[First Reprint]

ASSEMBLY, No. 2387

STATE OF NEW JERSEY

216th LEGISLATURE

INTRODUCED FEBRUARY 6, 2014

Sponsored by:
Assemblyman TROY SINGLETON
District 7 (Burlington)
Assemblyman JAY WEBBER
District 26 (Essex, Morris and Passaic)

Co-Sponsored by: Assemblywoman Handlin

SYNOPSIS

Abolishes the State Real Estate Appraisers Board and transfers regulation of appraisers to the New Jersey Real Estate Commission.

CURRENT VERSION OF TEXT

As reported by the Assembly Regulated Professions Committee on March 13, 2014, with amendments.



(Sponsorship Updated As Of: 3/11/2014)

AN ACT abolishing the State Real Estate Appraiser Board and
transferring its functions, supplementing chapter 15 of Title 45
of the Revised Statutes, and revising various parts of the
statutory law.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

- 1. (New section) As used in sections 1 through 22 of this act:
- "Another state or other state" means any other state, the District of Columbia, the Commonwealth of Puerto Rico and any other possession or territory of the United States.

"Appraisal" or "real estate appraisal" means an unbiased analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, real estate. An appraisal may be classified by subject matter into either a valuation or an analysis. A "valuation" means an estimate of the value of real estate or real property and an "analysis" means a study of real estate or real property other than a valuation.

"Appraisal assignment" means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested third party in rendering an unbiased appraisal.

"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 Pub.L.101-73 (12 U.S.C. s.3331 et seq.).

"Appraisal report" means any written communication of an appraisal.

"Appraisal Subcommittee" means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, as created by section 1102 of Title XI of Pub.L.101-73 (12 U.S.C. s.3310).

"Approved education provider" means a provider of real estate appraisal education courses who is approved by the commission.

"Certified appraisal" or "certified appraisal report" means an appraisal or appraisal report given or signed by a State certified general or residential real estate appraiser.

"Commission" means the New Jersey Real Estate Commission established pursuant to R.S.45:15-5.

"Director" means the Director of the Division of Consumer Affairs in the Department of Law and Public Safety or his designee.

"Federally related transaction" shall have the meaning ascribed to that term in section 1121 of Title XI of Pub.L.101-73 (12U.S.C. s.3350).

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

¹Assembly ARP committee amendments adopted March 13, 2014.

"Licensed appraisal" or "licensed appraisal report" means an appraisal or appraisal report given or signed by a State licensed real estate appraiser.

"Real estate" means an identified parcel or tract of land, including improvements thereon, if any.

"Real property" means one or more defined interests, benefits or rights inherent in real estate.

"State certified real estate appraiser" or "State certified general or residential real estate appraiser" means an individual who holds a current, valid certificate for real estate appraisal pursuant to the provisions of this act and is recognized as being more knowledgeable of and experienced in real estate appraisals than a State licensed real estate appraiser.

"State licensed real estate appraiser" means an individual who holds a current, valid license for real estate appraisal pursuant to the provisions of this act.

- 2. (New section) a. The State Real Estate Appraiser Board created by P.L.1991, c.68 (C.45:14F-1 et seq.) within the Division of Consumer Affairs in the Department of Law and Public Safety is abolished as an agency in the Executive Branch of State Government and all of its functions, powers and duties are hereby transferred to the New Jersey Real Estate Commission.
- b. The offices and terms of the members, executive director, and of the assistants, and deputies, of the State Real Estate Appraiser Board are hereby terminated.
- c. Regulations of the State Real Estate Appraiser Board concerning its organization, function, practice and procedure are void. Whenever in any law, rule, regulation, order, reorganization plan, contract, document, judicial or administrative proceeding, or otherwise, reference is made to the State Real Estate Appraiser Board, the same shall mean and refer to the New Jersey Real Estate Commission in the Department of Banking and Insurance.
- d. This act shall not affect the tenure, compensation, and pension rights, if any, of the holder of a position not specifically abolished herein in office upon the effective date of this act, nor alter the term of a member of a board, commission, or public body, not specifically abolished herein, in office on the effective date of this act, or require the reappointment thereof.
- e. This act shall be subject to the provisions of the "State Agency Transfer Act," P.L.1971, c.375 (C.52:14D-1 et seq.).
- f. The responsibility of all cases pending on the effective date of this act in which the State Real Estate Appraiser Board is a party handled by offices being abolished shall be assumed by the New Jersey Real Estate Commission, unless the Executive Director of said commission determines that there are not sufficient resources to continue any particular litigation.

g. Acts and part of acts inconsistent with any of the provisions of this act are, to the extent of such inconsistency, superseded and repealed.

