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By: Senator(s) Suber, Hill

To: County Affairs; Municipalities

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 2612

AN ACT TO BRING FORWARD SECTION 19-5-9, MISSISSIPPI CODE OF 2 1972, WHICH REQUIRES COUNTY PERMITTING AS A CONDITION TO 3 CONSTRUCTION WITHIN THE UNINCORPORATED AREAS OF A COUNTY, FOR THE PURPOSE OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTION 21-19-25, 5 MISSISSIPPI CODE OF 1972, WHICH REQUIRES MUNICIPAL PERMITTING AS A 6 CONDITION TO CONSTRUCTION WITHIN A MUNICIPALITY'S JURISDICTION, FOR THE PURPOSE OF POSSIBLE AMENDMENT; TO BRING FORWARD SECTIONS 73-59-1, 73-59-3, 73-59-9 AND 73-59-15, MISSISSIPPI CODE OF 1972, 7 8 9 WHICH CONCERN LICENSING BY THE STATE BOARD OF CONTRACTORS FOR 10 RESIDENTIAL BUILDERS AND REMODELERS, AND CERTAIN OTHER 11 CONSTRUCTION MANAGERS, CONTRACTORS AND SUBCONTRACTORS, FOR THE 12 PURPOSE OF POSSIBLE AMENDMENT; AND FOR RELATED PURPOSES. 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 14 SECTION 1. Section 19-5-9, Mississippi Code of 1972, is brought forward as follows: 15 19-5-9. (1) The construction codes published by a 16 nationally recognized code group which sets minimum standards and 17 18 has the proper provisions to maintain up-to-date amendments are adopted as minimum standard guides for building, plumbing, 19 electrical, gas, sanitary, and other related codes in Mississippi. 20 Any county within the State of Mississippi, in the discretion of 21 22 the board of supervisors, may adopt building codes, plumbing codes, electrical codes, sanitary codes, or other related codes 23 S. B. No. 2612 ~ OFFICIAL ~ G1/223/SS08/R1144CS

24 dealing with general public health, safety or welfare, or a 25 combination of the same, within but not exceeding the provisions 26 of the construction codes published by nationally recognized code 27 groups, by order or resolution in the manner prescribed in this 28 section, but those codes so adopted shall apply only to the 29 unincorporated areas of the county. However, those codes shall not apply to the erection, maintenance, repair or extension of 30 31 farm buildings or farm structures, except as may be required under 32 the terms of the "Flood Disaster Protection Act of 1973," and 33 shall apply to a master planned community as defined in Section 34 19-5-10 only to the extent allowed in Section 19-5-10. provisions of this section shall not be construed to authorize the 35 36 adoption of any code which applies to the installation, repair or 37 maintenance of electric wires, pipelines, apparatus, equipment or 38 devices by or for a utility rendering public utility services, 39 required by it to be utilized in the rendition of its duly 40 authorized service to the public. Before any such code shall be adopted, it shall be either printed or typewritten and shall be 41 42 presented in pamphlet form to the board of supervisors at a 43 regular meeting. The order or resolution adopting the code shall 44 not set out the code in full, but shall merely identify the same. 45 The vote or passage of the order or resolution shall be the same 46 as on any other order or resolution. After its adoption, the code or codes shall be certified to by the president and clerk of the 47 48 board of supervisors and shall be filed as a permanent record in

- the office of the clerk who shall not be required to transcribe and record the same in the minute book as other orders and resolutions.
- (2) If the board of supervisors of any county adopts or has adopted construction codes which do not have proper provisions to maintain up-to-date amendments, specifications in such codes for cements used in portland cement concrete shall be superseded by nationally recognized specifications referenced in any code adopted by the Mississippi Building Code Council.
- (3) All provisions of this section shall apply to amendments and revisions of the codes mentioned in this section. The provisions of this section shall be in addition and supplemental to any existing laws authorizing the adoption, amendment or revision of county orders, resolutions or codes.
- 63 Any code adopted under the provisions of this section 64 shall not be in operation or force until sixty (60) days have 65 elapsed from the adoption of same; however, any code adopted for the immediate preservation of the public health, safety and 66 67 general welfare may be effective from and after its adoption by a 68 unanimous vote of the members of the board. Within five (5) days 69 after the adoption or passage of an order or resolution adopting 70 that code or codes the clerk of the board of supervisors shall 71 publish in a legal newspaper published in the county the full text 72 of the order or resolution adopting and approving the code, and 73 the publication shall be inserted at least three (3) times, and

