

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2867  
(As Passed the Senate)

1 AN ACT TO AMEND SECTION 27-35-165, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT IF THE WORK OF A PRIVATE FIRM WITH WHOM A COUNTY  
3 CONTRACTS TO REAPPRAISE PROPERTY OR TO PERFORM APPRAISAL UPDATES  
4 IS UNDER THE DIRECTION OF THE COUNTY TAX ASSESSOR, ALL PERSONNEL  
5 EMPLOYED OR OTHERWISE ENGAGED BY SUCH PRIVATE FIRM TO APPRAISE  
6 PROPERTY SHALL HAVE ATTAINED CERTIFICATION AS AN APPRAISER UNDER  
7 THE EDUCATIONAL OR TRAINING PROGRAMS ESTABLISHED BY THE STATE TAX  
8 COMMISSION AND SHALL HAVE EXPERTISE IN MASS APPRAISALS AS  
9 PRESCRIBED BY THE STATE TAX COMMISSION; TO PROVIDE THAT A PRIVATE  
10 CONSULTANT WHO IS ENGAGED TO PERFORM APPRAISAL OF PROPERTY UNDER  
11 THE DIRECTION OF THE COUNTY TAX ASSESSOR, SUCH CONSULTANT AND ALL  
12 PERSONNEL EMPLOYED OR OTHERWISE ENGAGED BY SUCH CONSULTANT TO  
13 APPRAISE PROPERTY, SHALL HAVE ATTAINED CERTIFICATION AS AN  
14 APPRAISER UNDER THE EDUCATIONAL OR TRAINING PROGRAMS ESTABLISHED  
15 BY THE STATE TAX COMMISSION AND SHALL HAVE EXPERTISE IN MASS  
16 APPRAISALS AS PRESCRIBED BY THE STATE TAX COMMISSION; TO PROVIDE  
17 THAT IF THE WORK OF A PRIVATE FIRM WITH WHOM A COUNTY CONTRACTS TO  
18 REAPPRAISE PROPERTY OR TO PERFORM APPRAISAL UPDATES IS NOT UNDER  
19 THE DIRECTION OF THE COUNTY TAX ASSESSOR, ALL PERSONNEL EMPLOYED  
20 OR OTHERWISE ENGAGED BY SUCH PRIVATE FIRM TO APPRAISE PROPERTY  
21 SHALL BE STATE CERTIFIED REAL ESTATE APPRAISERS WITH EXPERTISE IN  
22 MASS APPRAISALS AS PRESCRIBED BY THE STATE TAX COMMISSION; TO  
23 PROVIDE THAT A PRIVATE CONSULTANT WHO IS ENGAGED TO PERFORM  
24 APPRAISAL OF PROPERTY AND IS NOT UNDER THE DIRECTION OF THE COUNTY  
25 TAX ASSESSOR, SUCH CONSULTANT AND ALL PERSONNEL EMPLOYED OR  
26 OTHERWISE ENGAGED BY SUCH CONSULTANT TO APPRAISE PROPERTY, SHALL  
27 BE STATE CERTIFIED REAL ESTATE APPRAISERS WITH EXPERTISE IN MASS  
28 APPRAISALS; TO PROVIDE THAT CONTRACTS ENTERED INTO WITH A PRIVATE  
29 FIRM OR PRIVATE CONSULTANT SHALL BE EXECUTED BY THE COUNTY TAX  
30 ASSESSOR AND THE BOARD OF SUPERVISORS IF THE WORK PERFORMED UNDER  
31 SUCH CONTRACT IS TO BE PERFORMED UNDER THE DIRECTION OF THE COUNTY  
32 TAX ASSESSOR; TO AMEND SECTION 27-35-81, MISSISSIPPI CODE OF 1972,  
33 TO PROVIDE THAT THE COUNTY TAX ASSESSOR SHALL ONLY BE REQUIRED TO  
34 FILE THE ROLLS IF THE ASSESSMENT WAS CONDUCTED BY OR UNDER THE  
35 DIRECTION OF SUCH ASSESSOR; TO AMEND SECTION 27-1-23, MISSISSIPPI  
36 CODE OF 1972, TO AUTHORIZE EMPLOYEES OF PRIVATE FIRMS THAT  
37 CONTRACT WITH THE COUNTY TO PERFORM REAPPRAISALS OR APPRAISAL  
38 UPDATES WHO ACTUALLY APPRAISE PROPERTY TO INSPECT PROPERTY; TO  
39 AUTHORIZE PRIVATE CONSULTANTS ENGAGED BY THE COUNTY WHO ACTUALLY  
40 APPRAISE PROPERTY TO INSPECT PROPERTY; TO AMEND SECTION 27-3-52,  
41 MISSISSIPPI CODE OF 1972, TO AUTHORIZE ANYONE TO ATTAIN  
42 CERTIFICATION AS AN APPRAISER UNDER THE EDUCATIONAL OR TRAINING  
43 PROGRAMS ESTABLISHED BY THE STATE TAX COMMISSION; TO AMEND SECTION  
44 73-34-5, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE PROVISIONS  
45 OF THE REAL ESTATE APPRAISER LICENSING AND CERTIFICATION ACT SHALL  
46 NOT APPLY TO PRIVATE CONSULTANTS AND EMPLOYEES OF PRIVATE FIRMS  
47 AND PRIVATE CONSULTANTS ENGAGED BY THE COUNTY TO PERFORM  
48 REAPPRAISALS OR APPRAISAL UPDATES; AND FOR RELATED PURPOSES.

