

**State of California
Office of Administrative Law**

In re:
Bureau of Real Estate Appraisers

Regulatory Action:

Title 10, California Code of Regulations

Adopt sections:
Amend sections: 3576
Repeal sections:

**NOTICE OF APPROVAL OF REGULATORY
ACTION**

Government Code Section 11349.3


OAL Matter Number: 2023-0803-01

OAL Matter Type: Regular (S)

This action conforms section 3576 of Title 10 of the California Code of Regulations to federal regulatory requirements for owners of real estate Appraisal Management Companies (AMCs). More specifically, the regulation is amended to require, consistent with Title 12 C.F.R. section 34.214, that any AMC owner, including a partial owner, report to the Bureau of Real Estate Appraisers 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.

OAL approves this regulatory action pursuant to section 11349.3 of the Government Code. This regulatory action becomes effective on 10/1/2023.

Date: August 28, 2023



Dale Mentink
Assistant Chief Counsel

For: Kenneth J. Pogue
Director

Original: Angela G. Jemmott, Bureau
Chief

Copy: Whitney Spatz

NOTICE PUBLICATION/REGULATIONS SUBMISSION

REGULAR

STD. 400 (REV. 10/2019)

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER Z- 2023-0516-01	REGULATORY ACTION NUMBER 2023-0803-015	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
NOTICE		REGULATIONS	
AGENCY WITH RULEMAKING AUTHORITY Bureau of Real Estate Appraisers			AGENCY FILE NUMBER (if any)

ENDORSED - FILED
in the office of the Secretary of State
of the State of California**AUG 28 2023**
1:49 PMOFFICE OF ADMIN. LAW
2023 AUG 3 AM 11:48**A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)**

1. SUBJECT OF NOTICE Controlling Person	TITLE(S) 10	FIRST SECTION AFFECTED 3576	2. REQUESTED PUBLICATION DATE May 26, 2023
3. NOTICE TYPE <input checked="" type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other	4. AGENCY CONTACT PERSON Whitney Spatz	TELEPHONE NUMBER 916.610.9927	FAX NUMBER (Optional)
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER 2023, 21-Z	PUBLICATION DATE 5/26/23	

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Controlling Person Requirements	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)	
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT
	AMEND 3576
TITLE(S) 10	REPEAL
3. TYPE OF FILING	
<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code §11346) <input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4) <input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))	
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute. <input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	
<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h)) <input type="checkbox"/> File & Print <input type="checkbox"/> Other (Specify) _____	
<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100) <input type="checkbox"/> Print Only	
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1) n/a	
5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100) <input checked="" type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a)) <input type="checkbox"/> Effective on filing with Secretary of State <input type="checkbox"/> \$100 Changes Without Regulatory Effect <input type="checkbox"/> Effective other (Specify) _____	
6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY <input checked="" type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660) <input type="checkbox"/> Fair Political Practices Commission <input type="checkbox"/> State Fire Marshal <input checked="" type="checkbox"/> Other (Specify) <u>Kimberly Kirchmeyer, Director, Department of Consumer Affairs</u>	
7. CONTACT PERSON Whitney Spatz	TELEPHONE NUMBER 916.610.9927
FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional) whitney.spatz@brea.ca.gov

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Angela Jemmott

DATE

7/17/2023

TYPED NAME AND TITLE OF SIGNATORY

Angela Jemmott, Bureau Chief, Bureau of Real Estate Appraisers

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ENDORSED APPROVED**AUG 28 2023****Office of Administrative Law**

**DEPARTMENT OF CONSUMER AFFAIRS
TITLE 10. BUREAU OF REAL ESTATE APPRAISERS**

**PROPOSED REGULATORY LANGUAGE
Controlling Person Requirements**

Amend Section 3576 of Article 4 of Chapter 6.5 of Title 10 of the California Code of Regulations to read as follows:

§ 3576. Background Requirements for Controlling Persons in Appraisal Management Companies.

(a) No individual can act as a Controlling Person of an Appraisal Management Company who has had a license or certificate to act as an appraiser, or to engage in any activities related to real estate lending or the transfer of real property refused, denied, canceled, or revoked in California or any other state.

(b) A Controlling Person of an Appraisal Management Company that holds a Certificate of Registration who has entered a plea of guilty or no contest to, or been convicted of, a felony, ~~or~~ must report this occurrence to the Bureau within 10 calendar days of the date of the action above. Any owner of any Appraisal Management Company that holds a certificate of registration, without regard to the percentage owned, who has had a real estate appraiser's license or real-estate-sale's-license certificate refused, denied, cancelled, revoked, or surrendered in lieu of revocation, or denied in California or any other state must report the action this occurrence to the Bureau within 10 calendar days of the date he or she has knowledge of that fact the action.

(c) Any Controlling Person applicant who is licensed or certified as a real estate appraiser in any other jurisdiction must have a license in good standing in that jurisdiction and provide the Bureau with a certificate of license history.

(d) Any Controlling Person applicant who is not licensed or certified by the Bureau must submit fingerprint images to be used by the Department of Justice for the purpose of obtaining information relating to the existence or content of state and federal records of arrests or convictions.

(e) An Appraisal Management Company must disclose the name of the Designated Officer of the Appraisal Management Company.

(f) An Appraisal Management Company shall notify the Bureau in writing within 10 days of its registration being refused, denied, canceled, suspended, or revoked in any state.

Note: Authority cited: Sections 11313 and 11314, Business and Professions Code.

Reference: Sections 11302, 11343, and 11345.2, Business and Professions Code.