

[First Reprint]

SENATE SUBSTITUTE FOR  
**SENATE, No. 777**

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**STATE OF NEW JERSEY**  
**220th LEGISLATURE**

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ADOPTED NOVEMBER 21, 2022

**Sponsored by:**

**Senator NELLIE POU**

**District 35 (Bergen and Passaic)**

**Senator TROY SINGLETON**

**District 7 (Burlington)**

**Co-Sponsored by:**

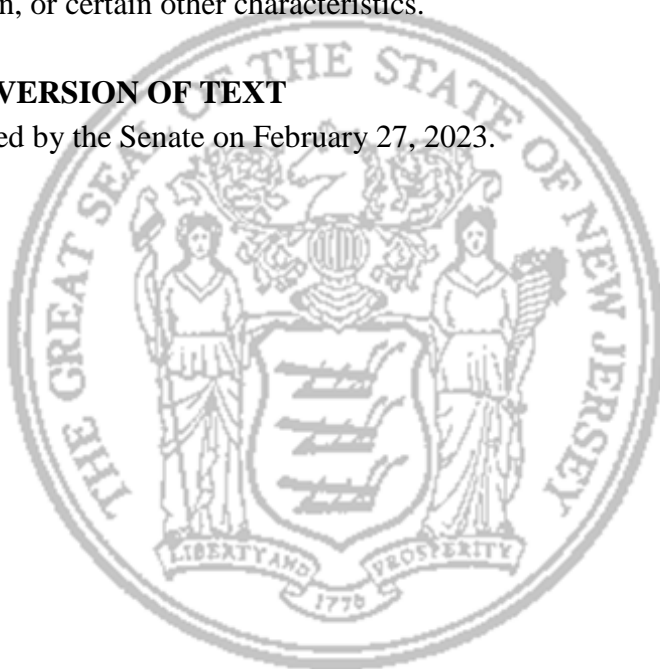
**Senators Cunningham, Ruiz and Turner**

**SYNOPSIS**

Concerns discriminatory appraisals of property on basis of race, creed, color, national origin, or certain other characteristics.

**CURRENT VERSION OF TEXT**

As amended by the Senate on February 27, 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 1. This act shall be known and may be cited as the “Fair  
9 Appraisals Act.”

10  
11 2. As used in this act:

12 “Appraisal” means a valuation of property as defined pursuant to  
13 P.L.1991, c.68 (C.45:14F-2).

14 <sup>1</sup>“Board” means the State Real Estate Appraiser Board.<sup>1</sup>

15 “Property” or “real estate” means an identified parcel or tract of  
16 land, for residential or commercial use, with improvements and  
17 including easements, rights of way, undivided or future interests, or  
18 similar rights in a tract of land, but does not include mineral rights,  
19 timber rights, growing crops, water rights, or similar interests  
20 severable from the land when the transaction does not involve the  
21 associated parcel or tract of land.

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

35 b. (1) If the holder of a license, certificate, or registration is  
36 found to have discriminated in the appraisal of real estate in  
37 violation of subsection a. of this section, the discriminatory  
38 appraisal shall be void and of no effect and, for a first violation, the  
39 board shall:

40 (a) <sup>1</sup>**[**levy a fine to be determined by the board;

41 (b) <sup>1</sup>**]**order the holder to make restitution of the cost of the  
42 discriminatory appraisal; and

43 <sup>1</sup>**[(c)] (b)**<sup>1</sup> require the holder to attend an anti-bias seminar  
44 approved by the board that shall include information on existing

**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>Senate floor amendments adopted February 27, 2023.

1 anti-discrimination laws and how they relate to housing and  
2 appraisals.

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

6 (a) suspend the license, certificate or registration and order the  
7 holder to make restitution of the cost of the discriminatory  
8 appraisal; and

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

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

18 (4) If the holder of a license, certificate, or registration is found  
19 to have committed a third violation of subsection a. of this section,  
20 the board shall, after appropriate notice and hearing, revoke the  
21 license, certificate, or registration and order the holder to make  
22 restitution of the cost of the discriminatory appraisal.

23 (5) The holder of a license, certificate, or registration that is  
24 found to have committed a violation of subsection a. of this section  
25 shall also be subject to a civil penalty not exceeding \$10,000 for a  
26 first violation, \$25,000 for a second violation occurring within five  
27 years of the first, and \$50,000 for a third violation. A civil penalty  
28 imposed pursuant to this paragraph shall be collected by the board  
29 pursuant to the "Penalty Enforcement Law of 1999," P.L.1999,  
30 c.274 (C.2A:58-10 et seq.).

31 <sup>1</sup>(6) Any discriminatory appraisal of real estate by the holder of a  
32 license, certificate, or registration pursuant to subsection a. of this  
33 section shall be void and of no effect.<sup>1</sup>

34 c. Whenever the board finds cause to suspend the license,  
35 certificate or registration of a holder pursuant to paragraph (2) of  
36 subsection b. of this section, the board shall notify the holder of the  
37 reasons therefor, in writing, and provide opportunity for a hearing  
38 in accordance with the "Administrative Procedure Act," P.L.1968,  
39 c.410 (C.52:14B-1 et seq.). The board shall also provide the  
40 notification to the Division on Civil Rights <sup>1</sup>within the Department  
41 of Law and Public Safety<sup>1</sup> for review and appropriate action.

