Adopted COMMITTEE AMENDMENT NO 1 PROPOSED TO

House Bill No. 1163

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

23 SECTION 1. Section 19-5-9, Mississippi Code of 1972, is 24 amended as follows:

25 19-5-9. (1) The construction codes published by a 26 nationally recognized code group which sets minimum standards and 27 has the proper provisions to maintain up-to-date amendments are 28 adopted as minimum standard guides for building, plumbing, 29 electrical, gas, sanitary, and other related codes in Mississippi. 30 Any county within the State of Mississippi, in the discretion of 31 the board of supervisors, may adopt building codes, plumbing 32 codes, electrical codes, sanitary codes, or other related codes

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33 dealing with general public health, safety or welfare, or a 34 combination of the same, within but not exceeding the provisions 35 of the construction codes published by nationally recognized code 36 groups, by order or resolution in the manner prescribed in this 37 section, but those codes so adopted shall apply only to the 38 unincorporated areas of the county. However, those codes shall not apply to the erection, maintenance, repair or extension of 39 40 farm buildings or farm structures, except as may be required under 41 the terms of the "Flood Disaster Protection Act of 1973," and 42 shall apply to a master planned community as defined in Section 43 19-5-10 only to the extent allowed in Section 19-5-10. The provisions of this section shall not be construed to authorize the 44 45 adoption of any code which applies to the installation, repair or 46 maintenance of electric wires, pipelines, apparatus, equipment or 47 devices by or for a utility rendering public utility services, 48 required by it to be utilized in the rendition of its duly 49 authorized service to the public. Before any such code shall be adopted, it shall be either printed or typewritten and shall be 50 51 presented in pamphlet form to the board of supervisors at a 52 regular meeting. The order or resolution adopting the code shall 53 not set out the code in full, but shall merely identify the same. 54 The vote or passage of the order or resolution shall be the same as on any other order or resolution. After its adoption, the code 55 56 or codes shall be certified to by the president and clerk of the 57 board of supervisors and shall be filed as a permanent record in

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58 the office of the clerk who shall not be required to transcribe 59 and record the same in the minute book as other orders and 60 resolutions.

61 (2) If the board of supervisors of any county adopts or has 62 adopted construction codes which do not have proper provisions to 63 maintain up-to-date amendments, specifications in such codes for 64 cements used in portland cement concrete shall be superseded by 65 nationally recognized specifications referenced in any code 66 adopted by the Mississippi Building Code Council.

67 (3) All provisions of this section shall apply to amendments 68 and revisions of the codes mentioned in this section. The 69 provisions of this section shall be in addition and supplemental 70 to any existing laws authorizing the adoption, amendment or 71 revision of county orders, resolutions or codes.

72 Any code adopted under the provisions of this section (4) 73 shall not be in operation or force until sixty (60) days have 74 elapsed from the adoption of same; however, any code adopted for 75 the immediate preservation of the public health, safety and 76 general welfare may be effective from and after its adoption by a 77 unanimous vote of the members of the board. Within five (5) days 78 after the adoption or passage of an order or resolution adopting 79 that code or codes the clerk of the board of supervisors shall 80 publish in a legal newspaper published in the county the full text 81 of the order or resolution adopting and approving the code, and 82 the publication shall be inserted at least three (3) times, and

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83 shall be completed within thirty (30) days after the passage of 84 the order or resolution.

85 Any person or persons objecting to the code or codes may (5) object in writing to the provisions of the code or codes within 86 87 sixty (60) days after the passage of the order or resolution 88 approving same, and if the board of supervisors adjudicates that 89 ten percent (10%) or more of the qualified electors residing in 90 the affected unincorporated areas of the county have objected in 91 writing to the code or codes, then in such event the code shall be inoperative and not in effect unless adopted for the immediate 92 93 preservation of the public health, safety and general welfare 94 until approved by a special election called by the board of 95 supervisors as other special elections are called and conducted by 96 the election commissioners of the county as other special elections are conducted, the special election to be participated 97 98 in by all the qualified electors of the county residing in the 99 unincorporated areas of the county. If the voters approve the 100 code or codes in the special election it shall be in force and in 101 operation thereafter until amended or modified as provided in this 102 If the majority of the qualified electors voting in the section. 103 special election vote against the code or codes, then, in such 104 event, the code or codes shall be void and of no force and effect, 105 and no other code or codes dealing with that subject shall be 106 adopted under the provisions of this section until at least two (2) years thereafter. 107

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108 (6) After any such code shall take effect the board of 109 supervisors is authorized to employ such directors and other 110 personnel as the board, in its discretion, deems necessary and to 111 expend general county funds or any other funds available to the 112 board to fulfill the purposes of this section.

