

Date of Hearing: April 20, 2026

ASSEMBLY COMMITTEE ON REVENUE AND TAXATION

Mike Gipson, Chair

AB 2172 (Gipson) – As Amended April 9, 2026

Majority vote. Fiscal committee.

SUBJECT: Property taxation: county assessment appeals boards: assessment appeals commissioners

SUMMARY: Authorizes certain counties to establish a one-member assessment appeals board (AAB), as defined. Specifically, **this bill:**

- 1) Authorizes, as an alternative to the process governing a three-member AAB nominated by a county board of supervisors and appointed by a superior court judge of that county, commencing January 1, 2027, and before January 1, 2032, the county board of supervisors of a county containing a population of 500,000 or more to, by ordinance, provide that all property tax assessment appeals in the county be heard and decided by a single-member appeals board, the single member of which shall be known as an assessment appeals commissioner (AAC).
- 2) Requires that the AAC meet the qualifications under existing law, demonstrate the ability to conduct fair and impartial hearings and to prepare written findings of fact and conclusions of law, and be one of the following:
 - a) A certified public accountant with experience in the appraisal or valuation of real property or business personal property;
 - b) A licensed real estate broker with a Graduate Realtor Institute designation, certified as a commercial investment member, a real estate broker manager, or a residential specialist, or any comparable designation evidencing specialization in commercial or investment real estate;
 - c) A real property appraiser holding the Member Appraisal Institute designation or a comparable designation evidencing experience in the valuation of complex income-producing property;
 - d) A personal property appraiser holding an Accredited Senior Appraiser designation from the American Society of Appraisers or a comparable designation;
 - e) An attorney with experience in the valuation of complex, income-producing, and business property; or,
 - f) An individual with experience comparable to that described above, as determined by the appointing authority.

- 3) Authorizes, as an alternative to the county board of supervisors directly appointing a three- or five-member AAB, commencing January 1, 2027, and before January 1, 2032, the county board of supervisors of a county containing a population of 500,000 or more to, by ordinance, provide that all property tax assessment appeals in the county be heard and decided by a single AAC. An AAC appointed under this authorization must meet the qualifications listed above, in addition to those under existing law.
- 4) Prohibits an AAC from hearing and deciding a property tax assessment appeal without obtaining the authorization of the appellant, as specified.
- 5) Requires that a county provide a process by which the appellant may authorize the AAC to hear and decide the appeal. A county must ensure the case is heard by a three- or five-member board if the appellant does not authorize the AAC to hear and decide the appeal.
- 6) Requires that an AAC exercise the same powers and duties of an AAB under existing law.
- 7) Authorizes a county to appoint one or more alternate AACs who meet the qualifications under this bill, who must serve in the absence or disqualification of the regular AAC.
- 8) Provides that this bill shall not be construed to limit the authority of a county to establish multiple AABs, regardless of composition, or to appoint alternate members pursuant to existing law.
- 9) Requires the State Board of Equalization (BOE) to adopt rules and guidelines necessary to ensure consistent hearing procedures, public access, and decision-making standards for AACs appointed pursuant to this bill.
- 10) Prohibits an AAC from hearing any new appeals after December 31, 2031, but allows a commissioner to continue hearing and deciding appeals received after January 1, 2027, but on or before December 31, 2031, following December 31, 2031.
- 11) Makes inoperative, and repeals, this bill's provisions as of January 1, 2034.
- 12) Reinstates existing law on January 1, 2034.

EXISTING LAW:

- 1) Provides that all property is taxable and shall be assessed at the same percentage of fair market value, unless otherwise provided by the California Constitution, or the laws of the United States. (California Constitution, Article XIII, Section 1.)
- 2) Requires that the county board of supervisors, or one or more AABs created by the county board of supervisors, be the county board of equalization for a county. A county board of equalization must equalize the values of all property on the local assessment roll by adjusting individual assessments. The Legislature must define the number and qualifications of members of AABs, the manner of selecting, appointing and removing them, the terms for which they serve, and the procedure by which two or more county boards of supervisors may jointly create one or more AABs. (California Constitution, Article XIII, Section 16.)
- 3) Requires an affected party, or their agent, to submit a verified, written application to the county, as specified, in order for a reduction in an assessment on the local roll to be made.

The application must include the facts claimed to require the reduction, and the applicant's opinion of the full value of the property. (Revenue and Taxation Code (R&TC) Section 1603.)

