

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.

