

55 N.J.R. 112(a)

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RULE ADOPTIONS

Reporter

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Agency

LAW AND PUBLIC SAFETY > DIVISION OF CONSUMER AFFAIRS > STATE BOARD OF REAL ESTATE APPRAISERS

Administrative Code Citation

Adopted Amendments: N.J.A.C. 13:40A-1.3, 5.4, 5.6, and 7.5

Text

Scope of Practice, Continuing Education, and Mixed Practice

Proposed: March 21, 2022, at 54 N.J.R. 488(a).

Adopted: September 21, 2022, by State Board of Real Estate Appraisers, John McCann, President.

Filed: December 13, 2022, as R.2023 d.008, **without change.**

Authority: N.J.S.A. 45:14F-8.

Effective Date: January 17, 2023.

Expiration Date: November 30, 2028.

Summary of Public Comment and Agency Response:

The official comment period ended May 20, 2022. **No comments were received.**

Federal Standards Statement

A Federal standards analysis is not required because the adopted amendments are governed by N.J.S.A. 45:14F-1 et seq., and they do not exceed standards and requirements set forth by the Appraiser Qualifications Board (AQB), which may be viewed as establishing and setting forth Federal standards and requirements.

Full text of the adoption follows:

SUBCHAPTER 1. PURPOSE AND SCOPE; DEFINITIONS; SCOPE OF PRACTICE

13:40A-1.3 Scope of practice

(a) The scope of practice of appraisers with the licensed real estate appraiser qualification is the appraisal of non-complex one-to-four residential units having a transaction value less than \$ 1,000,000 and complex one to four residential units having a transaction value less than \$ 400,000.

1. "Complex one-to-four-unit residential property appraisal" means one in which the property to be appraised, the form of ownership, or the market conditions are atypical. Licensed real estate appraisers shall not appraise a property that includes any commercial use.

(b) The scope of practice of appraisers with the certified residential real estate appraiser qualification is the appraisal of one-to-four residential units without regard to transaction value or complexity. Certified residential real estate appraisers shall not appraise a property that includes any commercial use.

(c)-(d) (No change.)

SUBCHAPTER 5. CONTINUING PROFESSIONAL EDUCATION

13:40A-5.4 Special course requirement(s)

(a) (No change.)

(b) All licensed and certified real estate appraisers shall be required to complete a two-hour course on New Jersey law and rules governing the practice of real estate appraising. The course, at a minimum, shall include: the origin and history of the Real Estate Appraisers Act, the Board composition, scope of practice, mixed practice conflicts of interest, continuing education requirements and criteria, temporary visiting certificates, trainee and supervisor requirements, appraisal reporting, common deficiencies, appraisal management companies, and the complaint process.

13:40A-5.6 Acceptable course topics

(a) The Board shall approve only those continuing education activities and course topics as are deemed by the Board to be consistent with the purpose of continuing education. Examples of such course topics may include, but are not limited to: changes in the Uniform Standards of Professional Appraisal Practice; ad valorem taxation; arbitration; business courses related to practice of real estate appraisal; construction estimating; land use planning; zoning and taxation; management, leasing, brokerage, and timesharing; property development; State law and rules governing the practice of real estate appraising; real estate appraisal (valuation/evaluations), law, litigation, financing, and investment; real estate appraisal related computer applications; automated valuation models and artificial intelligence; real estate securities and syndication; real property exchange; green building; seller concessions; fair housing laws; natural resources; environmental impacts on real estate; and developing opinions on real estate value in appraisals that also include personal property and/or business value/intangible assets.

(b)-(c) (No change.)

SUBCHAPTER 7. GENERAL PROVISIONS

13:40A-7.5 Mixed practice; conflict of interest

(a) (No change.)

(b) A real estate appraiser, who is also a real estate licensee or who is employed as an appraiser by a licensed real estate broker, shall not prepare an appraisal upon a property while the real estate appraiser also is acting in the capacity of a real estate licensee for any party with respect to any transaction involving the property to be appraised.

[page=113] (c)-(d) (No change.)

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