113 (7) For the purpose of promoting health, safety, morals or 114 the general welfare of the community, the governing authority of 115 any municipality, and, with respect to the unincorporated part of 116 any county, the governing authority of any county, in its discretion, is empowered to regulate the height, number of stories 117 118 and size of building and other structures, the percentage of lot 119 that may be occupied, the size of the yards, courts and other open 120 spaces, the density or population, and the location and use of 121 buildings, structures and land for trade, industry, residence or 122 other purposes, but no permits shall be required except as may be 123 required under the terms of the "Flood Disaster Protection Act of 124 1973" for the erection, maintenance, repair or extension of farm buildings or farm structures outside the corporate limits of 125 126 municipalities.

127 <u>(8)</u> The authority granted in this section is cumulative and 128 supplemental to any other authority granted by law.

129 (9) Notwithstanding any provision of this section to the 130 contrary, any code adopted by a county before or after April 12, 131 2001, is subject to the provisions of Section 41-26-14(10).

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<u>(10)</u> Notwithstanding any provision of this section to the
contrary, the Boards of Supervisors of Jackson, Harrison, Hancock,
Stone and Pearl River Counties shall enforce the requirements
imposed under Section 17-2-1 as provided in such section.
<u>(11) Regardless of whether a county adopts or has adopted</u>

137 <u>codes, as set forth in this section, each and every county in this</u> 138 state shall require permitting as a condition to construction

139 within the unincorporated areas of the county, and such permits

140 shall contain, on their face, in conspicuous print, (a) the

141 contractor's material purchase certificate number to the extent

142 furnished by the Department of Revenue pursuant to Section

143 27-65-21(4) or the contractor's Taxpayer Identification Number as

144 furnished by the Internal Revenue Service, and either a copy of

145 such material purchase certificate furnished by the Department of

146 Revenue pursuant to Section 27-65-21(4), or a copy of the

147 contractor's W-9, as the case may be, shall be required to be

148 provided to the county as part of the prime contractor's

149 application for such permit, prior to the issuance of such permit,

150 and (b) the contractor's license or certificate of responsibility

151 number as required by either Section 31-3-14 et seq., 51-5-1 et

152 seq. or 73-59-1 et seq.

153 **SECTION 2.** Section 21-19-25, Mississippi Code of 1972, is 154 amended as follows:

155 21-19-25. (1) Any municipality within the State of 156 Mississippi may, in the discretion of its governing authority,

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157 adopt building codes, plumbing codes, electrical codes, gas codes, 158 sanitary codes, or any other codes dealing with general public 159 health, safety or welfare, or a combination of the same, by 160 ordinance, in the manner prescribed in this section. Before any 161 such code shall be adopted, it shall be either printed or 162 typewritten, and it shall be presented in pamphlet form to the 163 governing authority of the municipality at a regular meeting. The 164 ordinance adopting the code shall not set out the code in full, 165 but shall merely identify the same. The vote on passage of the 166 ordinance shall be the same as on any other ordinances. After its 167 adoption, the code shall be certified to by the mayor and clerk of 168 the municipality, and shall be filed as a permanent record in the 169 office of the clerk, who shall not be required to transcribe and 170 record the same in the ordinance book as other ordinances. Ιt shall not be necessary that the ordinance adopting the code or the 171 code itself be published in full, but notice of the adoption of 172 173 the code shall be given by publication in some newspaper of the municipality for one (1) time, or if there be no such newspaper, 174 175 by posting at three (3) or more public places within the corporate 176 limits, a notice in substantially the following form:

177Notice is given that the city (or town or village)178of ______, on the (give date of ordinance adopting179code), adopted (state type of code and other information180serving to identify the same) code.

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181 (2) If the governing authority of any municipality adopts or 182 has adopted construction codes which do not have proper provisions 183 to maintain up-to-date amendments, specifications in such codes 184 for cements used in portland cement concrete shall be superseded 185 by nationally recognized specifications referenced in any code 186 adopted by the Mississippi Building Code Council.

187 (3) All the provisions of this section shall apply to amendments and revisions of the code mentioned in this section. 188 189 Any code adopted in accordance with this section shall not be in 190 force for one (1) month after its passage, unless the municipal 191 authorities in the ordinance authorize to the contrary. The 192 provisions of this section shall be in addition and supplemental 193 to any existing laws authorizing the adoption, amendment or 194 revision of municipal ordinances or codes.