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3. (New section) No person shall assume or use the title or designation "State certified general real estate appraiser" or the abbreviation "SCGREA" or "State certified residential real estate appraiser" or the abbreviation "SCRREA" or any other title, designation, words, letters, abbreviation, sign, card or device indicating that such person is a State certified real estate appraiser, unless that person holds a current, valid certificate as a State certified general or residential real estate appraiser, as applicable, pursuant to the provisions of this act.

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4. (New section) No person shall assume or use the title or designation "State licensed real estate appraiser" or the abbreviation "SLREA" or any other title, designation, words, letters, abbreviation, sign, card or device indicating that such person is a State licensed real estate appraiser, unless that person holds a current, valid license as a State licensed real estate appraiser pursuant to the provisions of this act.

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5. (New section) The provisions of this act shall not apply to any person who is:

a real estate appraiser licensed or certified in another state in compliance with federal requirements while on temporary assignment appraising real property located in this State; however, that appraiser shall be subject to registration requirements promulgated by the commission; or

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b. a tax assessor or an assistant tax assessor holding a valid tax assessor certificate employed by a county or municipal government or any political subdivision thereof whose appraisal activities are limited to appraisals in the course of his employment; or

a State employee (1) whose appraisal activities are limited to appraisals of parcels of property to be acquired for a public purpose with a fair market value, including damages to the remainder, if any, of each parcel to be acquired of not more than \$25,000, notwithstanding the total value of the property in which the parcel is located that is owned by the prospective condemnee whose property is to be taken; and (2) whose appraisal activities are

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- 6. (New section) The commission shall, in addition to any other powers and duties as it may possess by law:
- Administer and enforce the provisions of this act;

limited to appraisals in the course of his employment.

46 Examine and pass on the qualifications of all applicants for 47 licensure or certification under this act;

- 1 Issue and renew licenses and certificates of real estate 2 appraisers;
- 3 d. Prescribe examinations for certification under this act, which 4 examinations shall meet the standards for certification examinations 5 for real estate appraisers established by the Appraisal Foundation, 6 and prescribe examinations for licensure under this act, which 7 examinations shall meet the standards for licensing examinations 8 for real estate appraisers acceptable to the Appraisal Subcommittee;
 - Suspend, revoke or refuse to issue or renew a license or certificate and exercise investigative powers pursuant to the provisions of P.L.1978, c.73 (C.45:1-14 et seq.);
 - Establish fees for applications for licensure and certification, examinations, initial licensure and certification, renewals, late renewals, temporary licenses, temporary certifications and for duplication of lost licenses or certificates, pursuant to section 2 of P.L.1974, c.46 (C.45:1-3.2);
 - g. Establish a code of professional ethics for persons licensed or certified under this act which meets the standards established by the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation;
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- h. Establish standards for the certification of real estate appraisers which meet the standards established by the Appraisal Foundation, and establish standards for the licensing of real estate appraisers which meet standards acceptable to the Appraisal Subcommittee;
- Conduct hearings pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). In any hearing or investigative inquiry, the commission shall have the right to administer oaths to witnesses, and shall have the power to issue subpoenas for the compulsory attendance of witnesses and the production of pertinent books, papers or records;
- 33 Take such action as is necessary before any board, agency or 34 court of competent jurisdiction for the enforcement of the 35 provisions of this act;
 - k. Maintain a registry of the names and business addresses of licensees and the names and business addresses of certified individuals and shall forward such materials to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council:
- Approve providers of real estate appraiser education courses 41 1. 42 and establish and revise experience and education requirements for 43 the licensure and certification of real estate appraisers in this State;
- 44 m. Approve providers of real estate appraiser continuing 45 education courses and establish and revise continuing education 46 requirements for the renewal of licenses and certificates;

- 1 n. Adopt and promulgate rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et 2 3 seq.), to effectuate the purposes of this act;
 - o. Perform any other functions and duties which may be necessary to carry out the provisions of this act; and
 - p. Adopt and promulgate rules and regulations by which market analyses by licensed real estate brokers, broker-salespersons and salespersons may be used as credit for experience toward licensure or certification under this act.

