

CHAPTER 40A

STATE BOARD OF REAL ESTATE APPRAISERS

Authority

N.J.S.A. 45:1 et seq. and 45:14F et seq.

Source and Effective Date

R.2007 d.341, effective October 3, 2007.
See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Chapter Expiration Date

Chapter 40A, State Board of Real Estate Appraisers, expires on October 3, 2012.

Chapter Historical Note

Chapter 40A, State Board of Real Estate Appraisers, was adopted as R.1991 d.598, effective December 16, 1991. See: 23 N.J.R. 2628(a), 23 N.J.R. 3763(b).

Subchapter 2A, Certification of Residential Real Estate Appraisers, was adopted as R.1993 d.125, effective March 15, 1993. As part of R.1993 d.125, Subchapter 2, Certification of Real Estate Appraisers, was renamed Certification of General Real Estate Appraisers. See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Subchapter 7, Apprentice Permits, was adopted as R.1993 d.177, effective April 19, 1993. See: 25 N.J.R. 267(a), 25 N.J.R. 1773(a).

Notice of Receipt of Petitions for Rulemaking and Action thereon. See: 25 N.J.R. 3032(b).

Pursuant to Executive Order No. 66(1978), Chapter 40A, State Board of Real Estate Appraisers, was readopted as R.1997 d.23, effective December 13, 1996. See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a). As part of R.1997 d.23, effective January 21, 1997, Subchapter 4, Continuing Professional Education, was recodified to Subchapter 5, and a new Subchapter 4, Apprentice Permits, was recodified from Subchapter 7; Subchapter 5, Standards for Appraisals, was recodified to Subchapter 6, and a new Subchapter 5, Continuing Professional Education, was recodified from Subchapter 4; Subchapter 6, General Provisions, was recodified to Subchapter 7, and a new Subchapter 6, Standards for Appraisals, was recodified from Subchapter 5; Subchapter 7, Apprentice Permits, was recodified to Subchapter 4, and a new Subchapter 7, General Provisions, was recodified from Subchapter 6; and Subchapter 8, Certification or Licensure by Endorsement, was adopted as new rules.

Chapter 40A, State Board of Real Estate Appraisers, was readopted as R.2002 d.205, effective June 7, 2002. See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Subchapter 1, Purpose and Scope; Definitions, was renamed Purpose and Scope; Definitions; Scope of Practice by R.2007 d.30, effective February 5, 2007. See: 38 N.J.R. 2628(a), 39 N.J.R. 494(a).

Chapter 40A, State Board of Real Estate Appraisers, was readopted as R.2007 d.341, effective October 3, 2007. See: Source and Effective Date. See, also, section annotations.

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

13:40A-1.1 Purpose and scope

(a) The rules in this chapter implement the provisions of P.L. 1991, c.68, N.J.S.A. 45:14F-1 et seq., the “Real Estate Appraisers Act.”

(b) This chapter shall apply to all persons applying for licensure as a licensed real estate appraiser or certification as a certified residential real estate appraiser or as a certified general real estate appraiser and to persons licensed or certified by the Board of Real Estate Appraisers in the State of New Jersey.

(c) Beginning on January 1, 2008, in order to implement the Real Property Appraiser Qualification Criteria (2008 Criteria) that goes into effect on that date, the Board has adopted the segmented approach, with a cut-off date of December 31, 2009. States are required to implement appraiser certification requirements that are no less stringent than those issued by the AQB in the Real Property Appraiser Qualification Criteria (Criteria), pursuant to the Financial Institutions Reform Recovery and Enforcement Act of 1989, 12 U.S.C. §3331 et seq. Certification requirements are broken down into three components: education, examination, and experience. The segmented approach requires an applicant to meet the Criteria in effect at the time he or she completes a particular component. Any component completed prior to January 1, 2008, would satisfy the current Criteria, while any component not completed by January 1, 2008, would have to conform to the 2008 Criteria. Any applicant for a license or certification who has not demonstrated completion of all three components by December 31, 2009 shall conform to the 2008 Criteria with regard to every component.

Amended by R.1993 d.125, effective March 15, 1993.

See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised text.

Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was “Purpose and scope”.

Amended by R.2007 d.364, effective December 3, 2007.

See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Added (c).

