

By: Senator(s) Polk, Blackwell, Jackson

To: Accountability,
Efficiency, Transparency

SENATE BILL NO. 2673

1 AN ACT TO AMEND SECTION 73-34-7, MISSISSIPPI CODE OF 1972, TO
2 SEPARATE THE MISSISSIPPI REAL ESTATE APPRAISAL BOARD FROM THE
3 MISSISSIPPI REAL ESTATE COMMISSION; TO AMEND SECTIONS 73-34-3,
4 73-34-9, 73-34-13, 73-34-17, 73-34-27, 73-34-35, 73-34-41,
5 73-34-45, 73-34-47, 73-34-49, 73-34-51, 73-34-103, 73-34-113,
6 73-34-117, 73-34-129 AND 73-34-131, MISSISSIPPI CODE OF 1972, TO
7 CONFORM; AND FOR RELATED PURPOSES.

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

9 **SECTION 1.** (1) Effective July 1, 2023, the Mississippi Real
10 Estate Appraiser Licensing and Certification Board shall be
11 separated from the Mississippi Real Estate Commission and shall
12 thereafter operate as an independent board to be known as the
13 Mississippi Real Estate Appraisal Board.

14 (2) The Mississippi Real Estate Commission and the
15 Mississippi Real Estate Appraisal Board shall cooperate on the
16 orderly transfer of functions and resources as provided under this
17 act to ensure that by July 1, 2023, the Mississippi Real Estate
18 Appraisal Board shall be fully functional and independent from the
19 Real Estate Commission.



20 (3) The Mississippi Real Estate Commission and the
21 Mississippi Real Estate Appraisal Board shall comply with the
22 provisions of Section 5-11-1 et seq. regarding the transfer of
23 agency functions.

24 (4) (a) The Mississippi State Personnel Board shall provide
25 assistance to the Commission and the board to ensure that all
26 authorized positions of the Mississippi Real Estate Appraisal
27 Board are identified and properly assigned to the Mississippi Real
28 Estate Appraisal Board by July 1, 2023.

29 (b) The Department of Finance and Administration shall
30 assist the Mississippi Real Estate Appraisal Board in identifying
31 office space appropriate to its needs in a state-owned office
32 building if possible, and shall further provide any temporary
33 accounting or other assistance to the board to assist the board in
34 becoming operational and independent.

35 (c) The Department of Information Technology Services
36 shall provide assistance to the Mississippi Real Estate Appraisal
37 Board to ensure that any and all computer systems, web pages and
38 other information technology communications systems are
39 operational by July 1, 2023.

40 **SECTION 2.** Section 73-34-7, Mississippi Code of 1972, is
41 amended as follows:

42 73-34-7. (1) (a) There is hereby established * * * a board
43 to be known as the Mississippi Real Estate * * * Appraisal Board,
44 which shall consist of * * * five (5) members. * * * Each member



45 shall be appointed by the Governor, with the advice and consent of
46 the Senate, one (1) from each congressional district as such
47 district existed on January 1, * * * 2004, and one (1) member from
48 the state at large. No more than two (2) members of the board
49 shall be appointed who hold membership in the same professional
50 appraisal organization.

51 * * *

52 (* * * b) At least * * * two (2) members shall be
53 certified general real estate appraisers * * * and at least two
54 (2) members shall be * * * certified residential real estate
55 appraisers. * * * Each member shall serve for a term of four (4)
56 years. Upon the expiration of a member's term, such member shall
57 continue to serve until the appointment and qualification of a
58 successor. * * * No person shall be appointed as a member of the
59 board for more than * * * three (3) consecutive terms. The
60 Governor may remove an appointed member for cause. The provisions
61 of this paragraph (b) shall not affect persons who are members of
62 the board as of January 1, 2023. Such member(s) shall serve out
63 their respective terms, upon the expiration of which the
64 provisions of this paragraph (b) shall take effect. Nothing
65 provided herein shall be construed as prohibiting the
66 reappointment of any such member.

67 (2) The board shall meet not less than twice a calendar
68 year. Written notice shall be given to each member of the time



69 and place of each meeting of the board at least ten (10) days
70 prior to the scheduled date of the meeting.

71 (3) A quorum of the board shall be three (3) voting
72 members * * *, including at least one (1) * * * licensed certified
73 general real estate appraiser or * * * certified residential real
74 estate appraiser. Appointed members of the board are entitled to
75 mileage and actual expenses as authorized by Section 25-3-41 and
76 per diem as provided by Section 25-3-69 * * *.

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

80 **SECTION 3.** Section 73-34-3, Mississippi Code of 1972, is
81 amended as follows:

82 73-34-3. As used in this chapter, the following terms and
83 phrases shall have the following meanings unless the context
84 clearly indicates otherwise:

85 (a) "Appraisal" means an analysis, opinion or
86 conclusion prepared by a real estate appraiser relating to the
87 nature, quality, value or utility of specified interests in, or
88 aspects of, identified real estate or identified real property
89 performed in accordance with the Uniform Standards for
90 Professional Appraisal Practice. An appraisal may be classified
91 by the nature of the assignment into either a valuation assignment
92 or an evaluation assignment. The term "valuation assignment"
93 means an analysis, opinion or conclusion prepared by a real estate



94 appraiser that estimates the value of an identified parcel of real
95 estate or identified real property at a particular point in time.
96 The term "evaluation assignment" means an analysis, opinion or
97 conclusion prepared by a real estate appraiser that relates to the
98 nature, quality or utility of identified real estate or identified
99 real property.

100 (b) "Appraisal report" means any communication, written
101 or oral, of an appraisal. For the purposes of this chapter, the
102 testimony of an appraiser dealing with the appraiser's analyses,
103 conclusions or opinions concerning identified real property is
104 deemed to be an oral appraisal report.

