have to go outside of the defined subject neighborhood to find sales? Why? And which, of all the sales data available, was most similar sale (or sales) to the subject, and why?

So, remember to describe: How much data was available to you (quantity)? Were there good, representative comparable sales or rental data (quality)? You don't need to write a whole book—just summarize the data and explain your rationale. And remember not all comparables are truly equal to the subject. ■



Scope of Practice

Many appraisers do not fully understand their scope of practice requirements based on their license level. BREAs regularly get questions from appraisers who are unclear about whether they can accept an assignment based on property type or transaction value.

The Appraisal Foundation lists the following scope of practice requirements, based on license level:

LICENSED RESIDENTIAL

- A. The Licensed Residential Real Property Appraiser classification applies to the appraisal of non-complex one to four residential units having a transaction value less than \$1 million, and complex one-to-four residential units having a transaction value less than \$400,000.
- B. Complex one- to four-unit residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.
- C. For nonfederally related transaction appraisals, transaction value shall mean market value.
 - 1. The classification includes the appraisal of vacant or unimproved land that is utilized for one to four residential units, or for which the highest and best use is for one to four residential units.

- 2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

- D. All Licensed Residential Real Property Appraisers must comply with the Competency Rule of USPAP.

CERTIFIED RESIDENTIAL

- A. The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one to four residential units without regard to value or complexity.
 - 1. The classification includes the appraisal of vacant or unimproved land that is utilized for one to four residential units purposes or for which the highest and best use is for one to four residential units.
 - 2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
- B. All Certified Residential appraisers must comply with the of Competency Rule USPAP.

CERTIFIED GENERAL

- A. The Certified General Real Property Appraiser classification qualifies the appraiser to appraise all types of real property.

(Scope of Practice continued on page 7)

(Scope of Practice continued from page 6)

- B. All Certified General appraisers must comply with the Competency Rule of USPAP

In addition, guidance from the Appraisal Qualifications Board of the Appraisal Foundation states:

“The scope of practice identified herein represents the consensus of the Appraiser Qualifications Board. The Federal Financial Institutions Regulatory Agencies, as well as other agencies and regulatory bodies, permit the Certified Residential (or Licensed) classification to appraise properties other than those identified within these Criteria. Individuals should refer to agency regulations and state law to determine the type of property that may be appraised by the Certified Residential (or Licensed) appraiser.”

In California, the Scope of Practice requirements (Title 10, Chapter 6.5, Section 3521 of California Code of Regulations) apply to federally related transactions as provided in Section 323.3 of Part 323 of Subchapter B of Chapter III of Title 12 of the Code of Federal Regulations (www.ecfr.gov/current/title-12/chapter-III/subchapter-B/part-323/subpart-A/section-323.3).

It’s important for appraisers who are completing assignments for federally related transactions to be familiar with the various sections of that federal regulation, particularly the definitions, including the definitions of “Commercial real estate transaction,” “Complex appraisal,” “Federally related transaction” “Residential real estate transaction,” and “Transaction value.” Those definitions will help the appraiser better communicate with their client to identify the appraisal problem to be solved, including appropriate assignment conditions, and determine competency on the part of the appraiser.

Many appraisers are surprised to learn that scope of practice requirements, such as limits on transaction values and property types, are not a USPAP requirement. However, as part of a valuation service, USPAP does require every appraiser to communicate with the client to determine an appropriate Scope of Work and be competent to perform the service. Ultimately, it is up to the client and appraiser to decide how the state and federal regulations apply to a particular assignment—which is why understanding the regulations and other requirements that apply is an important part of complying with USPAP. ■

Common Issues With the Cost Approach in Residential Appraisals

When you accept an appraisal assignment that includes an assignment condition requiring the development and reporting of the cost approach, you must complete it in a manner that is credible and not misleading. Below are common deficiencies that the Bureau often sees that diminish the credibility and contribute to a misleading report in the development and reporting of the Cost Approach.

One of the most common issues BREA notes in both investigations and work sample audits in license applications is that the appraiser “reverse engineers” or “backs into” the Cost Approach value so that it agrees with the Sales Comparison Approach value. This is most often evident in the site value, but also in the replacement/reproduction cost, depreciation, “as is” value of site improvements, and/or all of the above. Instead of analyzing one or more (or all) of the various values and costs, the appraiser invents a number that fills in the gap between the result of the Sales Comparison Approach and the other figures used in the Cost Approach.

Site value is often problematic. Rather than perform a credible analysis of the subject’s site, the appraiser subtracts the opined depreciated building costs from the results of the Sales Comparison Approach and attributes the remainder to the site. Usually the appraiser will cite “extraction” or “abstraction,” however, it is neither. This is not a credible methodology and sometimes the resulting site value stands out as clearly not credible. In this instance, the appraiser did not perform an independent approach to value. They started with a predetermined value (the result of the Sales Comparison Approach), and then backed into a result that would support the sales comparison analysis.

