

By: Senator(s) Minor

To: Finance

SENATE BILL NO. 2867  
(As Sent to Governor)

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 SHALL BE STATE CERTIFIED REAL ESTATE  
26 APPRAISERS WITH EXPERTISE IN MASS APPRAISALS AS PRESCRIBED BY THE  
27 STATE TAX COMMISSION; TO PROVIDE THAT CONTRACTS ENTERED INTO WITH  
28 A PRIVATE FIRM OR PRIVATE CONSULTANT SHALL BE EXECUTED BY THE  
29 COUNTY TAX ASSESSOR AND THE BOARD OF SUPERVISORS IF THE WORK  
30 PERFORMED UNDER SUCH CONTRACT IS TO BE PERFORMED UNDER THE  
31 DIRECTION OF THE COUNTY TAX ASSESSOR; TO AMEND SECTION 27-35-81,  
32 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE COUNTY TAX ASSESSOR  
33 SHALL ONLY BE REQUIRED TO FILE THE ROLLS IF THE ASSESSMENT WAS  
34 CONDUCTED BY OR UNDER THE DIRECTION OF SUCH ASSESSOR; TO AMEND  
35 SECTION 27-1-23, MISSISSIPPI CODE OF 1972, TO AUTHORIZE EMPLOYEES  
36 OF PRIVATE FIRMS THAT CONTRACT WITH THE COUNTY TO PERFORM  
37 REAPPRAISALS OR APPRAISAL UPDATES WHO ACTUALLY APPRAISE PROPERTY  
38 TO INSPECT PROPERTY; TO AUTHORIZE PRIVATE CONSULTANTS ENGAGED BY  
39 THE COUNTY WHO ACTUALLY APPRAISE PROPERTY TO INSPECT PROPERTY; TO  
40 AMEND SECTION 27-3-52, MISSISSIPPI CODE OF 1972, TO AUTHORIZE  
41 ANYONE TO ATTAIN CERTIFICATION AS AN APPRAISER UNDER THE  
42 EDUCATIONAL OR TRAINING PROGRAMS ESTABLISHED BY THE STATE TAX  
43 COMMISSION; TO AMEND SECTION 73-34-5, MISSISSIPPI CODE OF 1972, TO  
44 PROVIDE THAT THE PROVISIONS OF THE REAL ESTATE APPRAISER LICENSING  
45 AND CERTIFICATION ACT SHALL NOT APPLY TO PRIVATE CONSULTANTS AND  
46 EMPLOYEES OF PRIVATE FIRMS AND PRIVATE CONSULTANTS ENGAGED BY THE  
47 COUNTY TO PERFORM REAPPRAISALS OR APPRAISAL UPDATES; AND FOR  
48 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 work under the direction  
88 of a state certified real estate appraiser as defined in Section  
89 73-34-3 with expertise in mass appraisals as prescribed by the  
90 State Tax Commission. When a board of supervisors, pursuant to  
91 Section 27-35-129, determines to contract with a private firm not  
92 working under the direction of the county tax assessor, it may do  
93 so upon the issuance of an order by the State Tax Commission  
94 stating that the county is not in compliance with State Tax  
95 Commission rules and regulations.

96                   (iii) When a private consultant is hired pursuant  
97 to subsection (2)(b) of this section to appraise property and the  
98 work is performed under the direction of the county tax assessor,  
99 the private consultant and all personnel employed or otherwise  
100 engaged by such private consultant to appraise property shall be  
101 certified under the provisions of Section 27-3-52.

102                   (iv) When a private consultant is hired pursuant  
103 to subsection (2)(b) of this section to appraise property and the  
104 work is not performed under the direction of the county tax  
105 assessor, the private consultant shall be a state certified real  
106 estate appraiser as defined in Section 73-34-3 with expertise in  
107 mass appraisals as prescribed by the State Tax Commission. When a  
108 board of supervisors, pursuant to Section 27-35-129, determines to  
109 contract with a private consultant not working under the direction  
110 of the county tax assessor, it may do so upon the issuance of an  
111 order by the State Tax Commission stating that the county is not  
112 in compliance with State Tax Commission rules and regulations.

113                   (c) A contract entered into with a private firm or a  
114 private consultant pursuant to subsection (2) of this section  
115 shall be executed by the county tax assessor and the board of



116 supervisors if the work performed under such contract is to be  
117 performed under the direction of the county tax assessor.

118       (4) Each county engaged in reappraisal of property shall  
119 submit such periodic reports to the State Tax Commission as the  
120 commission may require. If, at any time, the State Tax Commission  
121 determines that the reappraisal or property appraisal update is  
122 not in conformity to the approved plan or contract, the commission  
123 shall notify the affected board of supervisors of the deficiencies  
124 and the board shall take action acceptable to the commission to  
125 correct the deficiencies within thirty (30) days or make no  
126 further expenditures on the project until the necessary corrective  
127 actions are approved by the commission.

