

Governor Phil Murphy

Acting Governor Way Signs Legislation Prohibiting Discrimination in Real Estate Appraisals

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TRENTON – Acting Governor Way today signed legislation explicitly prohibiting discriminatory practices in real estate appraisals and requiring real estate appraisers to complete anti-bias training.

The new law takes a critical step forward in combating home appraisal discrimination, a form of bias that significantly contributes to the racial wealth gap in New Jersey. The law updates the Real Estate Appraisal Act and confirms that it is illegal for real estate appraisers to consider certain personal characteristics when determining the value of a property, including race, color, religion, sex, sexual orientation, gender identity, age, marital status, disability, familial status, or national origin of current or future owners or occupants of the property or nearby property owners or occupants.

The law, enforced by the Appraisal Qualifications Board, provides yet another mechanism through which to address home appraisal discrimination. In January 2024, for instance, the Division on Civil Rights launched the Home Appraisal Discrimination Initiative and issued guidance regarding the application of the Law Against Discrimination to appraisal discrimination. With today's signing, property owners will now have multiple avenues to seek remedies for home appraisal discrimination.

Additionally, the new law requires a real estate appraiser to complete a fair housing and appraisal bias education course offered by the Appraisal Qualifications Board of the Appraisal Foundation to satisfy the appraiser's continuing education requirements. The purpose of this course is to educate appraisers on how to avoid bias in their work.

"When buying or owning a home in New Jersey, we must strive to provide our residents with fair and equal treatment," **said Acting Governor Tahesha Way**. "For far too long, systems were in place that would perpetuate racial bias. With this bill, we will ensure that personal biases don't influence appraisers."

"Discrimination in the housing appraisal industry has prevented far too many – particularly people of color – from acquiring the benefits of community stability and wealth creation through homeownership," **said Attorney General Matthew J. Platkin**. "By signing this legislation, Acting Governor Way is showing that the Legislature and the Murphy Administration are strongly committed to providing important protections for New Jersey residents."

"We thank the Legislature and the Murphy Administration for taking this important step to address an insidious discriminatory practice that has contributed to the wealth gap in our state," **said Cari Fais, Acting Director of the Division of Consumer Affairs**. "The legislation signed into law today confronts the problem of appraisal bias head-on, provides meaningful measures to eradicate it, and promotes equal access to the wealth-building potential of homeownership for all New Jerseyans."



"Discriminatory practices in home appraisals harm our residents and have the potential to harm entire communities. New Jersey's civil rights laws offer crucial protections against home appraisal discrimination, and this bill underscores the strength of our state's commitment to combating appraisal discrimination," **said Sundeep Iyer, Director of the Division on Civil Rights.** "The signing of this legislation will play an important role in the ongoing fight to tackle barriers to homeownership and generational wealth-building in our state. I am grateful to Governor Murphy and the Legislature for their leadership on this critical issue."

The primary sponsors of [A2280](#)

(<https://d31hzhk6di2h5.cloudfront.net/20240909/50/45/eb/04/66502e6b0d6abefb5669e8f4/A2280.pdf>)/S1311 (<https://d31hzhk6di2h5.cloudfront.net/20240909/c4/c5/d6/f5/b797f6a1d00d067a54177c76/S1311.pdf>) are Assemblywoman Lopez, Assemblywoman Reynolds-Jackson, Assemblywoman McCoy, Senator Pou, and Senator Ruiz.

"Roadblocks within the housing industry are extremely detrimental to low-income communities and disproportionately affect people of color. These discriminatory practices in real-estate appraisals produce damaging long-term effects, including limiting the building of equity and generational wealth," **said Senate Majority Leader M. Teresa Ruiz.** "By prohibiting discrimination in the appraisal process and requiring appraisers to complete anti-bias training, we can uplift individuals and families who have been historically sidelined in the housing market."

"Mandating anti-bias training for real estate appraisals is crucial if we want to ensure fair property valuation and move toward eradicating systemic discrimination in housing," **said Assemblywoman Verlina Reynolds-Jackson.** "This bill will help individuals feel empowered and safeguarded when getting a real estate appraisal because they will know that the evaluation will be based on facts and data, not on biases or prejudices."

