

45:14F-21

LEGISLATIVE HISTORY CHECKLIST
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(Real estate appriaser)

NJSA: 45:14F-21

LAWS OF: 1995 CHAPTER: 349

BILL NO: A1112

SPONSOR(S): Stuhltrager

DATE INTRODUCED: January 27, 1994

COMMITTEE: ASSEMBLY Commerce

SENATE: Commerce

AMENDED DURING PASSAGE: Yes Amendments during passage
First reprint enacted denoted by superscript numbers

DATE OF PASSAGE: ASSEMBLY: June 27, 1994

SENATE: December 11, 1995

DATE OF APPROVAL: January 5, 1996

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: Yes

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

KBP:pp

[FIRST REPRINT]
ASSEMBLY, No. 1112
STATE OF NEW JERSEY

INTRODUCED JANUARY 27, 1994

By Assemblyman STUHLTRAGER

1 AN ACT requiring the certification or licensure of real estate
2 appraisers and amending the title and body of P.L.1991, c.68.

3

4 BE IT ENACTED *by the Senate and General Assembly of the*
5 *State of New Jersey:*

6 1. The title of P.L.1991, c.68 is amended to read as follows:

7 AN ACT [concerning certain] to certify and license real estate
8 appraisers, amending P.L.1971, c.60, P.L.1974, c.46, and
9 P.L.1978, c.73, supplementing Title 45 of the Revised Statutes
10 and making an appropriation.

11 (cf: P.L.1991, c.68)

12 2. Section 21 of P.L.1991, c.68 (C.45:14F-21) is amended to
13 read as follows:

14 21. a. A person who is not certified pursuant to the provisions
15 of this act shall not describe or refer to any appraisal or other
16 evaluation which he performs on real estate located in this State
17 as "a certified appraisal."

18 b. A person who is not licensed pursuant to the provisions of
19 this act shall not describe or refer to any appraisal or other
20 evaluation which he performs on real estate located in this State
21 as "a licensed appraisal."

22 c. ¹[No] Except as otherwise provided in subsection e. of this
23 section, no¹ person other than a State licensed real estate
24 appraiser [or], a State certified real estate appraiser or a person
25 who assists in the preparation of an appraisal under the direct
26 supervision of a State licensed or certified appraiser shall
27 perform or offer to perform an appraisal assignment in regard to
28 [a federally related transaction] real estate located in this State
29 including, but not limited to, any transaction involving a third
30 party, person, government or quasi-governmental body, court,
31 quasi-judicial body or financial institution.

32 Nothing in ¹[this act] P.L.1991, c.68 (C.45:14F-1 et seq.)¹ shall
33 be construed to preclude a person not licensed or certified
34 pursuant to this act from giving or offering to give, for a fee or
35 otherwise, counsel and advice on pricing, listing, selling and use
36 of real property, directly to a property owner or prospective
37 purchaser if the intended use of the counsel or advice is solely for
38 the individual knowledge of or use by the property owner or
39 prospective purchaser.

40 d. Nothing in this act shall be construed to preclude a person
41 not certified or licensed pursuant to this act from assisting in the
42 preparation of an appraisal to the extent permitted under

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate SCM committee amendments adopted September 28, 1995.

1 subsection (d) of section 1122 of Title XI of Pub. L.101-73
2 (12 U.S.C. §3351(d)).

3 1e. (1) An appraisal of real estate in this State with a value of
4 \$150,000 or less may be performed by a person who is not a State
5 certified real estate appraiser or a State licensed real estate
6 appraiser.