13:40A-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Appraisal Foundation” means the Appraisal Foundation incorporated in the State of Illinois as a nonprofit corporation on November 30, 1987, as denominated in Title XI of Publ. L. 101-73 (12 U.S.C. section 3331 et seq.).

“Appraisal Qualification Board (AQB)” means the independent board of the Appraisal Foundation which under the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) establishes the minimum education, experience and examination requirements for real property appraisers to obtain a state certification or license. The address and phone number of the AQB is 1029 Vermont Avenue, NW, Suite 900, Washington, DC 20005-3517, (202) 347-7722. The website for the AQB is www.appraisalfoundation.org.

“Board” means the State Real Estate Appraiser Board in the Division of Consumer Affairs.

“State certified general real estate appraiser” (“SCGRE”) means an individual who has satisfied the experience and education requirements as set forth in this chapter, has successfully completed the Board approved examination, and holds a current, valid certificate as a certified general real estate appraiser.

“State certified residential real estate appraiser” (“SCRREA”) means an individual who has satisfied the experience and education requirements as set forth in this chapter, has successfully completed the Board approved examination, and holds a current, valid certificate as a certified residential real estate appraiser.

“State licensed real estate appraiser” (“SLREA”) means an individual who has satisfied the experience and education requirements as set forth in this chapter, has successfully completed the Board approved examination, and holds a current, valid license for real estate appraisal.

“Trainee” means an individual in the process of acquiring the hours of appraisal experience and qualifying education required for certification or licensure under the direct supervision of a certified appraiser pursuant to this chapter.

“Uniform Standards of Professional Appraisal Practice (USPAP)” means the published standards set forth by the Appraisal Standards Board of the Appraisal Foundation (1029 Vermont Avenue, NW, Suite 900, Washington, D.C. 20005-3517) (July 1, 2006). The standards include the generally accepted standards of appraisal practice; a history of changes to those standards; all statements on Appraisal Standards; all Advisory Opinions issued for general distribution; a Glossary and an Index. The Uniform Standards of Professional Appraisal Practice are hereby incorporated by reference, as

amended and supplemented, in the established rules for the review and interpretation of the competency and practice of appraisers licensed or certified by the Board.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised definitions "State certified general real estate appraiser"; added definitions "State certified residential real estate appraiser"; moved definition "Residential".

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Added "Apprentice" and "Uniform Standards of Professional Appraisal Practice (USPAP)"; and deleted "Market value" and "Residential".

Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Inserted "Appraisal Qualification Board (AQB)" and "Trainee"; deleted "Apprentice" and "Classroom hour"; in "State certified general real estate appraiser (SCGREA)", "State certified residential real estate appraiser (SCRREA)" and "State licensed real estate appraiser (SLREA)", substituted "approved" for "sponsored" following "Board".

Amended by R.2007 d.30, effective February 5, 2007.
See: 38 N.J.R. 2628(a), 39 N.J.R. 494(a).

In definition "Trainee", deleted "licensed or" preceding "certified".

Amended by R.2007 d.341, effective November 5, 2007.
See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

In definition "Uniform Standards of Professional Appraisal Practice (USPAP)", substituted "(July 1, 2006)" for "annually with an effective date of January 1 of the current year" and "The" for "Said" preceding "standards include", deleted "for the prior year" preceding "; all statements" and inserted ", as amended and supplemented,".

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 \$250,000.

(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.

(c) The scope of practice of appraisers with the certified general real estate appraiser classification is the appraisal of all types of property.

(d) The scope of practice of appraiser trainees is the appraisal of those properties which the supervising appraiser is permitted to appraise.

New Rule, R.2007 d.30, effective February 5, 2007.
See: 38 N.J.R. 2628(a), 39 N.J.R. 494(a).

SUBCHAPTER 2. CERTIFICATION OF GENERAL REAL ESTATE APPRAISERS

13:40A-2.1 Eligibility for certification as a general real estate appraiser

In order to be eligible for certification as a general real estate appraiser, an applicant shall be required to successfully

complete the Board approved examination for the certification of general real estate appraisers.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised section.