"As a veteran realtor, I know firsthand that this bill is a significant victory for New Jersey residents looking to sell their homes, commercial properties or businesses. It ensures they receive fair appraisals that are free from bias related to race, religion, or any other protected characteristic," **said Assemblywoman Tennille McCoy.** "By addressing bias through continuous education and prohibiting discriminatory practices in property appraisals, we are making strides in our ongoing battle against discrimination in property appraisals, sales, and transactions."

"In the aftermath of the widespread reports of discrimination in real estate appraisals, I am glad that New Jersey has taken a step in protecting consumers and ensuring equity in the home-buying process," **said Assemblywoman Yvonne Lopez.** "Although, there is still work to be done, codifying the prohibition against discrimination and training real estate appraisers will make for a fairer and stronger housing market."

"Home appraisal discrimination strips wealth from Black and other families of color, contributing to our state's staggering racial wealth gap – one of the highest in the nation. The passage of this legislation – in combination with the Attorney General's initiative to also address appraisal discrimination – is a crucial step toward fairer home appraisals in New Jersey," **said Laura Sullivan, Director of the Economic Justice Program at the New Jersey Institute for Social Justice.** "With homeownership being one of the most important ways that families build wealth, proactive steps towards reducing racial disparities in homeownership are crucial for closing the racial wealth gap and moving us toward equity. We are grateful to the Legislature and Governor for moving New Jersey forward with this anti-discrimination law."

"We applaud Governor Murphy and our legislative champions for taking meaningful steps to close NJ's racial wealth gap," **said Staci Berger, President and CEO, Housing and Community Development Network of NJ.** "The Network, its members, and our broader housing coalition have long worked on and advocated for this legislation to help mitigate and redress systemic and institutional racism, which prevents Black and Brown families from achieving the full benefits of homeownership, including growing and passing on generational wealth. Home appraisal discrimination is a threat to our neighbors, neighborhoods, and our economy. Ending this practice creates pathways to make sure we HouseNJ, so everybody can benefit from homeownership."

"Appraisal discrimination is a modern day form of redlining that perpetuates the staggering racial wealth gap in

New Jersey and lowers property values in predominantly Black and Brown communities across the state," **said Beverly Brown Ruggia, New Jersey Citizen Action Financial Justice Program Director.** "We applaud Governor Murphy, Acting Governor Way and the Administration and Legislature for their ongoing efforts to hold appraisers accountable for discriminatory appraisals and make certain that all homes are properly valued. This will ensure that Black and Brown homeowners have an equal opportunity to build the generational wealth that homeownership provides."

"Holding appraisers accountable for discrimination is one of the ways we must address New Jersey's racial wealth gap," **said Adam Gordon, executive director at the Fair Share Housing Center.** "For most homeowners, their house is their most valuable asset. Appraisal bias has been robbing Black and Latino families of hard-won equity for decades. We're grateful to the bill's sponsors and Acting Governor Way for their leadership in taking this step toward repairing the multi-generational harms wreaked by appraisal bias."

"While the Fair Housing Act of 1968 bars discrimination in the housing market, racist and discriminatory practices continue in all corners of the housing market – from home appraisals to rental screenings to evictions – perpetuating today's segregated neighborhoods and contributing to deep racial and social inequities," **said NLIHC President and CEO Diane Yentel.** "I applaud the Housing and Community Development Network of New Jersey and other advocates for working tirelessly to advance this important legislation, and I thank New Jersey Governor Phil Murphy and state lawmakers for helping to bring the state one step closer to achieving housing justice and racial equity."

"New Jersey's leadership on reforming the appraisal industry is a great example for others to follow," **said Jesse Van Tol, President and CEO of the National Community Reinvestment Coalition.** "This important legislation ensures that home appraisers will be better trained to spot and combat the implicit biases we all carry, which will help protect communities of color from the pernicious effects of appraisal bias. Layered together with recent changes to national training standards and the apprenticeship system that has historically kept the appraisal industry almost exclusively White and male, this kind of moral clarity from the states will bring long-due progress for marginalized communities."

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