MISSISSIPPI LEGISLATURE

By: Senator(s) Seymour

To: Finance

## SENATE BILL NO. 2838

1 AN ACT TO REPEAL CHAPTER 502, LAWS OF 2022, WHICH MANDATES 2 THAT COUNTIES AND MUNICIPALITIES REQUIRE PERMITTING AS A CONDITION 3 TO CONSTRUCTION WITHIN THEIR RESPECTIVE JURISDICTIONS, AND WHICH 4 REQUIRES THAT CERTAIN SUBCONTRACTORS, AS WELL AS PERSONS OR 5 ENTITIES ACTING AS RESIDENTIAL BUILDERS, RESIDENTIAL REMODELERS, 6 CONSTRUCTION MANAGERS OR RESIDENTIAL SOLAR CONTRACTORS, BE ANNUALLY LICENSED BY THE STATE BOARD OF CONTRACTORS; TO AMEND 7 SECTIONS 19-5-9, 21-19-25, 73-59-1, 73-59-3, 73-59-9 AND 73-59-15, 8 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO; TO PROHIBIT 9 10 COUNTIES AND MUNICIPALITIES FROM PREVENTING A HOMEOWNER FROM 11 APPLYING FOR A PERMIT FOR A CONSTRUCTION OR IMPROVEMENT PROJECT ON 12 THAT HOMEOWNER'S RESIDENCE, OR FROM OBTAINING THE PERMIT UPON 13 COMPLIANCE WITH LEGAL REQUIREMENTS; AND FOR RELATED PURPOSES. 14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 15 SECTION 1. Chapter 502, Laws of 2022, which mandates that

16 counties and municipalities require permitting as a condition to

17 construction within their respective jurisdictions, and which

18 requires that certain subcontractors, as well as persons or

19 entities acting as residential builders, residential remodelers,

20 construction managers or residential solar contractors, be

21 annually licensed by the State Board of Contractors, is repealed.

## 22 SECTION 2. Section 19-5-9, Mississippi Code of 1972, is

23 amended as follows:

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24 19-5-9. (1) The construction codes published by a 25 nationally recognized code group which sets minimum standards and has the proper provisions to maintain up-to-date amendments are 26 adopted as minimum standard quides for building, plumbing, 27 28 electrical, gas, sanitary, and other related codes in Mississippi. 29 Any county within the State of Mississippi, in the discretion of the board of supervisors, may adopt building codes, plumbing 30 codes, electrical codes, sanitary codes, or other related codes 31 32 dealing with general public health, safety or welfare, or a combination of the same, within but not exceeding the provisions 33 34 of the construction codes published by nationally recognized code groups, by order or resolution in the manner prescribed in this 35 36 section, but those codes so adopted shall apply only to the 37 unincorporated areas of the county. However, those codes shall 38 not apply to the erection, maintenance, repair or extension of 39 farm buildings or farm structures, except as may be required under 40 the terms of the "Flood Disaster Protection Act of 1973," and shall apply to a master planned community as defined in Section 41 19-5-10 only to the extent allowed in Section 19-5-10. 42 The 43 provisions of this section shall not be construed to authorize the 44 adoption of any code which applies to the installation, repair or 45 maintenance of electric wires, pipelines, apparatus, equipment or 46 devices by or for a utility rendering public utility services, required by it to be utilized in the rendition of its duly 47 48 authorized service to the public. Before any such code shall be

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49 adopted, it shall be either printed or typewritten and shall be 50 presented in pamphlet form to the board of supervisors at a regular meeting. The order or resolution adopting the code shall 51 52 not set out the code in full, but shall merely identify the same. 53 The vote or passage of the order or resolution shall be the same 54 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 55 56 board of supervisors and shall be filed as a permanent record in 57 the office of the clerk who shall not be required to transcribe and record the same in the minute book as other orders and 58 59 resolutions.