13:40A-2.2 Eligibility for admission to examination

(a) An applicant for certification as a general real estate appraiser shall present the following:

1. Evidence that he or she is at least 18 years of age;
2. Evidence of good moral character, as established by references from individuals, schools, and other records acceptable to the Board;
3. A high school diploma or its equivalent;
4. Completion of the educational requirements described in N.J.A.C. 13:40A-2.3;
5. The level of education as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule;
6. Real estate appraisal experience as described in N.J.A.C. 13:40A-2.4; and
7. The certification and authorization form for criminal history background check, as provided by the Board, and the applicant's fingerprints as processed by the vendor under contract with the State.

(b) During the time period in which the segmented approach is applicable, applicants for certification as a general real estate appraiser may elect to complete the experience requirement subsequent to taking the examination for certification.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised (a).

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a)1, substituted "At least 18" for "More than 18".
Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Rewrote the section.

Amended by R.2007 d.341, effective November 5, 2007.
See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Rewrote (a)6.

Amended by R.2007 d.364, effective December 3, 2007.
See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Added new (a)5; recodified former (a)5 and (a)6 as (a)6 and (a)7; and added (b).

13:40A-2.3 Educational requirements for certification as a general real estate appraiser

(a) In order to be eligible to take the examination for certification as a general real estate appraiser, an applicant shall

complete, by the time the application is submitted to the Board, the educational requirements for a general real estate appraiser as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

(b) All qualifying education taken on or after December 3, 2007, to satisfy the educational requirements for certification as a general real estate appraiser, with the exception of the college level course requirement as defined by the AQB, shall be approved by the AQB's Course Approval Program.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised heading and (a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), inserted text "Prior to January 1, 1998" and amended completion period for professional standards course; inserted new (b); recodified former (b) through (f) as (c) through (g); and added (e)16.
Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Educational requirements for certification as a general real estate appraiser".

Amended by R.2007 d.364, effective December 3, 2007.

See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Inserted designation (a); and added (b).

13:40A-2.4 Experience requirements for certification as a general real estate appraiser

Each applicant applying for certification as a general real estate appraiser shall be required to complete, by the time the application is submitted to the Board, the experience requirements for a general real estate appraiser as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised heading and (a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Substantially amended section.
Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Experience requirements for certification as a general real estate appraiser".

13:40A-2.5 Temporary visiting certificate; certified general real estate appraiser

(a) Upon application to the Board and payment of a registration fee, an appraiser certified as a general real estate appraiser in another state may be issued a temporary visiting certificate as a general real estate appraiser for a specific appraisal assignment, provided that the individual submits satisfactory proof to the Board that the individual has a current valid certificate to practice as a general real estate appraiser in another state.

(b) An appraiser certified by another state may apply for no more than three temporary certificates, with a limit of appraising three specific properties per temporary certificate, within one calendar year, except that the Board may waive the limitation based on a showing of good cause by the applicant.

(c) For purposes of this section, the term "Federally related transaction" shall mean any real estate-related financial transaction which a Federal financial institutions regulatory agency engages in, contracts for, or regulates. An appraiser certified by another state shall apply for a temporary visiting certificate without the limitations stated in (b) above if the property to be appraised is part of a Federally related transaction.

(d) As a condition of receiving a temporary visiting certificate, an applicant shall consent to service of process within the State.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised heading and (a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Added (d).
Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), deleted "which has requirements for certification as a general real estate appraiser substantially equivalent to those of New Jersey"; rewrote (b) and (c).

SUBCHAPTER 2A. CERTIFICATION OF RESIDENTIAL REAL ESTATE APPRAISERS

13:40A-2A.1 Eligibility for certification as a residential real estate appraiser

In order to be eligible for certification as a residential real estate appraiser, an applicant shall be required to successfully complete the Board approved examination for the certification of residential real estate appraisers.

13:40A-2A.2 Eligibility for admission to examination

(a) An applicant for certification as a residential real estate appraiser shall present the following:

1. Evidence that he or she is at least 18 years of age;
2. Evidence of good moral character, as established by references from individuals, schools and other records acceptable to the Board;
3. A high school diploma or its equivalent;
4. Completion of the educational requirements described in N.J.A.C. 13:40A-2A.3;
5. The level of education as established by "The Real Property Appraiser Qualification Criteria and Interpretation

of the Criteria” as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule;

6. Real estate appraisal experience as described in N.J.A.C. 13:40A-2A.4; and

7. The certification and authorization form for criminal history background check, as provided by the Board, and the applicant’s fingerprints as processed by the vendor under contract with the State.