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- 7. (New section) To be eligible for licensure as a real estate appraiser, an applicant shall fulfill the following requirements:
 - a. Be at least 18 years of age;
 - b. Be of good moral character;
 - Have a high school diploma or its equivalent;
- 16 Have real estate appraisal experience which experience shall 17 meet standards for experience acceptable to the Appraisal 18 Subcommittee;
 - Have successfully completed a course of study in real estate appraising prescribed by the commission and conducted by an approved education provider, which course of study shall meet standards acceptable to the Appraisal Subcommittee; and
 - Successfully complete a real estate appraiser licensing examination administered by the commission.

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- 8. (New section) a. An applicant for licensure or certification under this act shall not be eligible for licensure or certification, as the case may be, and any holder of a license or certification under this act shall have his license or certification revoked if the commission determines, consistent with the requirements and standards of section 9 of this act, that criminal history record information exists on file in the Federal Bureau of Investigation, Identification Division, or in the State Bureau of Identification in the Division of State Police, which would disqualify that individual from being licensed or certified. An applicant or a holder of a license or certification shall be disqualified from licensure or certification if that individual's criminal history record check reveals a record of conviction of any of the following crimes and offenses:
 - (1) In New Jersey, any crime or disorderly persons offense:
- (a) Involving danger to the person, meaning those crimes and 42 disorderly persons offenses set forth in N.J.S.2C:11-1 et seq., 43 N.J.S.2C:12-1 et seq., N.J.S.2C:13-1 et seq., N.J.S.2C:14-1 et seq., or N.J.S.2C:15-1 et seq.; or
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- (b) Involving theft as set forth in chapter 20 of Title 2C of the 45 46 New Jersey Statutes; or
- 47 (c) Involving any controlled dangerous substances or controlled 48 substance analog as set forth in chapter 35 of Title 2C of the New

Jersey Statutes except as set forth in paragraph (4) of subsection a.
 of N.J.S.2C:35-10.

- (2) In any other state or jurisdiction, conduct which, if committed in New Jersey, would constitute any of the crimes or disorderly persons offenses described in paragraph (1) of this subsection.
- b. Notwithstanding the provisions of subsection a. of this section, no individual shall be disqualified from licensure or certification on the basis of any conviction disclosed by a criminal history record check performed pursuant to this section if the individual has affirmatively demonstrated to the commission clear and convincing evidence of his rehabilitation. In determining whether an individual has affirmatively demonstrated rehabilitation, the following factors shall be considered:
- (1) The nature and responsibility of the position which the convicted individual would hold;
 - (2) The nature and seriousness of the offense;
 - (3) The circumstances under which the offense occurred;
- (4) The date of the offense;
 - (5) The age of the individual when the offense was committed;
 - (6) Whether the offense was an isolated or repeated incident;
- (7) Any social conditions which may have contributed to the offense; and
- (8) Any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of persons who have had the individual under their supervision.

- 9. (New section) a. An applicant and holder of a license or certificate shall submit to the commission his name, address and fingerprints taken on standard fingerprint cards by a State or municipal law enforcement agency. The commission is authorized to exchange fingerprint data with and receive criminal history record information from the Federal Bureau of Investigation and the Division of State Police for use in making the determinations required by section 8 of this act.
- b. Upon receipt of the criminal history record information for a person from the Federal Bureau of Investigation or the Division of State Police, the commission shall notify the applicant, licensee or certified individual, as applicable, in writing, of the person's qualification or disqualification for licensure or certification under section 8 of this act If the applicant, licensee or certified individual, as applicable, is disqualified, the conviction or convictions which constitute the basis for the disqualification shall be identified in the written notice.

- c. The applicant, licensee or certified individual, as the case may be, shall have 30 days from the date of written notice of disqualification to petition the commission for a hearing on the accuracy of the criminal history record information or to establish his rehabilitation under subsection b. of section 8 of this act. The commission may refer any case arising hereunder to the Office of Administrative Law for administrative proceedings pursuant to P.L.1968, c.410 (C.52:14B-1 et seq.).
 - d. The commission shall not maintain any individual's criminal history record information or evidence of rehabilitation submitted under this section for more than six months from the date of a final determination by the commission as to the individual's qualification or disqualification to be licensed or certified pursuant to the provisions of this section and section 8 of this act.
 - e. All costs associated with performing the criminal history check required by section 8 of this act shall be borne by the applicant for licensure or certification or the holder of any license or certification.