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

(4) Any code adopted under the provisions of this section shall not be in operation or force until sixty (60) days have elapsed from the adoption of same; however, any code adopted for

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 3 (icj\kr) 74 the immediate preservation of the public health, safety and 75 general welfare may be effective from and after its adoption by a 76 unanimous vote of the members of the board. Within five (5) days 77 after the adoption or passage of an order or resolution adopting 78 that code or codes the clerk of the board of supervisors shall 79 publish in a legal newspaper published in the county the full text 80 of the order or resolution adopting and approving the code, and the publication shall be inserted at least three (3) times, and 81 82 shall be completed within thirty (30) days after the passage of the order or resolution. 83

84 (5) Any person or persons objecting to the code or codes may object in writing to the provisions of the code or codes within 85 86 sixty (60) days after the passage of the order or resolution 87 approving same, and if the board of supervisors adjudicates that 88 ten percent (10%) or more of the qualified electors residing in 89 the affected unincorporated areas of the county have objected in 90 writing to the code or codes, then in such event the code shall be inoperative and not in effect unless adopted for the immediate 91 92 preservation of the public health, safety and general welfare 93 until approved by a special election called by the board of 94 supervisors as other special elections are called and conducted by 95 the election commissioners of the county as other special 96 elections are conducted, the special election to be participated in by all the qualified electors of the county residing in the 97 98 unincorporated areas of the county. If the voters approve the

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99 code or codes in the special election it shall be in force and in 100 operation thereafter until amended or modified as provided in this 101 If the majority of the qualified electors voting in the section. 102 special election vote against the code or codes, then, in such 103 event, the code or codes shall be void and of no force and effect, 104 and no other code or codes dealing with that subject shall be 105 adopted under the provisions of this section until at least two 106 (2) years thereafter.

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

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

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126 (8) The authority granted in this section is cumulative and127 supplemental to any other authority granted by law.

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

(10) 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.

(11) \* \* \* <u>No county shall prevent a homeowner from applying</u> for a permit for a construction or improvement project on that homeowner's residence, or from obtaining the permit upon compliance with legal requirements. For purposes of this subsection, a homeowner's residence is property on which the homeowner has homestead exemption at the time of application for

141 the permit.

142 SECTION 3. Section 21-19-25, Mississippi Code of 1972, is 143 amended as follows:

144 21-19-25. (1) Any municipality within the State of 145 Mississippi may, in the discretion of its governing authority, 146 adopt building codes, plumbing codes, electrical codes, gas codes, 147 sanitary codes, or any other codes dealing with general public 148 health, safety or welfare, or a combination of the same, by

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149 ordinance, in the manner prescribed in this section. Before any such code shall be adopted, it shall be either printed or 150 151 typewritten, and it shall be presented in pamphlet form to the 152 governing authority of the municipality at a regular meeting. The 153 ordinance adopting the code shall not set out the code in full, 154 but shall merely identify the same. The vote on passage of the 155 ordinance shall be the same as on any other ordinances. After its 156 adoption, the code shall be certified to by the mayor and clerk of 157 the municipality, and shall be filed as a permanent record in the office of the clerk, who shall not be required to transcribe and 158 record the same in the ordinance book as other ordinances. It 159 160 shall not be necessary that the ordinance adopting the code or the 161 code itself be published in full, but notice of the adoption of 162 the code shall be given by publication in some newspaper of the 163 municipality for one (1) time, or if there be no such newspaper, 164 by posting at three (3) or more public places within the corporate 165 limits, a notice in substantially the following form:

Notice is given that the city (or town or village) of , on the (give date of ordinance adopting code), adopted (state type of code and other information serving to identify the same) code.

170 (2) If the governing authority of any municipality adopts or 171 has adopted construction codes which do not have proper provisions 172 to maintain up-to-date amendments, specifications in such codes 173 for cements used in portland cement concrete shall be superseded

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 7 (icj\kr) 174 by nationally recognized specifications referenced in any code 175 adopted by the Mississippi Building Code Council.

176 (3) All the provisions of this section shall apply to 177 amendments and revisions of the code mentioned in this section. 178 Any code adopted in accordance with this section shall not be in 179 force for one (1) month after its passage, unless the municipal 180 authorities in the ordinance authorize to the contrary. The 181 provisions of this section shall be in addition and supplemental 182 to any existing laws authorizing the adoption, amendment or revision of municipal ordinances or codes. 183

184 (4) Notwithstanding any provision of this section to the
185 contrary, any code adopted by a municipality before or after April
186 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.

(6) \* \* \* <u>No municipality shall prevent a homeowner from</u>
applying for a permit for a construction or improvement project on
that homeowner's residence, or from obtaining the permit upon
compliance with legal requirements. For purposes of this
subsection, a homeowner's residence is property on which the
homeowner has homestead exemption at the time of application for
the permit.

