

By: Representative Morris

To: Judiciary B

HOUSE BILL NO. 1597

1 AN ACT TO AMEND SECTION 73-34-7, MISSISSIPPI CODE OF 1972, TO
2 CLARIFY THE NUMBER OF MEMBERS FROM THE SAME PROFESSIONAL APPRAISAL
3 ORGANIZATION WHO MAY BE APPOINTED BY THE GOVERNOR TO THE
4 MISSISSIPPI REAL ESTATE APPRAISER LICENSING AND CERTIFICATION
5 BOARD; TO AMEND SECTION 73-35-11, MISSISSIPPI CODE OF 1972, TO
6 PROVIDE THAT A COOPERATIVE AGREEMENT BETWEEN A MISSISSIPPI
7 LICENSED REAL ESTATE BROKER AND BROKER LICENSED IN ANOTHER STATE
8 DOES NOT AUTHORIZE ANY PERSON NOT LICENSED BY THE STATE OF
9 MISSISSIPPI TO PERFORM ANY REAL ESTATE ACTIVITY; TO AMEND SECTION
10 73-35-16, MISSISSIPPI CODE OF 1972, TO INCREASE THE MAXIMUM AMOUNT
11 OF PREMIUM FOR THE ERRORS AND OMISSIONS INSURANCE PROGRAM OFFERED
12 TO LICENSEES OF THE MISSISSIPPI REAL ESTATE COMMISSION; TO AMEND
13 SECTION 73-35-18, MISSISSIPPI CODE OF 1972, TO INCREASE THE
14 CONTINUING EDUCATION REQUIREMENTS FOR REAL ESTATE BROKERS AND
15 SALESPERSONS LICENSES; TO AMEND SECTION 73-35-21, MISSISSIPPI CODE
16 OF 1972, TO CLARIFY THAT ASSOCIATE REAL ESTATE BROKERS OR
17 SALESPERSONS MAY OWN ANY LAWFULLY CONSTITUTED BUSINESS
18 ORGANIZATION FOR THE PURPOSE OF RECEIVING COMMISSIONS; TO AMEND
19 SECTIONS 73-35-103 AND 73-35-105, MISSISSIPPI CODE OF 1972, TO
20 REVISE THE INTEREST ON REAL ESTATE BROKERS' ACCOUNTS ACT;; AND FOR
21 RELATED PURPOSES.

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

23 **SECTION 1.** Section 73-34-7, Mississippi Code of 1972, is
24 amended as follows:

25 73-34-7. (1) (a) There is hereby established, as an
26 adjunct board to the Mississippi Real Estate Commission, a board
27 to be known as the Mississippi Real Estate Appraiser Licensing and
28 Certification Board, which shall consist of six (6) members. Five
29 (5) members shall be appointed by the Governor, with the advice
30 and consent of the Senate, one (1) from each congressional
31 district as such district existed on January 1, 1989; the
32 Administrator of the Mississippi Real Estate Commission shall be
33 an ex officio, nonvoting member.

34 (b) The initial appointments made by the Governor shall
35 be in compliance with guidelines issued by the Federal Financial
36 Institutions Examination Council or its designee; and the

37 appointees shall serve for terms ending on December 31, 1991. Not
38 more than two (2) positions on the board shall be filled with
39 appointees who hold membership in the same professional appraisal
40 organization.

41 (c) From and after January 1, 1992, gubernatorial
42 appointments shall be made pursuant to the procedure established
43 in this paragraph (c). The five (5) members shall be appointed by
44 the Governor, with the advice and consent of the Senate, one (1)
45 from each congressional district as such district existed on July
46 1, 2004, and one (1) from the state at large. The provisions of
47 this paragraph (c) shall not affect persons who are members of the
48 Real Estate Appraiser Licensing and Certification Board as of
49 January 1, 2004. Such member shall serve out their respective
50 terms, upon the expiration of which the provisions of this
51 paragraph (c) shall take effect. Nothing provided herein shall be
52 construed as prohibiting the reappointment of any member of the
53 said board.