- 10. (New section) To be eligible for certification as a general or residential real estate appraiser, an applicant shall fulfill the following requirements:
 - a. Be at least 18 years of age;
 - b. Be of good moral character;
 - c. Have a high school diploma or its equivalent;
- d. Have real estate appraisal experience which experience shall meet the standards for experience prescribed by the Appraisal Foundation for the type of certificate sought;
- e. Have successfully completed a course of study in real estate appraising prescribed by the commission and conducted by an approved education provider, which course of study shall meet the standards for the course of study issued by the Appraisal Foundation for the type of certificate sought; and
- f. Successfully complete a real estate appraiser certification examination administered by the commission.

11. (New section) If the Appraisal Subcommittee of the Federal Financial Institution Examination Council grants a waiver pursuant to subsection (b) of section 1119 of Title XI of Pub. L. 101-73 (12 U.S.C. s.3348(b)), the commission may waive any requirement for certification or licensure to the extent of the waiver granted by the Appraisal Subcommittee.

12. (New section) Upon payment to the commission of the prescribed fee and the submission of a written application on forms prescribed by it, the commission may issue a license or certificate to any person who holds a valid license or certificate as a real estate

appraiser issued by another state which has educational, experience and examination requirements substantially similar to this State.

13. (New section) All applicants for licensure or certification as a real estate appraiser shall, at the time of making application, pay a non-refundable application fee the amount of which shall be prescribed by the commission by rule.

- 14. (New section) a. Licenses and certificates shall be effective for a period not to exceed two years and may be renewed biennially.
- b. Licenses and certificates issued by the State Real Estate Appraiser Board pursuant to P.L.1991, c.68 (C.45:14F-1 et seq.) prior to the effective date of this act shall remain in effect until issued or renewed by the commission pursuant to the provisions of this act.

- 15. (New section) a. No license shall be renewed unless the renewal applicant submits satisfactory evidence to the commission that the renewal applicant has successfully completed the continuing education requirements prescribed pursuant to this act. The commission shall not require less than the number of hours acceptable to the Appraisal Subcommittee for the continuing education of licensed real estate appraisers.
- b. No certificate shall be renewed unless the renewal applicant submits satisfactory evidence to the commission that the renewal applicant has successfully completed the continuing education requirements prescribed pursuant to this act for the type of certificate for which renewal is sought. The commission shall not require less than the number of hours of continuing education prescribed by the Appraisal Foundation as a national standard for the continuing education of certified real estate appraisers.
- c. Continuing education may include classroom instruction in courses, seminars or other activities as approved by the commission.

- 16. (New section) The examinations for licensure or certification under the provisions of this act shall demonstrate that the applicant possesses the following:
- a. An appropriate knowledge of technical terms commonly used in or related to real estate appraisal, appraisal report writing, and economic concepts applicable to real estate law;
 - b. A basic understanding of real estate law;
- c. An understanding of the principles of land economics, the real estate appraisal process and problems likely to be encountered in the gathering and processing of data in carrying out appraisal disciplines;

- d. An understanding of the standards for the development and communication of real estate appraisal reports established by the commission pursuant to this act;
- e. An understanding of the grounds for which the commission may initiate disciplinary proceedings against a State licensed or certified real estate appraiser, as the case may be;
- f. Knowledge of theories of depreciation, cost estimating, methods of capitalization, and the mathematics of real estate appraisal which relate to the classification for which the applicant is applying; and
- g. Knowledge of other real estate appraisal principles and procedures which may relate to the classification for which the applicant is applying.

17. (New section) If a State licensed or certified real estate appraiser fails to renew his license or certificate prior to its expiration, the appraiser may obtain a license or certificate by satisfying all of the renewal requirements and paying the renewal and late renewal fees, provided that application for the issuance of a new license or certificate is made within one year of the expiration date of the last license or certificate held by the appraiser.

- 18. (New section) a. A person who is not certified pursuant to the provisions of this act shall not describe or refer to any appraisal or other evaluation which he performs on real estate located in this State as "a certified appraisal."
- b. A person who is not licensed pursuant to the provisions of this act shall not describe or refer to any appraisal or other evaluation which he performs on real estate located in this State as "a licensed appraisal."
- c. Except as otherwise provided in subsection e. of this section, no person other than a State licensed real estate appraiser, a State certified real estate appraiser or a person who assists in the preparation of an appraisal under the direct supervision of a State licensed or certified appraiser shall perform or offer to perform an appraisal assignment in regard to real estate located in this State including, but not limited to, any transaction involving a third party, person, government or quasi-governmental body, court, quasi-judicial body or financial institution.

