

By: Representatives Brown, Mayo,
Whittington, Akins, Rogers (14th)

To: Judiciary B

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 796

1 AN ACT TO AMEND SECTIONS 31-3-14 AND 73-59-3, MISSISSIPPI
2 CODE OF 1972, TO PROVIDE FOR THE DISTRIBUTION OF A PORTION OF
3 RESIDENTIAL BUILDER FEES TO THE MISSISSIPPI HOUSING INSTITUTE; AND
4 FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 31-3-14, Mississippi Code of 1972, is
7 amended as follows:

8 31-3-14. (1) In addition to the fees required for
9 application and renewal for certification and registration of all
10 contractors in Section 31-3-13, all holders of a certificate of
11 responsibility shall pay a fee equal to One Hundred Dollars
12 (\$100.00) at the time of application or renewal of certificates of
13 responsibility. Any residential builder licensed under the
14 provisions of Section 73-59-1 et seq. shall be exempt from the fee
15 imposed under this section. The revenue derived from such
16 additional fees shall be deposited into a fund to be known as the
17 "Construction Education Fund," a special fund created in the State
18 Treasury, and distributed by the State Board of Contractors
19 created in Section 31-3-3, to the Mississippi Construction
20 Education Foundation, public high schools and community colleges
21 that participate in the Mississippi Construction Education
22 Foundation's "school-to-work" program, state universities that
23 have construction technology programs, the Mississippi Housing
24 Institute and certain construction educational trusts approved by
25 the State Board of Contractors in the manner hereinafter provided
26 to offer courses for construction education and construction craft
27 training to meet the needs of the construction industry of the
28 State of Mississippi.

29 (2) The State Board of Contractors shall, on an annual
30 basis, solicit from the Mississippi state institutions of higher
31 learning, all the public community and junior colleges, the
32 Mississippi Construction Education Foundation, public high schools
33 that participate in the Mississippi Construction Education
34 Foundation's "school-to-work" program and certain construction
35 educational trusts, applications for the use of such funds in
36 construction education and craft training programs in a manner
37 prescribed by the board. The board may appoint a technical
38 advisory committee to advise the board on the most needed areas of
39 construction education and craft training, continuing education or
40 research relating to the construction education and craft training
41 in the state, based on significant changes in the construction
42 industry's practices, economic development or on problems costing
43 public or private contractors substantial waste. The board shall
44 ensure that the monies distributed from this fund are properly
45 spent to promote construction education and craft training in
46 programs in the state which are approved by the board. At least
47 seventy-five percent (75%) of the monies distributed by the board,
48 pursuant to this section, must be used for construction craft
49 training with the exception of the Mississippi Housing Institute.

50 (3) Each university, junior college, community college, the
51 Mississippi Construction Education Foundation, public high school
52 that participates in the foundation's "school-to-work" program and
53 construction educational trust receiving funds pursuant to this
54 section for construction education or construction craft training
55 programs shall utilize such funds only for construction education
56 and craft training curricula and program development, faculty
57 development, equipment, student scholarships, student
58 assistantships, and for continuing education programs related to
59 construction education and craft training. Such funds shall not
60 be commingled with the normal operating funds of the educational
61 institution, regardless of the source of such funds.

62 (4) The State Board of Contractors shall ensure the
63 distribution of reports and the availability of construction
64 education programs established pursuant to this section to all
65 segments of the construction industry that are subject to the fee
66 provided under this section. The board shall cause a report to be
67 made to the Legislature in October of each year, summarizing the
68 allocation of funds by institution or program and summarizing the
69 new projects funded and the status of previously funded projects.

70 (5) All monies deposited into the Construction Education
71 Fund shall be used exclusively for construction education and
72 craft training, and any unspent funds at the end of the fiscal
73 year shall not revert to the General Fund of the State Treasury
74 but shall be available for construction education and craft
75 training in subsequent fiscal years.

76 (6) All monies deposited into the Construction Education
77 Fund collected from residential builders licensed under the
78 provisions of Section 73-59-1 et seq. shall be used exclusively
79 for licensed home builders' education and professional development
80 and any unspent funds at the end of the fiscal year shall not
81 revert to the General Fund of the State Treasury but shall be
82 available for construction education and craft training in
83 subsequent fiscal years.

84 (7) All expenditures from the Construction Education Fund
85 shall be by requisition to the State Auditor, signed by the
86 executive secretary of the board and countersigned by the chairman
87 or vice chairman of the board, and the State Treasurer shall issue
88 his warrants thereon.

89 **SECTION 2.** Section 73-59-3, Mississippi Code of 1972, is
90 amended as follows:

91 73-59-3. (1) Except as otherwise provided in Section
92 73-59-15, persons who perform residential construction or
93 residential improvement shall be licensed by the board annually,

94 and, as a prerequisite to obtaining a license or renewal thereof,
95 each shall submit to the board:

96 (a) Proof of workers' compensation insurance, if
97 applicable;

98 (b) A federal employment identification number or
99 social security number.

100 (2) The board shall not require liability insurance to be
101 licensed under this chapter but if a licensee has liability
102 insurance it shall be reflected on the certificate of licensure.

103 (3) The board shall issue or renew a license to a
104 residential builder or remodeler upon payment to the board of the
105 license fee. The initial license fee shall be Fifty Dollars
106 (\$50.00). The license fee may thereafter be increased or
107 decreased by the board and cannot exceed One Hundred Dollars
108 (\$100.00); however, the receipts from fees collected by the board
109 shall be no greater than the amount required to pay all costs and
110 expenses incurred by the board in enforcing the provisions of this
111 chapter. Twenty-five Dollars (\$25.00) of the fee required by this
112 section which is assessed to residential builders licensed under
113 the provisions of Section 73-59-1 et seq. shall be deposited to
114 the Construction Education Fund created pursuant to Section
115 31-3-14 and shall be distributed to the Mississippi Housing
116 Institute. The remaining fees collected under this chapter shall
117 be deposited into the special fund in the State Treasury known as
118 the "State Board of Contractor's Fund" created pursuant to Section
119 31-3-17 and shall be used * * * for the administration and
120 enforcement of this chapter and as provided in Section 31-3-14.
121 Amounts in such fund shall not lapse into the State General Fund
122 at the end of a fiscal year. Interest accrued to such fund shall
123 remain in the fund. All expenditures from the special fund shall
124 be by requisition to the Department of Finance and Administration,
125 signed by the executive secretary of the board and countersigned
126 by the chairman or vice chairman of the board.

127 (4) The license shall expire on the last day of the twelfth
128 month following its issuance or renewal and shall become invalid
129 unless renewed. The board shall notify by mail every licensee
130 under this chapter of the date of the expiration of his license
131 and the amount of the fee required for renewal of the license for
132 one (1) year. Such notice shall be mailed within thirty (30) days
133 prior to the expiration date of the license. The failure on the
134 part of any licensee to renew his license annually in such twelfth
135 month shall not deprive such licensee of the right of renewal,
136 provided that renewal is effected within one hundred twenty (120)
137 days after the expiration date of the license by payment of the
138 license fee plus a penalty of ten percent (10%) of the license
139 fee. A new license required to replace a revoked, lost, mutilated
140 or destroyed license may be issued, subject to the rules of the
141 board, for a charge of not more than Twenty-five Dollars (\$25.00).

142 (5) Any person who is not a resident of the State of
143 Mississippi who desires to perform residential construction or
144 residential improvement shall be licensed to perform such
145 construction or improvement as provided by this chapter.

146 **SECTION 3.** This act shall take effect and be in force from
147 and after July 1, 2004.