BREA occasionally sees illogical values included for the “as is” value of site improvements. An example might be an “as is” value of site improvements that is much greater than the site value by itself, particularly when the apparent site improvements are minimal. An appraiser must be familiar with the various site valuation techniques. Whatever methodology the appraiser decides to use, it must be done in a credible manner.

(Common Issues continued on page 8)

(Common Issues continued from page 7)

It can also be evident when the building costs are not credible. BREA sees this in building costs that are not supported by the cited source or when appraisers cite sources that don't exist. Sometimes the appraiser cites a quality rating that is different than the quality rating available within the cited source of cost data and/or different than described elsewhere in the report, such as reporting "Q4" in the Sales Comparison Approach, but "C3" in the Cost Approach. It is also significant when an appraiser fails to include a building cost for additional amenities such as a pool, guest house, or other structure. An appraiser must use a credible source, must use a quality rating consistent with the cited data source and consistent with the cited quality elsewhere in the report, and must estimate the cost new of all the improvements being appraised.

Another common issue is evident in the depreciation, particularly when the appraiser failed to include external or functional depreciation identified elsewhere in the report. If an appraiser has determined that the contributory value of an improvement such as a pool, guest house, or other amenity, is less than the cost of that amenity minus the physical depreciation, this additional depreciation needs to be reflected in the Cost Approach. If the subject suffers external obsolescence because it backs to a freeway, then that obsolescence should be reflected in the Cost Approach. (If the appraiser accounts for that obsolescence in the site value, then the commentary should explain that.) Depreciation that is not consistent

with the reported condition of the subject is another problem. For example, it doesn't make sense if the appraiser reports an effective age of one year but depreciates the improvements by 50%. An appraiser must credibly estimate the difference between the cost new and the present worth of the improvements.

When the Cost Approach has an obvious and significant error but somehow manages to result in a value that supports the Sales Comparison Approach, it affects the credibility of your entire report. Remember, when you develop a Cost Approach, you must do it credibly, regardless of the weight (or lack thereof) that it is given in the final valuation. The appraiser needs to correctly employ the methodologies they cite and must only cite data sources that they used. Appraisers must credibly develop and report opinions of site value, cost new of the improvements (if any), and depreciation.

The Cost Approach and the other approaches don't necessarily have to be the same. Your job as an appraiser is to reconcile them. And if they're significantly different, consider that information a helpful "red flag." Maybe it's an indicator that your Sales Comparison Approach has a flaw. (And now you know why it's important to develop the Cost Approach independently and credibly!)

Remember, there is no language you can add to your report that relieves you of the requirement to develop a credible Cost Approach, and reconcile it with the other approaches to value, even if you're only developing it because of an assignment condition. ■



Quick Reminders



Supervisory/Trainee course:

Licensed trainees must make sure their supervisors complete a supervisory/trainee course prior to training with their supervisors. If the supervisor does not complete the course prior to training, the experience hours for the trainee will not count.

USPAP Only Renewal Cycle:

Appraisers who are on their two-year renewal cycle must complete the following:

- An approved seven-hour National USPAP Update Course.

Full Continuing Education Renewal Cycle:

Appraisers who are on their **four-year** continuing education cycle must complete the following:

Already Turned in for prior renewal:

- Seven-hour National USPAP Update Course (one is required for each two-year renewal cycle).

Must be turned in for Full Education Renewal Cycle:

- Seven-hour National USPAP Update Course (one is required for each two-year renewal cycle).
- Four-hour course titled “Federal and State Laws and Regulations.”
- Three-hour course titled “Cultural Competency and Elimination of Bias.”
- Thirty-five hours of **additional** BREA-approved continuing education (CE) courses.

Please note: The seven-hour National USPAP Update course submitted on the two-year renewal cycle is already on file and counted for you totaling 56 hours.

Duplicating Courses:

Appraisers may not receive credit for completing the same CE course within the same four-year CE cycle.

Examination Time:

Basic education (BE) courses can be counted for CE credit; however, no credit will be given for the exam time. Example: If an appraiser wanted to use a 15-hour “Residential Market Analysis Highest and Best Use” course for their renewal, it would only count as 14 hours of CE credit.

Online Education Courses:

The Appraisal Qualification Board (AQB) Criteria requires that Asynchronous online education courses not offered by an accredited college or university must be approved by the International Distance Certification Center (IDECC). If the online course(s) are not IDECC-approved, the appraiser will not receive the BE/CE credit for those courses.

Upgrade Education Courses:

Upgrade courses can count towards CE if the education is taken within the four-year CE cycle of the license renewal.