(b) During the time period in which the segmented approach is applicable, applicants for certification as a residential real estate appraiser may elect to complete the experience requirement subsequent to taking the examination for certification.

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a)1, substituted “At least 18” for “More than 18”.

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Rewrote the section.

Amended by R.2007 d.341, effective November 5, 2007.

See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Rewrote (a)6.

Amended by R.2007 d.364, effective December 3, 2007.

See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Added new (a)5; recodified former (a)5 and (a)6 as (a)6 and (a)7; and added (b).

13:40A-2A.3 Educational requirements for certification as a residential real estate appraiser

(a) In order to be eligible to take the examination for certification as a residential real estate appraiser, an applicant shall complete, by the time the application is submitted to the Board, the educational requirements for a residential real estate appraiser as established by “The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria” as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

(b) All qualifying education taken on or after December 3, 2007, to satisfy the educational requirements for certification as a residential real estate appraiser, with the exception of the college level course requirement as defined by the AQB, shall be approved by the AQB’s Course Approval Program.

Amended by R.1994 d.420, effective August 15, 1994.

See: 26 N.J.R. 902(a), 26 N.J.R. 3460(a).

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), amended completion period for professional standards course; and added (d)16.

Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was “Educational requirements for certification as a residential real estate appraiser”.

Amended by R.2007 d.364, effective December 3, 2007.

See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Inserted designation (a); and added (b).

13:40A-2A.4 Experience requirements for certification as a residential real estate appraiser

Each applicant applying for certification as a residential real estate appraiser shall complete, by the time the application is submitted to the Board, the experience requirements for a general real estate appraiser as established by “The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria” as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Substantially amended section.

Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was “Experience requirements for certification as a residential real estate appraiser”.

13:40A-2A.5 Temporary visiting certificate; certified residential real estate appraiser

(a) Upon application to the Board and payment of a registration fee, an appraiser certified as a residential real estate appraiser in another state may be issued a temporary visiting certificate as a residential real estate appraiser for a specific appraisal assignment, provided that the individual submits satisfactory proof to the Board that the individual has a current valid certificate to practice as a residential real estate appraiser in another state.

(b) An appraiser certified by another state may apply for no more than three temporary certificates, with a limit of appraising three specific properties per temporary certificate, within one calendar year, except that the Board may waive the limitation based on a showing of good cause by the applicant.

(c) For purposes of this section, the term “Federally related transaction” shall mean any real estate-related financial transaction which a Federal financial institutions regulatory agency engages in, contracts for, or regulates. An appraiser certified by another state shall apply for a temporary visiting certificate without the limitations stated in (b) above if the property to be appraised is part of a Federally related transaction.

(d) As a condition of receiving a temporary visiting certificate an applicant shall consent to service of process within the State.

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Added (d).

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), deleted “which has requirements for certification as a residential real estate appraiser substantially equivalent to those of New Jersey”; rewrote (b) and (c).

SUBCHAPTER 3. LICENSING OF REAL ESTATE
APPRAISERS

13:40A-3.1 Eligibility for licensure

In order to be eligible for licensure, an applicant shall be required to successfully complete the Board-approved examination for the licensure of real estate appraisers.

13:40A-3.2 Eligibility for admission to examination

(a) An applicant shall present the following:

1. Evidence that he or she is at least 18 years of age;
2. Evidence of good moral character, as established by references from individuals, schools and other records acceptable to the Board;
3. A high school diploma or its equivalent;
4. Completion of the educational requirements as described in N.J.A.C. 13:40A-3.3;
5. Real estate appraisal experience as described in N.J.A.C. 13:40A-3.4; and
6. The certification and authorization form for criminal history background check, as provided by the Board, and the applicant's fingerprints as processed by the vendor under contract with the State.

(b) During the time period in which the segmented approach is applicable, applicants for licensure as a licensed real estate appraiser may elect to complete the experience requirement subsequent to taking the examination for certification.

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a)1, substituted "At least 18" for "More than 18".
Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Rewrote the section.
Amended by R.2007 d.341, effective November 5, 2007.
See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Rewrote (a)6.
Amended by R.2007 d.364, effective December 3, 2007.
See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).
Added (b).