- 74 shall be completed within thirty (30) days after the passage of 75 the order or resolution.
- 76 Any person or persons objecting to the code or codes may 77 object in writing to the provisions of the code or codes within 78 sixty (60) days after the passage of the order or resolution 79 approving same, and if the board of supervisors adjudicates that 80 ten percent (10%) or more of the qualified electors residing in 81 the affected unincorporated areas of the county have objected in 82 writing to the code or codes, then in such event the code shall be inoperative and not in effect unless adopted for the immediate 83 84 preservation of the public health, safety and general welfare 85 until approved by a special election called by the board of 86 supervisors as other special elections are called and conducted by 87 the election commissioners of the county as other special elections are conducted, the special election to be participated 88 89 in by all the qualified electors of the county residing in the 90 unincorporated areas of the county. If the voters approve the code or codes in the special election it shall be in force and in 91 92 operation thereafter until amended or modified as provided in this 93 If the majority of the qualified electors voting in the section. 94 special election vote against the code or codes, then, in such 95 event, the code or codes shall be void and of no force and effect, 96 and no other code or codes dealing with that subject shall be adopted under the provisions of this section until at least two 97 98 (2) years thereafter.

- 99 (6) After any such code shall take effect the board of
 100 supervisors is authorized to employ such directors and other
 101 personnel as the board, in its discretion, deems necessary and to
 102 expend general county funds or any other funds available to the
 103 board to fulfill the purposes of this section.
- 104 (7) For the purpose of promoting health, safety, morals or 105 the general welfare of the community, the governing authority of 106 any municipality, and, with respect to the unincorporated part of 107 any county, the governing authority of any county, in its discretion, is empowered to regulate the height, number of stories 108 109 and size of building and other structures, the percentage of lot 110 that may be occupied, the size of the yards, courts and other open 111 spaces, the density or population, and the location and use of buildings, structures and land for trade, industry, residence or 112 113 other purposes, but no permits shall be required except as may be 114 required under the terms of the "Flood Disaster Protection Act of 115 1973" for the erection, maintenance, repair or extension of farm buildings or farm structures outside the corporate limits of 116 117 municipalities.
- 118 (8) The authority granted in this section is cumulative and 119 supplemental to any other authority granted by law.
- 120 (9) Notwithstanding any provision of this section to the 121 contrary, any code adopted by a county before or after April 12, 122 2001, is subject to the provisions of Section 41-26-14(10).

- 123 Notwithstanding any provision of this section to the 124 contrary, the Boards of Supervisors of Jackson, Harrison, Hancock, 125 Stone and Pearl River Counties shall enforce the requirements 126 imposed under Section 17-2-1 as provided in such section.
- 127 (11)Regardless of whether a county adopts or has adopted 128 codes, as set forth in this section, each and every county in this 129 state shall require permitting as a condition to construction 130 within the unincorporated areas of the county, and such permits 131 shall contain, on their face, in conspicuous print, (a) the contractor's material purchase certificate number to the extent 132 133 furnished by the Department of Revenue pursuant to Section 134 27-65-21(3) or the contractor's Taxpayer Identification Number as
- 135 furnished by the Internal Revenue Service, and either a copy of
- 136 such material purchase certificate furnished by the Department of Revenue pursuant to Section 27-65-21(3), or a copy of the
- 138 contractor's W-9, as the case may be, shall be required to be
- 139 provided to the county as part of the prime contractor's
- application for such permit, prior to the issuance of such permit, 140
- 141 and (b) the contractor's license or certificate of responsibility
- 142 number as required by either Section 31-3-14 et seq., 51-5-1 et
- 143 seq. or 73-59-1 et seq.