49 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:



50           **SECTION 1.** Section 27-35-165, Mississippi Code of 1972, is  
51 amended as follows:

52           27-35-165. (1) No county shall expend funds for the  
53 reappraisal of property or for property appraisal updates unless  
54 the plans for reappraisal or the contract for reappraisal is in  
55 conformity with the then existing rules and regulations of the  
56 State Tax Commission and has been approved by the State Tax  
57 Commission.

58           (2) \* \* \* Reappraisals or appraisal updates by a county may  
59 be accomplished by:

60                   (a) Contracting with private firms for performance of  
61 the work;

62                   (b) Hiring private consultants to perform certain  
63 functions of the work \* \* \*; or

64                   (c) Employing, schooling and training county employees  
65 to perform all of the work under the supervision of the tax  
66 assessor.

67           (3) (a) All contracts made pursuant to subsection (2)(a) of  
68 this section shall require that the contractor furnish a payment  
69 and performance bond in an amount not less than one hundred  
70 percent (100%) of the contract price, which bond shall be  
71 conditioned, in part, to guarantee successful completion of the  
72 contract and may be conditioned upon payment of the cost of  
73 defense of any suits which may be brought against the county, the  
74 board of supervisors or the assessor arising out of such  
75 reappraisal for a period of one (1) year after completion thereof.

76                   (b) (i) When work is performed under a contract with a  
77 private firm pursuant to subsection (2)(a) of this section and the  
78 work is performed under the direction of the county tax assessor,  
79 all personnel employed or otherwise engaged by such private firm  
80 to appraise property shall be certified under the provisions of  
81 Section 27-3-52 with expertise in mass appraisals as prescribed by  
82 the State Tax Commission.



83                   (ii) When work is performed under a contract with  
84 a private firm pursuant to subsection (2)(a) of this section and  
85 the work is not performed under the direction of the county tax  
86 assessor, all personnel employed or otherwise engaged by such  
87 private firm to appraise property shall be state certified real  
88 estate appraisers as defined in Section 73-34-3 with expertise in  
89 mass appraisals as prescribed by the State Tax Commission.

90                   (iii) When a private consultant is hired pursuant  
91 to subsection (2)(b) of this section to appraise property and the  
92 work is performed under the direction of the county tax assessor,  
93 the private consultant and all personnel employed or otherwise  
94 engaged by such private consultant to appraise property, shall be  
95 certified under the provisions of Section 27-3-52.

96                   (iv) When a private consultant is hired pursuant  
97 to subsection (2)(b) of this section to appraise property and the  
98 work is not performed under the direction of the county tax  
99 assessor, the private consultant and all personnel employed or  
100 otherwise engaged by such private consultant to appraise property,  
101 shall be state certified real estate appraisers as defined in  
102 Section 73-34-3 with expertise in mass appraisals as prescribed by  
103 the State Tax Commission.

104                   (c) A contract entered into with a private firm or a  
105 private consultant pursuant to subsection (2) of this section  
106 shall be executed by the county tax assessor and the board of  
107 supervisors if the work performed under such contract is to be  
108 performed under the direction of the county tax assessor.

109                   (4) Each county engaged in reappraisal of property shall  
110 submit such periodic reports to the State Tax Commission as the  
111 commission may require. If, at any time, the State Tax Commission  
112 determines that the reappraisal or property appraisal update is  
113 not in conformity to the approved plan or contract, the commission  
114 shall notify the affected board of supervisors of the deficiencies  
115 and the board shall take action acceptable to the commission to



116 correct the deficiencies within thirty (30) days or make no  
117 further expenditures on the project until the necessary corrective  
118 actions are approved by the commission.