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

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

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



148        (2) If the \* \* \* roll or rolls are not filed as required by  
149 this section on or before the first Monday in July of each year,  
150 the board of supervisors at its July meeting shall adopt an order  
151 showing the failure of the \* \* \* roll or rolls to be filed and  
152 shall certify to the State Tax Commission a statement showing such  
153 failure and the time necessary \* \* \* to complete the roll or  
154 rolls.

155        (3) Upon receipt of such certificate from the board of  
156 supervisors of any county, the State Tax Commission shall, by  
157 order entered on its minutes, provide when such roll shall be  
158 completed and filed, and the date when the board of supervisors  
159 shall meet to equalize the roll or rolls, and the time when  
160 objections to the assessments contained in such roll or rolls,  
161 shall be heard by the board of supervisors, provided that not less  
162 than ten-days' notice shall be given prior to the hearing of such  
163 objections. When such roll or rolls shall be filed, they shall be  
164 dealt with in all respects as now provided by law except as to the  
165 time.

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

168        27-1-23. (1) The county and municipal tax assessor in  
169 person, or by deputy, shall have the right, power and authority  
170 and it shall be his duty to require of any property owner an  
171 inspection of his books and accounts, papers, memoranda and  
172 records, and he shall have the right to examine in full the same,  
173 and may from his books and accounts make an estimate of the value  
174 of all property to be assessed. Such assessors shall also, if in  
175 their opinion it be necessary, put upon oath the owner, agent or  
176 employees of the owner, and propound to him or them, such  
177 questions as will elicit from him, or them, the actual cash value  
178 of any property subject to assessment. Such assessors shall have  
179 the right and power to inquire into and ascertain the insured  
180 value of any and all property, or into the value at which the same



181 has been insured previously and to ascertain the amount of fire  
182 insurance carried on any and all property which shall include fire  
183 insurance carried on stocks of merchandise, or goods kept for use  
184 or sale, machinery, fixtures or other property, and in fixing the  
185 value of property for assessment the amount of fire insurance  
186 carried and the value of the property as shown by the books and  
187 accounts of the owner shall be taken into consideration. If such  
188 assessors are advised or have reason to believe that the list of  
189 taxable property furnished by any person is incomplete or  
190 incorrect, or if any property has been undervalued, they shall  
191 assess the same and add it to the assessment roll at its true  
192 value.

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

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

203       (4) Private consultants hired pursuant to Section  
204 27-35-165(2)(b) who actually appraise property shall have the  
205 authority to enter, during reasonable hours, the premises or  
206 places of business of any person other than a house, used as a  
207 place of residence.

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

210       27-3-52. (1) The State Tax Commission shall promulgate  
211 rules and regulations setting forth the minimum requirements for  
212 which tax assessors and/or their deputy assessors or assistants,  
213 appropriate state employees, employees of planning and development



214 districts or other persons may attain certification as an  
215 appraiser. The commission shall establish and conduct such  
216 educational and training programs as may be appropriate to assist  
217 such persons in attaining such certification.

218 Counties having not more than five thousand (5,000)  
219 applicants for homestead exemption shall have at least one (1)  
220 certified appraiser, and counties having more than five thousand  
221 (5,000) applicants for homestead exemption shall have at least two  
222 (2) certified appraisers; however, any county may employ any  
223 certified appraiser on a part-time basis.

224 (2) When any tax assessor and/or his deputies or assistants  
225 travel outside of their county to attend an appraisal school,  
226 seminar or workshop approved by the State Tax Commission, such  
227 persons shall receive as reimbursement of expenses of such travel  
228 the same mileage and actual and necessary expenses for food,  
229 lodging and travel by public carrier or private motor vehicles as  
230 is allowed under Section 25-3-41. However, mileage shall not be  
231 authorized when such travel is done by a motor vehicle owned by  
232 the county.

233 The county board of supervisors shall reimburse the  
234 assessors, tax collectors and deputies for reasonable and  
235 necessary expenses sustained in attending annual conferences,  
236 regional conferences, schools and seminars. The State Tax  
237 Commission shall have the authority to prescribe forms and to  
238 promulgate rules and regulations necessary to implement the  
239 provisions of this section. No expenses authorized herein shall  
240 be reimbursed unless the expenses have been authorized or approved  
241 by an order of the board duly made and spread upon the minutes of  
242 such board.

243 (3) When any tax assessor and/or his deputies or assistants  
244 attend and successfully complete all qualifications pursuant to  
245 the Mississippi Education and Certification Program and receive  
246 the certification level of Track II, Evaluator I, they shall



247 receive an additional One Thousand Dollars (\$1,000.00) annually  
248 beginning the next fiscal year after completion.