105 (c) "Board" means the Mississippi Real Estate * * *
106 Appraisal Board that is established under the provisions of this
107 chapter.

108 (d) "Certified appraisal report" means an appraisal
109 report given or signed and certified as such by a state certified
110 real estate appraiser. When a state certified real estate
111 appraiser identifies an appraisal report as "certified," such
112 state certified real estate appraiser must indicate which type of
113 certification he holds. The certification of an appraisal report
114 by a state certified real estate appraiser represents to the
115 public that it meets the appraisal standards established under
116 this chapter.

117 * * *



118 (* * *e) "Licensed real estate appraiser" means a
119 person who holds a current, valid appraisal license issued to him
120 under the provisions of this chapter.

121 (* * *f) "Real estate or real property" means an
122 identified parcel or tract of land, with improvements, and
123 includes easements, rights-of-way, undivided or future interest,
124 or similar rights in a tract of land, but does not include mineral
125 rights, timber rights, growing crops, water rights, or similar
126 interests severable from the land when the transaction does not
127 involve the associated parcel or tract of land.

128 (* * *g) "Real estate appraisal activity" means the
129 act or process of making an appraisal of real estate or real
130 property and preparing an appraisal report.

131 (* * *h) "Real estate appraiser" means a person who
132 engages in real estate appraisal activity for a fee or other
133 valuable consideration.

134 (* * *i) "Real property" means one or more defined
135 interests, benefits or rights inherent in the ownership of real
136 estate.

137 (* * *j) "State certified real estate appraiser" means
138 a person who holds a current, valid license as a real estate
139 appraiser issued to him under the provisions of this chapter for
140 certified real estate appraisers.

141 (* * *k) "Appraisal management company" or "AMC"
142 means, in connection with valuing properties collateralizing



143 mortgage loans or mortgages incorporated into a securitization,
144 any external third party that oversees a network or panel of more
145 than fifteen (15) certified or licensed appraisers in this state
146 or twenty-five (25) or more nationally within a given year, that
147 is authorized either by a creditor of a consumer credit
148 transaction secured by a consumer's principal dwelling or by an
149 underwriter of or other principal in the secondary mortgage
150 markets to:

151 (i) Recruit, select, and retain appraisers;

152 (ii) Contract with licensed and certified
153 appraisers to perform appraisal assignments;

154 (iii) Manage the process of having an appraisal
155 performed, including providing administrative duties such as
156 receiving appraisal orders and appraisal reports, submitting
157 completed appraisal reports to creditors and underwriters,
158 collecting fees from creditors and underwriters for services
159 provided, and reimbursing appraisers for services performed; or

160 (iv) Review and verify the work of appraisers.

161 (* * *l) "Appraisal review" means the act or process
162 of developing and communicating an opinion about the quality of
163 another appraiser's work that was performed as part of an
164 appraisal assignment, except that a quality control examination of
165 an appraisal shall not be an appraisal review.

166 (* * *m) "Appraiser" means an individual who holds a
167 license or certification as an appraiser and is expected to



168 perform valuation services competently and in a manner that is
169 independent, impartial and objective.

170 (* * * n) "Appraiser panel" means a network, list or
171 roster of licensed or certified appraisers approved by an AMC to
172 perform appraisals as independent contractors for the AMC.

173 (* * * o) "Controlling person" means:

174 (i) An officer or director, or owner of greater
175 than a ten percent (10%) interest, of a corporation, partnership
176 or other business entity, seeking to act as an appraisal
177 management company in this state;

178 (ii) An individual employed, appointed, or
179 authorized by an appraisal management company that has the
180 authority to enter into a contractual relationship with other
181 persons for the performance of services requiring registration as
182 an appraisal management company and has the authority to enter
183 into agreements with appraisers for the performance of appraisals;
184 or

185 (iii) An individual who possesses, directly or
186 indirectly, the power to direct or cause the direction of
187 the management or policies of an appraisal management company.

188 (* * * p) "Federal financial institutions regulatory
189 agencies" means the Board of Governors of the Federal Reserve
190 System, the Federal Deposit Insurance Corporation, the Office of
191 the Comptroller of the Currency, the Office of Thrift Supervision,
192 and the National Credit Union Administration.



193 (* * *g) "Federally related transaction" means any
194 real estate-related financial transaction which a federal
195 financial institutions regulatory agency or the Resolution Trust
196 Corporation engages in, contracts for, or regulates, and which
197 requires the services of an appraiser.

198 (* * *r) "Person" means an individual, firm,
199 partnership, limited partnership, limited liability company,
200 association, corporation, or other group engaged in jointbusiness
201 activities, however organized.

202 (* * *s) "Quality control examination" means an
203 examination of an appraisal report for compliance and
204 completeness, including grammatical, mathematical, typographical
205 or other similar errors.

206 (* * *t) "Real estate-related financial transaction"
207 means any transaction involving:

208 (i) The sale, lease, purchase, auction, investment
209 in or exchange of real property, including interests in
210 property, or the financing thereof;

211 (ii) The refinancing of real property or interests
212 in real property; and

213 (iii) The use of real property or interests in
214 property as security for a loan or investment, including
215 mortgage-backed securities.

216 (* * *u) "Uniform Standards of Professional Appraisal
217 Practice" means the current standards of the appraisal profession,



218 developed for appraisers and users of appraisal services by the
219 Appraisal Standards Board of the Appraisal Foundation.

220 (* * * y) "USPAP" means the Uniform Standards of
221 Professional Appraisal Practice.

222 (* * * w) "Appraisal Foundation" means the Appraisal
223 Foundation, as defined by 12 USC Section 3350, or its successor.