13:40A-3.3 Educational requirements for licensure

(a) In order to be eligible to take the examination for licensure as a licensed real estate appraiser, an applicant shall complete, by the time the application is submitted to the Board, the educational requirements for a licensed real estate appraiser as established by "the Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

(b) All qualifying education taken on or after December 3, 2007, to satisfy the educational requirements for licensure as

a licensed real estate appraiser shall be approved by the AQB's Course Approval Program.

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), inserted text "Prior to January 1, 1998" and amended completion period for professional standards course; inserted new (b); recodified former (b) through (f) as (c) through (g); and added (e)16.
Repeal and New Rule, R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Educational requirements for licensure".
Amended by R.2007 d.364, effective December 3, 2007.
See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).

Inserted designation (a); and added (b).

13:40A-3.4 Experience requirements for licensure

(a) Each applicant applying for licensure as a licensed real estate appraiser shall complete, by the time the application is submitted to the Board, the experience requirements for a licensed real estate appraiser as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

(b) The experience requirement shall be completed in no fewer than 12 months.

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), inserted reference to forms provided by Board and amended the period in which to accumulate appraisal experience; and added (e).
Repeal and New Rule, R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Experience requirements for licensure".
Amended by R.2007 d.364, effective December 3, 2007.
See: 38 N.J.R. 4986(a), 39 N.J.R. 5088(a).
Inserted designation (a); and added (b).

13:40A-3.5 (Reserved)

Repealed by R.1994 d.88, effective February 22, 1994.
See: 25 N.J.R. 4863(a), 26 N.J.R. 1106(a).
Section was "Temporary licenses".

13:40A-3.6 Temporary visiting licenses

(a) Upon application to the Board and payment of a registration fee, an appraiser licensed in another state may be issued a temporary visiting license for a specific appraisal assignment, provided that the individual submits satisfactory proof to the Board that the individual has a current valid license to practice in another state.

(b) An appraiser licensed by another state may apply for no more than three temporary licenses, with a limit of appraising three specific properties per temporary license, within one calendar year, except that the Board may waive the limitation based on a showing of good cause by the applicant.

(c) For purposes of this section, the term "Federally related transaction" shall mean any real estate-related financial transaction which a Federal financial institutions regulatory agency engages in, contracts for, or regulates. An appraiser

licensed by another state shall apply for a temporary visiting license without the limitations stated in (b) above if the property to be appraised is part of a Federally related transaction.

(d) As a condition of receiving a temporary visiting license an applicant shall consent to service of process within the State.

Amended by R.1993 d.125, effective March 15, 1993.
See: 24 N.J.R. 3489(a), 25 N.J.R. 1222(b).

Revised (a).

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Added (d).

Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), deleted "which has requirements for licensure as a real estate appraiser substantially equivalent to those of New Jersey"; rewrote (b) and (c).

SUBCHAPTER 4. TRAINEE PERMITS

13:40A-4.1 Purpose and scope; application

(a) The rules in this chapter establish a voluntary real estate appraiser trainee program for individuals in the process of acquiring the appraisal experience required in order to be licensed or certified pursuant to this chapter.

(b) The successful application of and compliance with the rules in this subchapter by a real estate appraiser trainee does not grant the trainee automatic certification or licensure.

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Section was "Special Course Requirement; Uniform standards of professional appraisal practice".

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Designated existing paragraph as (a) and substituted "trainee" for "apprentice"; added (b).

13:40A-4.2 (Reserved)

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), amended N.J.A.C. reference; and in (a)1, substituted "At least 18" for "More than 18".

Repealed by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Application for apprentice permit; general requirements".

13:40A-4.3 Educational requirements

Each applicant applying for a trainee permit shall complete, by the time the application is submitted to the Board, the educational requirements for a trainee as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a)2, amended completion period for professional standards course.

Amended by R.2000 d.417, effective October 16, 2000.

See: 31 N.J.R. 2687(a), 32 N.J.R. 3857(a).

In (a), added "a minimum of 75 classroom hours of courses related to real estate appraising as follows" at the end of the introductory paragraph, and added 3.

Repeat and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Educational requirements".