119 (5) Upon payment for any work done on any contract regarding  
120 reappraisal or property appraisal update, the work product for  
121 which payment is made shall become the property of the county.

122 **SECTION 2.** Section 27-35-81, Mississippi Code of 1972, is  
123 amended as follows:

124 27-35-81. (1) If the assessment is conducted by or under  
125 the direction of the assessor, the assessor shall complete the  
126 assessment of both real and personal property and file the roll or  
127 rolls with the clerk of the board of supervisors on or before the  
128 first Monday in July of each year. He shall make an affidavit and  
129 append it to each roll, showing that he has faithfully endeavored  
130 to ascertain and assess all the persons and property in his  
131 county, that he has not omitted any person or thing, or placed  
132 upon, or accepted an undervaluation of any property, through fear,  
133 favor or partiality, and that he has required every taxpayer to  
134 make the oath required to be taken by the person rendering a list  
135 of his taxable property wherever possible. The assessor shall  
136 file with the roll or rolls, under oath, a list showing the name  
137 of every taxpayer who has failed or refused to make oath to his  
138 tax lists.

139 (2) If the \* \* \* roll or rolls are not filed as required by  
140 this section on or before the first Monday in July of each year,  
141 the board of supervisors at its July meeting shall adopt an order  
142 showing the failure of the \* \* \* roll or rolls to be filed and  
143 shall certify to the State Tax Commission a statement showing such  
144 failure and the time necessary \* \* \* to complete the roll or  
145 rolls.

146 (3) Upon receipt of such certificate from the board of  
147 supervisors of any county, the State Tax Commission shall, by  
148 order entered on its minutes, provide when such roll shall be



149 completed and filed, and the date when the board of supervisors  
150 shall meet to equalize the roll or rolls, and the time when  
151 objections to the assessments contained in such roll or rolls,  
152 shall be heard by the board of supervisors, provided that not less  
153 than ten days' notice shall be given prior to the hearing of such  
154 objections. When such roll or rolls, shall be filed, they shall  
155 be dealt with in all respects as now provided by law except as to  
156 the time.

157       **SECTION 3.** Section 27-1-23, Mississippi Code of 1972, is  
158 amended as follows:

159       27-1-23. (1) The county and municipal tax assessor in  
160 person, or by deputy, shall have the right, power and authority  
161 and it shall be his duty to require of any property owner an  
162 inspection of his books and accounts, papers, memoranda and  
163 records, and he shall have the right to examine in full the same,  
164 and may from his books and accounts make an estimate of the value  
165 of all property to be assessed. Such assessors shall also, if in  
166 their opinion it be necessary, put upon oath the owner, agent or  
167 employees of the owner, and propound to him or them, such  
168 questions as will elicit from him, or them, the actual cash value  
169 of any property subject to assessment. Such assessors shall have  
170 the right and power to inquire into and ascertain the insured  
171 value of any and all property, or into the value at which the same  
172 has been insured previously and to ascertain the amount of fire  
173 insurance carried on any and all property which shall include fire  
174 insurance carried on stocks of merchandise, or goods kept for use  
175 or sale, machinery, fixtures or other property, and in fixing the  
176 value of property for assessment the amount of fire insurance  
177 carried and the value of the property as shown by the books and  
178 accounts of the owner shall be taken into consideration. If such  
179 assessors are advised or have reason to believe that the list of  
180 taxable property furnished by any person is incomplete or  
181 incorrect, or if any property has been undervalued, they shall



182 assess the same and add it to the assessment roll at its true  
183 value.

184 (2) In the performance of the duties and in the exercise of  
185 the powers herein vested in and imposed upon the tax assessor,  
186 such assessors and their deputies shall have the authority to  
187 enter, during reasonable hours, the premises or places of business  
188 of any person other than a house, used as a place of residence.

189 (3) In the performance of a contract entered into pursuant  
190 to Section 27-35-165(2)(a), the employees of private firms who  
191 actually appraise property shall have the authority to enter,  
192 during reasonable hours, the premises or places of business of any  
193 person other than a house, used as a place of residence.

194 (4) Private consultants hired pursuant to Section  
195 27-35-165(2)(b) who actually appraise property shall have the  
196 authority to enter, during reasonable hours, the premises or  
197 places of business of any person other than a house, used as a  
198 place of residence.