224 (* * * x) "Appraisal Standards Board" means the
225 Appraisal Standards Board of the Appraisal Foundation, or its
226 successor.

227 (* * * y) "Appraisal Subcommittee" means the Appraisal
228 Subcommittee of the Federal Financial Institutions Examination
229 Council, or its successor.

230 (* * * z) "Appraiser Qualifications Board" means the
231 Appraiser Qualifications Board of the Appraisal Foundation, or its
232 successor.

233 (* * * aa) "Supervisory appraiser" means a supervisory
234 appraiser as defined by the Appraiser Qualifications Board.

235 (* * * bb) "Trainee appraiser" means a trainee
236 appraiser as defined by the Appraiser Qualifications Board.

237 **SECTION 4.** Section 73-34-9, Mississippi Code of 1972, is
238 amended as follows:

239 73-34-9. (1) The * * * board shall have the following
240 powers and duties:

241 (a) To receive applications for licensure as a real
242 estate appraiser and applications for registration as an appraisal



243 management company under this chapter; to establish appropriate
244 administrative procedures for the processing of those
245 applications; to approve or disapprove applications for licensing
246 or registration under this chapter; to issue licenses to qualified
247 applicants under the provisions of this chapter; and to maintain a
248 registry of the names and addresses of individuals who are
249 currently licensed under this chapter.

250 (b) To administer licensing examinations in the places
251 and at the times as may be required to carry out its
252 responsibilities under this chapter.

253 * * *

254 (* * *c) To collect all licensing fees required or
255 permitted by this chapter.

256 (* * *d) To take appropriate action upon a decision
257 and the related findings of fact made by the board if, after an
258 administrative hearing, the board (i) determines that a licensed
259 appraiser or a licensed state certified real estate appraiser
260 under this chapter has violated the standards of appraisal
261 practice or ethical rules established under Section 73-34-37, or
262 has committed one or more of the acts that are prohibited by
263 Section 73-34-35, and (ii) recommends that the license of the
264 appraiser be suspended or revoked, that renewal be denied, or that
265 some other disciplinary action be taken.

266 (* * *e) To solicit bids and enter into
267 contracts * * *.



268 (* * *f) To promote research and conduct studies
269 relating to the profession of real estate appraising and sponsor
270 real estate appraisal educational activities.

271 (* * *g) To adopt rules and regulations for the
272 administration of this chapter that are not inconsistent with the
273 provisions of this chapter or the Constitution and laws of
274 Mississippi or of the United States.

275 (* * *h) To employ an * * * administrator or director
276 who shall keep a record of all proceedings, transactions,
277 communications and official acts of the * * * board and perform
278 any other duties as the * * * board may require.

279 (* * *i) To employ an appropriate staff to investigate
280 allegations that licensed appraisers or licensed state certified
281 real estate appraisers under this chapter failed to comply with
282 the terms or provisions of this chapter.

283 (* * *j) To employ any other professional, clerical
284 and technical assistance as may be necessary to properly
285 administer the work of this chapter.

286 * * *

287 (* * *k) To be responsible for matters relating to
288 real estate appraisal standards, real estate appraiser
289 qualifications, testing standards, and appraisal management
290 companies and enforce the same through its disciplinary functions.



291 (* * *l) To hold meetings; to hold public hearings and
292 administrative hearings; and to prepare examination specifications
293 for licensed appraisers and licensed state certified appraisers.

294 (* * *m) To enable the board to carry out its
295 responsibilities under this chapter with respect to licensing and
296 registering, the board shall have:

297 (i) The power to compel the attendance of
298 witnesses;

299 (ii) The power to require a licensed appraiser or
300 an applicant for licensure to produce books, appraisal documents,
301 records and other papers;

302 (iii) The power to administer oaths; and

303 (iv) The power to take testimony and receive
304 evidence concerning all matters within its jurisdiction.

305 These powers may be exercised directly by the board in such
306 manner as the board shall determine.

307 (* * *n) To establish appropriate administrative
308 procedures for disciplinary proceedings conducted under the
309 provisions of this chapter.

310 (* * *o) To keep a record of its proceedings and issue
311 an annual report of its activities.

312 (* * *p) To further define by rule or regulation, and
313 with respect to each of the categories of licensed appraiser, the
314 type of educational experience, appraisal experience and



315 equivalent experience that will meet the statutory requirements of
316 this chapter and of the Appraiser Qualifications Board.

317 (* * *g) To approve or disapprove applications for
318 licensing or registration under this chapter.

319 (* * *r) To suspend or revoke licenses or
320 registrations under the disciplinary proceedings provided for in
321 this chapter.

322 (* * *s) To present an annual budget to the
323 Mississippi Legislature for approval. * * *

324 (* * *t) To implement all requirements directed by the
325 Appraiser Qualifications Board, Appraisal Subcommittee of the
326 Federal Financial Institutions Examination Council or their
327 designated agent.

328 (* * *u) To make rules and regulations providing for
329 an inactive license or registration status and for the
330 reactivation thereof.

331 (* * *y) To make rules and regulations necessary to
332 implement its powers and duties under this chapter.

333 (* * *w) To do all other things necessary to carry out
334 the provisions of this chapter.

335 (* * *x) To adopt rules consistent with the provisions
336 of this chapter which may be reasonably necessary to implement,
337 administer, and enforce the provisions of this chapter.

338 (* * *y) To provide for at least one (1) member of the
339 board to represent the appraisal management company industry.



340 (* * * z) To establish the standard for measuring
341 residential properties up to four (4) family buildings as
342 promulgated by the American National Standards Institute or as
343 provided in the American Measurement Standard Manual. The board
344 shall require appraisals required to use those standards to
345 indicate on the appraisal or separately appended document which
346 standard was used.

347 (* * * aa) To conduct surveys as necessary.