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- SECTION 2. Section 21-19-25, Mississippi Code of 1972, is 144
- 145 brought forward as follows:
- 21-19-25. (1) Any municipality within the State of 146

147 Mississippi may, in the discretion of its governing authority,

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

- 172 (2) If the governing authority of any municipality adopts or
 173 has adopted construction codes which do not have proper provisions
 174 to maintain up-to-date amendments, specifications in such codes
 175 for cements used in portland cement concrete shall be superseded
 176 by nationally recognized specifications referenced in any code
 177 adopted by the Mississippi Building Code Council.
- (3) All the provisions of this section shall apply to 178 amendments and revisions of the code mentioned in this section. 179 180 Any code adopted in accordance with this section shall not be in force for one (1) month after its passage, unless the municipal 181 182 authorities in the ordinance authorize to the contrary. 183 provisions of this section shall be in addition and supplemental 184 to any existing laws authorizing the adoption, amendment or 185 revision of municipal ordinances or codes.
- 186 (4) Notwithstanding any provision of this section to the
 187 contrary, any code adopted by a municipality before or after April
 188 12, 2001, is subject to the provisions of Section 41-26-14(10).
- (5) Notwithstanding any provision of this section to the contrary, the governing authorities of each municipality in Jackson, Harrison, Hancock, Stone and Pearl River Counties shall enforce the requirements imposed under Section 17-2-1 as provided in such section.
- 194 (6) Regardless of whether the governing authority of any
 195 municipality adopts or has adopted construction codes, as set
 196 forth in this section, each and every governing authority of any

- 197 municipality shall require permitting as a condition to 198 construction within the municipality's jurisdiction, and any and 199 all such permits shall contain on their faces, in conspicuous 200 print, (a) the contractor's material purchase certificate number 201 to the extent one is furnished by the Department of Revenue 202 pursuant to Section 27-65-21(3) or the contractor's Taxpayer 203 Identification Number as furnished by the Internal Revenue 204 Service, and either a copy of such material purchase certificate 205 furnished by the Department of Revenue pursuant to Section 206 27-65-21(3), or a copy of the contractor's W-9, as the case may 207 be, shall be required to be provided to the governing authority of 208 such municipality as part of the contractor's application for such 209 permit, prior to the issuance of such permit, and (b) the 210 contractor's license or certificate of responsibility number as
- 213 (7) The provisions of this section shall apply to all
 214 municipalities of this state, whether operating under the code
 215 charter, a special charter, commission form, or other form of
 216 government.

required by either Section 31-3-14 et seq., 51-5-1 et seq. or

- 217 **SECTION 3.** Section 73-59-1, Mississippi Code of 1972, is 218 brought forward as follows:
- 73-59-1. For the purposes of this chapter, the following words shall have the meanings ascribed herein:

73-59-1 et seq.

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212

221			(a) "	Board"	means	the	State	Board	. of	Contractors
222	created	in	Secti	on 31-	3-3, M	Iissis	ssippi	Code	of	1972.

- 223 "Residential builder" means any corporation, 224 partnership or individual who constructs a building or structure 225 for sale for use by another as a residence or who, for a fixed 226 price, commission, fee, wage or other compensation, undertakes or 227 offers to undertake the construction, or superintending of the 228 construction, of any building or structure which is not more than 229 three (3) floors in height, to be used by another as a residence, 230 when the total cost of the undertaking exceeds Fifty Thousand 231 Dollars (\$50,000.00).
- 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.

