

[First Reprint]

## **ASSEMBLY, No. 1519**

# **STATE OF NEW JERSEY**

## **220th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

**Sponsored by:**

**Assemblywoman ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Assemblyman BENJIE E. WIMBERLY**

**District 35 (Bergen and Passaic)**

**Assemblywoman BRITNEE N. TIMBERLAKE**

**District 34 (Essex and Passaic)**

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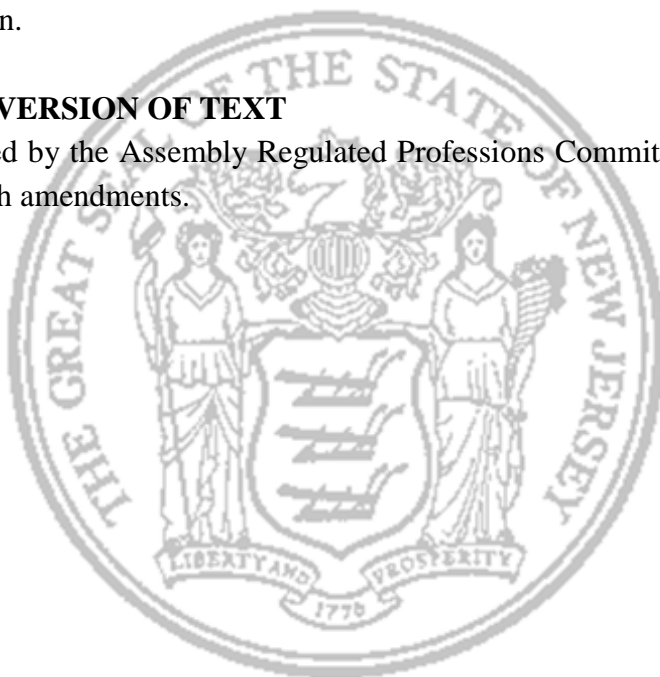
**Assemblywomen Reynolds-Jackson, Haider, Lopez, Jasey, Assemblyman Atkins, Assemblywoman Jaffer, Assemblymen Conaway and Sampson**

**SYNOPSIS**

Concerns discriminatory appraisals of residential property on basis of race or national origin.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Regulated Professions Committee on October 20, 2022, with amendments.



**(Sponsorship Updated As Of: 11/20/2023)**

1 AN ACT concerning real estate appraisals and supplementing  
 2 P.L.1991, c.68 (C.45:14F-1 et seq.) and chapter 15 of Title 45 of  
 3 the Revised Statutes.

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

7  
 8 <sup>1</sup>1. This act shall be known and may be cited as the “Fair  
 9 Appraisals Act.”<sup>1</sup>

10  
 11 <sup>1</sup>2. As used in this act:  
 12 “Property” or “real estate” means an identified parcel or tract of  
 13 land, for residential or commercial use, with improvements and  
 14 including easements, rights of way, undivided or future interests, or  
 15 similar rights in a tract of land, but does not include mineral rights,  
 16 timber rights, growing crops, water rights, or similar interests  
 17 severable from the land when the transaction does not involve the  
 18 associated parcel or tract of land.

19 “Appraisal” means a valuation of property as defined pursuant to  
 20 P.L.1991, c.68 (C.45:14F-2).<sup>1</sup>

21  
 22 <sup>1</sup>[1.] 3.<sup>1</sup> a. <sup>1</sup>[A] Consistent with the provisions of section 8  
 23 of P.L.1978, c.73 (C.45:1-21), a<sup>1</sup> holder of a license or  
 24 <sup>1</sup>[certification] certificate<sup>1</sup> under P.L.1991, c.68 (C.45:14F-1 et  
 25 seq.) or registration under P.L.2017, c.72 (C.45:14F-27 et al.) shall  
 26 not discriminate in the appraisal of <sup>1</sup>[a residential property] real  
 27 estate<sup>1</sup> on the basis of the<sup>1</sup>actual or perceived<sup>1</sup> race, creed, color,  
 28 <sup>1</sup>[or]<sup>1</sup> national origin<sup>1</sup>, affectional or sexual orientation, sex,  
 29 gender identity or expression, disability, creed, or other  
 30 characteristic protected under subsection g. or h. of section 11 of  
 31 the “Law Against Discrimination,” P.L.1945, c.169 (C.10:5-12)<sup>1</sup> of  
 32 the property buyer <sup>1</sup>[or],<sup>1</sup> property <sup>1</sup>[seller] owner, agents of the  
 33 property buyer or owner, or present owners or occupants of the  
 34 properties within the neighborhood of the property subject to  
 35 appraisal<sup>1</sup>.