54 (d) At least three (3) members shall be certified
55 general real estate appraisers or at least two (2) members shall
56 be certified general real estate appraisers and one (1) member may
57 be a certified residential real estate appraiser. Not more than
58 two (2) positions on the board shall be filled with appointees who
59 hold membership in the same professional appraisal organization.
60 Of the initial appointments made pursuant to this paragraph (d),
61 two (2) shall serve for three (3) years, two (2) shall serve for
62 two (2) years and one (1) shall serve for one (1) year.
63 Thereafter, each member shall serve for a term of four (4) years.
64 Upon the expiration of a member's term, such member shall continue
65 to serve until the appointment and qualification of a successor.
66 Commencing with appointments made in 1992, no person shall be
67 appointed as a member of the board for more than two (2)
68 consecutive terms. The Governor may remove an appointed member
69 for cause.

70 (2) The board shall meet not less than twice a calendar
71 year. Written notice shall be given to each member of the time
72 and place of each meeting of the board at least ten (10) days
73 prior to the scheduled date of the meeting.

74 (3) A quorum of the board shall be three (3) voting members;
75 commencing January 1, 1992, at least one (1) present must be a
76 licensed certified general real estate appraiser or a certified
77 residential real estate appraiser. Appointed members of the board
78 are entitled to mileage and actual expenses as authorized by
79 Section 25-3-41 and per diem as provided by Section 25-3-69; ex
80 officio members are entitled to mileage and actual expenses only.

81 (4) The board shall elect a chairman and such other officers
82 as it deems necessary. Such officers shall serve as such for
83 terms established by the board.

84 **SECTION 2.** Section 73-35-11, Mississippi Code of 1972, is
85 amended as follows:

86 73-35-11. A broker licensed in Mississippi may lawfully
87 enter into a cooperative agreement with a broker licensed in a
88 state other than Mississippi to divide the commission of the sale
89 of real estate within the State of Mississippi. The cooperative
90 agreement shall state the compensation to be paid to the
91 Mississippi broker and shall be filed with the commission within
92 ten (10) days of the parties affixing their signatures. This
93 cooperative agreement does not authorize any person not licensed
94 by the State of Mississippi to perform any real estate activity
95 described in Section 73-35-1 and Section 73-35-3.

96 * * *

97 The Mississippi broker shall determine that the cooperating
98 broker is licensed as a broker in another state.

99 * * *

100 **SECTION 3.** Section 73-35-16, Mississippi Code of 1972, is
101 amended as follows:

102 73-35-16. (1) The following words and phrases shall have
103 the meanings ascribed herein unless the context clearly indicates
104 otherwise:

105 (a) "Aggregate limit" means a provision in an insurance
106 contract limiting the maximum liability of an insurer for a series
107 of losses in a given time period such as the policy term.

108 (b) "Claims-made" means policies written under a
109 claims-made basis which shall cover claims made (reported or
110 filed) during the year the policy is in force for incidents which
111 occur that year or during any previous period the policyholder was
112 insured under the claims-made contract. This form of coverage is
113 in contrast to the occurrence policy which covers today's incident
114 regardless of when a claim is filed even if it is one or more
115 years later.

116 (c) "Extended reporting period" means a designated
117 period of time after a claims-made policy has expired during which
118 a claim may be made and coverage triggered as if the claim had
119 been made during the policy period.

120 (d) "Licensee" means any active individual broker,
121 broker-salesperson or salesperson, any partnership or any
122 corporation.

123 (e) "Per-claim limit" means the maximum limit payable,
124 per licensee, for damages arising out of the same error, omission
125 or wrongful act.

126 (f) "Prior acts coverage" applies to policies on a
127 claims-made versus occurrence basis. Prior acts coverage responds
128 to claims that are made during a current policy period, but the
129 act or acts causing the claim or injuries for which the claim is
130 made occurred prior to the inception of the current policy period.

