THIRD READING

Bill No: AB 2172
Author: Gipson (D)
Amended: 6/11/26 in Senate
Vote: 21

SENATE REVENUE AND TAXATION COMMITTEE: 4-0, 6/24/26
AYES: McNerney, Ashby, Becker, Grayson
NO VOTE RECORDED: Alvarado-Gil

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 73-0, 5/21/26 - See last page for vote

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

SOURCE: Los Angeles County Assessor Jeffrey Prang

DIGEST: This bill enacts 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," to hear all assessment appeals.

ANALYSIS:

Existing law:

1) Provides that all property is taxable and shall be assessed at the same percentage of fair market value, unless explicitly exempted by the Constitution or federal law (California Constitution, Article XIII, Section One).

2) Requires that all property taxed by a local government be assessed in the county, city, and district in which it's situated (California Constitution, Article XIII, Section 14).

3) Places the appellate authority for locally-assessed property taxes with the county board of supervisors or one or more assessment appeals boards (AABs) constituting the county board of equalization, and requires the board of supervisors to equalize the value of all property by adjusting individual assessments (California Constitution, Article XIII, Section 16).

4) Provides a process for taxpayers seeking to appeal an assessor's valuation of locally-assessed property to file an appeal (which can include a claim for refund) with the county.

5) Requires assessment appeals boards to hear and decide appeal applications within two years of the date the taxpayer files the application.

6) States that if the two-year time period is not met, the taxpayer's opinion of value is enrolled for the tax year covered by the appeal, and remains in effect until the appeals board makes a final determination.

7) Provides that AAB members are either appointed by the board of supervisors or by lot by the presiding judge of the superior court of the county from a list of persons nominated by the members of the county board of supervisors.

8) States that AAB members serve three-year terms or complete vacated, unexpired terms.

9) Requires AAB members to possess five years of professional experience in California as a certified public accountant or public accountant, licensed real estate broker, attorney, or property appraiser; however, allows counties with a population of less than 200,000 to nominate someone "possessed of competent knowledge of property appraisal and taxation," without professional experience.

10) Permits counties to appoint one or more hearing officers to make recommendations to the county board of equalization or assessment appeals boards, and applies the same requirements for participation for hearing officers as assessment appeals board members.

11) Directs hearing officers to prepare a report and recommendation for the AAB, which is binding unless the board of supervisors enacts an ordinance providing that the recommendation is not binding.

This bill:

1) Enacts 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.

2) Provides that the county must adopt its provisions by ordinance, with specified requirements, including that AACs must meet the current qualifications in state law to be eligible as a member of an AAB, demonstrate the ability to conduct fair and impartial hearings, and prepare written findings of fact and conclusions of law.

3) Additionally requires AACs to 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.

4) Requires AACs to consider all assessment appeals in counties enacting an ordinance to implement AB 2172's provisions; however, counties must also create a process where a taxpayer can object, in which case the appeals must be heard and decided by a three- or five-member assessment appeals board.

5) Permits counties to appoint alternate AACs who meet the same qualifications when an AAC is absent or disqualified.

6) Defines several terms.

7) Makes legislative findings and declarations supporting its purposes.

8) Applies to appeals received between January 1, 2027, and January 1, 2032, and sunsets entirely on January 1, 2034.

9) Directs 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.

Background

Los Angeles County. As the largest county in the state, Los Angeles 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 Los Angeles County. Historically, the County has had a backlog of assessment appeals that need adjudicating, approximately 37,910 as of April 1, 2026. The County closed 21% of its assessment appeals in 2025-26 as of April 1, 2026, a rate that declined from 53% in 2022-23.

In recent years, the Legislature has enacted measures to assist the County with reducing its backlog: AB 3373 (Committee on Revenue and Taxation, Chapter 57, Statutes of 2020) removed the previous statutory limitation on the number of AABs a county may create. Los Angeles County implemented the measure, which helped reduce its backlog. AB 1203 (Burke, Chapter 418, Statutes of 2021) expanded the professional experiences a person may have to qualify 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.

To make the assessment appeals process more professional and efficient, Los Angeles County Assessor Jeffrey Prang wants to allow larger counties to enact an alternative assessment appeals process where most appeals are adjudicated by a single Assessment Appeals Commissioner who must meet higher qualifications.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, BOE indicates that it would incur first-year costs of $71,000, steadily declining in the ensuing years (General Fund).

SUPPORT: (Verified 8/13/26)

Los Angeles County Assessor Jeffrey Prang (Source)
California Assessors' Association
California State Board of Equalization

OPPOSITION: (Verified 8/13/26)

None received

ARGUMENTS IN SUPPORT: According to the author, "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 complex 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."

ASSEMBLY FLOOR: 73-0, 5/21/26
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO VOTE RECORDED: Arambula, Caloza, Chen, Garcia, Lackey, Ramos, Celeste Rodriguez

Prepared by: Colin Grinnell / REV. & TAX. / (916) 651-4117
8/14/26 13:55:11

****** END ******