15-hour National USPAP Course:

The 15-hour National USPAP Course **will not satisfy** the mandatory seven-hour National USPAP Update course required every two years. ■



Legal Corner

Office of the Comptroller of the Currency's Focus on Appraisal Bias and Discrimination

On September 28, 2023, the Office of the Comptroller of the Currency (OCC) released its Bank Supervision Operating Plan for Fiscal Year 2024–25. One key area of heightened focus for supervisory strategies included appraisal bias in fair lending:

“Fair lending supervision activities should encompass the full life cycle of credit products including the potential for mortgage lending discrimination resulting from **appraisal bias or discriminatory property evaluations.**”

OCC is one of 13 federal agencies on President Joe Biden's Property Appraisal and Valuation Equity (“PAVE”) Task Force, an interagency initiative to combat bias in home appraisals. The Task Force was directed to (i) evaluate the causes, extent, and consequences of appraisal bias and (ii) establish a transformative set of recommendations to root out racial and ethnic bias in home valuations.

Similarly, USPAP, the generally recognized ethical and performance standards for the appraisal profession in the United States, made recent changes to address bias and discrimination. Beginning January 1, 2024, USPAP's Ethics Rule will address bias and discrimination in a new section within the Ethics Rule titled “Nondiscrimination” and within changes to Advisory Opinions 39 and 40.

In recent years, California has also made strides to combat appraisal bias and discrimination. Assembly Bill 948 was signed into law on September 28, 2021, which required licensed appraisers to complete courses in cultural competency and elimination of bias, and required BREA to modify its complaint form to allow the complainant to select whether they felt the appraisal was below, at, or above market value.

POTENTIAL IMPACTS TO APPRAISERS

Bias and discrimination in housing and appraising is not a novel issue. USPAP's Ethics Rule currently requires an appraiser to not perform an assignment with bias, and Fannie Mae requires an appraiser to certify, in part, that they acted unbiased. Therefore, OCC's recently announced focus on appraisal bias and discrimination within the credit product lifestyle should not come as a surprise; however, this recent announcement should highlight the essential role and importance of an appraiser to act independently, fairly, and objectively when performing home appraisals and valuations.

POTENTIAL IMPACTS TO BREA

BREA's mission is to protect the public trust, including investigating complaints of appraisal bias and discrimination. It is too soon to determine whether OCC's strategic focus on appraisal discrimination in mortgage lending will increase the number of complaints received by BREA.

If you suspect bias or discrimination by an appraiser in California, you can file an **online complaint** or complete and mail the **complaint form** to BREA.

To read more about the OCC's Bank Supervision Operating Plan for 2024, **click here.** ■



Requirements of a BREa Initial Application Background Review

As required by Business and Professions Code section 11343, a new initial applicant for a Real Estate Appraiser license will need to have fingerprints processed, as described below:

In California, the process will be via Live Scan on the **Form 8016—Request for Live Scan**. The Form 8016 is available on BREa's [website](#). There are multiple California Live Scan processing locations available throughout California. An applicant needs to complete this Live Scan **at the same time** the applicant is submitting an initial application. Upon completion of the Live Scan fingerprinting, the California Department of Justice will process and notify BREa of the fingerprinting result directly.

If located out of state, the applicant should submit two specifically approved fingerprint cards named FD-258. These are available from BREa by mail upon request or possibly at the out-of-state fingerprinting facility. If out of state and submitting two FD-258 cards, these will need to be included with the initial application package and BREa will submit them to the California Department of Justice, which will process and notify BREa of the fingerprinting results directly.

Prior to issuing a license, BREa will review the fingerprinting results in accordance with California Code of Regulations sections 3722 and 3723, in addition to any other applicable laws and regulations. BREa's laws and regulations are available on BREa's [website](#). BREa will complete a review to determine if any further BREa steps are needed.

After a license is issued, a licensee must report to BREa, in writing, the occurrence of certain adverse events, including any felony or misdemeanor convictions, within 30 days of the date he or she has knowledge of the event (see [Business and Professions Code section 11318](#)). Also see the last page of this newsletter for a summary description of this requirement. ■





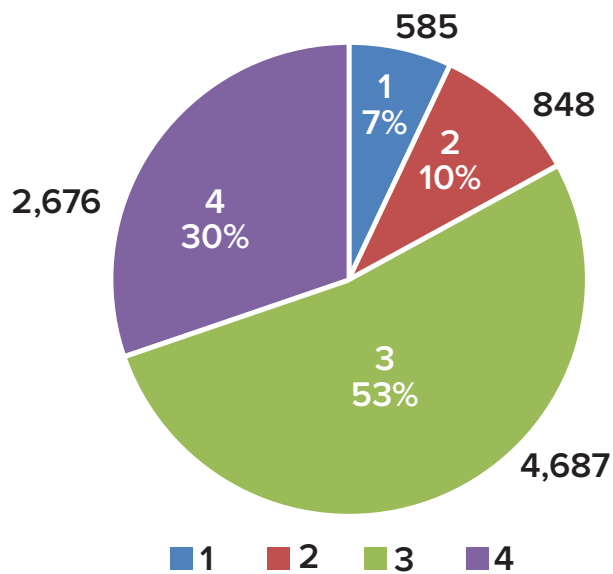
Licensing Stats

The following chart shows the breakdown of the licensed appraiser population by license level type. As of **11/6/2023**, there are **8,796** active appraisers: **7%** are Trainee level, **10%** are Residential level, **53%** are Certified Residential level, and **30%** are Certified General level.