348 (* * * 2) The members of the * * * board shall be immune
349 from any civil action or criminal prosecution for initiating or
350 assisting in any lawful investigation of the actions of, or
351 participating in any disciplinary proceeding concerning, an
352 appraiser licensed under this chapter, provided that the action is
353 taken without malicious intent and in the reasonable belief that
354 the action was taken in accordance with the powers and duties
355 vested in the members of the * * * board under this chapter.

356 **SECTION 5.** Section 73-34-13, Mississippi Code of 1972, is
357 amended as follows:

358 73-34-13. Applications for one (1) of the appraisal
359 licenses, applications for renewal, applications to take an
360 examination, and applications for registration as an appraisal
361 management company shall be made in writing to the * * * board on
362 approved forms.

363 The payment of the appropriate fee, as fixed under Section
364 73-34-45, must accompany all applications for licensure and



365 renewal thereof, all applications to take an examination and all
366 applications for registration as an appraisal management company.
367 At the time of filing an application for licensure under this
368 chapter, for renewal, or for registration as an appraisal
369 management company, each applicant shall sign a pledge to comply
370 with the standards of professional appraisal practices that are
371 established from time to time for licensed appraisers and for
372 licensed certified real estate appraisers under this chapter.
373 Each applicant shall also certify that he understands the types of
374 misconduct, as set forth in this chapter, for which disciplinary
375 proceedings may be initiated against a licensed appraiser or a
376 licensed certified real estate appraiser.

377 Each application or filing made under this section shall
378 include the last four (4) digits of the applicant's social
379 security number * * *.

380 **SECTION 6.** Section 73-34-17, Mississippi Code of 1972, is
381 amended as follows:

382 73-34-17. To qualify to be a licensed real estate appraiser,
383 an applicant must:

384 (a) Successfully complete the number and type of
385 classroom hours or other educational qualifications that meet or
386 exceed the qualifications required by the Appraiser Qualifications
387 Board.

388 (b) Provide evidence satisfactory to the board that the
389 applicant has completed the number of hours of experience in



390 performing appraisals over the specified number of calendar years
391 that meet or exceed the number of hours of experience over the
392 specified number of calendar years as required by the Appraiser
393 Qualifications Board.

394 (c) Pass any examination administered by the * * *
395 board or its designated agent that is consistent with other
396 requirements of this chapter and approved by the Appraiser
397 Qualifications Board when such approval is required.

398 (d) Be trustworthy and competent to transact the
399 business of real estate appraising.

400 (e) Comply with such other requirements as may be
401 prescribed by the board.

402 The courses of study referred to in paragraph (a) above must
403 (i) be conducted by an accredited university, college or junior
404 college; (ii) be conducted by an approved appraisal society,
405 institute or association; or (iii) be conducted by such other
406 school as may be approved by the board; or (iv) consist of courses
407 relating to appraisal education that were approved by the
408 Mississippi Real Estate Commission prior to July 1, 1990.

409 **SECTION 7.** Section 73-34-27, Mississippi Code of 1972, is
410 amended as follows:

411 73-34-27. To obtain a renewal of any of the real estate
412 appraisal licenses or a renewal of any registration issued under
413 this chapter, the holder of a current, valid license or
414 registration shall make application and pay the prescribed fee to



415 the * * * board not earlier than one hundred twenty (120) days nor
416 later than the expiration date, as defined in Section 73-34-25, of
417 the license then held. Each application for renewal shall be
418 accompanied by evidence, in the form prescribed by the board, of
419 having completed the continuing education requirements for renewal
420 specified in this chapter.

421 If a licensed appraiser or licensed certified real estate
422 appraiser under this chapter fails to renew his license, or an
423 appraisal management company fails to renew its registration
424 before its expiration or within any period of extension granted
425 under this chapter, that person or company may obtain a renewal of
426 their license or registration by satisfying all of the
427 requirements for renewal and filing an application for renewal,
428 accompanied by a late renewal fee, within sixty (60) days of the
429 date that the license or registration expired.

430 From and after January 1, 2015, all applicants for a real
431 estate appraisal license renewal shall undergo a fingerprint-based
432 criminal history records check of the Mississippi central criminal
433 database and the Federal Bureau of Investigation criminal history
434 database pursuant to the provisions of Section 73-34-14.

435 **SECTION 8.** Section 73-34-35, Mississippi Code of 1972, is
436 amended as follows:

437 73-34-35. (1) An application for licensure or renewal may
438 be denied, and the rights of any licensed appraiser or licensed
439 certified real estate appraiser may be revoked or suspended, or



440 the holder of the license may be otherwise disciplined, in
441 accordance with the provisions of this chapter for any of the
442 following acts or omissions:

443 (a) Failing to meet the minimum qualifications for
444 licensure established under this chapter;

445 (b) Procuring or attempting to procure licensure under
446 this chapter by knowingly making a false statement, submitting
447 false information or making a material misrepresentation in an
448 application filed with the * * * board or procuring or attempting
449 to procure licensure through any form of fraud or
450 misrepresentation;

451 (c) Paying money other than the fees provided for by
452 this chapter to any member or employee of the * * * board to
453 procure licensure under this chapter;

454 (d) An act or omission in the practice of real estate
455 appraising which constitutes dishonesty, fraud or
456 misrepresentation with the intent to substantially benefit the
457 licensee or another person or with the intent to substantially
458 injure another person;

459 (e) Entry of a final civil or criminal judgment against
460 a licensee on grounds of fraud, misrepresentation or deceit;

461 (f) Conviction, including a conviction based upon a
462 plea or finding of guilty, of a crime which is substantially
463 related to the qualifications, functions or duties of a person



464 developing real estate appraisals and communicating real estate
465 appraisals to others;