244 ((f)) "Active	licensee"	means	anv	/ builder	or	remodeler

- 245 licensed under this chapter and engaged in building and
- 246 remodeling.
- 247 (g) "Inactive licensee" means any builder or remodeler
- 248 licensed under this chapter and not engaged in building or
- 249 remodeling.
- (h) "Construction manager" means any person or entity,
- 251 other than a residential builder, remodeler or owner, who has a
- 252 contract or agreement with the owner of the property for
- 253 residential construction or residential improvement, no matter if
- 254 that owner himself is the general contractor or a holder of a
- 255 building permit.
- 256 (i) "Residential solar contractor" means any person or
- 257 entity who installs, modifies, maintains, and repairs thermal and
- 258 photovoltaic solar energy systems.
- 259 **SECTION 4.** Section 73-59-3, Mississippi Code of 1972, is
- 260 brought forward as follows:
- 261 73-59-3. (1) Except as otherwise provided in Section
- 262 73-59-15 or Section 33-1-39, the following persons or entities
- 263 shall be licensed by the board annually as an active licensee or
- 264 inactive licensee, as appropriate:
- 265 (a) Persons or entities acting in the capacity as a
- 266 residential builder;
- 267 (b) Persons or entities acting in the capacity as a
- 268 residential remodeler;

269	(c) Persons or entities acting in the capacity as a	
270	construction manager through a contract or an agreement with th	ıe
271	owner of the property being improved or constructed upon;	

- 272 Any subcontractor, of any tier, performing the (d) 273 following work or within the following trade, on any residential 274 construction or residential improvement project, no matter the 275 dollar amount of the construction or improvements:
- 276 (i) Electrical;
- 277 (ii) Plumbing;
- (iii) Mechanical; and/or 278
- 279 (iv) Heating, ventilation and/or air conditioning;
- 280 and
- 281 Persons or entities acting in the capacity as a (e) 282 residential solar contractor.
- 283 (2) As a prerequisite to obtaining a license or renewal 284 thereof, each of the persons or entities in subsection (1) of this 285 section shall submit to the board:
- 286 Proof of workers' compensation insurance, if (a) 287 required by applicable law; however, workers' compensation 288 insurance shall not be required for inactive licensees;
- (b) A federal employment identification number or 289 290 social security number.
- The board may require liability insurance to be licensed 291 292 under this chapter and it shall be reflected on the certificate of

licensure; however, liability insurance shall not be required for inactive licensees.

295 The board shall issue or renew a license to persons or 296 entities required by subsection (1) of this section to be 297 licensed, upon payment to the board of the license fee. 298 initial license fee shall be Fifty Dollars (\$50.00). The license 299 fee may thereafter be increased or decreased by the board and 300 cannot exceed One Hundred Dollars (\$100.00); however, the receipts 301 from fees collected by the board shall be no greater than the 302 amount required to pay all costs and expenses incurred by the 303 board in enforcing the provisions of this chapter. Twenty-five 304 Dollars (\$25.00) of the fee required by this section which is 305 assessed to residential builders licensed under the provisions of 306 Section 73-59-1 et seq. shall be deposited to the Construction 307 Education Fund created pursuant to Section 31-3-14 and shall be 308 distributed to the Mississippi Housing Institute. The remaining 309 fees collected under this chapter shall be deposited into the special fund in the State Treasury known as the "State Board of 310 311 Contractors Fund" created pursuant to Section 31-3-17 and shall be 312 used for the administration and enforcement of this chapter and as 313 provided in Section 31-3-14. Amounts in such fund shall not lapse 314 into the State General Fund at the end of a fiscal year. accrued to such fund shall remain in the fund. All expenditures 315 from the special fund shall be by requisition to the Department of 316 317 Finance and Administration, signed by the executive director of

- 318 the board and countersigned by the chairman or vice chairman of 319 the board.
- 320 Except as provided in Section 33-1-39, the license shall 321 expire on the last day of the twelfth month following its issuance 322 or renewal and shall become invalid unless renewed. The board may 323 notify by mail or email every licensee under this chapter of the 324 date of the expiration of his license and the amount of the fee 325 required for renewal of the license for one (1) year. To receive 326 notification by email, a licensee must notify the board of his 327 desire to receive notification by email and provide an email 328 address. Such notice may be mailed or emailed within thirty (30) 329 days prior to the expiration date of the license. The failure on 330 the part of any licensee to renew his license annually in such 331 twelfth month shall not deprive such licensee of the right of 332 renewal, provided that renewal is effected within one hundred 333 eighty (180) days after the expiration date of the license by 334 payment of the license fee plus a penalty of ten percent (10%) of 335 the license fee. A new license required to replace a revoked, 336 lost, mutilated or destroyed license may be issued, subject to the 337 rules of the board, for a charge of not more than Fifty Dollars 338 (\$50.00). An inactive licensee may become an active licensee upon 339 application meeting all the requirements of this section.
- 340 (6) Any person who is not a resident of the State of 341 Mississippi who desires to perform residential construction or

residential improvement shall be licensed to perform such construction or improvement as provided by this chapter.