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 8 (icj\kr) (7) The provisions of this section shall apply to all municipalities of this state, whether operating under the code charter, a special charter, commission form, or other form of government.

203 **SECTION 4.** Section 73-59-1, Mississippi Code of 1972, is 204 amended as follows:

205 73-59-1. For the purposes of this chapter, the following 206 words shall have the meanings ascribed herein:

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

"Residential builder" means any corporation, 209 (b) 210 partnership or individual who constructs a building or structure 211 for sale for use by another as a residence or who, for a fixed 212 price, commission, fee, wage or other compensation, undertakes or offers to undertake the construction, or superintending of the 213 214 construction, of any building or structure which is not more than 215 three (3) floors in height, to be used by another as a residence, 216 when the total cost of the undertaking exceeds Fifty Thousand 217 Dollars (\$50,000.00).

(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).

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 9 (icj\kr) (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.

(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.

236 \* \* \*

237 SECTION 5. Section 73-59-3, Mississippi Code of 1972, is
238 amended as follows:

73-59-3. (1) Except as otherwise provided in Section 73-59-15 or Section 33-1-39, \* \* \* persons who perform or formerly performed residential construction or residential improvement shall be licensed by the board annually as an active licensee or inactive licensee, as appropriate \* \* \* , and, \* \* \*

244 <u>as</u> a prerequisite to obtaining a license or renewal thereof, 245 each \* \* \* shall submit to the board:

(a) Proof of workers' compensation insurance, if \* \* \*
applicable \* \* \*; however, workers' compensation insurance shall
not be required for inactive licensees;

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 10 (icj\kr) (b) A federal employment identification number orsocial security number.

251 (\* \*  $\star 2$ ) The board may require liability insurance to be 252 licensed under this chapter and it shall be reflected on the 253 certificate of licensure; however, liability insurance shall not 254 be required for inactive licensees.

255 ( \* \* \*3) The board shall issue or renew a license to \* \* \* 256 an active or inactive residential builder or remodeler upon 257 payment to the board of the license fee. The initial license fee shall be Fifty Dollars (\$50.00). The license fee may thereafter 258 259 be increased or decreased by the board and cannot exceed One 260 Hundred Dollars (\$100.00); however, the receipts from fees 261 collected by the board shall be no greater than the amount 262 required to pay all costs and expenses incurred by the board in 263 enforcing the provisions of this chapter. Twenty-five Dollars 264 (\$25.00) of the fee required by this section which is assessed to 265 residential builders licensed under the provisions of Section 266 73-59-1 et seq. shall be deposited to the Construction Education 267 Fund created pursuant to Section 31-3-14 and shall be distributed 268 to the Mississippi Housing Institute. The remaining fees 269 collected under this chapter shall be deposited into the special 270 fund in the State Treasury known as the "State Board of Contractors Fund" created pursuant to Section 31-3-17 and shall be 271 272 used for the administration and enforcement of this chapter and as 273 provided in Section 31-3-14. Amounts in such fund shall not lapse

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 11 (icj\kr) into the State General Fund at the end of a fiscal year. Interest accrued to such fund shall remain in the fund. All expenditures from the special fund shall be by requisition to the Department of Finance and Administration, signed by the executive director of the board and countersigned by the chairman or vice chairman of the board.

280 Except as provided in Section 33-1-39, the license ( \* \* \* 4)281 shall expire on the last day of the twelfth month following its 282 issuance or renewal and shall become invalid unless renewed. The board may notify by mail or email every licensee under this 283 284 chapter of the date of the expiration of his license and the 285 amount of the fee required for renewal of the license for one (1) To receive notification by email, a licensee must notify 286 vear. 287 the board of his desire to receive notification by email and provide an email address. Such notice may be mailed or emailed 288 289 within thirty (30) days prior to the expiration date of the 290 The failure on the part of any licensee to renew his license. 291 license annually in such twelfth month shall not deprive such 292 licensee of the right of renewal, provided that renewal is 293 effected within one hundred eighty (180) days after the expiration 294 date of the license by payment of the license fee plus a penalty 295 of ten percent (10%) of the license fee. A new license required to replace a revoked, lost, mutilated or destroyed license may be 296 297 issued, subject to the rules of the board, for a charge of not 298 more than Fifty Dollars (\$50.00). An inactive licensee may become

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299 an active licensee upon application meeting all the requirements 300 of this section.