Nothing in this act shall be construed to preclude a person not licensed or certified pursuant to this act from giving or offering to give, for a fee or otherwise, counsel and advice on pricing, listing, selling and use of real property, directly to a property owner or prospective purchaser if the intended use of the counsel or advice is solely for the individual knowledge of or use by the property owner or prospective purchaser.

d. Nothing in this act shall be construed to preclude a person not certified or licensed pursuant to this act from assisting in the

- preparation of an appraisal to the extent permitted under subsection (d) of section 1122 of Title XI of Pub. L.101-73 (12U.S.C. s.3351(d)).
- e. A State or federally chartered bank, savings bank or savings 4 5 and loan association may obtain and use appraisals made by a 6 person who is not certified or licensed pursuant to the provisions of 7 this act in any circumstance where the underlying transaction is a 8 federally related transaction for which federal law and regulation do 9 not require that a certified or licensed appraiser be used. For the 10 purposes of this subsection, "federal law" means Title XI of Pub. 11 L.101-73 (12U.S.C. s.3331 et seq.); and "federally related transaction" has the meaning as set forth in section 1121 of Title XI 12 of Pub. L.101-73 (12U.S.C. s.3350). 13

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- 19. (New section) a. Each State licensed or certified real estate appraiser shall provide a designated business address to the commission and shall notify the commission in writing of any change in that address.
- b. A State licensed or certified real estate appraiser shall conspicuously display his license or certificate at his place of business.

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- 20. (New section) a. Any license or certificate issued by the commission shall remain the property of the State and shall be immediately returned to the commission upon its suspension or revocation pursuant to this act.
- b. The issuance of a license or certificate to an applicant who is a nonresident of this State shall be deemed to be his irrevocable consent that service of process in any action or proceeding may be made upon him by service upon the commission.

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21. (New section) The commission may, by regulation, establish criteria for the approval of real estate appraisal education courses, schools and instructors and may collect reasonable fees as prescribed by the commission from applicants for approval.

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22. (New section) In the event that the government of the United States enacts legislation or rules requiring states to collect fees from appraisers licensed or certified by those states and to remit the monies to a federal agency, the commission is authorized to impose and collect these fees and may adopt rules requiring the payment of the fees by all appraisers licensed or certified pursuant to the provisions of this act.

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- 23. R.S.45:15-5 is amended to read as follows:
- 45:15-5. The New Jersey Real Estate Commission, hereinafter in this article designated as the "commission," created and established by an act entitled "An act to define, regulate and license real estate

1 brokers and salesmen, to create a State real estate commission and 2 to provide penalties for the violation of the provisions hereof," 3 approved April 5, 1921 (P.L.1921, c.141, s.370), as amended by an 4 act approved April 23, 1929 (P.L.1929, c.168, s.310), is continued. 5 The commission shall constitute the division of the New Jersey 6 Real Estate Commission in the Department of Banking and 7 Insurance. The commission shall consist of [eight] nine members, 8 appointed by the Governor pursuant to the provisions of P.L.1971, 9 c.60 (C.45:1-2.1 et seq.), each of whom shall have been a resident 10 of this State for a period of at least 10 years. Five members shall 11 have been real estate brokers for a period of at least 10 years; one 12 member shall have been a real estate appraiser for a period of at 13 least 10 years; two members shall be public members; and one 14 member shall be a representative of an appropriate department. The 15 department representative shall serve at the pleasure of the 16 Governor. Upon the expiration of the term of office of any other 17 member, his successor shall be appointed by the Governor for a 18 term of three years. A majority of the voting members of the 19 commission shall constitute a quorum thereof. Each member shall 20 hold his office until his successor has qualified. Members to fill vacancies shall be appointed by the Governor for the unexpired 21 22 term. The Governor may remove any commissioner for cause, upon 23 notice and opportunity to be heard. 24 (cf: P.L.1993,c.51,s.5)

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(cf: P.L.2009, c.238, s.7)

