

By: Representatives Roberson, Brown (20th),
Stamps

To: Banking and Financial
Services

HOUSE BILL NO. 686

1 AN ACT TO AMEND SECTION 73-34-103, MISSISSIPPI CODE OF 1972,
2 WHICH PROHIBITS AN APPRAISAL MANAGEMENT COMPANY FROM ENGAGING IN
3 OR CONDUCTING BUSINESS IN THIS STATE WITHOUT FIRST OBTAINING A
4 REGISTRATION ISSUED BY THE MISSISSIPPI REAL ESTATE APPRAISER
5 LICENSING AND CERTIFICATION BOARD, TO EXTEND THE DATE OF THE
6 REPEALER ON THE SECTION; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 73-34-103, Mississippi Code of 1972, is
9 amended as follows:

10 73-34-103. (1) It is unlawful for a person to directly or
11 indirectly engage or attempt to engage in business as an appraisal
12 management company in this state or to advertise or hold itself
13 out as engaging in or conducting business as an appraisal
14 management company in this state without first obtaining a
15 registration issued by the Mississippi Real Estate Appraiser
16 Licensing and Certification Board under the provisions of this
17 chapter.

18 (a) An applicant for registration as an appraisal
19 management company in this state shall submit to the Mississippi
20 Real Estate Commission an application on a form or forms



21 prescribed by the board accompanied by an original or certified
22 copy of a surety bond payable to the State of Mississippi in the
23 amount of Twenty Thousand Dollars (\$20,000.00) for the use,
24 benefit and indemnity of any person who suffers any damage or loss
25 as a result of the appraisal management company's breach of
26 contract or of any obligation arising therefrom or any violation
27 of law.

28 (b) In the event a registration process is unavailable
29 on December 1, 2013, an appraisal management company already
30 conducting business in this state may continue to conduct business
31 in accordance with Sections 73-34-101 through
32 73-34-131 until one hundred twenty (120) days after a registration
33 process becomes available.

34 (2) An application for the registration required by
35 subsection (1) of this section shall, at a minimum, include:

36 (a) The name of the person seeking registration and the
37 fictitious name or names under which he does business in any
38 state;

39 (b) The business address of the entity seeking
40 registration;

41 (c) The phone contact information of the entity seeking
42 registration;

43 (d) If the person is not a corporation that is
44 domiciled in this state, the name and contact information for the
45 person's agent for service of process in this state;



46 (e) The name, address, and contact information for any
47 individual or any corporation, partnership, or other business
48 entity that owns ten percent (10%) or more of the appraisal
49 management company;

50 (f) The name, address, and contact information for one
51 (1) controlling person designated as the main contact for all
52 communication between the appraisal management company and the
53 commission;

54 (g) A certification that the person has a system and
55 process in place to verify that a person being added to the
56 appraiser panel of the appraisal management company holds a
57 license in good standing in this state under the Real Estate
58 Appraiser Licensing and Certification Act if a license or
59 certification is required to perform appraisals;

60 (h) A certification that the person requires appraisers
61 completing appraisals at its request to comply with the Uniform
62 Standards of Professional Appraisal Practice (USPAP), including
63 the requirements for geographic and product competence;

64 (i) A certification that the person has a system in
65 place to verify that only licensed or certified appraisers are
66 used for federally related transactions;

67 (j) A certification that the person has a system in
68 place to require that appraisals are conducted independently and
69 free from inappropriate influence and coercion as required by the
70 appraisal independence standards established under Section 129E of



71 the Truth in Lending Act, including the requirements for payment
72 of a reasonable and customary fee to appraisers when the appraisal
73 management company is providing services for a consumer credit
74 transaction secured by the principal dwelling of a consumer;

75 (k) A certification that the person maintains a
76 detailed record of each service request that it receives
77 and the appraiser that performs the residential real estate
78 appraisal services for the appraisal management company;

79 (l) An irrevocable Consent to Service of Process
80 required under Section 73-34-107;

81 (m) Any other information required by the board which
82 is reasonably necessary to implement Sections 73-34-101 through
83 73-34-131.

84 (3) An application for the renewal of a registration shall
85 include substantially similar information required for the initial
86 registration as noted in subsection (2), as determined by the
87 board.

88 (4) A registration granted by the commission under the
89 provisions of Sections 73-34-101 through 73-34-131 shall be valid
90 for one (1) year from the date on which it is issued.

91 (5) The provisions of this section shall stand repealed on
92 July 1, * * * 2025.

93 **SECTION 2.** This act shall take effect and be in force from
94 and after July 1, 2022.