13:40A-4.4 Annual trainee permit renewal

All trainee permits shall be valid for a period of one year. A trainee may renew his or her annual permit a maximum total of three times, upon submission to the Board of a renewal application, the permit renewal fee, and a log in the form set forth in N.J.A.C. 13:40A-4.7.

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Substituted references to trainees for references to apprentices throughout.

13:40A-4.5 Responsibilities of trainee

(a) The holder of a trainee permit issued by the Board shall work only under the "direct supervision," as that term is defined in N.J.A.C. 13:40A-4.6, of a "supervising appraiser," who shall be an individual licensed or certified in good standing by the Board and who has acknowledged in writing an agreement to perform the responsibilities of a supervising appraiser set forth in N.J.A.C. 13:40A-4.6. Prior to commencing any work as a trainee, the holder of a trainee permit shall inform the Board in writing of the identity of any individuals who have agreed to serve as a "supervising appraiser" for the trainee. The holder of a trainee permit shall inform the Board in writing, within seven days, in the event

Substituted references to trainees for references to apprentices throughout.

Amended by R.2007 d.30, effective February 5, 2007.

See: 38 N.J.R. 2628(a), 39 N.J.R. 494(a).

Added (c) and (d).

13:40A-4.8 Continuing education requirements

(a) An individual holding a trainee permit for more than two years shall complete, by the time the application is submitted to the Board, during the third and fourth years that the trainee permit is held, the continuing education requirements as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which, are incorporated herein by reference as part of this rule.

(b) An individual holding a trainee permit for more than two years shall retain documentation as required in N.J.A.C. 13:40A-5.8.

(c) An individual holding a trainee permit for more than two years may request an extension of time to satisfy continuing education requirements as provided in N.J.A.C. 13:40A-5.10.

New Rule, R.2000 d.417, effective October 16, 2000.

See: 31 N.J.R. 2687(a), 32 N.J.R. 3857(a).

Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Continuing education requirements".

Amended by R.2007 d.341, effective November 5, 2007.

See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Inserted designation (a); and added (b) and (c).

SUBCHAPTER 5. CONTINUING PROFESSIONAL EDUCATION

13:40A-5.1 Requirements for licensure and certification renewal

(a) The purpose of continuing education activities is to ensure that the appraiser participates in a program that maintains and increases the appraiser's skill, knowledge and competency in real estate appraising.

(b) A licensed or certified real estate appraiser shall confirm on the renewal application that the licensed or certified real estate appraiser has completed all continuing education requirements pursuant to this subchapter during the biennial period preceding application for renewal.

New Rule, R.1994 d.251, effective May 16, 1994.

See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), substituted "the appraiser's" for "his or her"; rewrote (b).

13:40A-5.2 (Reserved)

New Rule, R.1994 d.251, effective May 16, 1994.

See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

In (a), substituted "renewal period" for "renewal cycle" and deleted reference to limiting credit awarded for courses on changes in practice standards; inserted new (b); recodified former (b) through (d) as (c) through (e); and added (f).

Repealed by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Prior to January 1, 1998—continuing education: credit-hour requirements; carryover prohibited".

13:40A-5.3 Continuing education credit-hour requirements; carryover prohibited

(a) Each applicant applying for renewal as a licensed or certified real estate appraiser shall be required to complete, by the time the renewal application is submitted to the Board, the continuing education requirements for either the certified residential, certified general, or the licensed, real estate appraiser as established by "The Real Property Appraiser Qualification Criteria and Interpretation of the Criteria" as promulgated by the AQB of the Appraisal Foundation as amended and supplemented, which are incorporated herein by reference as part of this rule.

(b) Carryover of continuing education credits is prohibited.

New Rule, R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Repeal and New Rule, R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Section was "Effective January 1, 1998—continuing education: credit-hour requirements; carryover prohibited".

Amended by R.2007 d.341, effective November 5, 2007.

See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

Section was "Continuing education; credit-hour requirements; carryover prohibited". Inserted designation (a); and added (b).

13:40A-5.4 Special course requirement; Uniform Standards of Professional Appraisal Practice

All licensed and certified real estate appraisers shall be required to attend a minimum seven hour length course on the Uniform Standards of Professional Appraisal Practice every two years.

New Rule, R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Rewrote the section.

13:40A-5.5 Pre-approval of course offerings

(a) The Board shall maintain a list of all approved courses, lecturers and programs at the Board's offices and shall furnish this information to the licensees or certificate holders upon request.