24. R.S.45:15-11 is amended to read as follows:

27 45:15-11. Any citizen of New Jersey who has served in the 28 armed forces of the United States or who served as a member of the 29 American Merchant Marine during World War II and is declared by 30 the United States Department of Defense to be eligible for federal 31 veterans' benefits, who has been honorably discharged, and who, 32 having been wounded or disabled in the line of duty, has completed 33 a program of courses in real estate or appraisal approved by the 34 New Jersey Real Estate Commission, and who has successfully 35 passed an examination conducted by said commission qualifying 36 him to operate as a real estate broker, broker-salesperson, 37 salesperson, [or] referral agent, or appraiser, may, upon 38 presentation of a certificate certifying that he has completed such 39 program of courses as aforesaid, obtain without cost from the 40 commission and without qualification through experience as a 41 salesperson, a license to operate as a real estate broker, broker-42 salesperson, real estate salesperson, [or] referral agent or appraiser, 43 as the case may be, which licenses shall be the same as other 44 licenses issued under R.S.45:15-1 et seq. Renewal of licenses may 45 be granted under this section for each ensuing license term, upon 46 request, without fees therefor.

- 1 25. Section 30 of P.L.2006, c.63 (C.45:15-16.79) is amended to 2 read as follows:
- 3 30. a. Any broker, broker-salesperson, [or] salesperson or 4 appraiser who violates the provisions of this act shall, in addition to 5 the penalties set forth herein, be subject to the penalties as set forth 6 in R.S.45:15-17.
 - b. Any person who violates any provision of this act or any person who, in an application for registration filed with the commission, makes any untrue statement of a material fact or omits to state a material fact shall be fined not less than \$250, nor more than \$50,000, per violation.
- 12 The commission may levy and collect the penalties set forth 13 in subsection b. of this section after affording the person alleged to 14 be in violation of this act an opportunity for a hearing in accordance with the "Administrative Procedure Act," P.L.1968, c.410 15 (C.52:14B-1 et seq.) on the alleged violations and a finding by the 16 17 commission that the person is guilty of the violation. When a 18 penalty levied by the commission has not been satisfied within 30 19 days of the levy, the penalty may be sued for and recovered by, and 20 in the name of, the commission in a summary proceeding pursuant 21 to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 22 (C.2A:58-10 et seq.).
 - d. The commission may, in the interest of justice, compromise any civil penalty, if in its determination the gravity of the offense does not warrant the assessment of the full fine.

26 (cf: P.L.2006, c.63, s.30)

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- 28 26. Section 1 of P.L.1971, c.60 (C.45:1-2.1) is amended to read 29 as follows:
- 30 1. The provisions of this act shall apply to the following boards
- and commissions: the New Jersey State Board of Accountancy, the 32 New Jersey State Board of Architects, the New Jersey State Board
- 33 of Cosmetology and Hairstyling, the Board of Examiners of
- 34 Electrical Contractors, the New Jersey State Board of Dentistry, the
- 35 State Board of Mortuary Science of New Jersey, the State Board of 36 Professional Engineers and Land Surveyors, the State Board of
- 37 Marriage and Family Therapy Examiners, the State Board of
- 38 Medical Examiners, the New Jersey Board of Nursing, the New
- 39 Jersey State Board of Optometrists, the State Board of Examiners of
- 40 Ophthalmic Dispensers and Ophthalmic Technicians, the Board of
- 41 Pharmacy, the State Board of Professional Planners, the State Board
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- of Psychological Examiners, the State Board of Examiners of 43
- Master Plumbers, the New Jersey Real Estate Commission, the 44 State Board of Court Reporting, the State Board of Veterinary
- 45 Medical Examiners, the Radiologic Technology Board of
- 46 Examiners, the Acupuncture Examining Board, the State Board of
- 47 Chiropractic Examiners, the State Board of Respiratory Care, [the
- 48 State Real Estate Appraiser Board, I the State Board of Social Work

- 1 Examiners, the State Board of Examiners of Heating, Ventilation,
- 2 Air Conditioning and Refrigeration Contractors, the Elevator,
- 3 Escalator, and Moving Walkway Mechanics Licensing Board, the
- 4 State Board of Physical Therapy Examiners, the Orthotics and
- 5 Prosthetics Board of Examiners, the New Jersey Cemetery Board,
- 6 the State Board of Polysomnography, the New Jersey Board of
- 7 Massage and Bodywork Therapy, the Genetic Counseling Advisory
- 8 Committee and any other entity hereafter created under Title 45 to
- 9 license or otherwise regulate a profession or occupation.
- 10 (cf: P.L.2012, c.71, s.13)

