HOUSE BILL NO. 174

AN ACT TO AMEND SECTION 31-3-21, MISSISSIPPI CODE OF 1972, TO CLARIFY BID REQUIREMENTS FOR CONTRACTORS; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 31-3-21, Mississippi Code of 1972, is amended as follows:

31-3-21. (1) It shall be unlawful for any person who does not hold a certificate of responsibility issued under this chapter, or a similar certificate issued by another state recognizing such certificate issued by the State of Mississippi, to submit a bid, enter into a contract for any public, residential or any other job, or otherwise engage in or continue in this state in the business of a contractor, as defined in this chapter. Any bid which is submitted without a certificate of responsibility number issued under this chapter and without that number appearing on the exterior of the bid envelope, as and if herein required, at the time designated for the opening of such bid, shall not be considered further, and the person or public agency soliciting bids shall not enter into a contract with a contractor submitting a bid in violation of this section. In addition, any person violating this section by knowingly and willfully submitting a bid for projects without holding a certificate of responsibility number issued under this chapter, as and if herein required, at the time of the submission or opening of such bid shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than One Thousand Dollars ($1,000.00), or by
imprisonment for not more than six (6) months, or by both such
fine and imprisonment.

(2) All bids submitted for public or private projects where
said bid is in excess of Fifty Thousand Dollars ($50,000.00) with
respect to public projects and in excess of One Hundred Thousand
Dollars ($100,000.00) with respect to private projects shall
contain on the outside or exterior of the envelope or container of
such bid the contractor's current certificate number, and no bid
shall be opened or considered unless such contractor's current
certificate number appears on the outside or exterior of said
envelope or container, or unless there appears a statement on the
outside or exterior of such envelope or container to the effect
that the bid enclosed therewith did not exceed Fifty Thousand
Dollars ($50,000.00) with respect to public projects or One
Hundred Thousand Dollars ($100,000.00) with respect to private
projects. Any person violating the provisions of this subsection
shall be guilty of a misdemeanor and, upon conviction, shall be
punished by a fine of not more than One Thousand Dollars
($1,000.00), or by imprisonment for not more than six (6) months,
or by both such fine and imprisonment.

(3) In the letting of public contracts preference shall be
given to resident contractors, and a nonresident bidder domiciled
in a state having laws granting preference to local contractors
shall be awarded Mississippi public contracts only on the same
basis as the nonresident bidder's state awards contracts to
Mississippi contractors bidding under similar circumstances; and
resident contractors actually domiciled in Mississippi, be they
corporate, individuals, or partnerships, are to be granted
preference over nonresidents in awarding of contracts in the same
manner and to the same extent as provided by the laws of the state
of domicile of the nonresident. When a nonresident contractor
submits a bid for a public project, he shall attach thereto a copy
of his resident state's current law pertaining to such state's
treatment of nonresident contractors. As used in this section, the term "resident contractors" includes a nonresident person, firm or corporation that has been qualified to do business in this state and has maintained a permanent full-time office in the State of Mississippi for two (2) years prior to January 1, 1986, and the subsidiaries and affiliates of such a person, firm or corporation.

Any public agency awarding a contract shall promptly report to the State Tax Commission the following information:

(a) The amount of the contract.

(b) The name and address of the contractor reviewing the contract.

(c) The name and location of the project.

(4) In addition to any other penalties provided in this chapter, and upon a finding of a violation of this chapter, the State Board of Contractors may, after notice and hearing, issue an order of abatement directing the contractor to cease all actions constituting violations of this chapter until such time as the contractor complies with Mississippi state law, and to pay to the board a civil penalty to be deposited into the State Board of Contractors' Fund, created in Section 31-3-17, of not more than three percent (3%) of the total contract being performed by the contractor. The funds collected from civil penalty payments shall be used by the State Board of Contractors for enforcement and education.

SECTION 2. This act shall take effect and be in force from and after July 1, 2002.