131 (g) "Proof of coverage" means a copy of the actual
132 policy of insurance, a certificate of insurance or a binder of
133 insurance.

134 (h) "Retroactive date" means a provision, found in many
135 claims-made policies, that the policy shall not cover claims for
136 injuries or damages that occurred before the retroactive date even
137 if the claim is first made during the policy period.

138 (2) The following persons shall submit proof of insurance:

139 (a) Any active individual broker, active
140 broker-salesperson or active salesperson;

141 (b) Any partnership (optional); or

142 (c) Any corporation (optional).

143 (3) Individuals whose licenses are on inactive status are
144 not required to carry errors and omissions insurance.

145 (4) All Mississippi licensees shall be covered for
146 activities contemplated under this chapter.

147 (5) Licensees may obtain errors and omissions coverage
148 through the insurance carrier approved by the Mississippi Real
149 Estate Commission and provided on a group policy basis. The
150 following are minimum requirements of the group policy to be
151 issued to the commission, including, as named insureds, all
152 licensees who have paid their required premium:

153 (a) All activities contemplated under this chapter are
154 included as covered activities;

155 (b) A per-claim limit is not less than One Hundred
156 Thousand Dollars (\$100,000.00);

157 (c) An annual aggregate limit is not less than One
158 Hundred Thousand Dollars (\$100,000.00);

159 (d) Limits apply per licensee per claim;

160 (e) Maximum deductible is Two Thousand Five Hundred
161 Dollars (\$2,500.00) per licensee per claim for damages;

162 (f) Maximum deductible is One Thousand Dollars
163 (\$1,000.00) per licensee per claim for defense costs; and

164 (g) The contract of insurance pays, on behalf of the
165 injured person(s), liabilities owed.

166 (6) (a) The maximum contract period between the insurance
167 carrier and the commission is to be three (3) consecutive policy
168 terms, after which time period the commission shall place the
169 insurance out for competitive bid. The commission shall reserve
170 the right to place the contract out for bid at the end of any
171 policy period.

172 (b) The policy period shall be a twelve-month policy
173 term.

174 (c) The retroactive date for the master policy shall
175 not be before July 1, 1994.

176 (i) The licensee may purchase full prior acts
177 coverage on July 1, 1994, if the licensee can show proof of errors
178 and omissions coverage that has been in effect since at least
179 March 15, 1994.

180 (ii) If the licensee purchases full prior acts
181 coverage on July 1, 1994, that licensee shall continue to be
182 guaranteed full prior acts coverage if the insurance carriers are
183 changed in the future.

184 (iii) If the licensee was not carrying errors and
185 omissions insurance on July 1, 1994, the individual certificate
186 shall be issued with a retroactive date of July 1, 1994. This
187 date shall not be advanced if the insurance carriers are changed
188 in the future.

189 (iv) For any new licensee who first obtains a
190 license after July 1, 1994, the retroactive date shall be the
191 effective date of licensure.

192 (v) For any licensee who changes status of license
193 from inactive to active, the retroactive date shall be the
194 effective date of change to "active" licensure.

195 (d) Each licensee shall be notified of the required
196 terms and conditions of coverage for the policy at least thirty
197 (30) days before the renewal date of the policy. A certificate of
198 coverage, showing compliance with the required terms and

199 conditions of coverage, shall be filed with the commission by the
200 renewal date of the policy by each licensee who elects not to
201 participate in the insurance program administered by the
202 commission.

203 (e) If the commission is unable to obtain errors and
204 omissions insurance coverage to insure all licensees who choose to
205 participate in the insurance program at a premium of no more than
206 Two Hundred Fifty Dollars (\$250.00) per twelve-months' policy
207 period, the requirement of insurance coverage under this section
208 shall be void during the applicable contract period.

