

By: Senator(s) Caughman

To: Business and Financial
Institutions

SENATE BILL NO. 2039

1 AN ACT TO AMEND SECTION 73-34-103, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE AUTOMATIC REPEALER ON THE PROVISIONS RELATING TO THE
3 REGISTRATION OF REAL ESTATE APPRAISAL MANAGEMENT COMPANIES BY THE
4 MISSISSIPPI REAL ESTATE COMMISSION; AND FOR RELATED PURPOSES.

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

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

8 73-34-103. (1) It is unlawful for a person to directly or
9 indirectly engage or attempt to engage in business as an appraisal
10 management company in this state or to advertise or hold itself
11 out as engaging in or conducting business as an appraisal
12 management company in this state without first obtaining a
13 registration issued by the Mississippi Real Estate Appraiser
14 Licensing and Certification Board under the provisions of this
15 chapter.

16 (a) An applicant for registration as an appraisal
17 management company in this state shall submit to the Mississippi
18 Real Estate Commission an application on a form or forms
19 prescribed by the board accompanied by an original or certified



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

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

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

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

37 (b) The business address of the entity seeking
38 registration;

39 (c) The phone contact information of the entity seeking
40 registration;

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



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

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

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

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

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

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



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

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

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

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

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

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

89 (5) This section shall stand repealed on July 1, * * * 2026.

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