Active Licensees as of November 6, 2023: **8,796** ■

Total License Population

- 1 Trainee
- 2 Residential
- 3 Certified Residential
- 4 Certified General





Education

Course Providers Offering the 2024–2025 Seven-Hour National USPAP Update Courses

As of November 2023, BREA has approved eight course providers for the 2024–2025 Seven-Hour National USPAP Update course. We look forward to continued submissions of course providers.

This list of course providers can be found on our website: www.brea.ca.gov—select “Online Services,” then “Course Provider Search,” then click (“Search”). ■

As of November 2023:

2024–2025 7-Hour National Uspap Update Courses	Course Providers	Phone Number
2024–2025 7-hour National Update Course	Affiliated Appraisers Workshop	(866) 944-8583
2024–2025 7-hour National Uspap Course (A114)	American Society of Farm Managers & Rural Appraisers	(303) 692-1211
2024–2025 7-hour National Uspap Update Course	Appraiser eLearning, LLC	(615) 965-5705
2024–2025 7-hour National Uspap Update Course	Appraisal Institute	(312) 335-4144
2024–2025 7-hour National Uspap Update Course	Ken Hunsinger	(916) 420-0032
2024–2025 7-hour National Uspap Update Course	McKissock, LLC	(800) 328-2008
2024–2025 7-hour National Uspap Update Course	Real Estate Appraisers Association	(916) 764-7535
2024–2025 7-hour National Uspap Update Course	The Appraisal School, Inc	(818) 715-0943

Course Providers Offering the Supervisory/Trainee Courses

As of November 2023:

Supervisory/Trainee Courses	Course Providers	Phone Number
Supervisory Appraiser Trainee Course	Appraisal Institute	(312) 335-4100
Supervisor Appraiser and Trainee Course	Dynasty School	(800) 888-8827
Supervisor-Trainee Course for California	McKissock, LLC	(800) 328-2008
Supervisory Appraiser and Trainee Appraiser Course	The CE Shop	(262) 565-5369
Supervisory and Trainee Appraiser Course	West Los Angeles College	(310) 849-5415



REVOKED

SUSPENDED



Enforcement Actions.

Enforcement actions are based on the totality of the circumstances and the merits of each matter on a case-by-case basis, including the nature and severity of the offenses involved, prior disciplinary actions (if any), and circumstances that support a finding that the offender has been rehabilitated. Violation descriptions may be partial and summarized due to space limitations. For these reasons, cases may appear similar on the face yet warrant different sanctions.

For a description of the criteria followed by the Bureau in enforcement matters, refer to Title 10, Article 12 (commencing with section 3721) of the California Code of Regulations. Additional information on the individual actions is also available on the Bureau's website, www.brea.ca.gov. ■

(Enforcement Actions continued on page 15)

DISCIPLINARY ACTIONS.				
Licensee.	License No.	City of Business.	Order Effective.	Discipline.
Nader Malek	32121	Los Angeles	6/16/2023	Surrender, Monetary Fine
Kenneth Evans	38341	East Garrison	6/16/2023	Stayed Revocation, Probation, Monetary Fine, Education
Marco Gutierrez	31617	Chino	6/16/2023	Stayed Revocation, Probation, Monetary Fine, Education
Christopher Wilkinson	21264	Stockton	6/22/2023	Revocation
AMR Appraisal dba Got Appraisals	1253	San Ramon	6/22/2023	Revocation
David Perkins	31262	San Diego	7/3/2023	Stayed Revocation, Probation, Monetary Fine, Education
Thomas S. Smith	37339	San Diego	7/10/2023	Stayed Revocation, Probation, Monetary Fine, Education
Hisashi N. Matsumoto	32446	Vista	7/17/2023	Stayed Revocation, Probation, Monetary Fine, Education
Min S. Kim	37056	Torrance	7/19/2023	Stayed Revocation, Probation, Monetary Fine, Education
Michael D. Turner	30968	Sherwood Forest	9/20/2023	Surrender
Kimberly F. Bellerose	26946	Sarasota	9/20/2023	Stayed Revocation, Probation, Monetary Fine
Jeffery M. Wright	25939	Benicia	10/13/2023	Surrender
James K. Valdez Jr.	40735	San Leandro	10/13/2023	Stayed Revocation, Probation, Monetary Fine, Education
Elizabeth Huang	3003926	Santa Clara	10/16/2023	Stayed Revocation, Probation, Monetary Fine, Education
Daniel Rinsch	29246	Santa Monica	10/13/2023	Stayed Revocation, Probation, Education, Costs

Reminders: Failure to Timely Notify the Bureau May Result in License Discipline.