SECTION 5. Section 73-59-9, Mississippi Code of 1972, is 345 brought forward as follows:

73-59-9. (1) Any person or entity required to have a license under Section 73-59-3(1) who undertakes or attempts to undertake the business of residential construction or improvement without having a valid license as required by this chapter, or who knowingly presents to the board, or files with the board, false information for the purpose of obtaining such license, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five 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.

(2) Any person or entity required to have a license under Section 73-59-3(1) who does not have the license provided by this chapter at the time construction, building or remodeling services are rendered 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, but instead shall be only permitted to recover as damages actual documented expenses for labor, materials or both, incurred as a result of the construction, building or remodeling services rendered, but only for those expenses which can be shown by clear and convincing evidence.

367	(3)	The bo	ard sha	ll have	the a	authority	to is:	sue a	citation
368	and may s	top wor	k of a	residen	tial b	ouilder o	r remo	deler	performing
369	work with	out hav	ing a v	alid li	cense	as requi	red by	this	chapter.

- 370 **SECTION 6.** Section 73-59-15, Mississippi Code of 1972, is 371 brought forward as follows:
- 73-59-15. (1) This chapter shall not apply to:
- 373 (a) Agricultural buildings, buildings used for
- 374 agricultural purposes, buildings constructed as a community
- 375 effort, or tenant houses;
- 376 (b) Any person who undertakes construction or
- 377 improvement on his own residence, or who acts as his own general
- 378 contractor in the performance of construction or improvement on
- 379 his own residence;
- 380 (c) Any person who undertakes residential construction
- 381 or improvement, or who acts as a general contractor in the
- 382 performance of residential construction or improvement, or who
- 383 acts under supervision of the owner-occupant with respect to
- 384 residential construction or improvement, when the owner of such
- 385 construction or improvement is related to such person by
- 386 consanguinity or direct affinity, and the property or improvement
- 387 will not be for sale, rent, public use or public assembly;
- 388 (d) The owners of property who supervise, superintend,
- 389 oversee, direct or in any manner assume charge of the
- 390 construction, alteration, repair, improvement, movement,
- 391 demolition, putting up, tearing down or maintenance of any

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- 392 building, railroad, excavation, project, development, improvement,
- 393 plant facility or any other construction undertaking on such
- 394 property for use by such owner and which will not be for sale,
- 395 rent, public use or public assembly;
- 396 (e) Any contractor holding a valid license or
- 397 certificate of responsibility for general construction from the
- 398 board;
- 399 (f) Any nonresident contractor holding a valid license
- 400 or certificate of responsibility for building construction;
- 401 (g) Any person who constructs two (2) single residences
- 402 or less within a period of one (1) year in any county or
- 403 municipality which does not require a building permit or any local
- 404 certification for such construction, provided that the person is
- 405 not building the residences for sale, profit or remuneration.
- 406 (2) A person specified in subsection (1)(b) or (c) shall not
- 407 make more than one (1) application for a permit to construct a
- 408 single residence or shall not construct more than one (1) single
- 409 residence within a period of one (1) year. There shall be a
- 410 rebuttable presumption that such person intends to construct for
- 411 the purpose of sale, lease, rent or any similar purpose if more
- 412 than one (1) application is made for a permit to construct a
- 413 single residence or if more than one (1) single residence is
- 414 constructed within a period of one (1) year.
- 415 **SECTION 7.** This act shall take effect and be in force from
- 416 and after July 1, 2023, and shall stand repealed on June 30, 2023.