36 b. <sup>1</sup>(1)<sup>1</sup> If the <sup>1</sup>[board determines, after appropriate  
 37 investigation, that the]<sup>1</sup> holder of a license, <sup>1</sup>[certification]  
 38 certificate<sup>1</sup>, or registration <sup>1</sup>[has knowingly engaged in the  
 39 discriminatory appraisal of a residential property on the basis of the  
 40 property buyer’s or property seller’s race, creed, color, or national  
 41 origin] is found, for a first violation, to have discriminated in the  
 42 appraisal of real estate in violation of subsection a. of this section<sup>1</sup>,  
 43 the <sup>1</sup>discriminatory appraisal shall be void and of no effect and  
 44 the<sup>1</sup>board <sup>1</sup>[may] shall:

45 (a) levy a fine to be determined by the board;

**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:

<sup>1</sup>Assembly ARP committee amendments adopted October 20, 2022.

1 (b) order the holder to make restitution of the cost of the  
2 discriminatory appraisal; and

3 (c) require the holder to attend an anti-bias seminar approved by  
4 the board that shall include information on existing anti-  
5 discrimination laws and how they relate to housing and appraisals.

6 (2) If the holder of a license, certificate, or registration is found  
7 to have committed a second violation of subsection a. of this  
8 section, the board shall:

9 (a)<sup>1</sup> suspend <sup>1</sup>['or revoke<sup>1</sup>] the license, <sup>1</sup>['certification]  
10 certificate<sup>1</sup> or registration<sup>1</sup>['], levy a fine or impose a civil penalty]  
11 and order the holder to make restitution of the cost of the  
12 discriminatory appraisal; and

13 (b) require the holder to attend an anti-bias seminar approved by  
14 the board that shall include information on existing anti-  
15 discrimination laws and how they relate to housing and appraisals.

16 (3) The board may restore the license, certificate, or registration  
17 of a holder found to have committed a second violation of  
18 subsection a. of this section upon proof that the holder made  
19 restitution required pursuant to paragraph (2) of this subsection and  
20 attended the anti-bias seminar approved by the board after a period  
21 of suspension of no less than 30 days.

22 (4) If the holder of a license, certificate, or registration is found  
23 to have committed a third violation of subsection a. of this section,  
24 the board shall, after appropriate notice and hearing, revoke the  
25 license, certificate, or registration.

26 (5) The holder of a suspended or revoked license, certificate, or  
27 registration shall also be subject to a civil penalty not exceeding  
28 \$10,000 for a first violation, \$25,000 for a second violation  
29 occurring within five years of the first, and \$50,000 for a third  
30 violation. A civil penalty imposed pursuant to this paragraph shall  
31 be collected by the board pursuant to the "Penalty Enforcement Law  
32 of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.)<sup>1</sup>.

33 c. Whenever the board finds cause to <sup>1</sup>['fine or<sup>1</sup>] suspend <sup>1</sup>['or  
34 revoke<sup>1</sup>] the license, <sup>1</sup>['certification] certificate<sup>1</sup> or registration of a  
35 holder<sup>1</sup>pursuant to this section<sup>1</sup>, the board shall notify the holder of  
36 the reasons therefor, in writing, and provide opportunity for a  
37 hearing in accordance with the "Administrative Procedure Act,"  
38 P.L.1968, c.410 (C.52:14B-1 et seq.). <sup>1</sup>The board shall also provide  
39 the notification to the Division on Civil Rights for review and  
40 appropriate action.

41 d. The board shall notify a complainant under this section of  
42 the option to file a complaint with the Division on Civil Rights  
43 pursuant to the "Law Against Discrimination," P.L.1945, c.169  
44 (C.10:5-1 et seq.).