199 **SECTION 4.** Section 27-3-52, Mississippi Code of 1972, is  
200 amended as follows:

201 27-3-52. (1) The State Tax Commission shall promulgate  
202 rules and regulations setting forth the minimum requirements for  
203 which tax assessors and/or their deputy assessors or assistants,  
204 appropriate state employees, employees of planning and development  
205 districts or other persons may attain certification as an  
206 appraiser. The commission shall establish and conduct such  
207 educational and training programs as may be appropriate to assist  
208 such persons in attaining such certification.

209 Counties having not more than five thousand (5,000)  
210 applicants for homestead exemption shall have at least one (1)  
211 certified appraiser, and counties having more than five thousand  
212 (5,000) applicants for homestead exemption shall have at least two  
213 (2) certified appraisers; however, any county may employ any  
214 certified appraiser on a part-time basis.



215           (2) When any tax assessor and/or his deputies or assistants  
216 travel outside of their county to attend an appraisal school,  
217 seminar or workshop approved by the State Tax Commission, such  
218 persons shall receive as reimbursement of expenses of such travel  
219 the same mileage and actual and necessary expenses for food,  
220 lodging and travel by public carrier or private motor vehicles as  
221 is allowed under Section 25-3-41. However, mileage shall not be  
222 authorized when such travel is done by a motor vehicle owned by  
223 the county.

224           The county board of supervisors shall reimburse the  
225 assessors, tax collectors and deputies for reasonable and  
226 necessary expenses sustained in attending annual conferences,  
227 regional conferences, schools and seminars. The State Tax  
228 Commission shall have the authority to prescribe forms and to  
229 promulgate rules and regulations necessary to implement the  
230 provisions of this section. No expenses authorized herein shall  
231 be reimbursed unless the expenses have been authorized or approved  
232 by an order of the board duly made and spread upon the minutes of  
233 such board.

234           (3) When any tax assessor and/or his deputies or assistants  
235 attend and successfully complete all qualifications pursuant to  
236 the Mississippi Education and Certification Program and receive  
237 the certification level of Track II, Evaluator I, they shall  
238 receive an additional One Thousand Dollars (\$1,000.00) annually  
239 beginning the next fiscal year after completion.

240           When any tax assessor and/or his deputies or assistants  
241 attend and successfully complete all qualifications pursuant to  
242 the Mississippi Education and Certification Program and receive  
243 the certification level of Track II, Evaluator II, they shall  
244 receive an additional One Thousand Dollars (\$1,000.00) annually  
245 beginning the next fiscal year after completion.

246           When any tax assessor and/or his deputies or assistants  
247 attend and successfully complete all qualifications pursuant to



248 the Mississippi Education and Certification Program and receive  
249 the certification level of Mississippi Assessment Evaluator (MAE),  
250 they shall receive an additional One Thousand Five Hundred Dollars  
251 (\$1,500.00) annually beginning the next fiscal year after  
252 completion.

253 When any deputy tax assessor successfully completes all  
254 qualifications to become a licensed certified residential real  
255 estate appraiser under Sections 73-34-1 through 73-34-63, on the  
256 recommendation of the tax assessor, the county board of  
257 supervisors may pay, in its discretion, an additional amount not  
258 to exceed Three Thousand Dollars (\$3,000.00) annually to the  
259 deputy beginning the next fiscal year after the completion of such  
260 qualifications.

261 When any deputy tax assessor successfully completes all  
262 qualifications to become a licensed certified general real estate  
263 appraiser under Sections 73-34-1 through 73-34-63, on the  
264 recommendation of the tax assessor, the county board of  
265 supervisors may pay, in its discretion, an additional amount not  
266 to exceed Five Thousand Dollars (\$5,000.00) annually to the deputy  
267 beginning the next fiscal year after the completion of such  
268 qualifications.

269 The accumulative total of all educational increases  
270 authorized under this subsection shall not exceed Eight Thousand  
271 Five Hundred Dollars (\$8,500.00) and shall be paid out of the  
272 common county fund from proceeds of the one (1) mill ad valorem  
273 tax as provided in Section 27-39-329.

274 In order to receive the additional annual payment or payments  
275 provided for in this subsection, the tax assessor or deputies or  
276 assistants who completed the Mississippi Education and  
277 Certification Program and were certified as provided herein shall  
278 be personally involved in the conduct, administration and/or  
279 supervision of the appraisal of the property of the county and in  
280 the maintenance of such appraisal.





