By: Representative Warren

To: Judiciary B

HOUSE BILL NO. 603

AN ACT TO REENACT SECTIONS 31-3-3 AND 31-3-5, MISSISSIPPI 1 CODE OF 1972, WHICH PROVIDE FOR THE STATE BOARD OF CONTRACTORS AND 2 PROVIDE FOR THE ORGANIZATION AND ADMINISTRATION OF THE BOARD; TO REENACT SECTIONS 73-59-1 THROUGH 73-59-21, MISSISSIPPI CODE OF 3 4 1972, WHICH PROVIDE FOR THE LICENSING AND REGULATION OF 5 б RESIDENTIAL BUILDINGS AND REMODELERS; TO AMEND SECTION 14, CHAPTER 7 $345\,,$ LAWS OF 2000, TO EXTEND THE REPEALER ON THE STATE BOARD OF CONTRACTORS AND ON THE LICENSING AND REGULATION OF RESIDENTIAL 8 BUILDERS AND REMODELERS; AND FOR RELATED PURPOSES. 9

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: SECTION 1. Section 31-3-3, Mississippi Code of 1972, is reenacted as follows:

31-3-3. There is hereby created the State Board of 13 Contractors of the State of Mississippi, which shall consist of 14 ten (10) members who shall be appointed by the Governor. All 15 16 appointments to the board after July 1, 1980, shall be made with the advice and consent of the Senate. Two (2) road contractors; 17 18 two (2) building contractors; two (2) residential builders as 19 defined in Section 73-59-1; one (1) plumbing or heating and air conditioning contractor; one (1) electrical contractor; and one 20 21 (1) water and sewer contractor shall compose the board. From and after July 1, 1992, the Governor shall appoint one (1) additional 22 23 member who shall be a roofing contractor and whose term of office 24 shall be five (5) years. Each member shall be an actual resident 25 of the State of Mississippi and must have been actually engaged in the contracting business for a period of not less than ten (10) 26 years before appointment. The initial terms of the two (2) 27 residential builders shall be for two (2) and four (4) years, 28 29 respectively, beginning July 1, 1993.

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 1 (CJR\LH)

G3/5

Upon the expiration of the term of office of any member of 30 31 the board, the Governor shall appoint a new member for a term of 32 five (5) years, such new appointments being made so as to maintain 33 on the board two (2) building contractors; two (2) road contractors; two (2) residential builders; one (1) plumbing or 34 35 heating and air conditioning contractor; one (1) electrical contractor; and one (1) water and sewer contractor; and one (1) 36 roofing contractor. The Governor shall fill any vacancy by 37 appointment, such appointee to serve the balance of the term of 38 39 the original appointee. The Governor may remove any member of the 40 board for misconduct, incompetency or willful neglect of duty. In the event the Governor fails to appoint a member of the 41 42 board within twelve (12) months of the occurrence of the vacancy, such vacancy shall be filled by majority vote of the board, 43 subject to advice and consent of the Senate and the requirements 44

45 of this section.

46 SECTION 2. Section 31-3-5, Mississippi Code of 1972, is
47 reenacted as follows:

The board shall be assigned suitable office space at 48 31-3-5. 49 the seat of government and shall elect one (1) of its members as chairman and one (1) as vice chairman; and each shall perform the 50 51 usual duties of such offices. The board may adopt a seal. Six (6) members of the board shall constitute a quorum, and a majority 52 53 vote of those present and voting at any meeting shall be necessary 54 for the transaction of any business coming before the board. 55 Members must be present to cast votes on any and all business. 56 The executive secretary shall serve as secretary of the board. The board is authorized to employ such personnel as shall be 57 necessary in the performance of its duties including sufficient 58 59 administrative and clerical staff to process and review 60 applications for certificates of responsibility, to prepare and 61 administer tests therefor, to investigate applications for certificates of responsibility and to inspect work performed by 62 *HR03/R521* H. B. No. 603

05/HR03/R521 PAGE 2 (CJR\LH) 63 contractors as may be necessary to enforce and carry out the 64 purpose of this chapter.

65 SECTION 3. Section 73-59-1, Mississippi Code of 1972, is 66 reenacted as follows:

67 73-59-1. For the purposes of this chapter, the following68 words shall have the meanings ascribed herein:

(a) "Board" means the State Board of Contractors
created in Section 31-3-3, Mississippi Code of 1972.