(b) An applicant seeking to take a course for continuing professional education credit which has not been pre-approved by the Board may apply to the Board for pre-approval of the course offering. The applicant shall submit information similar to that which is required to be supplied by course providers, as more fully detailed in N.J.A.C. 13:40A-5.9(a)2.

(c) Determinations as to whether to award credit for an offering which has not been pre-approved shall be within the Board's discretion to determine whether the offering is deemed to be consistent with the purpose of continuing education.

New Rule, R.1994 d.251, effective May 16, 1994.
See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).
Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), inserted "to the licensees or certificate holders"; in (c), deleted "entirely" preceding "within" and added "to determine whether the offering is deemed to be consistent with the purpose of continuing education" following "discretion".

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, timesharing; property development; real estate appraisal (valuation/evaluations), law, litigation, financing and investment; real estate appraisal related computer applications; real estate securities and syndication; and real property exchange.

(b) The Board shall approve only such continuing education programs as are available and advertised on a reasonably nondiscriminatory basis to all real estate appraisers in the State.

(c) The Board may revoke approval of those continuing education activities and course topics deemed by the Board to no longer be consistent with the purpose of continuing education.

New Rule, R.1994 d.251, effective May 16, 1994.
See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).
Added (c).

13:40A-5.7 Sources of continuing education

(a) The licensee or certificate holder may obtain continuing education credits for the following:

1. Training programs offered by State or Federal agencies or commissions;

2. Educational programs provided during trade organization conferences;

3. Colleges or universities accredited by the New Jersey Commission on Higher Education or any state accrediting agency approved by the Board; community or junior colleges accredited by the New Jersey Commission on Higher Education; proprietary schools;

4. Seminars offered by real estate appraisal or real estate related organizations;

5. Seminars offered by vendors of commercial products, provided that at least one other commercial vendor from a different company participates in the seminar;

6. Participation, other than as a student, in appraisal education processes and programs, as approved by the Board.

i. Examples of activities for which credit may be granted include teaching appraisal courses, developing appraisal programs, authoring appraisal textbooks or articles, or participating in other like activities deemed by the Board to be equivalent to obtaining continuing education;

ii. No more than one-half of the total hours of credit required per biennial renewal cycle may be awarded for activities qualifying under this paragraph; and

7. Courses approved for initial certification and licensing.

(b) The award of credit is subject to Board approval of the course offering either prior to filing the renewal application or upon submission of documentation required pursuant to N.J.A.C. 13:40A-5.8 at the time of license or certification renewal.

New Rule, R.1994 d.251, effective May 16, 1994.
See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).
Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).
Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a), substituted "one-half of the total hours of credit required" for "10 hours of credit" in 6ii and rewrote 7.

13:40A-5.8 Required documentation

(a) A licensee or certificate holder shall retain documentation for at least four years of the continuing education hours which the licensee or certificate holder completes in order to verify program attendance and/or activity completion. Each licensee or certificate holder shall submit such documentation to the Board upon request. The Board shall review the records of the licensees and/or certificate holders from time to time, on a random basis, to determine compliance with continuing education requirements.

(b) Documentation of continuing education requirements shall consist of the following:

1. For courses, seminars and training programs approved by the Board, the licensee or certificate holder shall be required to maintain a "Uniform Continuing Education Form" or other form acceptable to the board signed and dated by both the applicant and the course instructor(s), attesting that the licensee or certificate holder attended an approved continuing education offering. The licensee or certificate holder shall list the continuing education completed during the biennial licensing period on the Board-provided renewal application.

2. For participation other than as a student in appraisal education processes or programs:

i. A written request for continuing education credit which shall include at least the following information:

- (1) A description of the activities for which credit is sought;
- (2) The number of credits sought;
- (3) The time spent on such activities;
- (4) The reasons the applicant believes such activities meet the Board's continuing education requirements; and
- (5) Any further information as may be requested by the Board;

ii. For publication of a book or an article in a professional journal, submission of the book or article;

iii. For teaching or research appointments, a statement of appropriate school authority verifying the appointment and a statement of the subject matter to be taught or the nature of the research to be performed.