466 (g) Engaging in the business of real estate appraising
467 under an assumed or fictitious name not properly registered in
468 this state;

469 (h) Paying a finder's fee or a referral fee;

470 (i) Making a false or misleading statement in that
471 portion of a written appraisal report that deals with professional
472 qualifications or in any testimony concerning professional
473 qualifications;

474 (j) Issuing an appraisal on any real property in which
475 the appraiser has an interest through fee simple ownership,
476 leasehold, rental agreement or auction agreement;

477 (k) Taking a listing for the sale of a property within
478 ninety (90) days of appraising such property, except as may be
479 otherwise agreed upon by all parties and disclosed in the listing
480 agreement; or

481 (l) Any act or conduct, whether the same or of a
482 different character than specified above, which constitutes or
483 demonstrates bad faith, incompetency or untrustworthiness; or
484 dishonest, fraudulent or improper dealing; or any other violation
485 of the provisions of this chapter and of rules and regulations
486 established by the board.

487 (2) In accordance with the laws of this state, and to the
488 extent permitted by any applicable federal legislation or



489 regulation, the board may censure an appraisal management company,
490 conditionally or unconditionally suspend or revoke any
491 registration issued under this chapter, or deny renewal of any
492 registration issued under this chapter, or levy fines or impose
493 civil penalties not to exceed Five Thousand Dollars (\$5,000.00),
494 if after appropriate investigation the board concludes that an
495 appraisal management company is attempting to perform, has
496 performed, or has attempted to perform any of the following acts:

497 (a) Committed any act in violation of this chapter;

498 (b) Violated any rule or regulation adopted by the
499 board in the interest of the public and consistent with the
500 provisions of this chapter; or

501 (c) Procured a registration for itself or any other
502 person by fraud, misrepresentation or deceit.

503 (3) In order to promote voluntary compliance, encourage
504 appraisal management companies to correct errors promptly, and
505 ensure a fair and consistent approach to enforcement, the board is
506 authorized to impose fines or civil penalties that are reasonable
507 in light of the nature, extent and severity of the violation. The
508 board is also authorized to take action against an appraisal
509 management company's registration, if at all, only after less
510 severe sanctions have proven insufficient to ensure behavior
511 consistent with this chapter. When deciding whether to impose a
512 sanction permitted by subsection (2), determining the sanction
513 that is most appropriate in a specific instance, or making any



514 other discretionary decision regarding the enforcement of this
515 chapter, the board shall consider whether an appraisal management
516 company:

517 (a) Has an effective program reasonably designed to
518 ensure compliance with this chapter;

519 (b) Has taken prompt and appropriate steps to correct
520 and prevent the recurrence of any detected violations; and

521 (c) Has independently reported to the board any
522 significant violations or potential violations of this chapter,
523 before an imminent threat of disclosure or investigation and
524 within a reasonably prompt time after becoming aware of their
525 occurrence.

526 (4) In addition to the reasons specified in subsection (1)
527 of this section, the board shall be authorized to suspend the
528 license of any licensee for being out of compliance with an order
529 for support, as defined in Section 93-11-153. The procedure for
530 suspension of a license for being out of compliance with an order
531 for support, and the procedure for the reissuance or reinstatement
532 of a license suspended for that purpose, and the payment of any
533 fees for the reissuance or reinstatement of a license suspended
534 for that purpose, shall be governed by Section 93-11-157 or
535 93-11-163, as the case may be. If there is any conflict between
536 any provision of Section 93-11-157 or 93-11-163 and any provision
537 of this chapter, the provisions of Section 93-11-157 or 93-11-163,
538 as the case may be, shall control.



539 **SECTION 9.** Section 73-34-41, Mississippi Code of 1972, is
540 amended as follows:

541 73-34-41. The * * * board may investigate * * * the actions
542 of an individual licensed or entity registered under this chapter
543 or an applicant for licensure, renewal or registration. Upon
544 compliance with the procedural requirements set forth in this
545 chapter, the board may revoke or suspend the license or otherwise
546 discipline a licensed appraiser, licensed certified real estate
547 appraiser or registered appraisal management company, or deny an
548 application or registration, for any of the acts or omissions set
549 forth in Section 73-34-35.

550 Upon receipt of information indicating that a licensed
551 appraiser, licensed certified real estate appraiser or a
552 registered appraisal management company may have committed a
553 violation under Section 73-34-35, the board may, upon compliance
554 with the procedural requirements set forth in this chapter, revoke
555 or suspend the license or otherwise discipline the licensee or
556 registrant, or deny an application or registration, for any of the
557 acts or omissions set forth in Section 73-34-35.

558 Upon receipt of information indicating that a licensed
559 appraiser, licensed certified real estate appraiser or registered
560 appraisal management company may have committed a violation under
561 Section 73-34-35, * * * the board * * * may cause one or more of
562 the investigators on its staff to make an investigation of the
563 facts to determine whether or not there is evidence of any such



564 violation. If technical assistance is required, a staff
565 investigator may consult with not more than two (2) of the voting
566 members of the board. If a voting member of the board is
567 consulted and renders assistance in an investigation, such member
568 shall be excused from service on the Board in connection with any
569 administrative hearing that results from such investigation.

570 In any investigation made by the * * * board's investigative
571 staff, the board shall have the power to compel the attendance of
572 witnesses and the production of books, appraisal documents,
573 records and other papers, the power to administer oaths, and the
574 power to take testimony and receive evidence concerning all
575 matters within its jurisdiction.

576 If an investigation indicates that a licensed appraiser,
577 licensed certified real estate appraiser or registered appraisal
578 management company has committed a violation under Section
579 73-34-35, a formal complaint shall be prepared by the * * *
580 board's staff at the direction of the board and served upon such
581 real estate appraiser or appraisal management company in
582 accordance with the board's rules. This complaint shall require
583 the accused party to file an answer to the complaint within twenty
584 (20) days of the date of service.