"Residential builder" means any corporation, 71 (b) 72 partnership or individual who constructs a building or structure 73 for sale for use by another as a residence or who, for a fixed 74 price, commission, fee, wage or other compensation, undertakes or 75 offers to undertake the construction, or superintending of the 76 construction, of any building or structure which is not more than 77 three (3) floors in height, to be used by another as a residence, when the cost of the undertaking exceeds Fifty Thousand Dollars 78 (\$50,000.00). 79

80 (c) "Remodeler" means any corporation, partnership or
81 individual who, for a fixed price, commission, fee, wage or other
82 compensation, undertakes or offers to undertake the construction,
83 or superintending of the construction, of improvements to an
84 existing residence when the cost of the improvements exceeds Ten
85 Thousand Dollars (\$10,000.00).

86 (d) "Residential construction" means any undertaking
87 described in paragraph (b) of this section performed by a
88 residential builder.

89 (e) "Residential improvement" means any undertaking
90 described in paragraph (c) of this section performed by a
91 remodeler.

92 SECTION 4. Section 73-59-3, Mississippi Code of 1972, is 93 reenacted as follows:

94 73-59-3. (1) Except as otherwise provided in Section 95 73-59-15, persons who perform residential construction or H. B. No. 603 *HRO3/R521* 05/HR03/R521

PAGE 3 (CJR\LH)

96 residential improvement shall be licensed by the board annually, 97 and, as a prerequisite to obtaining a license or renewal thereof, 98 each shall submit to the board:

99 Proof of workers' compensation insurance, if (a) 100 applicable;

101 A federal employment identification number or (b) 102 social security number.

The board shall not require liability insurance to be 103 (2) 104 licensed under this chapter but if a licensee has liability insurance it shall be reflected on the certificate of licensure. 105

106 The board shall issue or renew a license to a residential builder or remodeler upon payment to the board of the 107 108 license fee. The initial license fee shall be Fifty Dollars (\$50.00). The license fee may thereafter be increased or 109 decreased by the board and cannot exceed One Hundred Dollars 110 (\$100.00); however, the receipts from fees collected by the board 111 112 shall be no greater than the amount required to pay all costs and 113 expenses incurred by the board in enforcing the provisions of this chapter. Twenty-five Dollars (\$25.00) of the fee required by this 114 115 section which is assessed to residential builders licensed under the provisions of Section 73-59-1 et seq. shall be deposited to 116 117 the Construction Education Fund created pursuant to Section 31-3-14 and shall be distributed to the Mississippi Housing 118 119 Institute. The remaining fees collected under this chapter shall 120 be deposited into the special fund in the State Treasury known as the "State Board of Contractor's Fund" created pursuant to Section 121 122 31-3-17 and shall be used for the administration and enforcement of this chapter and as provided in Section 31-3-14. Amounts in 123 such fund shall not lapse into the State General Fund at the end 124 125 of a fiscal year. Interest accrued to such fund shall remain in 126 the fund. All expenditures from the special fund shall be by 127 requisition to the Department of Finance and Administration,

HR03/R521 H. B. No. 603 05/HR03/R521 PAGE 4 (CJR\LH)

(3)

128 signed by the executive secretary of the board and countersigned 129 by the chairman or vice chairman of the board.

130 (4) The license shall expire on the last day of the twelfth 131 month following its issuance or renewal and shall become invalid 132 unless renewed. The board shall notify by mail every licensee 133 under this chapter of the date of the expiration of his license and the amount of the fee required for renewal of the license for 134 one (1) year. Such notice shall be mailed within thirty (30) days 135 prior to the expiration date of the license. The failure on the 136 137 part of any licensee to renew his license annually in such twelfth 138 month shall not deprive such licensee of the right of renewal, provided that renewal is effected within one hundred twenty (120) 139 140 days after the expiration date of the license by payment of the license fee plus a penalty of ten percent (10%) of the license 141 fee. A new license required to replace a revoked, lost, mutilated 142 or destroyed license may be issued, subject to the rules of the 143 144 board, for a charge of not more than Twenty-five Dollars (\$25.00). 145 (5) Any person who is not a resident of the State of

146 Mississippi who desires to perform residential construction or 147 residential improvement shall be licensed to perform such 148 construction or improvement as provided by this chapter.

