

By: Senator(s) Dickerson

To: Business and Financial Institutions

SENATE BILL NO. 2553

1 AN ACT TO AMEND SECTION 27-17-457, MISSISSIPPI CODE OF 1972,  
2 TO CLARIFY LOCAL IMPOSITION OF PRIVILEGE LICENSE FEES AGAINST  
3 BUILDING-INDUSTRY CONTRACTORS; TO CODIFY SECTION 17-27-1,  
4 MISSISSIPPI CODE OF 1972, TO REQUIRE MUNICIPALITIES AND COUNTIES  
5 TO GRANT EXAMINATION RECIPROCITY UNDER CERTAIN CIRCUMSTANCES; TO  
6 CODIFY SECTION 17-23-3, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A  
7 CONTRACTOR TO ACQUIRE A CASH OR SURETY BOND IN LIEU OF COMPLYING  
8 WITH EACH LOCAL JURISDICTION'S SEPARATE BOND REQUIREMENTS; AND FOR  
9 RELATED PURPOSES.

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

11 **SECTION 1.** Section 27-17-457, Mississippi Code of 1972, is  
12 amended as follows:

13 27-17-457. (1) No contractor, including, but not limited  
14 to, any electrical, plumbing, heating and air conditioning, water  
15 and sewer, roofing or mechanical contractor \* \* \* who holds a  
16 privilege license under this chapter shall \* \* \* advertise to the  
17 public that he is "licensed" unless he is \* \* \* in compliance with  
18 all competency examination requirements of the local jurisdiction  
19 in which he does business or holds a current license or  
20 certificate of responsibility from the State Board of Contractors.  
21 Any officer collecting privilege tax may suspend the issuance or  
22 renewal of a privilege license \* \* \* until such time as the  
23 licensee is in compliance with the provisions of this section. If  
24 a person advertises himself to the public as "licensed," the  
25 person must state to the public that he is "licensed by the city  
26 of" or "county of" followed by the name or names of the  
27 appropriate cities and counties in which the person \* \* \*  
28 currently holds a license issued on the basis of a competency  
29 exam, \* \* \* or, if \* \* \* appropriate, "licensed by the State Board  
30 of Contractors."



31       (2) No additional privilege license fee shall be required in  
32 order for a contractor having a single business location to do  
33 business in another municipality or county in the state if the  
34 contractor has paid a privilege license fee in the municipality or  
35 county where he is domiciled. However, every jurisdiction in  
36 which a contractor does business may impose its own separate  
37 bonding requirements on the contractor desiring to do business  
38 there.

39       (3) Any contractor who operates more than one (1) separate  
40 place of business within the state must obtain the appropriate  
41 privilege license and pay the privilege license fee for each  
42 location if required by the local jurisdiction.

43       **SECTION 2.** The following shall be codified as Section  
44 17-27-1, Mississippi Code of 1972:

45       17-27-1. Every municipality and county of the State of  
46 Mississippi shall grant competency examination reciprocity to any  
47 contractor, including, but not limited to, any electrical,  
48 plumbing, heating and air conditioning, water and sewer, roofing  
49 or mechanical contractor, who is licensed by another municipality  
50 or county of this state without imposing any further competency  
51 examination requirements provided:

52           (a) That the contractor furnishes evidence that he has  
53 a license issued on the basis of a competency examination  
54 administered in one (1) municipality or county of the State of  
55 Mississippi which has an examining board that regularly gives a  
56 written examination which has been approved by the State Board of  
57 Public Contractors or the Building Officials Association of  
58 Mississippi;

59           (b) That he furnishes evidence that he actually took  
60 and passed the written examination which qualified him for such  
61 license; however, in lieu thereof, he may furnish evidence that  
62 he was issued a license prior to May 1, 1972, and prior to the  
63 existence of a written examination by a county or municipality



64 which has an examining board that requires written examination to  
65 qualify for a license;

66 (c) That he has been actively engaged in the business  
67 for which he is licensed for two (2) years or more;

68 (d) That he has held a license for his business for one  
69 (1) year or more; and

70 (e) That he pays the license fee to the municipality or  
71 county to which application is made for a license unless he holds  
72 a current certificate of responsibility issued by the State Board  
73 of Public Contractors, in which case no license fee shall be  
74 collected.

75 **SECTION 3.** The following shall be codified as Sections  
76 17-23-3, Mississippi Code of 1972:

77 17-23-3. Every jurisdiction in which a contractor does  
78 business may impose its own separate permit or performance bonding  
79 requirements on the contractor desiring to do business. However,  
80 a contractor who has been granted reciprocity under the provisions  
81 of Section 17- 23-1 may acquire a cash bond or surety bond issued  
82 by a corporate surety authorized to do business in this state in  
83 the amount of Ten Thousand Dollars (\$10,000.00). The bond shall  
84 be in such form as approved by the State Board of Public  
85 Contractors, shall cover all jurisdiction in the State of  
86 Mississippi in which the contractor legally does business, and  
87 shall be in lieu of complying with each local jurisdiction's  
88 separate bond requirements.

89 **SECTION 4.** This act shall take effect and be in force from  
90 and after July 1, 2003.