195 <u>(4)</u> Notwithstanding any provision of this section to the 196 contrary, any code adopted by a municipality before or after April 197 12, 2001, is subject to the provisions of Section 41-26-14(10).

198 (5) Notwithstanding any provision of this section to the 199 contrary, the governing authorities of each municipality in 200 Jackson, Harrison, Hancock, Stone and Pearl River Counties shall 201 enforce the requirements imposed under Section 17-2-1 as provided 202 in such section.

203 (6) Regardless of whether the governing authority of any
 204 municipality adopts or has adopted construction codes, as set
 205 forth in this section, each and every governing authority of any

municipality shall require permitting as a condition to 206 207 construction within the municipality's jurisdiction, and any and 208 all such permits shall contain on their faces, in conspicuous 209 print, (a) the contractor's material purchase certificate number 210 to the extent one is furnished by the Department of Revenue 211 pursuant to Section 27-65-21(4) or the contractor's Taxpayer 212 Identification Number as furnished by the Internal Revenue 213 Service, and either a copy of such material purchase certificate 214 furnished by the Department of Revenue pursuant to Section 215 27-65-21(4), or a copy of the contractor's W-9, as the case may 216 be, shall be required to be provided to the governing authority of 217 such municipality as part of the contractor's application for such 218 permit, prior to the issuance of such permit, and (b) the 219 contractor's license or certificate of responsibility number as 220 required by either Section 31-3-14 et seq., 51-5-1 et seq. or 221 73-59-1 et seq. 222 The provisions of this section shall apply to all (7)

222 <u>(7)</u> The provisions of this section shall apply to all 223 municipalities of this state, whether operating under the code 224 charter, a special charter, commission form, or other form of 225 government.

226 **SECTION 3.** Section 73-59-1, Mississippi Code of 1972, is 227 amended as follows:

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

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

232 "Residential builder" means any corporation, (b) 233 partnership or individual who constructs a building or structure 234 for sale for use by another as a residence or who, for a fixed 235 price, commission, fee, wage or other compensation, undertakes or 236 offers to undertake the construction, or superintending of the 237 construction, of any building or structure which is not more than 238 three (3) floors in height, to be used by another as a residence, 239 when the total cost of the undertaking exceeds Fifty Thousand Dollars (\$50,000.00). 240

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

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

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

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(f) "Active licensee" means any builder or remodeler licensed under this chapter and engaged in building and remodeling.

(g) "Inactive licensee" means any builder or remodeler licensed under this chapter and not engaged in building or remodeling.

259 (h) "Construction manager" means any person or entity, 260 other than a residential builder, remodeler or owner, who has a 261 contract or agreement with the owner of the property for 262 residential construction or residential improvement, no matter if 263 that owner himself is the general contractor or a holder of a 264 building permit. 265 (i) "Residential solar contractor" means any person or 266 entity who installs, modifies, maintains, and repairs thermal and 267 photovoltaic solar energy systems. 268 SECTION 4. Section 73-59-3, Mississippi Code of 1972, is 269 amended as follows: 270 73-59-3. (1) Except as otherwise provided in Section 271 73-59-15 or Section 33-1-39, the following persons * * or 272 entities shall be licensed by the board annually as an active 273 licensee or inactive licensee, as appropriate * * *: 274 (a) Persons or entities acting in the capacity as a 275 residential builder; 276 (b) Persons or entities acting in the capacity as a 277 residential remodeler;

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278	(c) Persons or entities acting in the capacity as a
279	construction manager through a contract or an agreement with the
280	owner of the property being improved or constructed upon;
281	(d) Any subcontractor, of any tier, performing the
282	following work or within the following trade, on any residential
283	construction or residential improvement project, no matter the
284	dollar amount of the construction or improvements:
285	(i) Electrical;
286	(ii) Plumbing;
287	(iii) Mechanical; and/or
288	(iv) Heating, ventilation and/or air conditioning;
289	and
290	(e) Persons or entities acting in the capacity as a
291	residential solar contractor.
292	(2) As a prerequisite to obtaining a license or renewal
293	thereof, each of the persons or entities in subsection (1) of this
294	section shall submit to the board:
295	(a) Proof of workers' compensation insurance, if
296	required by applicable law; however, workers' compensation
297	insurance shall not be required for inactive licensees;
298	(b) A federal employment identification number or
299	social security number.
300	(* * * <u>3</u>) The board may require liability insurance to be
301	licensed under this chapter and it shall be reflected on the

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302 certificate of licensure; however, liability insurance shall not 303 be required for inactive licensees.