(c) For courses, seminars or training programs which have not been pre-approved by the Board:

1. A copy of the course description and/or outline; and
2. A completed "Uniform Continuing Education Form" or other certified form acceptable to the Board or a signed and dated certification, from both the applicant and course instructor(s), attesting that the applicant attended the course listed and satisfactorily completed all course requirements.

(d) Falsification of any information submitted with the renewal application may result in penalties and/or the suspension or revocation of a license or certification.

(e) A licensed and certified appraiser shall be required to maintain records pertaining to his or her continuing education for at least four years from the date the course or seminar was taken.

New Rule, R.1994 d.251, effective May 16, 1994.

See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Substantially amended (a)1; and added (d).

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

Added a new (a) and recodified former (a) through (d) as (b) through (e).

Amended by R.2007 d.341, effective November 5, 2007.

See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).

In (b)1, inserted "or certificate holder" three times.

13:40A-5.9 Responsibilities of continuing education providers

(a) All providers of continuing education courses shall:

1. Secure Board approval prior to advertising or otherwise representing that any course is approved for continuing education credit in New Jersey;

2. Submit, on forms provided by the Board, for each course for which appraisal is sought, the following for evaluation by the Board;

- i. A detailed description of course content and estimated hours of instruction;
- ii. Any printed material describing the course;
- iii. A description of the method used to monitor attendance and the policy for making up missed classes;
- iv. A curriculum vitae of the instructor(s), including information concerning the specific background which qualifies the instructor to teach the particular course offering;
- v. Any additional information as may be requested by the Board; and
- vi. The name of the instructor(s) proposed to teach the course or seminar; and

3. Monitor the attendance at each approved course and provide the Board with a roster of attendees within 30 days of the conclusion of the program.

(b) All continuing education courses shall be taught in public facilities.

New Rule, R.1994 d.251, effective May 16, 1994.

See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).

Amended by R.1997 d.23, effective January 21, 1997.

See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).

Inserted (a)2vi.

Amended by R.2002 d.205, effective July 1, 2002.

See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).

In (a)2, inserted "on forms provided by the Board," in the introductory paragraph; added (b).

13:40A-5.10 Extensions

(a) An applicant for biennial renewal may request in writing an extension of time to satisfy continuing education requirements.

(b) An extension may be granted at the sole discretion of the Board if the applicant provides evidence satisfactory to the Board that he or she was unable to obtain the required education because of an incapacitating illness, military assignment or other extraordinary circumstance.

(c) Whether to grant an extension request and the length of time of any extension shall be discretionary determinations made on a case-by-case basis by the Board.

(d) The licensee or certificate holder granted an extension of time to satisfy continuing education requirements will be permitted to renew his or her license or certificate for the period of time for which the extension is granted.

(e) If the Board grants an extension of time to satisfy continuing education requirements to a licensee or certificate holder, that extension of time only applies to the continuing education requirements in New Jersey.

New Rule, R.1994 d.251, effective May 16, 1994.
See: 26 N.J.R. 903(a), 26 N.J.R. 2137(a).
Amended by R.2007 d.341, effective November 5, 2007.
See: 39 N.J.R. 2205(a), 39 N.J.R. 4849(b).
Added (e).

SUBCHAPTER 6. STANDARDS FOR APPRAISALS

13:40A-6.1 General requirements

(a) The appraiser shall ensure that all appraisals shall, at a minimum conform to the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on the date on which

the appraisal was prepared, which standards are incorporated herein by reference.

(b) An appraiser's failure to comply with the provisions of USPAP may be construed to be professional misconduct in violation of N.J.S.A. 45:1-21(e).

Amended by R.1997 d.23, effective January 21, 1997.
See: 28 N.J.R. 4724(a), 29 N.J.R. 369(a).
Substantially amended (a); deleted (b); and recodified former (c) as (b).
Amended by R.2002 d.205, effective July 1, 2002.
See: 34 N.J.R. 435(a), 34 N.J.R. 2319(a).
In (a), inserted "on" preceding "the date"; in (b), substituted "USPAP" for "this subchapter".

SUBCHAPTER 7. GENERAL PROVISIONS

13:40A-7.1 Fee schedule

(a) Charges for credentialing, certification, licensure and other services are as follows:

- 1. Application fee:
 - i. Certified General Real Estate Appraiser \$125.00