149 SECTION 5. Section 73-59-5, Mississippi Code of 1972, is 150 reenacted as follows:

73-59-5. Any corporation, partnership or individual seeking 151 152 to be licensed and examined under this chapter shall file with the board at least thirty (30) days prior to the next meeting of the 153 154 board a written application on such form as may be prescribed by the board. Such application shall be accompanied by the payment 155 of the license fee. If the application sufficiently contains the 156 157 information required pursuant to this chapter, the applicant shall 158 be examined by the board at its next meeting using a uniform 159 written examination prescribed by the board. The board shall 160 administer an oral examination to applicants who are unable to *HR03/R521* H. B. No. 603

05/HR03/R521 PAGE 5 (CJR\LH)

take the written examination. In addition, the board, in 161 162 examining such applicant, shall consider the following:

163 (a) Experience;

164

(b) Complaints; and

165 (C) Other pertinent information the board may require. 166 If, as a result of the examination, the board finds that the applicant is qualified to engage in residential construction or 167 residential improvement in Mississippi, the applicant shall be 168 169 issued a license. Any applicant rejected by the board shall be given the opportunity to be reexamined at the next regularly 170 171 scheduled examination date after a new application has been filed

and the license fee has again been paid. 172 173 The board shall make and preserve a record of each 174 examination of an applicant and the findings of the board

pertaining to such examination. A certified copy of such record, 175 176 omitting confidential test questions, shall be furnished to the 177 applicant so requesting such record upon the payment of a fee to 178 the board that reasonably reflects the cost of furnishing such record to the applicant. 179

180 Each application or filing made under this section shall 181 include the social security number(s) of the applicant in 182 accordance with Section 93-11-64, Mississippi Code of 1972.

183 Each application for a license under this chapter shall 184 reveal any other states in which the applicant or any partner or 185 business associate of the applicant is licensed and whether the applicant, partner or business associate has had a license revoked 186 187 or suspended in any other state. If the applicant fails to provide this information, the board may deny or revoke the 188 applicant's license. If the applicant has had a license revoked 189 190 in another state, the board may deny the application for a license 191 in this state.

192 SECTION 6. Section 73-59-7, Mississippi Code of 1972, is 193 reenacted as follows:

HR03/R521 603 H. B. No. 05/HR03/R521 PAGE 6 (CJR\LH)

194 73-59-7. In the event of a catastrophe or emergency which 195 arises out of a disaster, act of God, riot, civil commotion, 196 conflagration or other similar occurrence, the board, upon 197 application, may issue an emergency license to persons who are 198 residents or nonresidents of this state and who may or may not be otherwise licensed residential builders or remodelers. 199 Such 200 emergency license shall remain in force for a period not to exceed 201 ninety (90) days, unless extended for an additional period of 202 ninety (90) days by the board or until a contract to build or 203 remodel entered into during the period of the emergency license 204 has been completed.

205 Within five (5) days of any applicant beginning work as a 206 residential builder or remodeler under this section, the employer 207 or person contracting with such person shall certify to the board 208 such application without being deemed in violation of this 209 chapter, provided that the board, after notice and hearing, may 210 take disciplinary action or revoke the emergency license upon 211 grounds as otherwise contained in this chapter providing for such disciplinary action or revocation of a residential builder's or 212 213 remodeler's license.

The fee for an emergency license shall be in an amount not to exceed Fifty Dollars (\$50.00) as determined by the board and shall be due and payable at the time of the issuance of such emergency license.

218 SECTION 7. Section 73-59-9, Mississippi Code of 1972, is
219 reenacted as follows:

220 73-59-9. (1) Any residential builder who undertakes or 221 attempts to undertake the business of residential construction 222 without having a valid license as required by this chapter, or who 223 knowingly presents to the board, or files with the board, false 224 information for the purpose of obtaining such license, shall be 225 deemed guilty of a misdemeanor and upon conviction shall be fined 226 not less than One Hundred Dollars (\$100.00) and not more than Five H. B. No. 603 *HR03/R521*

H. B. No. 603 05/HR03/R521 PAGE 7 (CJR\LH) Thousand Dollars (\$5,000.00) or be imprisoned for not less than thirty (30) nor more than sixty (60) days in the county jail, or both.