304 (* * *4) The board shall issue or renew a license to * * * 305 persons or entities required by subsection (1) of this section to 306 be licensed, upon payment to the board of the license fee. The 307 initial license fee shall be Fifty Dollars (\$50.00). The license 308 fee may thereafter be increased or decreased by the board and 309 cannot exceed One Hundred Dollars (\$100.00); however, the receipts 310 from fees collected by the board shall be no greater than the 311 amount required to pay all costs and expenses incurred by the 312 board in enforcing the provisions of this chapter. Twenty-five 313 Dollars (\$25.00) of the fee required by this section which is 314 assessed to residential builders licensed under the provisions of 315 Section 73-59-1 et seq. shall be deposited to the Construction 316 Education Fund created pursuant to Section 31-3-14 and shall be 317 distributed to the Mississippi Housing Institute. The remaining 318 fees collected under this chapter shall be deposited into the special fund in the State Treasury known as the "State Board of 319 320 Contractors Fund" created pursuant to Section 31-3-17 and shall be 321 used for the administration and enforcement of this chapter and as 322 provided in Section 31-3-14. Amounts in such fund shall not lapse 323 into the State General Fund at the end of a fiscal year. Interest 324 accrued to such fund shall remain in the fund. All expenditures 325 from the special fund shall be by requisition to the Department of 326 Finance and Administration, signed by the executive director of

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327 the board and countersigned by the chairman or vice chairman of 328 the board.

329 (* * *5) Except as provided in Section 33-1-39, the license 330 shall expire on the last day of the twelfth month following its 331 issuance or renewal and shall become invalid unless renewed. The 332 board may notify by mail or email every licensee under this 333 chapter of the date of the expiration of his license and the 334 amount of the fee required for renewal of the license for one (1) 335 year. To receive notification by email, a licensee must notify the board of his desire to receive notification by email and 336 337 provide an email address. Such notice may be mailed or emailed 338 within thirty (30) days prior to the expiration date of the 339 The failure on the part of any licensee to renew his license. 340 license annually in such twelfth month shall not deprive such licensee of the right of renewal, provided that renewal is 341 342 effected within one hundred eighty (180) days after the expiration 343 date of the license by payment of the license fee plus a penalty 344 of ten percent (10%) of the license fee. A new license required 345 to replace a revoked, lost, mutilated or destroyed license may be 346 issued, subject to the rules of the board, for a charge of not 347 more than Fifty Dollars (\$50.00). An inactive licensee may become 348 an active licensee upon application meeting all the requirements 349 of this section.

350 (* * \star 6) Any person who is not a resident of the State of 351 Mississippi who desires to perform residential construction or 352 residential improvement shall be licensed to perform such

353 construction or improvement as provided by this chapter.

354 **SECTION 5.** Section 73-59-9, Mississippi Code of 1972, is 355 amended as follows:

(1) Any * * * person or entity required to have a 356 73-59-9. 357 license under Section 73-59-3(1) who undertakes or attempts to 358 undertake the business of residential construction or improvement 359 without having a valid license as required by this chapter, or who 360 knowingly presents to the board, or files with the board, false information for the purpose of obtaining such license, shall be 361 deemed guilty of a misdemeanor and, upon conviction, shall be 362 363 fined not less than One Hundred Dollars (\$100.00) and not more 364 than Five Thousand Dollars (\$5,000.00) or be imprisoned for not 365 less than thirty (30) nor more than sixty (60) days in the county 366 jail, or both.

367 * * *

368 (* * *2) * * * Any person or entity required to have a 369 license under Section 73-59-3(1) who does not have the license 370 provided by this chapter at the time construction, building or 371 remodeling services are rendered may not bring any action, either 372 at law or in equity, to enforce any contract for residential 373 building or remodeling or to enforce a sales contract, but instead 374 shall be only permitted to recover as damages actual documented 375 expenses for labor, materials or both, incurred as a result of the 376 construction, building or remodeling services rendered, but only

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377 for those expenses which can be shown by clear and convincing 378 evidence.

379 (* * *<u>3</u>) The board shall have the authority to issue a 380 citation and may stop work of a residential builder or remodeler 381 performing work without having a valid license as required by this 382 chapter.