209 (7) Licensees may obtain errors and omissions coverage
210 independently if the coverage contained in the policy complies
211 with the following minimum requirements:

212 (a) All activities contemplated under this chapter are
213 included as covered activities;

214 (b) A per-claim limit is not less than One Hundred
215 Thousand Dollars (\$100,000.00);

216 (c) The deductible is not more than Two Thousand Five
217 Hundred Dollars (\$2,500.00) per licensee per claim for damages and
218 the deductible is not more than One Thousand Dollars (\$1,000.00)
219 per licensee per claim for defense costs; and

220 (d) If other insurance is provided as proof of errors
221 and omissions coverage, the other insurance carrier shall agree to
222 a noncancelable policy or to provide a letter of commitment to
223 notify the commission thirty (30) days before the intention to
224 cancel.

225 (8) The following provisions apply to individual licensees:

226 (a) The commission shall require receipt of proof of
227 errors and omissions insurance from new licensees within thirty
228 (30) days of licensure. Any licenses issued at any time other
229 than policy renewal time shall be subject to a pro rata premium.

230 (b) For licensees not submitting proof of insurance
231 necessary to continue active licensure, the commission shall be

232 responsible for sending notice of deficiency to those licensees.
233 Licensees who do not correct the deficiency within thirty (30)
234 days shall have their licenses placed on inactive status. The
235 commission shall assess fees for inactive status and for return to
236 active status when errors and omissions insurance has been
237 obtained.

238 (c) Any licensee insured in the state program whose
239 license becomes inactive shall not be charged an additional
240 premium if the license is reactivated during the policy period.

241 (9) The commission is authorized to adopt such rules and
242 regulations as it deems appropriate to handle administrative
243 duties relating to operation of the program, including billing and
244 premium collection.

245 **SECTION 4.** Section 73-35-18, Mississippi Code of 1972, is
246 amended as follows:

247 73-35-18. (1) Each individual applicant for renewal of a
248 license issued by the Mississippi Real Estate Commission shall, on
249 or before the expiration date of his license, or at a time
250 directed by the commission, submit proof of completion of not less
251 than twenty-four (24) clock hours of approved course work to the
252 commission, in addition to any other requirements for renewal.
253 The twenty-four (24) clock hours course work requirement shall
254 apply to each two-year license renewal, and hours in excess
255 thereof shall not be cumulated or credited for the purposes of
256 subsequent license renewals except as provided in this subsection
257 (1). The commission shall develop standards for approval of
258 courses and shall require certification of such course work of the
259 applicant. The commission may determine any required subject
260 matter within the mandated twenty-four (24) hours; provided that
261 the required subjects shall not exceed twelve (12) hours of the
262 total twenty-four (24) hours. Approved continuing education hours
263 earned in the final three (3) months of a licensee's renewal
264 period, if in excess of the required minimum twenty-four (24)

265 hours, may be carried over and credited to the next renewal
266 period. However, no more than six (6) hours may be carried over
267 in this manner. Any member of the Mississippi Legislature who has
268 a real estate license shall be credited with eight (8) hours of
269 credit for the attendance of each year of a legislative session.
270 No person may receive continuing education credit for prelicense
271 education courses taken, except as follows: a licensee whose
272 license is on inactive status and whose continuing education
273 credits are at least thirty (30) hours in arrears may, at the
274 discretion of the commission, receive continuing education credit
275 for retaking prelicense coursework, provided the entire prelicense
276 course is retaken.

277 (2) This section shall apply to renewals of licenses which
278 expire on and after July 1, 1994; however, an applicant for first
279 renewal who has been licensed for not more than one (1) year shall
280 not be required to comply with this section for the first renewal
281 of the applicant's license. The provisions of this section shall
282 not apply to persons who have held a broker's or salesperson's
283 license in this state for at least twenty-five (25) years and who
284 are older than seventy (70) years of age. Inactive licensees are
285 not required to meet the real estate continuing education
286 requirements specified in this section; however, such inactive
287 licensees, before activating their license to active status, must
288 cumulatively meet requirements missed during the period their
289 license was inactive.