7 (2) An appraisal of real estate in this State, other than an
8 appraisal for a federally related transaction, may be performed
9 by a person who is not a State certified real estate appraiser or a
10 State licensed real estate appraiser if the person for whom it is
11 performed is using the appraisal as information in making his or
12 its own personal or business decisions.¹

13 (cf: P.L.1991, c.68, s.21)

14 ^{13.} Section 8 of P.L. 1991, c. 68 (C. 45:14F-8) is amended to
15 read as follows:

16 8. The board shall, in addition to such other powers and duties
17 as it may possess by law:

18 a. Administer and enforce the provisions of this act;

19 b. Examine and pass on the qualifications of all applicants for
20 licensure or certification under this act;

21 c. Issue and renew licenses and certificates of real estate
22 appraisers;

23 d. Prescribe examinations for certification under this act,
24 which examinations shall meet the standards for certification
25 examinations for real estate appraisers established by the
26 Appraisal Foundation, and prescribe examinations for licensure
27 under this act, which examinations shall meet the standards for
28 licensing examinations for real estate appraisers acceptable to
29 the Appraisal Subcommittee;

30 e. Suspend, revoke or refuse to issue or renew a license or
31 certificate and exercise investigative powers pursuant to the
32 provisions of P.L.1978, c.73 (C.45:1-14 et seq.);

33 f. Establish fees for applications for licensure and
34 certification, examinations, initial licensure and certification,
35 renewals, late renewals, temporary licenses, temporary
36 certifications and for duplication of lost licenses or certificates,
37 pursuant to section 2 of P.L.1974, c.46 (C.45:1-3.2);

38 g. Establish a code of professional ethics for persons licensed
39 or certified under this act which meets the standards established
40 by the Uniform Standards of Professional Appraisal Practice
41 promulgated by the Appraisal Standards Board of the Appraisal
42 Foundation;

43 h. Establish standards for the certification of real estate
44 appraisers which meet the standards established by the Appraisal
45 Foundation, and establish standards for the licensing of real
46 estate appraisers which meet standards acceptable to the
47 Appraisal Subcommittee;

48 i. Conduct hearings pursuant to the "Administrative Procedure
49 Act," P.L.1968, c.410 (C.52:14B-1 et seq.). In any hearing or
50 investigative inquiry, the board shall have the right to administer
51 oaths to witnesses, and shall have the power to issue subpoenas
52 for the compulsory attendance of witnesses and the production of
53 pertinent books, papers or records;

1 j. Take such action as is necessary before any board, agency or
2 court of competent jurisdiction for the enforcement of the
3 provisions of this act;

4 k. Maintain a registry of the names and business addresses of
5 licensees and the names and business addresses of certified
6 individuals and shall forward such materials to the Appraisal
7 Subcommittee of the Federal Financial Institutions Examination
8 Council;

9 l. Approve providers of real estate appraiser education courses
10 and establish and revise experience and education requirements
11 for the licensure and certification of real estate appraisers in this
12 State;

13 m. Approve providers of real estate appraiser continuing
14 education courses and establish and revise continuing education
15 requirements for the renewal of licenses and certificates;

16 n. Adopt and promulgate rules and regulations, pursuant to the
17 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
18 seq.), to effectuate the purposes of this act, except that the
19 initial rules and regulations shall be promulgated by the director;
20 [and]

21 o. Perform any other functions and duties which may be
22 necessary to carry out the provisions of this act; and

23 p. Adopt and promulgate rules and regulations by which
24 market analyses by licensed real estate brokers,
25 broker-salespersons and salespersons may be used as credit for
26 experience toward licensure or certification under P.L. 1991, c.
27 68 (C. 45:14F-1 et seq.).¹

28 (cf: P.L.1991, c.408, s.4)

29 ¹[3.] 4.¹ This act shall take effect ¹[immediately] on the 365th
30 day after enactment¹.

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35 _____
Requires certification or licensure of real estate appraisers.

1 3. This act shall take effect immediately.

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STATEMENT

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6 This bill requires that all persons performing appraisals on real
7 estate located in this State be certified or licensed in accordance
8 with the provisions of the "Real Estate Appraisers Act,"
9 P.L.1991, c.68 (C.45:14F-1 et seq.). Currently, the act requires
10 licensure or certification of real estate appraisers only in regard
11 to federally related transactions and certification or licensure is
12 otherwise voluntary.