585 In responding to a complaint filed by the staff of the * * *
586 board, the accused party may admit the allegations of the
587 complaint, deny the allegations of the complaint, or otherwise



588 plead. Failure to make a timely response shall be deemed an
589 admission of the allegations of the complaint.

590 Upon completion of the investigation of the complaint, the
591 board shall set a date, time and place for an administrative
592 hearing on the complaint.

593 **SECTION 10.** Section 73-34-45, Mississippi Code of 1972, is
594 amended as follows:

595 73-34-45. (1) The * * * board shall charge and collect
596 appropriate fees for its services under this chapter. The fees
597 charged shall not exceed the amounts indicated below and shall be
598 set by the board.

599	Application and examination.....	\$225.00
600	Application only.....	\$175.00
601	Initial and renewal license.....	\$325.00
602	Delinquent renewal penalty.....	100% of renewal fee
603	For each change of address.....	\$ 25.00
604	For each duplicate license.....	\$ 25.00
605	To change status as a licensee between	
606	active/inactive.....	\$ 25.00
607	For each bad check received by the * * * <u>board</u>	\$ 25.00

608 (2) (a) The board shall establish the fee to be paid by
609 each appraisal management company making application for
610 registration under this chapter that is sufficient for the
611 administration regulation and enforcement of the provisions of the
612 Mississippi Appraisal Management Company Registration Act (Section



613 73-34-101 et seq.), but in no case shall the fee for initial
614 registration be more than * * * One Thousand Five Hundred Dollars
615 (\$1,500.00) * * *.

616 (b) The board may establish a similar fee, not to
617 exceed * * * One Thousand Five Hundred Dollars (\$1,500.00) * * *
618 for the renewal of any registration, and a delinquent renewal
619 penalty not to exceed one hundred percent (100%) of the renewal
620 fee.

621 (3) The board by rule shall establish and collect from each
622 appraisal management company (AMC) registered under this chapter
623 the national registry fee required by the Appraisal Subcommittee
624 for each person who is on the appraisal panel of the company and
625 licensed or certified as an appraiser in this state.

626 (a) Unless exempted under provisions of this chapter or
627 federal law/regulation, the board shall collect from each
628 appraisal management company operating in this state:

629 (i) The national registry fee required by the
630 Appraisal Subcommittee;

631 (ii) Information necessary for the board to
632 determine the national registry fee as required by the Appraisal
633 Subcommittee;

634 (iii) A fee in an amount that is sufficient for
635 the administration of this subsection as established by board
636 rule; and



637 (iv) Any other information required by state or
638 federal law.

639 (b) The board shall deposit the national registry fees
640 collected under this section into an account maintained only for
641 purposes of collecting and disbursing the national registry fees
642 collected pursuant to this subsection.

643 (c) The national registry fees collected under this
644 section shall be transmitted to the Appraisal Subcommittee
645 regularly as required by the Appraisal Subcommittee and federal
646 law.

647 (d) The board may adopt such rules and regulations
648 necessary to implement the requirements of this subsection.

649 (4) The board may charge additional fees for its services
650 which the board deems appropriate to carry out its intent and
651 purpose. These additional fees shall not exceed the cost of
652 rendering the service.

653 (5) Except for those fees collected by the board as required
654 for disbursement to national registries, all fees charged and
655 collected under this chapter shall be paid by the * * * board at
656 least once a week, accompanied by a detailed statement hereof, to
657 the credit of the fund known as the "Real Estate Appraisal License
658 Fund," hereby created in the State Treasury. All monies which are
659 collected under this chapter shall be paid into and credited to
660 the fund for the use of the board in carrying out the provisions
661 of this chapter, including the payment of salaries and expenses,



662 printing an annual directory of licensees, and for educational
663 purposes. * * * The * * * board shall prepare an annual statement
664 of income and expenses related to its appraisal-related
665 administrative function.

666 **SECTION 11.** Section 73-34-47, Mississippi Code of 1972, is
667 amended as follows:

668 73-34-47. The * * * board shall issue to each licensed
669 appraiser or licensed certified real estate appraiser under this
670 chapter a license evidencing such licensure. The * * * board
671 shall * * * also issue a pocket card in such size and form as the
672 board approves.

673 A license issued under this chapter shall bear a license
674 number assigned by the * * * board. When signing an appraisal
675 report or certified appraisal report, the licensee shall place
676 such appraiser's license number adjacent to or immediately below
677 the title of "licensed appraiser" or "licensed certified
678 residential real estate appraiser" or "licensed certified general
679 real estate appraiser" or "licensed timberland appraiser." Such
680 license number shall also be used in all statements of
681 qualification, contracts or other instruments used by the license
682 holder when reference is made to such license holder's status as a
683 licensed appraiser or licensed certified real estate appraiser.

684 The license must bear the current physical address of the
685 licensee's place of business, which shall be a room either in his
686 or her home or an office elsewhere, to be used for the transaction



687 of the appraisal business. In case of removal from the designated
688 address, the licensee shall make application to the * * * board
689 before removal, or within ten (10) days after removal, designating
690 the new location of such office, whereupon * * * the board shall
691 forthwith issue a new license for the new location.

692 Licenses and pocket cards shall remain the property of the
693 state; and, upon any suspension or revocation of a license
694 pursuant to this chapter, the individual holding the related
695 license and pocket card shall immediately return such license and
696 pocket card to the * * * board.