301 (\*\*\*<u>5</u>) Any person who is not a resident of the State of 302 Mississippi who desires to perform residential construction or 303 residential improvement shall be licensed to perform such 304 construction or improvement as provided by this chapter.

305 SECTION 6. Section 73-59-9, Mississippi Code of 1972, is 306 amended as follows:

307 73-59-9. (1) Any \* \* \* residential builder who undertakes or attempts to undertake the business of residential 308 309 construction **\* \* \*** without having a valid license as required by 310 this chapter, or who knowingly presents to the board, or files 311 with the board, false information for the purpose of obtaining 312 such license, shall be deemed quilty of a misdemeanor and, upon conviction, shall be fined not less than One Hundred Dollars 313 314 (\$100.00) and not more than Five Thousand Dollars (\$5,000.00) or 315 be imprisoned for not less than thirty (30) nor more than sixty 316 (60) days in the county jail, or both.

317 (2) Any remodeler who undertakes or attempts to undertake 318 the business of residential improvement without having a valid 319 license as required by this chapter, or who knowingly presents to 320 the board, or files with the board, false information for the 321 purpose of obtaining such license, shall be deemed guilty of a 322 misdemeanor and, upon conviction, shall be fined not less than One 323 Hundred Dollars (\$100.00) and not more than Five Thousand Dollars

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324 (\$5,000.00) or be imprisoned for not less than thirty (30) nor 325 more than sixty (60) days in the county jail, or both. ( \* \* \*3) \* \* \* A residential builder or remodeler who does 326 327 not have the license provided by this chapter \* \* \* may not bring 328 any action, either at law or in equity, to enforce any contract 329 for residential building or remodeling or to enforce a sales 330 contract \* \* \*. 331 ( \* \* \*4) The board shall have the authority to issue a 332 citation and may stop work of a residential builder or remodeler performing work without having a valid license as required by this 333 334 chapter. 335 SECTION 7. Section 73-59-15, Mississippi Code of 1972, is 336 amended as follows: 337 73-59-15. (1) This chapter shall not apply to: 338 Agricultural buildings, buildings used for (a) 339 agricultural purposes, buildings constructed as a community 340 effort, or tenant houses; 341 Any person who undertakes construction or (b) 342 improvement on his own residence, or who acts as his own general 343 contractor in the performance of construction or improvement on 344 his own residence; 345 Any person who undertakes residential construction (C) 346 or improvement, or who acts as a general contractor in the

347 performance of residential construction or improvement, or who 348 acts under supervision of the owner-occupant with respect to

S. B. No. 2838 ~ OFFICIAL ~ 23/SS08/R18 PAGE 14 (icj\kr) 349 residential construction or improvement, when the owner of such 350 construction or improvement is related to such person by 351 consanguinity or direct affinity \* \* \*;

352 (d) The owners of property who supervise, superintend, 353 oversee, direct or in any manner assume charge of the 354 construction, alteration, repair, improvement, movement, 355 demolition, putting up, tearing down or maintenance of any 356 building, railroad, excavation, project, development, improvement, 357 plant facility or any other construction undertaking on such property for use by such owner and which will not be for sale, 358 359 rent, public use or public assembly;

360 (e) Any contractor holding a valid license or
 361 certificate of responsibility for general construction from the
 362 board;

363 (f) Any nonresident contractor holding a valid license 364 or certificate of responsibility for \* \* \* <u>general</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 \* \* \*.

370 (2) A person specified in subsection (1) (b) or (c) shall not
371 make more than \* \* <u>two (2)</u> applications for a permit to
372 construct a single residence or shall not construct more
373 than \* \* <u>two (2)</u> single residences within a period of one (1)

S. B. No. 2838 **~ OFFICIAL ~** 23/SS08/R18 PAGE 15 (icj\kr) 374 year. There shall be a rebuttable presumption that such person 375 intends to construct for the purpose of sale, lease, rent or any 376 similar purpose if more than \* \* two (2) applications are made 377 for a permit to construct a single residence or if more than \* \* \*378 <u>two (2) single residences are</u> constructed within a period of one 379 (1) year.

380 **SECTION 8.** This act shall take effect and be in force from 381 and after its passage.

S. B. No. 2838 23/SS08/R18 PAGE 16 (icj\kr) ST: Construction contractors; repeal law requiring local permitting and annual State Board of Contractors licensing.