13 This bill would clarify that all appraisals performed in
14 connection with real estate located in this State, which shall
15 include, but not be limited to, any transaction involving a third
16 party, person, government or quasi-governmental body, court,
17 quasi-judicial body or financial institution, shall be performed by
18 a State certified or licensed appraiser. The bill also provides that
19 a person who assists in the preparation of an appraisal under the
20 direct supervision of a State licensed or certified appraiser may
21 also perform an appraisal assignment.

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26 Requires certification or licensure of real estate appraisers.

ASSEMBLY COMMERCE AND REGULATED
PROFESSIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1112

STATE OF NEW JERSEY

DATED: MARCH 24, 1994

The Assembly Commerce and Regulated Professions Committee reports favorably Assembly Bill No. 1112.

This bill requires that all persons performing appraisals on real estate located in this State be certified or licensed in accordance with the provisions of the "Real Estate Appraisers Act," P.L.1991, c.68 (C.45:14F-1 et seq.). Currently, the act requires licensure or certification of real estate appraisers only in regard to federally related transactions and certification or licensure is otherwise voluntary.

This bill would clarify that all appraisals performed in connection with real estate located in this State, which shall include, but not be limited to, any transaction involving a third party, person, government or quasi-governmental body, court, quasi-judicial body or financial institution, shall be performed by a State certified or licensed appraiser. The bill also provides that a person who assists in the preparation of an appraisal under the direct supervision of a State licensed or certified appraiser may also perform an appraisal assignment.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1112

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 28, 1995

The Senate Commerce Committee reports favorably and with committee amendments Assembly, No. 1112.

This bill, as amended by the committee, requires that all persons performing appraisals on real estate located in this State be certified or licensed in accordance with the provisions of the "Real Estate Appraisers Act," P.L.1991, c.68 (C.45:14F-1 et seq.). Currently, certification or licensure is voluntary and only those real estate appraisers who wish to perform appraisal assignments involving federally related transactions must be licensed or certified as required by federal law.

Under the bill's provisions, all appraisals performed in connection with real estate located in this State, including, but not limited to, any transaction involving a third party, person, government or quasi-governmental body, court, quasi-judicial body or financial institution, shall be performed by a State certified or licensed appraiser. The bill also provides that a person who assists in the preparation of an appraisal under the direct supervision of a State licensed or certified appraiser may also perform an appraisal assignment.

The bill also provides that a person not licensed or certified as an appraiser may: (a) advise a property owner or prospective purchaser regarding the pricing or selling of real estate, so long as the advice is only for use by the property owner or prospective purchaser; (b) appraise real estate with a value of \$150,000 or less; and (c) appraise real estate for a person who is using the appraisal as information in making his or its own personal or business decisions if it is not an appraisal for a federally related transaction.

The bill requires the State Real Estate Appraiser Board to adopt rules to allow real estate professionals to accumulate experience credit toward licensure or certification as a real estate appraiser for the market analyses that they perform.

Finally, the bill takes effect on the 365th day after enactment.

LEGISLATIVE FISCAL ESTIMATE TO
ASSEMBLY, No. 1112
STATE OF NEW JERSEY

DATED: July 15, 1994

Assembly Bill No. 1112 of 1994 requires that all persons performing real estate appraisals in this State be licensed or certified under the "Real Estate Appraisers Act." The act presently requires such licensing or certification only when appraisals are done in connection with federally related transactions.

The bill also permits persons who are not certified or licensed real estate appraisers to assist in the preparation of appraisals under the direct supervision of a State licensed or certified appraiser.

The Division of Consumer Affairs in the Department of Law and Public Safety informally estimates that the enactment of this bill would have a minimal State fiscal impact because the majority of the persons performing this work are already licensed or certified by the State Real Estate Appraisers Board.

The Office of Legislative Services (OLS) concurs with this estimate.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.