

By: Senator(s) Minor

To: Business and Financial
Institutions

SENATE BILL NO. 2719

1 AN ACT TO AMEND SECTION 31-3-1, MISSISSIPPI CODE OF 1972, TO
2 EXPAND THE DEFINITION OF THE TERM "CONTRACTOR" FOR THE PURPOSES OF
3 THE LAWS REGULATING PUBLIC CONTRACTORS TO INCLUDE PERSONS WHO
4 UNDERTAKE CONSTRUCTION OF COMMERCIAL BUILDINGS REGARDLESS OF SIZE;
5 TO AMEND SECTION 31-3-17, MISSISSIPPI CODE OF 1972, TO LEVY THE
6 PRIVILEGE TAX ON EACH CONTRACTOR WHO APPLIES FOR A CERTIFICATE OF
7 RESPONSIBILITY; AND FOR RELATED PURPOSES.

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

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

11 31-3-1. * * * As used in this chapter * * *:

12 (a) "Board" means the State Board of Contractors
13 created under this chapter.

14 (b) "Contractor" means any person contracting or
15 undertaking as prime contractor, subcontractor or
16 sub-subcontractor of any tier to do any erection, building,
17 construction, reconstruction, repair, maintenance or related work
18 on any public or private project; however, "contractor" shall not
19 include any owner of a dwelling or other structure to be
20 constructed, altered, repaired or improved and not for sale,
21 lease, public use or assembly. It is further provided that
22 nothing herein shall apply to:

23 (i) Any contract or undertaking on a public
24 project by a prime contractor, subcontractor or sub-subcontractor
25 of any tier involving erection, building, construction,
26 reconstruction, repair, maintenance or related work where such
27 contract, subcontract or undertaking is less than Fifty Thousand
28 Dollars (\$50,000.00);



29 (ii) Any contract or undertaking on a private
30 project by a prime contractor, subcontractor or sub-subcontractor
31 of any tier involving erection, building, construction,
32 reconstruction, repair, maintenance or related work where such
33 contract, subcontract or undertaking is less than One Hundred
34 Thousand Dollars (\$100,000.00);

35 (iii) Highway construction, highway bridges,
36 overpasses and any other project incidental to the construction of
37 highways which are designated as federal aid projects and in which
38 federal funds are involved;

39 (iv) A residential project to be occupied by fifty
40 (50) or fewer families and not more than three (3) stories in
41 height;

42 (v) A residential subdivision where the contractor
43 is developing either single-family or multi-family lots;

44 * * *

45 (vi) Erection of a microwave tower built for the
46 purpose of telecommunication transmissions;

47 (vii) Any contract or undertaking on a public
48 project by a prime contractor, subcontractor or sub-subcontractor
49 of any tier involving the construction, reconstruction, repair or
50 maintenance of fire protection systems where such contract,
51 subcontract or undertaking is less than Five Thousand Dollars
52 (\$5,000.00);

53 (viii) Any contract or undertaking on a private
54 project by a prime contractor, subcontractor or sub-subcontractor
55 of any tier involving the construction, reconstruction, repair or
56 maintenance of fire protection systems where such contract,
57 subcontract or undertaking is less than Ten Thousand Dollars
58 (\$10,000.00); or

59 (ix) Any contract or undertaking on a private or
60 public project by a prime contractor, subcontractor or
61 sub-subcontractor of any tier involving the construction,



62 reconstruction, repair or maintenance of technically specialized
63 installations if performed by a Mississippi contractor who has
64 been in the business of installing fire protection sprinkler
65 systems on or before July 1, 2000.

66 (c) "Certificate of responsibility" means a certificate
67 numbered and held by a contractor issued by the board under the
68 provisions of this chapter * * *.

69 (d) "Person" means any person, firm, corporation, joint
70 venture or partnership, association or other type of business
71 entity.

72 (e) "Private project" means any project for erection,
73 building, construction, reconstruction, repair, maintenance or
74 related work which is not funded in whole or in part with public
75 funds.

76 (f) "Public agency" means any board, commission,
77 council or agency of the State of Mississippi or any district,
78 county or municipality thereof, including school, hospital,
79 airport and all other types of governing agencies created by or
80 operating under the laws of this state.

81 (g) "Public funds" means monies of public agencies,
82 whether obtained from taxation, donation or otherwise; or monies
83 being expended by public agencies for the purposes for which such
84 public agencies exist.

85 (h) "Public project" means any project for erection,
86 building, construction, reconstruction, repair, maintenance or
87 related work which is funded in whole or in part with public
88 funds.

89 **SECTION 2.** Section 31-3-17, Mississippi Code of 1972, is
90 amended as follows:

91 31-3-17. There is hereby levied, in addition to any taxes
92 otherwise provided for by law, a special privilege license tax of
93 One Hundred Dollars (\$100.00) on each contractor who applies for a
94 certificate of responsibility * * * issued under this chapter; and



95 such tax shall be paid to the executive secretary of the
96 board * * * when making an application in this state. The board
97 may levy an additional special privilege license tax not to exceed
98 Fifty Dollars (\$50.00) for each additional classification for
99 which a contractor applies and is found to be qualified. The
100 executive secretary of the board shall promptly deposit all monies
101 received under this chapter in the State Treasury. Except for the
102 civil penalty provided in Section 31-3-21 which shall be deposited
103 into the State General Fund and the fee provided in Section
104 31-3-14, all monies received under this chapter shall be kept in a
105 special fund in the State Treasury known as the "State Board of
106 Contractors Fund," and shall be used only for the purposes of this
107 chapter. Such monies shall not lapse at the end of each fiscal
108 year, but all monies in such State Board of Contractors Fund in
109 excess of the sum of fifty percent (50%) of the approved budget
110 for the fiscal year shall be paid over into the General Fund of
111 the State Treasury. All expenditures from the Board of
112 Contractors Fund shall be by requisition to the State Auditor,
113 signed by the executive secretary of the board and countersigned
114 by the chairman or vice chairman of the board, and the State
115 Treasurer shall issue his warrants thereon.

116 **SECTION 3.** This act shall take effect and be in force from
117 and after July 1, 2003.