1. Notify the Bureau of Real Estate Appraisers (Bureau) of any changes to your contact information. California Code of Regulations section 3527 requires written notification to the Bureau within 10 days of any change to:
 - (1) name;
 - (2) residence or business phone number;
 - (3) residence, business, or mailing address; or
 - (4) out of state address;
- (a) Changes to an out of state address requires a Consent to Service of Process form (REA 3006)

Use the Change Notification and Miscellaneous Requests form (REA 3011) available on our website, www.brea.ca.gov; click on "Forms." Submit by mail the completed and signed form, the required fee, and any necessary documentation to:

**Bureau of Real Estate Appraisers
3075 Prospect Park Drive, Suite 190
Rancho Cordova, CA 95670**

***Note:** Although not a requirement, you can also use form REA 3011 to provide or update your e-mail address, which will allow the Bureau to send you newsletters and other important information.*

- 2. Notify the Bureau of any convictions, felony charges, or other license discipline.** Business and Professions Code section 11318 requires all licensees, applicants, and course providers report to BREA in writing **within 30 days** any of the following:

- (1) felony charges;
- (2) misdemeanor or felony convictions (including pleas); or
- (3) the cancellation, revocation, or suspension of a license, other authority to practice, or refusal to renew a license or other authority to practice as an occupational or professional license or course provider, by any other regulatory agency.

If you have questions about these notification requirements, contact the Bureau at (916) 552-9000. ■