290 (3) The commission shall promulgate rules and regulations as
291 necessary to accomplish the purposes of this section in accordance
292 with the Mississippi Administrative Procedures Law.

293 (4) Any person who has been licensed as a real estate broker
294 and allowed his license to expire for a period of less than five
295 (5) years shall be eligible for reinstatement upon completion of
296 the education requirements and payment of all penalties and
297 reinstatement fees as prescribed by the commission. This

298 subsection (4) of this section shall stand repealed from and after
299 December 31, 1994.

300 **SECTION 5.** Section 73-35-21, Mississippi Code of 1972, is
301 amended as follows:

302 73-35-21. (1) The commission may, upon its own motion and
303 shall upon the verified complaint in writing of any person, hold a
304 hearing for the refusal of license or for the suspension or
305 revocation of a license previously issued, or for such other
306 action as the commission deems appropriate. The commission shall
307 have full power to refuse a license for cause or to revoke or
308 suspend a license where it has been obtained by false or
309 fraudulent representation, or where the licensee in performing or
310 attempting to perform any of the acts mentioned herein, is deemed
311 to be guilty of:

312 (a) Making any substantial misrepresentation in
313 connection with a real estate transaction;

314 (b) Making any false promises of a character likely to
315 influence, persuade or induce;

316 (c) Pursuing a continued and flagrant course of
317 misrepresentation or making false promises through agents or
318 salespersons or any medium of advertising or otherwise;

319 (d) Any misleading or untruthful advertising;

320 (e) Acting for more than one (1) party in a transaction
321 or receiving compensation from more than one (1) party in a
322 transaction, or both, without the knowledge of all parties for
323 whom he acts;

324 (f) Failing, within a reasonable time, to account for
325 or to remit any monies coming into his possession which belong to
326 others, or commingling of monies belonging to others with his own
327 funds. Every responsible broker procuring the execution of an
328 earnest money contract or option or other contract who shall take
329 or receive any cash or checks shall deposit, within a reasonable
330 period of time, the sum or sums so received in a trust or escrow

331 account in a bank or trust company pending the consummation or
332 termination of the transaction. "Reasonable time" in this context
333 means by the close of business of the next banking day;

334 (g) Entering a guilty plea or conviction in a court of
335 competent jurisdiction of this state, or any other state or the
336 United States of any felony;

337 (h) Displaying a "for sale" or "for rent" sign on any
338 property without the owner's consent;

339 (i) Failing to furnish voluntarily, at the time of
340 signing, copies of all listings, contracts and agreements to all
341 parties executing the same;

342 (j) Paying any rebate, profit or commission to any
343 person other than a real estate broker or salesperson licensed
344 under the provisions of this chapter;

345 (k) Inducing any party to a contract, sale or lease to
346 break such contract for the purpose of substituting in lieu
347 thereof a new contract, where such substitution is motivated by
348 the personal gain of the licensee;

349 (l) Accepting a commission or valuable consideration as
350 a real estate salesperson for the performance of any of the acts
351 specified in this chapter from any person, except his employer who
352 must be a licensed real estate broker; or

353 (m) Any act or conduct, whether of the same or a
354 different character than hereinabove specified, which constitutes
355 or demonstrates bad faith, incompetency or untrustworthiness, or
356 dishonest, fraudulent or improper dealing.

357 (2) No real estate broker shall practice law or give legal
358 advice directly or indirectly unless said broker be a duly
359 licensed attorney under the laws of this state. He shall not act
360 as a public conveyancer nor give advice or opinions as to the
361 legal effect of instruments nor give opinions concerning the
362 validity of title to real estate; nor shall he prevent or
363 discourage any party to a real estate transaction from employing

364 the services of an attorney; nor shall a broker undertake to
365 prepare documents fixing and defining the legal rights of parties
366 to a transaction. However, when acting as a broker, he may use an
367 earnest money contract form. A real estate broker shall not
368 participate in attorney's fees, unless the broker is a duly
369 licensed attorney under the laws of this state and performs legal
370 services in addition to brokerage services.