697 The * * * board shall maintain and keep open for public
698 inspection during office hours a complete and properly indexed
699 record of all applications for licensure received and licenses
700 issued, renewed, revoked, cancelled or suspended under the
701 provisions of this chapter. A copy of any such record, except
702 pending investigation files, shall be made available to the
703 public, upon application to the * * * board, at such reasonable
704 price per copy as may be fixed by the * * * board.

705 **SECTION 12.** Section 73-34-49, Mississippi Code of 1972, is
706 amended as follows:

707 73-34-49. The * * * board shall prepare and issue at least
708 once each calendar year a roster showing the name and place of
709 business of each real estate appraiser currently licensed and
710 appraisal management company registered under the provisions of
711 this chapter. A copy of the roster shall be made available to the



712 public, upon application to the * * * board, at a reasonable price
713 per copy as may be fixed by the * * * board. The * * * board
714 shall send a copy of this list to the Appraisal Subcommittee of
715 the Federal Financial Institutions Examination Council, or its
716 designated agent.

717 **SECTION 13.** Section 73-34-51, Mississippi Code of 1972, is
718 amended as follows:

719 73-34-51. (1) Each applicant for licensure under this
720 chapter who is not a resident of this state shall submit, with his
721 application, an irrevocable consent that legal action arising out
722 of his activities as a real estate appraiser in this state may be
723 commenced against him in the proper court of any county of this
724 state in which a cause of action may arise or in which the
725 plaintiff may reside by service of process or pleading authorized
726 by laws of this state * * * or by the Secretary of State * * * or
727 by the administrator * * * or director of the board or by the
728 board. The consent shall stipulate that the service of process or
729 pleading shall be taken in all courts to be valid and binding as
730 if personal service had been made upon the nonresident licensee in
731 this state. The consent shall be duly acknowledged. Every
732 nonresident licensee shall consent to have any hearings conducted
733 by the board pursuant to Section 73-34-35 at a place designated by
734 the board.

735 (2) Any service of process or pleading shall be served on
736 the * * * Mississippi Real Estate * * * Appraisal Board by filing



737 duplicate copies, one (1) of which shall be filed in the office of
738 the board and the other forwarded by certified mail to the
739 last-known principal address of the nonresident licensee against
740 whom the process or pleading is directed.

741 (3) If, in the determination of the board, another state or
742 territory or the District of Columbia is deemed to have
743 substantially equivalent licensure laws for real estate
744 appraisers, an applicant for licensure in this state who is
745 licensed under the law of such other state, territory or district
746 may obtain a license as a real estate appraiser in this state upon
747 such terms and conditions as may be determined by the board
748 provided that disciplinary proceedings are not pending against
749 such applicant in his state of licensure. The issuance of a
750 license by reciprocity to a military-trained applicant, military
751 spouse or person who establishes residence in this state shall be
752 subject to the provisions of Section 73-50-1 or 73-50-2, as
753 applicable.

754 **SECTION 14.** Section 73-34-103, Mississippi Code of 1972, is
755 amended as follows:

756 73-34-103. (1) It is unlawful for a person to directly or
757 indirectly engage or attempt to engage in business as an appraisal
758 management company in this state or to advertise or hold itself
759 out as engaging in or conducting business as an appraisal
760 management company in this state without first obtaining a



761 registration issued by the Mississippi Real Estate * * * Appraisal
762 Board under the provisions of this chapter.

763 (* * * 2) An applicant for registration as an appraisal
764 management company in this state shall submit to the * * * board
765 an application on a form or forms prescribed by the board
766 accompanied by an original or certified copy of a surety bond
767 payable to the State of Mississippi in the amount of Twenty
768 Thousand Dollars (\$20,000.00) for the use, benefit and indemnity
769 of any person who suffers any damage or loss as a result of the
770 appraisal management company's breach of contract or of any
771 obligation arising therefrom or any violation of law.

772 * * *

773 (* * * 3) An application for the registration required by
774 subsection (1) of this section shall, at a minimum, include:

775 (a) The name of the person seeking registration and the
776 fictitious name or names under which he does business in any
777 state;

778 (b) The business address of the entity seeking
779 registration;

780 (c) The phone contact information of the entity seeking
781 registration;

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



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

789 (f) The name, address, and contact information for one
790 (1) controlling person designated as the main contact for all
791 communication between the appraisal management company and
792 the * * * board;

793 (g) A certification that the person has a system and
794 process in place to verify that a person being added to the
795 appraiser panel of the appraisal management company holds a
796 license in good standing in this state under the Real Estate
797 Appraiser Licensing and Certification Act if a license or
798 certification is required to perform appraisals;

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

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

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



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

814 (k) A certification that the person maintains a
815 detailed record of each service request that it receives
816 and the appraiser that performs the residential real estate
817 appraisal services for the appraisal management company;

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

820 (m) Any other information required by the board which
821 is reasonably necessary to implement Sections 73-34-101 through
822 73-34-131.

823 (* * * 4) An application for the renewal of a registration
824 shall include substantially similar information required for the
825 initial registration as noted in subsection (2), as determined by
826 the board.

827 (* * * 5) A registration granted by the * * * board under
828 the provisions of Sections 73-34-101 through 73-34-131 shall be
829 valid for one (1) year from the date on which it is issued.

830 (* * * 6) This section shall stand repealed on July 1, * * *
831 2027.

832 **SECTION 15.** Section 73-34-113, Mississippi Code of 1972, is
833 amended as follows:



834 73-34-113. (1) An appraisal management company doing
835 business in this state as an appraisal management company shall
836 not:

837 (a) Knowingly employ any individual to perform
838 appraisal services, who has had a license or certificate to act as
839 an appraiser in this state or in any other state, refused, denied,
840 cancelled, surrendered in lieu of revocation, or revoked; or

841 (b) Knowingly enter into any independent contractor
842 arrangement for the performance of appraisal services, in verbal,
843 written, or other form, with any individual who has had a license
844 or certificate to act as an appraiser in this state or in any
845 other state, refused, denied, cancelled, surrendered in
846 lieu of revocation, or revoked.