45 e. Nothing in this section shall be construed to limit in any way  
46 the board's authority to take any action against a licensee based on  
47 discriminatory conduct or for any other reason or to limit any rights

1 protected by or powers afforded to the Division on Civil Rights  
2 pursuant to the “Law Against Discrimination,” P.L.1945, c.169  
3 (C.10:5-1 et seq.).<sup>1</sup>

4  
5 <sup>1</sup>**[2.] 4.**<sup>1</sup> a. <sup>1</sup>**[Prior to the initiation of a residential property**  
6 **appraisal, a holder of a license or certification under P.L.1991, c.68**  
7 **(C.45:14F-1 et seq.) or registration under P.L.2017, c.72 (C.45:14F-**  
8 **27 et al.) shall provide a property seller with a document, in a form**  
9 **and manner prescribed by the board, informing the property seller**  
10 **of the opportunity to report, through the Division of Consumer**  
11 **Affairs’ website or telephone number, any suspicion of a**  
12 **discriminatory appraisal by the holder of a license, certification or**  
13 **registration on the basis of a property buyer or seller’s race, creed,**  
14 **color, or national origin]** Upon a licensed real estate broker, broker-  
15 salesperson, or salesperson providing lending information to a  
16 property buyer or agent of the property buyer, a licensed real estate  
17 broker, broker-salesperson, or salesperson shall provide to the  
18 property buyer a document, given free of charge and prescribed in a  
19 form and manner by the New Jersey Real Estate Appraiser Board,  
20 informing the property buyer of the opportunity to report, through  
21 the Internet website or telephone number of the Division on Civil  
22 Rights, any suspicion of a discriminatory appraisal by the holder of  
23 a license or certificate under P.L.1991, c.68 (C.45:14F-1 et seq.) or  
24 registration under P.L.2017, c.72 (C.45:14F-27 et al.) on the basis  
25 of the actual or perceived race, creed, color, national origin,  
26 affectional or sexual orientation, sex, gender identity or expression,  
27 disability, creed or other characteristic protected under subsection  
28 g. or h. of section 11 of the “Law Against Discrimination,”  
29 P.L.1945, c.169 (C.10:5-12) of the property buyer, property owner,  
30 agents of the property buyer or owner, or present owners or  
31 occupants of the properties within the neighborhood of the property  
32 subject to appraisal<sup>1</sup>.

33 b. (1) When receiving a report of an alleged discriminatory  
34 appraisal, the Division on Civil Rights shall ascertain the basis for  
35 the allegation and solicit from the complainant relevant  
36 demographic information, including but not limited to, the identity  
37 of the complainant within the characteristics listed pursuant to  
38 subsection a. of section 3 of P.L. , c. (C. ) (pending before  
39 the Legislature as this bill). The complainant may provide the  
40 demographic information solicited by the division on a voluntary  
41 basis.

42 (2) The division shall compile the demographic information of  
43 the complainants provided pursuant to paragraph (1) of this  
44 subsection and shall report in the aggregate the demographic  
45 information collected to the Governor and to the Legislature in  
46 accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1) on or  
47 before July 1, 2024.

1        c. Any reports of alleged discrimination pursuant to subsection  
2 a. of this section shall be investigated by the Division on Civil  
3 Rights. If upon investigation a finding of discrimination is made,  
4 the division shall forward its findings to the board<sup>1</sup>.

5        <sup>1</sup>**[b.] d.**<sup>1</sup> Information concerning the prohibition of <sup>1</sup>a<sup>1</sup>  
6 discriminatory <sup>1</sup>**[appraisals]** appraisal<sup>1</sup> of <sup>1</sup>**[residential property]**  
7 real estate<sup>1</sup>, including the statutory basis for prohibition, shall be  
8 published on the Division of Consumer Affairs website.  
9

10        <sup>1</sup>**[3.** Upon first interaction with a property buyer, a licensed real  
11 estate broker, broker-salesperson, or salesperson shall provide to the  
12 property buyer a document, prescribed by the New Jersey Real  
13 Estate Appraiser Board pursuant to section 2 of P.L. ,c.  
14 (C. )(pending before the legislature as this bill), informing the pro  
15 perty buyer of the opportunity to report, through the Division of  
16 Consumer Affairs' website or telephone number, any suspicion of a  
17 discriminatory appraisal by the holder of a license or certification  
18 under P.L.1991, c.68 (C.45:14F-1 et seq.) or registration under  
19 P.L.2017, c.72 (C.45:14F-27 et al.) on the basis of a property buyer  
20 or seller's race, creed, color, or national origin.**]**<sup>1</sup>  
21

22        <sup>1</sup>**[4.] 5.**<sup>1</sup> This act shall take effect immediately.