230 (2) Any remodeler who undertakes or attempts to undertake 231 the business of residential improvement without having a valid 232 license as required by this chapter, or who knowingly presents to 233 the board, or files with the board, false information for the purpose of obtaining such license, shall be deemed guilty of a 234 235 misdemeanor and upon conviction shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five Thousand Dollars 236 237 (\$5,000.00) or be imprisoned for not less than thirty (30) nor more than sixty (60) days in the county jail, or both. 238

(3) A residential builder or remodeler who does not have the license provided by this chapter may not bring any action, either at law or in equity, to enforce any contract for residential building or remodeling or to enforce a sales contract.

243 **SECTION 8.** Section 73-59-11, Mississippi Code of 1972, is 244 reenacted as follows:

73-59-11. The board shall have the following additionalduties for the purposes of this chapter:

(a) To conduct thorough investigations of all
applicants seeking a license or licensees seeking renewal of their
licenses and of all complaints filed with the board concerning the
performance of a residential builder.

(b) To obtain information concerning the responsibility of any applicant for a license or of a licensee. Such information may be obtained by investigation, by hearings, or by any other reasonable and lawful means. The board shall keep such information appropriately filed.

(c) To maintain a list of residential builders and
remodelers to whom licenses are issued, refused, revoked or
suspended, which list shall be available to any interested person.

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 8 (CJR\LH) (d) To prepare annually a complete roster that shows all the names and places of business of the residential builders and remodelers licensed by the board during the preceding year and to forward a copy of the roster to each municipality and county in the state and to file the roster with the Secretary of State.

(e) To take disciplinary actions pursuant to theprovisions of Section 73-59-13.

(f) To adopt rules and regulations governing
disciplinary actions and the conduct of its hearings and to adopt
such other rules and regulations as the board finds necessary for
the proper administration of this chapter.

270 **SECTION 9.** Section 73-59-13, Mississippi Code of 1972, is 271 reenacted as follows:

272 73-59-13. (1) The board, upon satisfactory proof and in 273 accordance with the provisions of this chapter and the regulations 274 of the board pertaining thereto, is authorized to take the 275 disciplinary actions provided for in this section against any 276 person for any of the following reasons:

(a) Violating any of the provisions of this chapter or
the rules or regulations of the board pertaining to the work of
residential building or residential improvement;

(b) Fraud, deceit or misrepresentation in obtaining alicense;

282

(c) Gross negligence or misconduct;

(d) Engaging in work of residential building or residential improvement on an expired license or while under suspension or revocation of license unless the suspension or revocation be abated in accordance with this chapter;

287 (e) Loaning a license to an unlicensed person;
288 (f) Failing to maintain workers' compensation
289 insurance, if applicable; or

(g) Failing to pay for goods or services for which thebuilder is contractually bound.

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 9 (CJR\LH) (2) Any person, including members of the board, may prefer charges against any other person for committing any of the acts set forth in subsection (1) of this section. Such charges shall be sworn to, either upon actual knowledge or upon information and belief, and shall be filed with the board.

The board shall investigate all charges filed with it and, upon finding reasonable cause to believe that the charges are not frivolous, unfounded or filed in bad faith, may, in its discretion, cause a hearing to be held, at a time and place fixed by the board, regarding the charges and may compel the accused by subpoena to appear before the board to respond to such charges.

The board shall send a certified inspector to inspect the 303 304 building or structure which is the subject of a complaint or the 305 board may use a county certified building inspector from the 306 county where the building or structure is located to inspect the 307 building or structure which is the subject of a complaint. The 308 report of the inspector shall be used in the investigation and the 309 determination of the board. The provisions above shall only apply 310 to hearings.

311 No disciplinary action may be taken until the accused has been furnished both a statement of the charges against him and 312 313 notice of the time and place of the hearing thereon, which shall be personally served on such accused or mailed by certified mail, 314 return receipt requested, to the last known business or residence 315 316 address of the accused not less than thirty (30) days prior to the date fixed for the hearing. The complaining party shall be 317 318 notified of the place and time of the hearing by mail to the last known business or residence address of the complaining party not 319 320 less than thirty (30) days prior to the date fixed for the 321 hearing.