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

255 When any tax assessor and/or his deputies or assistants  
256 attend and successfully complete all qualifications pursuant to  
257 the Mississippi Education and Certification Program and receive  
258 the certification level of Mississippi Assessment Evaluator (MAE),  
259 they shall receive an additional One Thousand Five Hundred Dollars  
260 (\$1,500.00) annually beginning the next fiscal year after  
261 completion.

262 When any deputy tax assessor successfully completes all  
263 qualifications to become a licensed certified residential real  
264 estate appraiser under Sections 73-34-1 through 73-34-63, on the  
265 recommendation of the tax assessor, the county board of  
266 supervisors may pay, in its discretion, an additional amount not  
267 to exceed Three Thousand Dollars (\$3,000.00) annually to the  
268 deputy beginning the next fiscal year after the completion of such  
269 qualifications.

270 When any deputy tax assessor successfully completes all  
271 qualifications to become a licensed certified general real estate  
272 appraiser under Sections 73-34-1 through 73-34-63, on the  
273 recommendation of the tax assessor, the county board of  
274 supervisors may pay, in its discretion, an additional amount not  
275 to exceed Five Thousand Dollars (\$5,000.00) annually to the deputy  
276 beginning the next fiscal year after the completion of such  
277 qualifications.

278 The accumulative total of all educational increases  
279 authorized under this subsection shall not exceed Eight Thousand





280 Five Hundred Dollars (\$8,500.00) and shall be paid out of the  
281 common county fund from proceeds of the one (1) mill ad valorem  
282 tax as provided in Section 27-39-329.

283 In order to receive the additional annual payment or payments  
284 provided for in this subsection, the tax assessor or deputies or  
285 assistants who completed the Mississippi Education and  
286 Certification Program and were certified as provided herein shall  
287 be personally involved in the conduct, administration and/or  
288 supervision of the appraisal of the property of the county and in  
289 the maintenance of such appraisal.

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

292 73-34-5. (1) Except as otherwise provided for in this  
293 section, it shall be unlawful for anyone to engage in real estate  
294 appraisal activity in this state without first obtaining one (1)  
295 of the four (4) real estate appraiser licenses as provided in this  
296 chapter.

297 (a) Any person who is engaged in real estate appraisal  
298 activity on July 1, 1990, shall continue through June 30, 1991, to  
299 be subject to the provisions of the Real Estate Brokers License  
300 Law of 1954, but, thereafter, all real estate appraisal activity  
301 shall be governed by and licensed pursuant to the provisions of  
302 this chapter. However, if the United States Congress or the  
303 Appraisal Subcommittee of the Federal Financial Institutions  
304 Examination Council extends the effective date for the use of  
305 certified or licensed appraisers in federally related  
306 transactions, then the above date of June 30, 1991, shall be  
307 extended to the date immediately preceding such extended effective  
308 date. In addition, if such appraisal subcommittee waives any  
309 requirement relating to certification or licensing of persons to  
310 perform appraisals in Mississippi, then such waiver shall also be  
311 effective in Mississippi under the Real Estate Appraiser Licensing  
312 and Certification Act and such requirement shall be waived by the



313 Real Estate Appraiser Licensing and Certification Board until the  
314 waiver is terminated by the appraisal subcommittee. The  
315 Mississippi Real Estate Appraiser Licensing and Certification  
316 Board shall waive or modify statutory minimum requirements for  
317 hours of courses of study and provide by regulation for applicants  
318 who desire to do so to challenge the examinations, or one or some  
319 of them, by taking an examination on such courses without actually  
320 taking such courses, if such waivers or modifications are allowed  
321 or allowable under law or regulations adopted and promulgated by  
322 the United States Congress or the Appraisal Subcommittee of the  
323 Federal Financial Institutions Examination Council.

324 (b) The provisions of this chapter shall not apply to  
325 any director, officer or salaried employee of commercial banks,  
326 savings banks, credit unions, and savings and loan associations,  
327 when engaged in appraisal or evaluation activities for and on  
328 behalf of such financial institution unless there is a fee charged  
329 for the appraisal or evaluation; provided that a federal statute,  
330 rule or regulation does not require such appraisal or evaluation  
331 activities to be performed by a state licensed appraiser.

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



345 (2) This chapter shall not apply to a real estate broker or  
346 salesperson licensed by this state who, in the ordinary course of  
347 his business, gives an opinion as to the price of real estate for  
348 the purpose of a prospective listing or sale; provided, however,  
349 that this opinion as to the listing price or the sale price shall  
350 not be referred to as an appraisal and provided, further, that no  
351 compensation, fee or other consideration is charged for such  
352 opinion other than the real estate commission or brokerage fee  
353 that is charged or paid for brokerage services rendered in  
354 connection with the sale of the real property involved.

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

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

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

361 (c) Private consultants hired pursuant to Section  
362 27-35-165(2) (b) and all personnel employed or otherwise engaged by  
363 private consultants to appraise property who perform work under  
364 the direction of the county tax assessor.

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

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

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