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- 27. Section 2 of P.L.1971, c.60 (C.45:1-2.2) is amended to read as follows:
 - 2. a. All members of the several professional boards and commissions shall be appointed by the Governor in the manner prescribed by law; except in appointing members other than those appointed pursuant to subsection b. or subsection c., the Governor shall give due consideration to, but shall not be bound by, recommendations submitted by the appropriate professional organizations of this State.
- 21 b. In addition to the membership otherwise prescribed by law, 22 the Governor shall appoint in the same manner as presently 23 prescribed by law for the appointment of members, two additional 24 members to represent the interests of the public, to be known as 25 public members, to each of the following boards and commissions: 26 the New Jersey State Board of Accountancy, the New Jersey State 27 Board of Architects, the New Jersey State Board of Cosmetology 28 and Hairstyling, the New Jersey State Board of Dentistry, the State 29 Board of Mortuary Science of New Jersey, the State Board of 30 Professional Engineers and Land Surveyors, the State Board of 31 Medical Examiners, the New Jersey Board of Nursing, the New 32 Jersey State Board of Optometrists, the State Board of Examiners of 33 Ophthalmic Dispensers and Ophthalmic Technicians, the Board of 34 Pharmacy, the State Board of Professional Planners, the State Board 35 of Psychological Examiners, the New Jersey Real Estate 36 Commission, the State Board of Court Reporting, the State Board of 37 Social Work Examiners, the Elevator, Escalator, and Moving 38 Walkway Mechanics Licensing Board, and the State Board of 39 Veterinary Medical Examiners, and one additional public member 40 to each of the following boards: the Board of Examiners of 41 Electrical Contractors, the State Board of Marriage and Family 42 Therapy Examiners, and the State Board of Examiners of Master 43 Plumbers [, and the State Real Estate Appraiser Board]. Each 44 public member shall be appointed for the term prescribed for the 45 other members of the board or commission and until the

appointment of his successor. Vacancies shall be filled for the

unexpired term only. The Governor may remove any such public

member after hearing, for misconduct, incompetency, neglect of duty or for any other sufficient cause.

No public member appointed pursuant to this section shall have any association or relationship with the profession or a member thereof regulated by the board of which he is a member, where such association or relationship would prevent such public member from representing the interest of the public. Such a relationship includes a relationship with members of one's immediate family; and such association includes membership in the profession regulated by the board. To receive services rendered in a customary client relationship will not preclude a prospective public member from appointment. This paragraph shall not apply to individuals who are public members of boards on the effective date of this act.

It shall be the responsibility of the Attorney General to insure that no person with the aforementioned association or relationship or any other questionable or potential conflict of interest shall be appointed to serve as a public member of any board regulated by this section.

Where a board is required to examine the academic and professional credentials of an applicant for licensure or to test such applicant orally, no public member appointed pursuant to this section shall participate in such examination process; provided, however, that public members shall be given notice of and may be present at all such examination processes and deliberations concerning the results thereof, and, provided further, that public members may participate in the development and establishment of the procedures and criteria for such examination processes.

- c. The Governor shall designate a department in the Executive Branch of the State Government which is closely related to the profession or occupation regulated by each of the boards or commissions designated in section 1 of P.L.1971, c.60 (C.45:1-2.1) and shall appoint the head of such department, or the holder of a designated office or position in such department, to serve without compensation at the pleasure of the Governor as a member of such board or commission.
- d. A majority of the voting members of such boards or commissions shall constitute a quorum thereof and no action of any such board or commission shall be taken except upon the affirmative vote of a majority of the members of the entire board or commission.
- (cf: P.L.2012, c.71, s.14)

- 43 28. Section 1 of P.L.1974, c.46 (C.45:1-3.1) is amended to read 44 as follows:
 - 1. The provisions of this act shall apply to the following boards and commissions: the New Jersey State Board of Accountancy, the New Jersey State Board of Architects, the New Jersey State Board of Cosmetology and Hairstyling, the Board of Examiners of

