

**TITLE 10. INVESTMENT
CHAPTER 6.5 BUREAU OF REAL ESTATE APPRAISERS**

FINAL STATEMENT OF REASONS

Hearing Date: None

Subject Matter of Proposed Regulations: Controlling Person Requirements

Section(s) Affected: All regulation sections amended herein are located in the California Code of Regulations (CCR), Title 10, Chapter 6.5: amend Section 3576.

Updated Information

The Initial Statement of Reasons (ISOR) is included in the rulemaking file. The information contained therein is updated as described below.

This regulatory proposal was noticed on May 26, 2023. The 45-day public comment period also began on May 26 23, 2023. The 45-day public comment period ended on July 11, 2023.

The Bureau did not hold a public hearing as none was scheduled or requested. During the 45-day public comment period, the Bureau received one comment and determined no change to the text was necessary.

Comments Received During 45-Day Public Comment Period and Responses

1. Comment from Stewart Heller on May 26, 2023

The Bureau received an email from Mr. Heller that stated, "My resume."

Response: The Bureau reviewed and determined that the email contained no relevant information or comment related to the proposed regulations. As such, no modifications to the text were considered or made.

Local Mandate

A mandate is not imposed on local agencies or school districts.

Small Business Impact

While the Board does not have, nor does it maintain, data to determine if any of its licensees (real estate appraisers) are a "small business," as defined in Government Code section 11342.610, the Bureau has determined that the proposed regulations

would not affect small businesses negatively compared to any other entity. This regulation will not have a significant adverse economic impact on businesses. Registrants are anticipated to comply with the regulations within normal business operations without incurring additional costs.

Anticipated Benefits

The proposal will align California regulations with federal requirements to ensure California addresses the good moral character of all owners of AMCs, not just those who qualify as “controlling persons” as defined by California. Any owner of a registered AMC in California, regardless of ownership percentage, must report certain discipline and felony conduct to the Bureau within a prescribed period. This will benefit the health and welfare of Californians by ensuring only AMC owners of good moral character are registered in California.

Nonduplication Statement - 1 CCR § 12

None.

Consideration of Alternatives

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the Bureau 1) would be more effective in carrying out the purpose for which the action is proposed; 2) would be as effective and less burdensome to affected private persons than the proposed regulation; or 3) would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.