322 (3) At any hearing held hereunder, the board shall have the 323 power to subpoena witnesses and compel their attendance and may 324 also require the production of books, papers, documents or other H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 10 (CJR\LH) 325 materials which may be pertinent to the proceedings. The board 326 may designate or secure a hearing officer to conduct the hearing. 327 All evidence shall be presented under oath, which may be 328 administered by any member of the board, and thereafter the 329 proceedings may, if necessary, be transcribed in full by a court reporter and filed as part of the record in the case. Copies of 330 such transcriptions may be provided to any party to the 331 332 proceedings at a price reflecting actual cost, to be fixed by the 333 board.

All witnesses who are subpoenaed and appear in any proceedings before the board shall receive the same fees and mileage as allowed by law to witnesses in county, circuit and chancery court pursuant to Section 25-7-47, Mississippi Code of 1972, and all such fees shall be taxed as part of the costs in the case.

340 When, in any proceeding before the board, any witness shall 341 fail or refuse to attend upon subpoena issued by the board, shall 342 refuse to testify, or shall refuse to produce any books and papers the production of which is called for by the subpoena, the 343 344 attendance of such witness and the giving of his testimony and the production of the books and papers shall be enforced by any court 345 346 of competent jurisdiction of this state in the manner provided for 347 the enforcement of attendance and testimony of witnesses in civil cases in the courts of this state. 348

The accused and the complaining party shall have the right to be present at the hearing in person, by counsel or other representative, or both. The board is authorized for proper cause to continue or recess the hearing as may be necessary.

353 (4) At the conclusion of the hearing, the board may either 354 decide the issue at that time or take the case under advisement 355 for further deliberation. The board shall render its decision not 356 more than ninety (90) days after the close of the hearing and 357 shall forward to the last known business or residence address of H. B. No. 603 *HRO3/R521* 05/HR03/R521

PAGE 11 (CJR\LH)

the accused, by certified mail, return receipt requested, a 358 359 written statement of the decision of the board.

(5) If a majority of the board finds the accused guilty of 360 361 the charges filed, the board may:

362

(a) Issue a public or private reprimand;

363

Suspend or revoke the license of the accused; or (b) 364 (C) In lieu of or in addition to any reprimand, suspension or revocation, assess and levy upon the guilty party a 365 366 monetary penalty of not less than One Hundred Dollars (\$100.00) 367 nor more than Five Thousand Dollars (\$5,000.00) for each

368 violation.

(6) A monetary penalty assessed and levied under this 369 370 section shall be paid to the board upon the expiration of the period allowed for appeal of such penalties under this section or 371 may be paid sooner if the guilty party elects. Money collected by 372 373 the board under this section shall be deposited to the credit of the State Board of Contractors' Fund. 374

375 When payment of a monetary penalty assessed and levied by the board in accordance with this section is not paid when due, the 376 377 board shall have the power to institute and maintain proceedings 378 in its name for enforcement of payment in the chancery court of 379 the county of residence of the delinquent party; however, if the 380 delinquent party is a nonresident of the State of Mississippi, 381 such proceedings shall be in the Chancery Court of the First 382 Judicial District of Hinds County, Mississippi.

(7) When the board has taken a disciplinary action under 383 384 this section, the board may, in its discretion, stay such action 385 and place the guilty party on probation for a period not to exceed 386 one (1) year upon the condition that such party shall not further 387 violate either the laws of the State of Mississippi pertaining to 388 the practice of residential construction or residential remodeling 389 or the bylaws, rules or regulations promulgated by the board.

HR03/R521 H. B. No. 603 05/HR03/R521 PAGE 12 (CJR\LH)

390 (8) The board shall not assess any of the costs of
391 disciplinary proceedings conducted pursuant to this section
392 against the prevailing party.

(9) The power and authority of the board to assess and levy the monetary penalties provided for in this section shall not be affected or diminished by any other proceedings, civil or criminal, concerning the same violation or violations except as provided in this section.