383 **SECTION 6.** Section 73-59-15, Mississippi Code of 1972, is 384 amended as follows:

385 73-59-15. (1) This chapter shall not apply to:

(a) Agricultural buildings, buildings used for
agricultural purposes, buildings constructed as a community
effort, or tenant houses;

(b) Any person who undertakes construction or improvement on his own residence, or who acts as his own general contractor in the performance of construction or improvement on his own residence;

393 Any person who undertakes residential construction (C) 394 or improvement, or who acts as a general contractor in the 395 performance of residential construction or improvement, or who 396 acts under supervision of the owner-occupant with respect to 397 residential construction or improvement, when the owner of such 398 construction or improvement is related to such person by 399 consanguinity or direct affinity, and the property or improvement 400 will not be for sale, rent, public use or public assembly;

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401 (d) The owners of property who supervise, superintend, 402 oversee, direct or in any manner assume charge of the 403 construction, alteration, repair, improvement, movement, 404 demolition, putting up, tearing down or maintenance of any 405 building, railroad, excavation, project, development, improvement, 406 plant facility or any other construction undertaking on such 407 property for use by such owner and which will not be for sale, 408 rent, public use or public assembly;

409 (e) Any contractor holding a valid license or 410 certificate of responsibility for general construction from the 411 board;

412 (f) Any nonresident contractor holding a valid license
413 or certificate of responsibility for * * * <u>building</u> construction;

(g) 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, provided that the person is not building the residences for sale, profit or remuneration.

(2) A person specified in subsection (1) (b) or (c) shall not make more than * * * <u>one (1) application</u> for a permit to construct a single residence or shall not construct more than * * * <u>one (1)</u> <u>single residence</u> within a period of one (1) year. There shall be a rebuttable presumption that such person intends to construct for the purpose of sale, lease, rent or any similar purpose if more than * * one (a) application is made for a permit to construct a

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426 single residence or if more than *** * *** one (1) single residence is

427 constructed within a period of one (1) year.

428 **SECTION 7.** This act shall take effect and be in force from

429 and after July 1, 2022, and shall stand repealed on June 30, 2022.

Further, amend by striking the title in its entirety and

inserting in lieu thereof the following:

AN ACT TO AMEND SECTIONS 19-5-9 AND 21-19-25, MISSISSIPPI 1 2 CODE OF 1972, TO PROVIDE THAT, REGARDLESS OF WHETHER A COUNTY OR MUNICIPALITY HAS ADOPTED CERTAIN CONSTRUCTION CODES, A COUNTY OR 3 4 MUNICIPALITY, AS THE CASE MAY BE, SHALL REQUIRE PERMITTING AS A 5 CONDITION TO CONSTRUCTION, AND THAT SUCH PERMITS SHALL CONTAIN ON THEIR FACE THE CONTRACTOR'S MATERIAL PURCHASE CERTIFICATE NUMBER 6 7 TO THE EXTENT FURNISHED BY THE DEPARTMENT OF REVENUE AND THE 8 CONTRACTOR'S LICENSE OR CERTIFICATE OF RESPONSIBILITY NUMBER AS 9 REQUIRED BY CERTAIN SECTIONS OF LAW; TO AMEND SECTIONS 73-59-1, 10 73-59-3, 73-59-9 AND 73-59-15, MISSISSIPPI CODE OF 1972, WHICH ARE SECTIONS OF LAWS REGULATING RESIDENTIAL BUILDERS AND REMODELERS, 11 12 TO DEFINE THE TERMS "CONSTRUCTION MANAGER" AND "RESIDENTIAL SOLAR 13 CONTRACTOR" FOR PURPOSES OF SUCH SECTIONS OF LAW, TO REVISE THE 14 PERSONS OR ENTITIES THAT MUST BE LICENSED BY THE STATE BOARD OF 15 CONTRACTORS UNDER SUCH LAWS, TO REVISE CERTAIN PROVISIONS 16 REGARDING PENALTIES FOR PERSONS WHO UNDERTAKE TO PERFORM THE 17 BUSINESS OF RESIDENTIAL CONSTRUCTION OR IMPROVEMENT WITHOUT FIRST 18 HAVING A LICENSE; TO REVISE THE TYPES OF REMEDIES AVAILABLE TO 19 SUCH PERSONS OR ENTITIES AND TO REVISE THE TYPES OF RESIDENTIAL 20 CONSTRUCTION TO WHICH SUCH SECTIONS OF LAWS DO NOT APPLY; AND FOR 21 RELATED PURPOSES.