- 4) Requires a county board of equalization or an AAB to make a final determination on the application for a reduction in assessment of property within two years of the timely filing of an application. If a county fails to adjudicate the appeal within two years, then the applicant's opinion of value as reflected on the application must be the value upon which taxes are to be levied for the tax year or years covered by the application. This requirement does not apply if the applicant and the adjudicating board agree in writing, or on the record, to an extension of time for the hearing, or if the application for reduction is consolidated with another application by the same applicant. The applicant must agree to this consolidation, as specified. (R&TC Section 1604.)
- 5) Requires that an AAB consists of three members selected by lot by the presiding judge of the superior court of the county from among those persons nominated for that purpose by the members of the county board of supervisors. Within 60 days after the adoption of the ordinance providing for the creation of AABs, each member of the board of supervisors must nominate not less than three, and no more than five, persons for appointment to the AABs. (R&TC Section 1622.)
- 6) Authorizes a county board of supervisors to, as an alternative to the selection process listed above, elect to appoint directly, by ordinance, the members of an AAB by a majority vote. An AAB formed pursuant to this authorization may consist of three or five members. If a five-member board is appointed, it may only act as a three-member panel designated from time to time by the clerk of the AAB. (R&TC Section 1622.1.)
- 7) Requires that an AAB member in a county with a population of less than 200,000 either:
 - a) Have a minimum of five years professional experience in this state as a certified public accountant or public accountant, be a licensed real estate broker, an attorney, a property appraiser accredited by a nationally recognized professional organization, or a property appraiser certified by the Office of Real Estate Appraisers, or a property appraiser certified by the BOE; or,
 - b) be a person who the nominating member of the board of supervisors has reason to believe is possessed of competent knowledge of property appraisal and taxation. (R&TC Section 1624.)
- 8) Requires that every person newly appointed or selected as an AAB member complete certain training provided by the BOE within a specified period. (R&TC Sections 1624.01 and 1624.02.)
- 9) Prohibits a person from being eligible for nomination as an AAB member in a county with a population of 200,000 or more, unless that person has a minimum of five years' professional experience in this state as one of the following:
 - a) A certified public accountant or public accountant;
 - b) A licensed real estate broker;

- c) An attorney;
- d) A property appraiser accredited by a nationally recognized professional organization;
- e) A property appraiser certified by the Bureau of Real Estate Appraisers; or,
- f) A property appraiser certified by the BOE.

Regardless of the above listed requirement, a person is eligible for nomination as an AAB member if that person is already serving as an AAB member at the time of their nomination. Additionally, in the County of Los Angeles, a person is eligible for nomination as an AAB member if the person has a minimum of five years' professional experience in this state in a real estate field, including, but not limited to, business accounting and taxation, land use and urban planning, real estate development or investment analysis, and real estate banking or financing. (R&TC Section 1624.05.)

FISCAL EFFECT: Pending a revenue estimate by the BOE, but likely below this Committee's Suspense File threshold.

COMMENTS:

- 1) The author has submitted the following statement in support of this bill:

AB 2172 gives counties a practical, time-limited tool to reduce delays in the property tax appeals process by allowing a single, qualified commissioner to hear complex cases. Multi-day appeals involving properties like hotels, stadiums, and possessory interests are often difficult to schedule under the current multi-member system, leading to backlogs. This bill streamlines hearings, improves efficiency, and speeds resolution while preserving due process by allowing taxpayers to request a traditional multi-member board.

- 2) The California Assessor's Association, writing in support of this bill, states, in part:

From an administrative standpoint, this measure offers counties an important tool to address increasing workloads. Single-member hearings can reduce scheduling delays, improve efficiency, and allow for more timely resolution of appeals – particularly in counties where backlogs can impact both taxpayers and local agencies.

[This] bill also maintains important taxpayer protections. Commissioners must meet defined qualifications, and hearings remain subject to oversight and procedural standards established by the BOE, including requirements for transparency, public access, and written findings. The inclusion of a sunset date ensures the Legislature has an opportunity to evaluate the effectiveness of this approach before considering any extension.

- 3) Committee Staff Comments:

- a) *AABs*: The California Constitution requires that each county establish a board of equalization to equalize local assessments. County boards of supervisors or AABs may serve as the county board of equalization. Thus, an AAB exercises:

...judicial functions, and its decisions as to the value of the property and the fairness of the assessment so far as amount is concerned constitutes an independent and conclusive judgment of the tribunal created by law for the determination of that question, which abrogates and takes the place of the judgement of the assessor upon that question¹.