847 (2) Before assigning appraisal orders, the appraisal
848 management company shall have a system in place to verify that a
849 person being added to the appraiser panel holds the appropriate
850 appraiser credential in good standing.

851 (3) Each appraisal management company doing business as an
852 appraisal management company shall certify to the * * * board on
853 an annual basis on a form prescribed by the * * * board that the
854 appraisal management company has systems in place to verify that:

855 (a) An individual on the appraiser panel has not had a
856 license or certification as an appraiser refused, denied,
857 cancelled, revoked or surrendered in lieu of a pending revocation
858 in the previous twelve (12) months; and



859 (b) Only licensed or certified appraisers are used to
860 complete appraisal assignments in connection with federally
861 related transactions.

862 **SECTION 16.** Section 73-34-117, Mississippi Code of 1972, is
863 amended as follows:

864 73-34-117. (1) Each appraisal management company doing
865 business in this state shall certify to the * * * board on an
866 annual basis that it requires appraisers completing appraisals at
867 its request to comply with the Uniform Standards of Professional
868 Appraisal Practice, including the requirements for geographic and
869 product competence.

870 (2) Each appraisal management company doing business in this
871 state shall certify to the * * * board on an annual basis that it
872 has a system in place to require that appraisals are conducted
873 independently and free from inappropriate influence and coercion
874 as required by the appraisal independence standards established
875 under Section 129E of the Truth in Lending Act, including the
876 requirement that fee appraisers be compensated at a customary and
877 reasonable rate when the appraisal management company is providing
878 services for a consumer credit transaction secured by the
879 principal dwelling of a consumer.

880 (3) Each appraisal management company doing business in this
881 state shall certify to the * * * board on an annual basis that it
882 has a system in place requiring payment to an independent contract
883 appraiser for the completion of an appraisal service within thirty



884 (30) days after the appraiser provides the completed appraisal
885 report to the appraisal management company, except in cases
886 involving a bona fide breach of contract, substandard performance
887 of services, or alternate payment terms agreed upon by the
888 appraiser and the appraisal management company.

889 (4) An appraisal management company shall not prohibit an
890 appraiser from reporting the fee paid to the appraiser in the body
891 of the appraisal report, however an appraisal management company
892 may require an appraiser to present any such disclosure in a
893 specified format and location.

894 **SECTION 17.** Section 73-34-129, Mississippi Code of 1972, is
895 amended as follows:

896 73-34-129. (1) (a) * * * An appraisal management company
897 may not remove an appraiser from its appraiser panel, or otherwise
898 refuse to assign requests for real estate appraisal services to an
899 independent appraiser without:

900 (b) Notifying the appraiser in writing of the reasons
901 why the appraiser is being removed from the appraiser panel of the
902 appraisal management company;

903 (c) If the appraiser is being removed from the panel
904 for illegal conduct, violation of USPAP, or a violation of state
905 licensing standards, notifying the appraiser of the nature of the
906 alleged conduct or violation;

907 (d) Providing an opportunity for the appraiser to
908 respond to the notification of the appraisal management company.



909 (2) An appraiser who is removed from the appraiser panel of
910 an appraisal management company for alleged illegal conduct,
911 violation of USPAP, or violation of state licensing standards, may
912 file a complaint with the board for a review of the decision of
913 the appraisal management company. The scope of the * * * board's
914 review in any such case is limited to determining whether the
915 appraisal management company has complied with subsection (1) and
916 whether illegal conduct, a violation of USPAP, or a violation of
917 state licensing standards has occurred.

918 (3) If an appraiser files a complaint against an appraisal
919 management company under subsection (2), the * * * board shall
920 adjudicate the complaint within one hundred eighty (180) days.

921 (4) If after opportunity for hearing and review, the * * *
922 board determines that an appraisal management company acted
923 improperly in removing the appraiser from the appraiser panel, or
924 that the appraiser did not commit a violation of law, a violation
925 of USPAP, or a violation of state licensing standards, the * * *
926 board shall:

927 (i) Provide written findings to the involved
928 parties;

929 (ii) Provide an opportunity for the appraisal
930 management company and/or the appraiser to respond to the
931 findings; and

932 (iii) Make recommendations for action.



933 **SECTION 18.** Section 73-34-131, Mississippi Code of 1972, is
934 amended as follows:

935 73-34-131. The conduct of adjudicatory proceedings in
936 accordance with applicable state laws for violations of Sections
937 73-34-101 through 73-34-131 is vested in the * * * board, such
938 that:

939 (a) Before censuring any registrant, or suspending or
940 revoking any registration, the * * * board shall notify the
941 registrant in writing of any charges made at least twenty (20)
942 days before the date set for the hearing and shall afford the
943 registrant an opportunity to be heard in person or by counsel.

944 (b) The written notice shall be satisfied by personal
945 service on the controlling person of the registrant, or the
946 registrant's agent for service of process in this state, or by
947 sending the notice by certified mail, return receipt requested to
948 the controlling person of the registrant to the registrant's
949 address on file with the * * * board.

950 (c) The hearing on the charges shall be at a time and
951 place prescribed by the * * * board and in accordance with the
952 applicable state laws.

953 (d) The * * * board may make findings of fact and shall
954 deliver or mail such findings to the registrant charged with an
955 offense under Sections 73-34-101 through 73-34-131.

956 **SECTION 19.** Section 1 of this act shall be codified in Title
957 73, Chapter 34, Mississippi Code of 1972.



958 **SECTION 20.** This act shall take effect and be in force from
959 and after July 1, 2023.