**Bureau of Real Estate Appraisers
3075 Prospect Park Drive
Suite 190
Rancho Cordova, CA 95670
(916) 552-9000**



WWW.BREA.CA.GOV

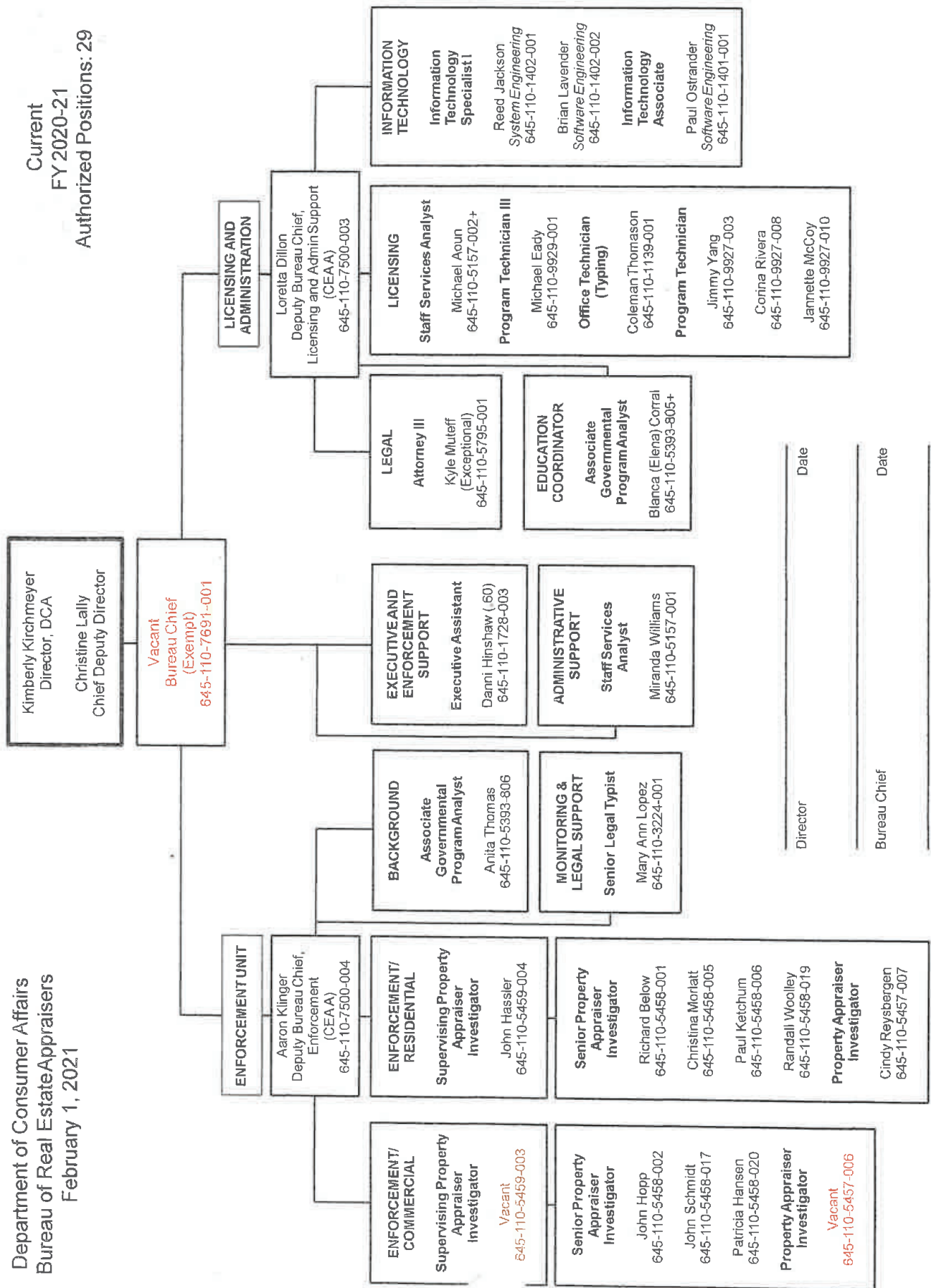
ATTACHMENT D

**YEAR-END ORGANIZATION CHARTS
FOR LAST FOUR FISCAL YEARS.**



Department of Consumer Affairs
 Bureau of Real Estate Appraisers
 February 1, 2021

Current
 FY 2020-21
 Authorized Positions: 29

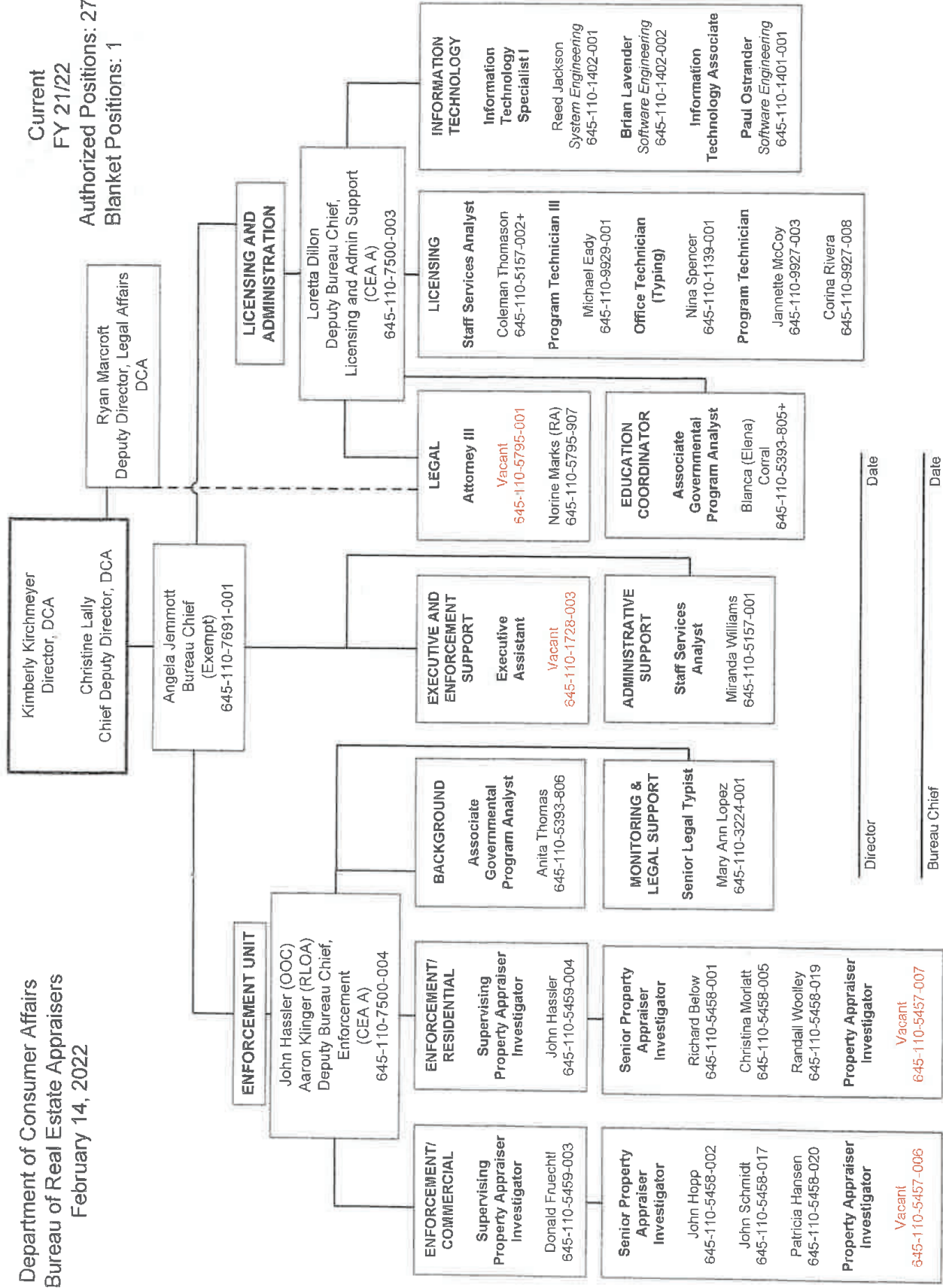


+ = CORI position

Director	Date
Bureau Chief	Date
Classification and Recruitment Analyst	Date

Department of Consumer Affairs
 Bureau of Real Estate Appraisers
 February 14, 2022

