

March 5, 2013

Assemblyman Thomas P. Giblin
Chairman, Assembly Regulated Professions Committee
1333 Broad Street, Clifton, NJ 07013

Re: Assembly Bill 3781

Assemblyman Giblin:

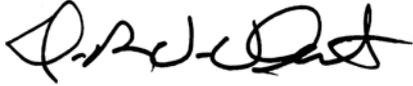
The American Society of Appraisers (ASA), the largest multidisciplinary professional appraisal organization in the United States, is writing to express strong opposition to Assembly Bill 3781, which would abolish the New Jersey State Real Estate Appraiser Board and transfer the regulatory oversight of appraisers to the State Real Estate Commission. This bill would weaken the overall regulatory scheme applied to real estate transactions and its myriad parties at a time when new federal and federally-mandated state regulations are taking hold, and entrust oversight to an entity whose primary responsibility and composition lies with real estate agents and brokers.

With the passage of the Dodd-Frank Act in 2010, the real estate appraisal profession saw the first major overhaul of its federal regulations since the passage of FIRREA in 1989. Included in Title XIV of Dodd-Frank are numerous provisions designed to reflect the marketplace's increased reliance on and the need for greater scrutiny of, appraisal management companies; strengthen sanctions against those who seek to undermine the independence of appraisers; and better delineate the role that real estate agents and brokers can and cannot play regarding the valuation of property collateralizing mortgage loans. While some of these federal requirements have yet to be fully implemented, it is clear that successful implementation involves a strong, effective and independent state appraiser licensing board.

This conclusion is further bolstered by the pending startup date of the federal Appraisal Subcommittee's new website, ReferMyAppraisalComplaint.gov. The new site, required under Dodd-Frank, provides all parties involved in a mortgage transaction with a fast-track mechanism through which complaints involving efforts to improperly influence an appraiser can be funneled to the appropriate state or federal agency. Given both the streamlined nature of the website, coupled with the publicity the site will generate, we anticipate a significant increase in the volume of complaints that will be transmitted to state appraiser licensing agencies. Shifting regulatory oversight at a time of dynamic change and increasing complaint volume would not only bog down the process, but could deny appraisers effective due process rights afforded under the current regime. A3781 is a step backward at a time of great progress and modernization in how real estate appraisers, and other participants in a mortgage origination transaction, are regulated and protected.

ASA urges the Assembly Regulated Professions Committee to reject A3781, and instead bolster support for an independent and free-standing Real Estate Appraiser Board. If you have any questions, or wish to discuss our concerns further, please contact either Peter Barash, ASA's government relations consultant, at 301-651-1296 or peter@barashassociates.com, or John D. Russell, ASA's director of government relations, at 703-733-2103 or jrussell@appraisers.org.

Regards,



Daniel Van Vleet, ASA
International President
American Society of Appraisers



Samuel F. Luceno, FASA
Chairman, Real Property Committee
American Society of Appraisers