371 (3) It is expressly provided that it is not the intent and
372 purpose of the Mississippi Legislature to prevent a license from
373 being issued to any person who is found to be of good reputation,
374 is able to give bond, and who has lived in the State of
375 Mississippi for the required period or is otherwise qualified
376 under this chapter.

377 (4) In addition to the reasons specified in subsection (1)
378 of this section, the commission shall be authorized to suspend the
379 license of any licensee for being out of compliance with an order
380 for support, as defined in Section 93-11-153. The procedure for
381 suspension of a license for being out of compliance with an order
382 for support, and the procedure for the reissuance or reinstatement
383 of a license suspended for that purpose, and the payment of any
384 fees for the reissuance or reinstatement of a license suspended
385 for that purpose, shall be governed by Section 93-11-157 or
386 93-11-163, as the case may be. If there is any conflict between
387 any provision of Section 93-11-157 or 93-11-163 and any provision
388 of this chapter, the provisions of Section 93-11-157 or 93-11-163,
389 as the case may be, shall control.

390 (5) Nothing in this chapter shall prevent an associate
391 broker or salesperson from owning any lawfully constituted
392 business organization, including, but not limited to, a
393 corporation, limited liability company or limited liability
394 partnership, for the purpose of receiving payments contemplated in
395 this chapter. The business organization shall not be required to

396 be licensed under this chapter and shall not engage in any other
397 activity requiring a real estate license.

398 **SECTION 6.** Section 73-35-103, Mississippi Code of 1972, is
399 amended as follows:

400 73-35-103. As used in Sections 73-35-101 through 73-35-105,
401 the following terms shall have the meanings ascribed herein unless
402 the context clearly indicates otherwise:

403 (a) "Real estate broker" or "broker" means an
404 individual, partnership or corporation licensed pursuant to
405 Section 73-35-1 et seq., and as defined under Section 73-35-3(1).

406 (b) "IREBEA" means the program created and governed by
407 Sections 73-35-101 through 73-35-105.

408 (c) "Interest earnings" means the total interest
409 earnings generated by the IREBEA at each individual financial
410 institution.

411 (d) "Mississippi Housing Opportunity Foundation" means
412 the 501(c)(3) organization created by the Mississippi Association
413 of Realtors and Mississippi Bankers Association for the purpose of
414 increasing the supply of affordable housing in Mississippi and
415 encouraging homeownership among low and middle income wage earners
416 with funds generated via the IREBEA program.

417 **SECTION 7.** Section 73-35-105, Mississippi Code of 1972, is
418 amended as follows:

419 73-35-105. (1) The IREBEA program shall be a voluntary
420 program based upon willing participation by real estate brokers,
421 whether proprietorships, partnerships or professional
422 corporations.

423 (2) IREBEA shall apply to all clients or customers of the
424 participating brokers whose funds on deposit are either nominal in
425 amount or to be held for a short period of time.

426 (3) The following principles shall apply to clients' or
427 customers' funds which are held by brokers who elect to
428 participate in IREBEA:

429 (a) No earnings on the IREBEA accounts may be made
430 available to or utilized by a broker.

431 (b) Upon the request of the client or customer,
432 earnings may be made available to the client whenever possible
433 upon deposited funds which are neither nominal in amount nor to be
434 held for a short period of time; however, traditional
435 broker-client or broker-customer relationships do not compel
436 brokers either to invest clients' or customers' funds or to advise
437 clients or customers to make their funds productive.