281           **SECTION 5.** Section 73-34-5, Mississippi Code of 1972, is  
282 amended as follows:

283           73-34-5. (1) Except as otherwise provided for in this  
284 section, it shall be unlawful for anyone to engage in real estate  
285 appraisal activity in this state without first obtaining one (1)  
286 of the four (4) real estate appraiser licenses as provided in this  
287 chapter.

288           (a) Any person who is engaged in real estate appraisal  
289 activity on July 1, 1990, shall continue through June 30, 1991, to  
290 be subject to the provisions of the Real Estate Brokers License  
291 Law of 1954, but, thereafter, all real estate appraisal activity  
292 shall be governed by and licensed pursuant to the provisions of  
293 this chapter. However, if the United States Congress or the  
294 Appraisal Subcommittee of the Federal Financial Institutions  
295 Examination Council extends the effective date for the use of  
296 certified or licensed appraisers in federally related  
297 transactions, then the above date of June 30, 1991, shall be  
298 extended to the date immediately preceding such extended effective  
299 date. In addition, if such appraisal subcommittee waives any  
300 requirement relating to certification or licensing of persons to  
301 perform appraisals in Mississippi, then such waiver shall also be  
302 effective in Mississippi under the Real Estate Appraiser Licensing  
303 and Certification Act and such requirement shall be waived by the  
304 Real Estate Appraiser Licensing and Certification Board until the  
305 waiver is terminated by the appraisal subcommittee. The  
306 Mississippi Real Estate Appraiser Licensing and Certification  
307 Board shall waive or modify statutory minimum requirements for  
308 hours of courses of study and provide by regulation for applicants  
309 who desire to do so to challenge the examinations, or one or some  
310 of them, by taking an examination on such courses without actually  
311 taking such courses, if such waivers or modifications are allowed  
312 or allowable under law or regulations adopted and promulgated by



313 the United States Congress or the Appraisal Subcommittee of the  
314 Federal Financial Institutions Examination Council.

315 (b) The provisions of this chapter shall not apply to  
316 any director, officer or salaried employee of commercial banks,  
317 savings banks, credit unions, and savings and loan associations,  
318 when engaged in appraisal or evaluation activities for and on  
319 behalf of such financial institution unless there is a fee charged  
320 for the appraisal or evaluation; provided that a federal statute,  
321 rule or regulation does not require such appraisal or evaluation  
322 activities to be performed by a state licensed appraiser.

323 (c) This section shall not be construed to apply to  
324 individuals who do not render significant professional assistance  
325 in arriving at a real estate appraisal analysis, opinion or  
326 conclusion. Examples of the type of assistance which are not  
327 considered "significant professional assistance" under this  
328 section include the following: (i) assistance in obtaining the  
329 data upon which the appraisal is based; (ii) assistance in the  
330 physical preparation of the appraisal report (such as taking  
331 photographs, preparing charts, maps or graphs, or typing or  
332 printing the report); and (iii) any other assistance that does not  
333 directly involve the exercise of judgment in arriving at the  
334 analysis, opinions or conclusions concerning real estate or real  
335 property set forth in the appraisal report.

336 (2) This chapter shall not apply to a real estate broker or  
337 salesperson licensed by this state who, in the ordinary course of  
338 his business, gives an opinion as to the price of real estate for  
339 the purpose of a prospective listing or sale; provided, however,  
340 that this opinion as to the listing price or the sale price shall  
341 not be referred to as an appraisal and provided, further, that no  
342 compensation, fee or other consideration is charged for such  
343 opinion other than the real estate commission or brokerage fee  
344 that is charged or paid for brokerage services rendered in  
345 connection with the sale of the real property involved.



346 (3) The provisions of this chapter shall not apply to:

347 (a) Any state, county, or municipal public officers or  
348 their salaried employees while performing their duties as such;

349 (b) The employees of private firms engaged pursuant to  
350 Section 27-35-165(2) (a) who perform work under the direction of  
351 the county tax assessor; or

352 (c) Private consultants hired pursuant to Section  
353 27-35-165(2) (b) and all personnel employed or otherwise engaged by  
354 private consultants to appraise property who perform work under  
355 the direction of the county tax assessor.

356 (4) No license shall be issued under the provisions of this  
357 chapter to a corporation, partnership, firm or group.

358 (5) The provisions of this chapter shall not apply to  
359 individuals performing timber cruises, valuation on timberland  
360 real estate appraisals for nonfederally related transactions.

361 **SECTION 6.** This act shall take effect and be in force from  
362 and after October 1, 2003.

