

By: Senator(s) Mettetal

To: Business and Financial  
Institutions

SENATE BILL NO. 2760

1 AN ACT TO AMEND SECTION 31-3-1, MISSISSIPPI CODE OF 1972, TO  
2 DELETE NEW COMMERCIAL CONSTRUCTION PROJECTS NOT EXCEEDING  
3 SEVENTY-FIVE HUNDRED SQUARE FEET AND NOT MORE THAN TWO STORIES IN  
4 HEIGHT AS AN EXEMPTION UNDER THE DEFINITION OF A CONTRACTOR; TO  
5 AMEND SECTION 31-3-17, TO REQUIRE CONTRACTORS TO PAY AN  
6 APPLICATION FEE FOR A CERTIFICATE OF RESPONSIBILITY; AND FOR  
7 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. The following words, as used in this chapter, shall  
12 have the meanings specified below:

13 "Board": The State Board of Contractors created under this  
14 chapter.

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

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

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

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

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

41           (e) A residential subdivision where the contractor is  
42 developing either single-family or multifamily lots;

43       \* \* \*

44           (f) Erection of a microwave tower built for the purpose  
45 of telecommunication transmissions;

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

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

56           (i) Any contract or undertaking on a private or public  
57 project by a prime contractor, subcontractor or sub-subcontractor  
58 of any tier involving the construction, reconstruction, repair or  
59 maintenance of technically specialized installations if performed  
60 by a Mississippi contractor who has been in the business of

61 installing fire protection sprinkler systems on or before July 1,  
62 2000.

63 "Certificate of responsibility": A certificate numbered and  
64 held by a contractor issued by the board under the provisions of  
65 this chapter after payment of the special privilege license tax  
66 therefor levied under this chapter.

67 "Person": Any person, firm, corporation, joint venture or  
68 partnership, association or other type of business entity.

69 "Private project": Any project for erection, building,  
70 construction, reconstruction, repair, maintenance or related work  
71 which is not funded in whole or in part with public funds.

72 "Public agency": Any board, commission, council or agency of  
73 the State of Mississippi or any district, county or municipality  
74 thereof, including school, hospital, airport and all other types  
75 of governing agencies created by or operating under the laws of  
76 this state.

77 "Public funds": Monies of public agencies, whether obtained  
78 from taxation, donation or otherwise; or monies being expended by  
79 public agencies for the purposes for which such public agencies  
80 exist.

81 "Public project": Any project for erection, building,  
82 construction, reconstruction, repair, maintenance or related work  
83 which is funded in whole or in part with public funds.

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

86 31-3-17. There is hereby levied, in addition to any taxes  
87 otherwise provided for by law, a special privilege license tax of  
88 One Hundred Dollars (\$100.00) on each contractor who applies for a  
89 certificate of responsibility \* \* \* issued under this chapter; and  
90 such tax shall be paid to the executive secretary of the board  
91 upon making such application in this state. The board may levy an  
92 additional special privilege license tax not to exceed Fifty  
93 Dollars (\$50.00) for each additional classification for which a

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

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