438 (c) Clients' or customers' funds which are nominal in
439 amount or to be held for a short period of time shall be retained
440 in an interest bearing checking or savings trust account with the
441 interest, less any service charge or fees, made payable at least
442 quarterly to the Mississippi Housing Opportunity Foundation Fund
443 as required in subsection (6).

444 (d) The broker shall select in writing that the
445 Mississippi Housing Opportunity Foundation shall be the
446 beneficiary of such fund for the interest earnings on such
447 fund. * * *

448 (e) The determination of whether clients' or customers'
449 funds are nominal in amount or to be held for a short period of
450 time rests in the sound judgment of each broker, and no charge of
451 ethical impropriety or other breach of professional conduct shall
452 attend a broker's exercise of judgment in that regard.

453 (f) Notification to clients or customers whose funds
454 are nominal in amount or to be held for a short period of time is
455 unnecessary for those brokers who choose to participate in the
456 program. Participation in the IREBEA program is accomplished by
457 the broker's written notification to an authorized financial
458 institution. That communication shall contain an expression of
459 the broker's desire to participate in the program and, if the
460 institution has not already received appropriate notification,
461 advice regarding the Internal Revenue Service's approval of the

462 taxability of earned interest or dividends to the Mississippi
463 Housing Opportunity Foundation Fund.

464 (4) The following principles shall apply to those clients'
465 or customers' funds held in trust accounts by brokers who elect
466 not to participate in IREBEA:

467 (a) No earnings from the funds may be made available to
468 any broker.

469 (b) Upon the request of a client or customer, earnings
470 may be made available to the client or customer whenever possible
471 upon deposited funds which are neither nominal in amount nor to be
472 held for a short period of time; however, traditional
473 broker-client or broker-customer relationships do not compel
474 brokers either to invest clients' or customers' funds or to advise
475 clients or customers to make their funds productive.

476 (c) Clients' or customers' funds which are nominal in
477 amount or to be held for short periods of time, and for which
478 individual income generation allocation is not arranged with a
479 financial institution, shall be retained in a noninterest-bearing
480 demand trust account.

481 (d) The determination of whether clients' or customers'
482 funds are nominal in amount or to be held for a short period of
483 time rests in the sound judgment of each broker, and no charge of
484 ethical impropriety or other breach of professional conduct shall
485 attend a broker's exercise of judgment in that regard.

486 (5) Interest earnings from the Mississippi Housing
487 Opportunity Foundation Fund shall be expended solely for the
488 following purposes when allowed under Section 501(c)(3) of the
489 Internal Revenue Code;

490 (a) Increase affordable housing opportunities in
491 Mississippi by all necessary and proper means;

492 (b) Promote the availability of affordable, adequate,
493 safe and decent housing to the citizens of Mississippi;

494 (c) Support education and research in housing issues,
495 problems and opportunities;

496 (d) Provide technical assistance to groups seeking to
497 deal with housing issues and needs;

498 (e) Engage in activities intended to enhance the
499 ability of Mississippi citizens to secure housing;

500 (f) Provide financial resources to organizations that
501 encourage homeownership opportunities for moderate, low and very
502 low income individuals and families.

503 (6) All funds received from the IREBEA program shall be
504 deposited with the Mississippi Housing Opportunity Foundation Fund
505 quarterly. A separate accounting shall be made annually for all
506 funds received. Only interest earnings from the corpus may be
507 spent for the purposes in subsection (5) above.

508 (7) The educational programs authorized in subsection (5)
509 and the budget therefor shall be approved by a board of
510 directors * * *. The board shall consist of four (4)
511 representatives appointed by the Mississippi Association of
512 Realtors and three (3) appointed by the Mississippi Bankers
513 Association.

514 (8) The Mississippi Real Estate Commission shall adopt
515 appropriate and necessary rules in compliance with the provisions
516 of Sections 73-35-101 through 73-35-105.

517 **SECTION 8.** This act shall take effect and be in force from
518 and after July 1, 2004.