Current
 FY 21/22
 Authorized Positions: 27
 Blanket Positions: 1

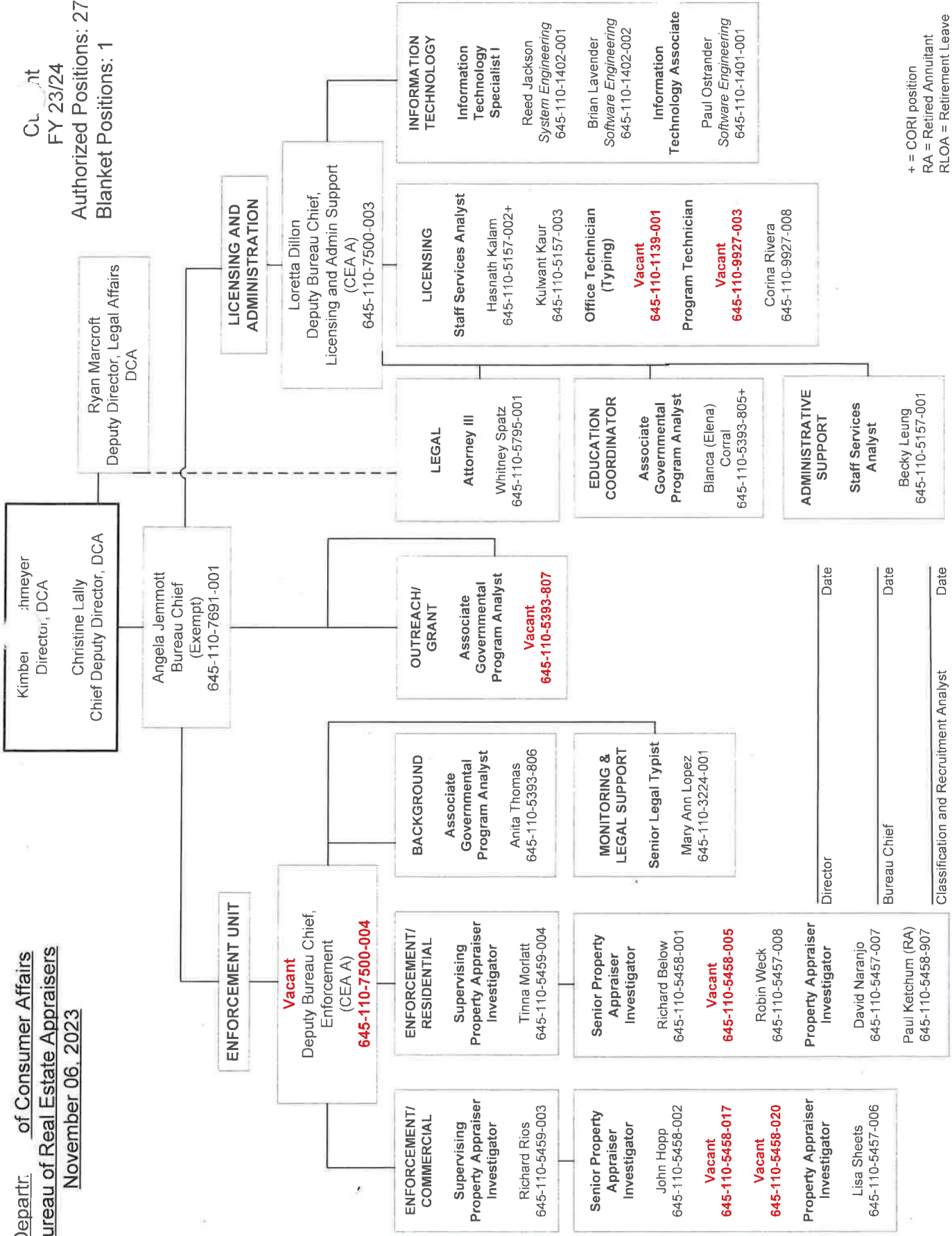


+ = CORI position
 OOC = Out of Class
 RA = Retired Annuitant
 RLOA = Retirement Leave
 of Absence

Director	Date
Bureau Chief	Date
Classification and Recruitment Analyst	Date

Department of Consumer Affairs
 Bureau of Real Estate Appraisers
 November 06, 2023