In other words, an AAB is a quasi-judicial body. An AAB's decision is final and may not be reheard by the board, even at the request of the assessor or taxpayer. The determination of value by an AAB may only be reviewed by a subsequent court if the determination was fraudulent, arbitrary, involved an abuse of discretion, or the AAB failed to follow standards prescribed by the Legislature. AABs have no jurisdiction to grant or deny exemptions; to decide disputes involving tax rates, local government budgets, tax bills, or tax policy; and have no authority to consider a taxpayer's ability to pay in making their determinations.

The State Constitution did not delineate the composition of AABs and largely defers to the Legislature regarding the application of the constitutional requirement. In implementing this requirement, the Legislature has established a series of procedures by which counties may nominate and appoint AAB members. The Legislature has stipulated that AABs be three- or five-member boards. Existing law specifies the terms for which these members may serve, appointment of alternative members, and the minimum qualifications for a person to be eligible to serve as a member, among other administrative procedures. Importantly, the Legislature has required that a county determine within two years of an application for the reduction in assessment whether the opinion of value claimed by the applicant is valid. Absent this determination, the law presumes that the applicant's opinion is correct. In effect, this creates a two-year deadline where a county must make a determination or the full value of the property defaults to the applicant's opinion of value.

- b) *Assessment appeals in Los Angeles (LA) County:* As the largest county in the state, LA experiences the highest volume of assessment appeals. Of the nearly 30,000 appeals statewide over the 2023-24 fiscal year, nearly 9,000 were filed in LA County. In turn, LA County is experiencing a backlog of assessment appeals that need adjudicating; this is not a new phenomenon. The Legislature has acted to alleviate this backlog by providing greater flexibility in AAB procedures. In 2020, this Committee authored AB 3373 (Committee on Revenue and Taxation), Chapter 57, Statutes of 2020, which removed the limitation on the number of AABs a county may create. The next year, the Legislature passed AB 1203 (Burke), Chapter 418, Statutes of 2021, which expanded the type of professional experience a person may have to be eligible for nomination to an AAB and authorized LA County to reduce, from three years to one year, the intervening period that a person who was an employee of the assessor's office must wait before being eligible as a nominee to an AAB. Despite these actions, LA County remains burdened by a backlog of appeals - a backlog that is likely to increase as victims of the recent January 2025 fires in LA County file for reductions in assessment to reflect the damaged values of their properties.

¹ *Los Angeles Gas and Electric Co. v. County of Los Angeles* (1912) 162 Cal. 164.

- c) *This bill*: This bill would authorize an additional option for counties with a population of 500,000 or more when establishing bodies to adjudicate assessment appeals. Specifically, this bill would allow large counties to establish a one-member AAB, known as an “AAC”. An AAC would have the same authority, and be subject to the same restrictions as a standard AAB but would have additional minimum qualifications for a person nominated as an AAC.
- d) *You don't know what you don't know*: As currently drafted, this bill would provide that an applicant for an assessment reduction must authorize an AAC to adjudicate their appeal. Given the purpose of this bill is to provide large counties with greater flexibility in managing assessment appeals, Committee staff questions to what extent this opt-in provision would provide that flexibility. For instance, how would an appellant know to make that request? Would the county inform the appellant of this option? If so, would an appellant be disincentivized from choosing this option if they believe the county is attempting to force them into an unfavorable process? Rather than the existing opt-in provision, the author and Committee may wish to consider authorizing an appellant to request that their application be heard by an AAB if they do not wish to be subject to an AAC, and require the county to adjudicate the appeal by an AAB if so requested.
- e) *An appeal to simplicity*: As currently drafted, this bill would authorize an alternative process to the existing provisions governing the nomination and appointment of members to an AAB. This alternative process is stipulated under both sections authorizing those existing provisions. The provisions of this bill's alternative process mirror one another under those existing sections. For simplicity, the author and Committee may wish to amend this bill to consolidate the alternative process into a single section and clarify that this section is an alternative to the existing authorizations.

REGISTERED SUPPORT / OPPOSITION:**Support**

California Assessors Association

Opposition

None on file

Analysis Prepared by: Harrison Bowlby / REV. & TAX. / (916) 319-2098