SENATE BILL NO. 2553

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

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

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

27-17-457. (1) No contractor, including, but not limited to, any electrical, plumbing, heating and air conditioning, water and sewer, roofing or mechanical contractor ** who holds a privilege license under this chapter ** shall advertise to the public that he is "licensed" unless he is ** in compliance with all competency examination requirements of the local jurisdiction in which he does business or holds a current license or certificate of responsibility from the State Board of Contractors. Any officer collecting privilege tax may suspend the issuance or renewal of a privilege license ** until such time as the licensee is in compliance with the provisions of this section. If a person advertises himself to the public as "licensed," the person must state to the public that he is "licensed by the city of" or "county of" followed by the name or names of the appropriate cities and counties in which the person ** holds a license issued on the basis of a competency exam, ** or, if ** appropriate, "licensed by the State Board of Contractors."
(2) No additional privilege license fee shall be required in order for a contractor having a single business location to do business in another municipality or county in the state if the contractor has paid a privilege license fee in the municipality or county where he is domiciled. However, every jurisdiction in which a contractor does business may impose its own separate bonding requirements on the contractor desiring to do business there.

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

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

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

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

(b) That he furnishes evidence that he actually took and passed the written examination which qualified him for such license; however, in lieu thereof, he may furnish evidence that he was issued a license prior to May 1, 1972, and prior to the existence of a written examination by a county or municipality...
which has an examining board that requires written examination to qualify for a license;

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

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

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

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

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

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