42 d. <sup>1</sup>**【The】** When the board receives a complaint of appraisal  
43 discrimination pursuant to subsection a. of this section, the<sup>1</sup> board  
44 shall notify a complainant under this section of the option to file a  
45 complaint with the Division on Civil Rights pursuant to the "Law  
46 Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.) <sup>1</sup>and  
47 notify the Division on Civil Rights of the complaint of appraisal

1 discrimination within 14 days of receiving the complaint. Any  
2 complaints of alleged discrimination shall be received and  
3 investigated by the Division on Civil Rights. If, upon investigation,  
4 a finding of discrimination is made, the division shall forward its  
5 findings to the board<sup>1</sup>.

6 e. Nothing in this section shall be construed to limit in any way  
7 the board's authority to take any action against the holder of a  
8 license, certificate, or registration based on discriminatory conduct  
9 or for any other reason or to limit any rights protected by or powers  
10 afforded to the Division on Civil Rights pursuant to the "Law  
11 Against Discrimination," P.L.1945, c.169 (C.10:5-1 et seq.).  
12

13 4. a. <sup>1</sup>**【Prior to the initiation of a real estate appraisal, a holder**  
14 **of a license or certificate under P.L.1991, c.68 (C.45:14F-1 et seq.)**  
15 **or registration under P.L.2017, c.72 (C.45:14F-27 et al.) shall**  
16 **provide a property owner or agent of the property owner with a**  
17 **document, given free of charge and in a form and manner**  
18 **prescribed by the board, informing the property owner of the**  
19 **opportunity to report, through the Division on Civil Rights within**  
20 **the Department of Law and Public Safety Internet website or**  
21 **telephone number, any suspicion of a discriminatory appraisal by**  
22 **the holder of a license, certificate or registration pursuant to**  
23 **subsection a. of section 3 of P.L. , c. (C. ) (pending before**  
24 **the Legislature as this bill)】 Upon first interaction with a property**  
25 **owner or agent of the property owner, a licensed mortgage broker or**  
26 **licensed real estate broker, broker-salesperson, or salesperson shall**  
27 **provide a property owner or agent of the property owner with a**  
28 **document, given free of charge and in a form and manner**  
29 **prescribed by the board, informing the property owner of the**  
30 **opportunity to report, through the Internet website or telephone**  
31 **number of the Division on Civil Rights in the Department of Law**  
32 **and Public Safety, any suspicion of a discriminatory appraisal by**  
33 **the holder of a license, certificate or registration pursuant to**  
34 **subsection a. of section 3 of P.L. , c. (C. ) (pending before**  
35 **the Legislation as this bill)**<sup>1</sup>.

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

45 (2) The division shall compile the demographic information of  
46 the complainants provided pursuant to paragraph (1) of this  
47 subsection and shall report in the aggregate the demographic

1 information collected to the Governor and to the Legislature in  
2 accordance with section 2 of P.L.1991, c.164 (C.52:14-19.1) on or  
3 before July 1, 2024.

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

8 **d.】** c.<sup>1</sup> Information concerning the prohibition of a  
9 discriminatory appraisal of real estate, including the statutory basis  
10 for prohibition, shall be published on the Division of Consumer  
11 Affairs website.

12  
13 5. Upon first interaction with a property buyer or agent of the  
14 property buyer, a licensed <sup>1</sup>mortgage broker or licensed<sup>1</sup> real estate  
15 broker, broker-salesperson, or salesperson shall provide to the  
16 property buyer a document, given free of charge and prescribed by  
17 the State Real Estate Appraiser Board pursuant to section 4 of  
18 P.L. , c. (C. ) (pending before the legislature as this bill),  
19 informing the property buyer of the opportunity to report, through  
20 the Internet website or telephone number of the Division on Civil  
21 Rights <sup>1</sup>in the Department of Public Safety<sup>1</sup>, any suspicion of a  
22 discriminatory appraisal by the holder of a license <sup>1</sup>**【or certification**  
23 **under P.L.1991, c.68 (C.45:14F-1 et seq.) or registration under**  
24 **P.L.2017, c.72 (C.45:14F-27 et al.) on the basis of the actual or**  
25 **perceived race, creed, color, national origin, affectional or sexual**  
26 **orientation, sex, gender identity or expression, disability, or other**  
27 **characteristic protected under subsections g. and h. of section 11 of**  
28 **the “Law Against Discrimination,” P.L.1945, c.169 (C.10:5-12) of**  
29 **the property buyer, property owner, agents of the property buyer or**  
30 **owner, or present owners or occupants of the properties within the**  
31 **neighborhood of the property subject to appraisal】** certificate or  
32 registration pursuant to subsection a. of section 3 of P.L. , c.  
33 (C. ) (pending before the Legislature as this bill).

34 b. During a private sale of real estate, the property owner or  
35 agent of the property owner shall provide, upon first interaction  
36 with a property buyer or agent of the property buyer, a free  
37 document informing the property buyer of the opportunity to report,  
38 through the Internet website or telephone number of the Division on  
39 Civil Rights in the Department of Law and Public Safety, any  
40 suspicion of a discriminatory appraisal by the holder of a license,  
41 certificate or registration pursuant to subsection a. of section 3 of  
42 P.L. , c. (C. ) (pending before the Legislature as this bill)<sup>1</sup>.

43  
44 6. This act shall take effect immediately.