- 1 Electrical Contractors, the New Jersey State Board of Dentistry, the
- 2 State Board of Mortuary Science of New Jersey, the State Board of
- 3 Professional Engineers and Land Surveyors, the State Board of
- 4 Marriage and Family Therapy Examiners, the State Board of
- 5 Medical Examiners, the New Jersey Board of Nursing, the New
- Jersey State Board of Optometrists, the State Board of Examiners of 6
- 7 Ophthalmic Dispensers and Ophthalmic Technicians, the Board of
- 8 Pharmacy, the State Board of Professional Planners, the State Board 9
- of Psychological Examiners, the State Board of Examiners of 10 Master Plumbers, the State Board of Court Reporting, the State
- 11 Board of Veterinary Medical Examiners, the Radiologic
- Technology Board of Examiners, the Acupuncture Examining 12
- Board, the State Board of Chiropractic Examiners, the State Board 13
- 14 of Respiratory Care, [the State Real Estate Appraiser Board,] the
- 15 New Jersey Cemetery Board, the State Board of Social Work
- Examiners, the State Board of Examiners of Heating, Ventilating, 16
- 17 Air Conditioning and Refrigeration Contractors, the Elevator,
- 18 Escalator, and Moving Walkway Mechanics Licensing Board, the
- 19 State Board of Physical Therapy Examiners, the State Board of
- Polysomnography, the Orthotics and Prosthetics Board of 20
- 21 Examiners, the New Jersey Board of Massage and Bodywork
- 22 Therapy, the Genetic Counseling Advisory Committee and any
- other entity hereafter created under Title 45 to license or otherwise 23
- 24 regulate a profession or occupation.
- 25 (cf: P.L.2012, c.71, s.15)

- 27 29. Section 2 of P.L.1978, c.73 (C.45:1-15) is amended to read as follows:
- 28 29 2. The provisions of this act shall apply to the following boards
- 30 and all professions or occupations regulated by, through or with the
- 31 advice of those boards: the New Jersey State Board of
- Accountancy, the New Jersey State Board of Architects, the New 33 Jersey State Board of Cosmetology and Hairstyling, the Board of
- 34 Examiners of Electrical Contractors, the New Jersey State Board of
- 35 Dentistry, the State Board of Mortuary Science of New Jersey, the
- 36 State Board of Professional Engineers and Land Surveyors, the
- 37 State Board of Marriage and Family Therapy Examiners, the State
- 38 Board of Medical Examiners, the New Jersey Board of Nursing, the
- 39 New Jersey State Board of Optometrists, the State Board of
- 40 Examiners of Ophthalmic Dispensers and Ophthalmic Technicians,
- 41 the Board of Pharmacy, the State Board of Professional Planners,
- 42 the State Board of Psychological Examiners, the State Board of
- 43 Examiners of Master Plumbers, the State Board of Court Reporting,
- 44 the State Board of Veterinary Medical Examiners, the State Board
- 45 of Chiropractic Examiners, the State Board of Respiratory Care,
- [the State Real Estate Appraiser Board,] the State Board of Social 46
- 47 Work Examiners, the State Board of Examiners of Heating,
- 48 Ventilating, Air Conditioning and Refrigeration Contractors, the

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- 1 Elevator, Escalator, and Moving Walkway Mechanics Licensing
- 2 Board, the State Board of Physical Therapy Examiners, the State
- 3 Board of Polysomnography, the Professional Counselor Examiners
- 4 Committee, the New Jersey Cemetery Board, the Orthotics and
- 5 Prosthetics Board of Examiners, the Occupational Therapy
- 6 Advisory Council, the Electrologists Advisory Committee, the
- 7 Acupuncture Advisory Committee, the Alcohol and Drug Counselor
- 8 Committee, the Athletic Training Advisory Committee, the
- 9 Certified Psychoanalysts Advisory Committee, the Fire Alarm,
- 10 Burglar Alarm, and Locksmith Advisory Committee, the Home
- 11 Inspection Advisory Committee, the Interior Design Examination
- 12 and Evaluation Committee, the Hearing Aid Dispensers Examining
- Committee, ¹[the Landscape Architect Examination and Evaluation
- 14 Committee, **]**¹ the Perfusionists Advisory Committee, the Physician
- 15 Assistant Advisory Committee, the Audiology and Speech-
- Language Pathology Advisory Committee, the New Jersey Board of
- 17 Massage and Bodywork Therapy, the Genetic Counseling Advisory
- 18 Committee and any other entity hereafter created under Title 45 to
- 19 license or otherwise regulate a profession or occupation.
- 20 (cf: P.L.2013, c.253, s.34)

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- 22 30. The following are repealed:
- 23 Sections 1 through 26 of P.L.1991, c.68 (C.45:14F-1 through 24 C.45:14F-26)
- 25 Sections 3 and 4 of P.L.1997, c.401 (C.45:14F-10.1 and 26 C.45:14F-10.2)

- 28 31. This act shall take effect on July 1, 2014, but the New Jersey
- 29 Real Estate Commission may take such anticipatory administrative
- 30 action in advance thereof as shall be necessary for the
- 31 implementation of this act.