SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2172 (Gipson) - Property taxation: county assessment appeals boards: assessment appeals commissioners

Version: June 11, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: REV. & TAX. 4 - 0
Mandate: No
Consultant: Robert Ingenito

Bill Summary: AB 2172 would enact an alternative process for counties with a population of more than 500,000 to consider assessment appeals, as specified.

Fiscal Impact: The Board of Equalization (BOE) indicates that it would incur first-year costs of $71,000, steadily declining in the ensuing years (General Fund).

Background: Article XIII of the California Constitution requires locally assessed property to be assessed by the county in which it is located and establishes county boards of equalization to hear assessment appeals. In most counties, this function is performed by one or more assessment appeals boards (AABs), quasi-judicial bodies that hear disputes over property valuations. AAB members are appointed pursuant to state law, must meet specified qualifications and training requirements, and generally serve three-year terms. Counties may also appoint qualified assessment hearing officers to hear appeals and make recommendations to the AAB.

Taxpayers who dispute an assessor's valuation may appeal to the county AAB. An AAB's determination is generally limited to the evidence presented by the parties, is final unless overturned by a court, and must generally be made within two years of a timely filed appeal. If a final determination is not made within that period, the taxpayer's claimed value must be enrolled until the appeal is resolved, although continuances typically prevent this outcome.

Los Angeles County handles the largest volume of assessment appeals in the state and continues to experience a significant backlog despite recent statutory changes intended to improve processing. AB 3373 (Committee on Revenue and Taxation, Chapter 57, Statutes of 2020) removed the limit on the number of AABs a county may establish, and AB 1203 (Burke, Chapter 418, Statutes of 2021) expanded AAB member eligibility and reduced waiting periods for certain former assessor employees. Nevertheless, the County had approximately 37,900 pending appeals as of April 1, 2026, and the backlog is expected to grow as appeals related to the January 2025 wildfires are filed. This bill authorizes, until January 1, 2034, counties with populations of 500,000 or more to establish single-member AABs to hear appeals, while preserving a taxpayer's right to request a hearing before a multi-member board.

Proposed Law: This bill, among other things, would do the following:

- Enact an alternative process for counties with a population of more than 500,000 to consider assessment appeals by providing for the appointment of "assessment appeals commissioners" (AACs) to hear any assessment appeals, with some exceptions.

- Provide that the county must adopt its provisions by ordinance, with specified requirements, including that AACs must meet the current qualifications for AAB members, demonstrate the ability to conduct fair and impartial hearings, and prepare written findings of fact and conclusions of law.

- Provide that AACs must consider all assessment appeals in counties enacting an ordinance to implement the bill's provisions; however, they must also create a process where the taxpayer can object, in which case the appeals will be heard and decided by a three- or five-member assessment appeals board. Counties can appoint alternate AACs who meet the same qualifications when an AAC is absent or disqualified.

- Apply to appeals received between January 1, 2027, and January 1, 2032, and sunset entirely on January 1, 2034.

- Direct BOE to adopt rules and guidelines necessary to ensure consistent hearing procedures, public access, and decision-making standards for AACs.

Staff Comments: Although the bill imposes procedural requirements on single-member assessment appeals boards, it does not create a state-mandated local program because counties are authorized, but not required, to establish such boards. Counties that do not establish single-member AABs are not subject to these requirements.

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