Client
 FY 23/24
 Authorized Positions: 27
 Blanket Positions: 1



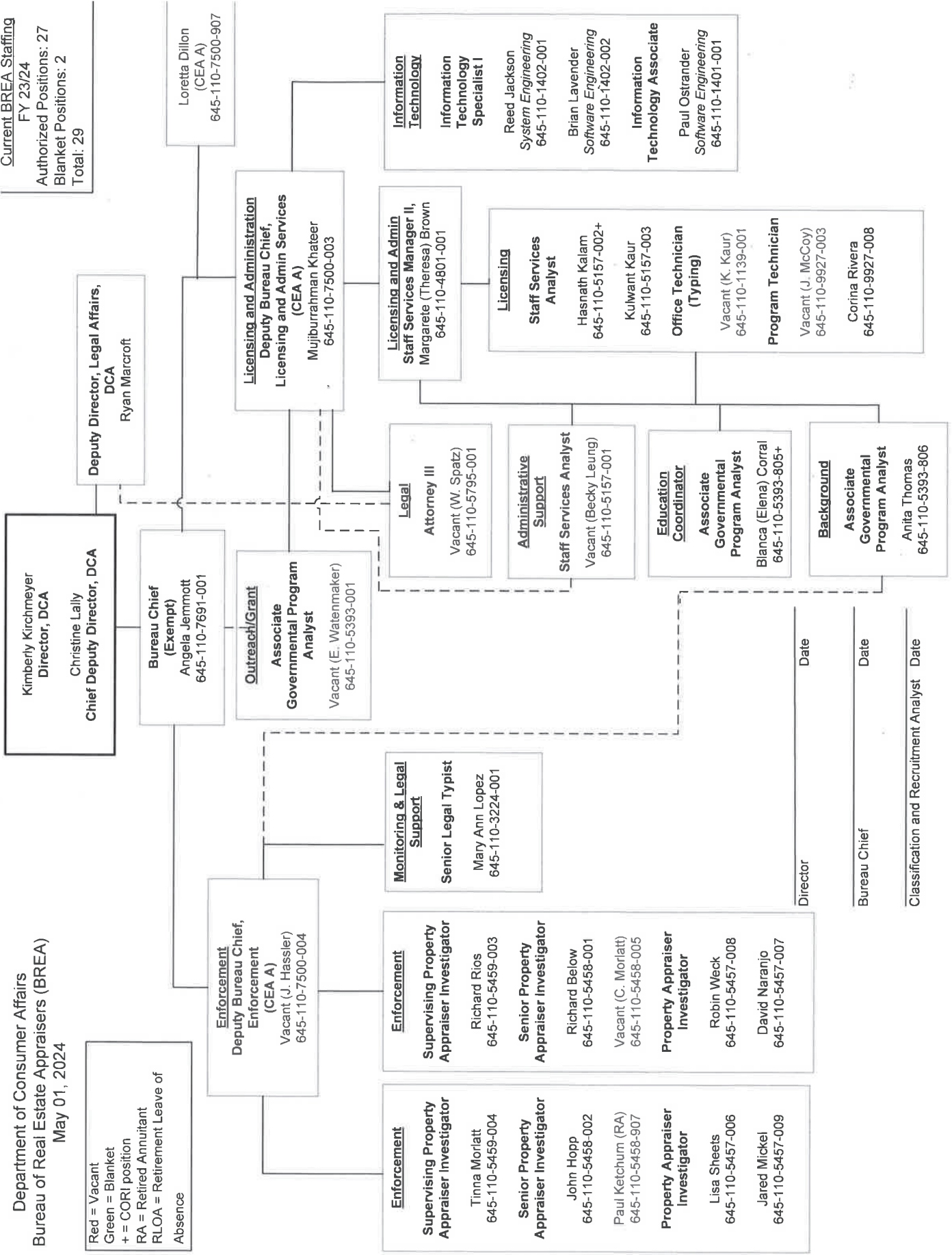
+ = CORI position
 RA = Retired Annuitant
 RLOA = Retirement Leave of Absence

Director	Date
Bureau Chief	Date
Classification and Recruitment Analyst	Date

Department of Consumer Affairs
Bureau of Real Estate Appraisers (BREA)
May 01, 2024

Red = Vacant
Green = Blanket
+ = CORI position
RA = Retired Annuitant
RLOA = Retirement Leave of Absence

Current BREA Staffing
FY 23/24
Authorized Positions: 27
Blanket Positions: 2
Total: 29



Director

Bureau Chief

Classification and Recruitment Analyst

Date

Date

Date



BUREAU OF REAL ESTATE APPRAISERS
SUNSET REVIEW REPORT 2025

PRESENTED TO THE SENATE COMMITTEE ON BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT AND THE ASSEMBLY COMMITTEE ON BUSINESS AND PROFESSIONS



GAVIN NEWSOM
GOVERNOR

TOMIQUIA MOSS
SECRETARY, BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

KIMBERLY KIRCHMEYER
DIRECTOR, CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS

ANGELA G. JEMMOTT
BUREAU CHIEF, BUREAU OF REAL ESTATE APPRAISERS