398 (10) The board, for sufficient cause, may reissue a revoked license whenever a majority of the board members vote to do so. 399 400 Any person aggrieved by any order or decision of the (11)401 board may appeal within ten (10) days from the date of adjournment 402 of the session at which the board rendered such order or decision, 403 and may embody the facts, order and decision in a bill of 404 exceptions which shall be signed by the person acting as chairman 405 of the board. The board shall transmit the bill of exceptions to either the chancery court of the county of residence of the 406 407 appellant, or the Chancery Court of the First Judicial District of 408 Hinds County, at the election of the appellant, and the court or 409 chancellor shall hear and determine the same either in termtime or 410 in vacation, on the case as presented by the bill of exceptions, 411 as an appellant court, and shall affirm or reverse the judgment. 412 If the judgment be reversed, the chancery court or chancellor shall render such order or judgment as the board ought to have 413 414 rendered, and certify the same to the board; and costs shall be 415 awarded as in other cases. The board may employ counsel to defend 416 such appeals, to be paid out of the funds in the State Board of 417 Contractors' Fund.

The remedies provided under this chapter for any aggrieved applicant shall not be exclusive, but shall be cumulative of and supplemental to any other remedies which he may otherwise have in law or in equity, whether by injunction or otherwise.

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 13 (CJR\LH) 422 (12) Any political subdivision or agency of this state which 423 receives a complaint against a residential builder or remodeler 424 shall, in addition to exercising whatever authority such political 425 subdivision or agency has been given over such complaint, forward 426 the complaint to the board.

427 (13) In addition to the reasons specified in subsection (1) 428 of this section, the board shall be authorized to suspend the 429 license of any licensee for being out of compliance with an order 430 for support, as defined in Section 93-11-153. The procedure for 431 suspension of a license for being out of compliance with an order 432 for support, and the procedure for the reissuance or reinstatement of a license suspended for that purpose, and the payment of any 433 434 fees for the reissuance or reinstatement of a license suspended 435 for that purpose, shall be governed by Section 93-11-157 or 93-11-163, as the case may be. Actions taken by the board in 436 suspending a license when required by Section 93-11-157 or 437 438 93-11-163 are not actions from which an appeal may be taken under 439 this section. Any appeal of a license suspension that is required 440 by Section 93-11-157 or 93-11-163 shall be taken in accordance 441 with the appeal procedure specified in Section 93-11-157 or 93-11-163, as the case may be, rather than the procedure specified 442 443 in this section. If there is any conflict between any provision 444 of Section 93-11-157 or 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or 93-11-163, as the 445 446 case may be, shall control.

447 SECTION 10. Section 73-59-15, Mississippi Code of 1972, is 448 reenacted as follows:

449 73-59-15. (1) This chapter shall not apply to:
450 (a) Agricultural buildings, buildings used for
451 agricultural purposes, buildings constructed as a community
452 effort, or tenant houses;
453 (b) Any person who undertakes construction or

454 improvement on his own residence, or who acts as his own general H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 14 (CJR\LH) 455 contractor in the performance of construction or improvement on 456 his own residence, or who acts under the supervision of the 457 owner-occupant who is the general contractor;

(c) Any person who undertakes residential construction or improvement, or who acts as a general contractor in the performance of residential construction or improvement, or who acts under supervision of the owner-occupant with respect to residential construction or improvement, when the owner of such construction or improvement is related to such person by consanguinity or direct affinity;

465 (d) The owners of property who supervise, superintend, 466 oversee, direct or in any manner assume charge of the 467 construction, alteration, repair, improvement, movement, 468 demolition, putting up, tearing down, or maintenance of any 469 building, railroad, excavation, project, development, improvement, 470 plant facility or any other construction undertaking on such 471 property for use by such owner and which will not be for sale, 472 rent, public use or public assembly;

473

(e) An employee of a licensed residential builder;

474 (f) A contractor holding a valid license or certificate 475 of responsibility for general construction from the board;

476 (g) Any nonresident contractor holding a valid license477 or certificate of responsibility for general construction;

(h) Any person who constructs two (2) single residences
or less within a period of one (1) year in any county or
municipality which does not require a building permit or any local
certification for such construction.

482 (2) A person specified in subsection (1)(b) shall not make
483 more than two (2) applications for a permit to construct a single
484 residence or shall not construct more than two (2) single
485 residences within a period of one (1) year. There shall be a
486 rebuttable presumption that such person intends to construct for
487 the purpose of resale, lease, rent or any similar purpose if more
H. B. No. 603 *HRO3/R521*

```
PAGE 15 (CJR\LH)
```

488 than two (2) applications are made for a permit to construct a 489 single residence or if more than two (2) single residences are 490 constructed within a period of one (1) year.

491 (3) The provisions of this section shall not apply to 492 builders and remodelers who are not domiciled in the State of 493 Mississippi. Builders and remodelers who are not domiciled in the 494 State of Mississippi are not required to be licensed under the provisions of this chapter if the state in which they are 495 496 domiciled requires licensing and the licensing state's 497 requirements are at least the equivalent of those requirements 498 provided in this chapter.

499 SECTION 11. Section 73-59-17, Mississippi Code of 1972, is
500 reenacted as follows:

501 73-59-17. The building official, or other authority charged with the duty of issuing building or similar permits, of any 502 503 municipality or county, shall refuse to issue a permit for any 504 undertaking which would classify the applicant as a residential 505 builder or remodeler under this chapter unless the applicant has 506 furnished evidence that he is either licensed as required by this 507 chapter or exempt from the requirements of this chapter. The building official, or other authority charged with the duty of 508 509 issuing building or similar permits, shall also report to the 510 board the name and address of any person who, in his opinion, has violated this chapter by accepting, or contracting to accomplish, 511 512 work which would classify the person as a residential builder or remodeler under this chapter without a license or acknowledgement. 513

514 SECTION 12. Section 73-59-19, Mississippi Code of 1972, is 515 reenacted as follows:

516 73-59-19. Any residential builder or remodeler licensed 517 pursuant to the provisions of this chapter may, without being 518 required to obtain an additional license under any other law of 519 this state, construct, improve, repair, remodel or renovate any

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 16 (CJR\LH) 520 commercial structure, provided the prescribed contract job does 521 not exceed seven thousand five hundred (7,500) square feet.

522 SECTION 13. Section 73-59-21, Mississippi Code of 1972, is 523 reenacted as follows:

524 73-59-21. (1) There is hereby created the Standing 525 Committee on Residential Builders and Remodelers which shall be subordinate to the State Board of Contractors as set forth in 526 527 Section 31-3-3. The standing committee shall be composed of the 528 two (2) residential builders who serve as members of the State Board of Contractors and three (3) additional residential builders 529 530 as defined in Section 73-59-1 to be appointed by the Governor. The terms of the ex officio members shall be concurrent with their 531 532 terms as members of the State Board of Contractors. The initial terms of the three (3) additional residential builders on the 533 Standing Committee on Residential Builders and Remodelers shall be 534 one (1), three (3) and five (5) years, respectively, beginning 535 536 July 1, 2000. Upon the expiration of the initial term of any 537 member not serving ex officio, his or her successor shall be appointed for a term of five (5) years. 538

539 The Governor shall appoint one (1) of the two (2) ex (2)540 officio members as Chairman of the Standing Committee on 541 Residential Builders and Remodelers. The Executive Secretary of 542 the State Board of Contractors as set forth in Section 31-3-11 shall serve as secretary of the standing committee. The standing 543 544 committee shall meet no less than once per quarter of each year at a date and time to be set by its chairman upon at least five (5) 545 546 business days' notice by regular mail. The members of the 547 standing committee shall be entitled to receive a per diem as provided in Section 31-3-9. 548

549 (3) Three (3) members of the Standing Committee on
550 Residential Builders and Remodelers shall constitute a quorum and
551 a majority vote of those present and voting at any meeting shall
552 be necessary to transact business.

H. B. No. 603 *HRO3/R521* 05/HR03/R521 PAGE 17 (CJR\LH)

(4) The Standing Committee on Residential Builders and 553 554 Remodelers shall have the power to make recommendations to the State Board of Contractors pertaining to all duties set forth in 555 556 Sections 73-59-11 and 73-59-13. The standing committee shall have 557 only the power to make recommendations to the State Board of Contractors and the State Board of Contractors shall have the 558 559 power and authority to accept or reject any recommendation made by 560 the standing committee. Hearings regarding residential builders 561 and remodelers shall be exclusively under the jurisdiction of the Standing Committee on Residential Builders and Remodelers. 562 563 SECTION 14. Section 14, Chapter 345, Laws of 2000, is 564 amended as follows: Section 14. This act shall take effect and be in force from 565 566 and after its passage, and shall stand repealed on July 1, 2007.

567 **SECTION 15.** This act shall take effect and be in force from 568 and after July 1, 2005.