# MISSISSIPPI STATE BOARD of CONTRACTORS



## RESIDENTIAL BUILDERS LAW 2022

## MISSISSIPPI CODE TITLE 73. PROFESSIONS AND VOCATIONS CHAPTER 59. RESIDENTIAL BUILDERS AND REMODELERS

#### § 73-59-1. Definitions

For the purposes of this chapter, the following 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.
- (b) "Residential builder" means any corporation, partnership or individual who constructs a building or structure for sale for use by another as a residence or who, for a fixed price, commission, fee, wage or other compensation, undertakes or offers to undertake the construction, or superintending of the construction, of any building or structure which is not more than three (3) floors in height, to be used by another as a residence, when the total cost of the undertaking exceeds Fifty Thousand 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).
- (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.
- (h) "Construction manager" means any person or entity, other than a residential builder, remodeler or owner, who has a contract or agreement with the owner of the property for residential construction or residential improvement, no matter if that owner himself is the general contractor or a holder of a building permit.
- (i) "Residential solar contractor" means any person or entity that installs, modifies, maintains, and repairs thermal and photovoltaic solar energy systems.

#### § 73-59-3. Licensing requirement; prerequisites; fee; expiration of a license

- (1) Except as otherwise provided in Section 73–59–15 or Section 33–1–39, the following persons or entities shall be licensed by the board annually as an active licensee or inactive licensee, as appropriate:
  - (a) Persons or entities acting in the capacity as a residential builder;
  - (b) Persons or entities acting in the capacity as a residential remodeler;
  - (c) Persons or entities acting in the capacity as a construction manager through a contract or an agreement with the owner of the property being improved or constructed upon;
  - (d) Any subcontractor, of any tier, performing the following work or within the following trade, on any residential construction or residential improvement project, no matter the dollar amount of the construction or improvements:
    - (i) Electrical;

- (ii) Plumbing;
- (iii) Mechanical; and/or
- (iv) Heating, ventilation and/or air conditioning; and
- (e) Persons or entities acting in the capacity as a residential solar contractor.
- (2) As a prerequisite to obtaining a license or renewal thereof, each of the persons or entities in subsection (1) of this section shall submit to the board:
  - (a) Proof of workers compensation insurance, if required by applicable law; however, workers' compensation insurance shall not be required for inactive licensees;
  - (b) A federal employment identification number or social security number.
- (3) The board may require liability insurance to be licensed under this chapter and it shall be reflected on the certificate of licensure; however, liability insurance shall not be required for inactive licensees.
- (4) The board shall issue or renew a license to persons or entities required by subsection (1) of this section to be licensed, upon payment to the board of the license fee. The initial license fee shall be Fifty Dollars (\$50.00). The license fee may thereafter be increased or decreased by the board and cannot exceed One Hundred Dollars (\$100.00); however, the receipts from fees collected by the board shall be no greater than the amount required to pay all costs and expenses incurred by the board in enforcing the provisions of this chapter. Twenty–five Dollars (\$25.00) of the fee required by this section which is assessed to residential builders licensed under the provisions of Section 73–59–1 et seq. shall be deposited to the Construction Education Fund created pursuant to Section 31–3–14 and shall be distributed to the Mississippi Housing Institute. The remaining fees collected under this chapter shall be deposited into the special fund in the State Treasury known as the "State Board of Contractors Fund" created pursuant to Section 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 such fund shall not lapse 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.
- (5) Except as provided in Section 33–1–39, the license shall expire on the last day of the twelfth month following its issuance or renewal and shall become invalid unless renewed. The board may notify by mail or e-mail every licensee 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 one (1) year. To receive notification by e-mail, a licensee must notify the board of his desire to receive notification by e-mail and provide an e-mail address. Such notice may be mailed or e-mailed within thirty (30) days prior to the expiration date of the license. The failure on the part of any licensee to renew his license annually in such twelfth month shall not deprive such licensee of the right of renewal, provided that renewal is effected within one hundred eighty (180) days after the expiration date of the license by payment of the license fee plus a penalty of ten percent (10%) of the license fee. A new license required to replace a revoked, lost, mutilated or destroyed license may be issued, subject to the rules of the board, for a charge of not more than Fifty Dollars (\$50.00). An inactive licensee may become an active licensee upon application meeting all the requirements of this section.
- (6) Any person who is not a resident of the State of Mississippi who desires to perform residential construction or residential improvement shall be licensed to perform such construction or improvement as provided by this chapter.

#### § 73-59-5. Licensing application and examination

Any corporation, partnership or individual seeking to be licensed and examined under this chapter shall file with the board a written application on such form as may be prescribed by the board. Such application shall be accompanied by the payment of the license fee. If the application sufficiently contains the information required pursuant to this chapter, the applicant shall be examined by the board at its next meeting using a uniform written examination prescribed by the board. The board shall administer an oral examination to

applicants who are unable to take the written examination. In addition, the board, in examining such applicant, shall consider the following:

- (a) Experience;
- (b) Complaints; and
- (c) Other pertinent information the board may require.

If, as a result of the examination, the board finds that the applicant is qualified to engage in residential construction or residential improvement in Mississippi, the applicant shall be issued a license. Any applicant rejected by the board shall be given the opportunity to be reexamined at the next regularly scheduled examination date after a new application has been filed and the license fee has again been paid.

The board shall make and preserve a record of each examination of an applicant and the findings of the board pertaining to such examination. A certified copy of such record, omitting confidential test questions, shall be furnished to the applicant so requesting such record upon the payment of a fee to the board that reasonably reflects the cost of furnishing such record to the applicant.

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

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

#### § 73-59-7. Issuance of emergency license

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

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

#### § 73-59-9. Offenses and penalties

- (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 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.

(3) The board shall have the authority to issue a citation and may stop work of a residential builder or remodeler performing work without having a valid license as required by this chapter.

#### § 73-59-11. Additional responsibilities of board; general liability insurance disclosure

The board shall have the following additional duties 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.
- (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 the provisions 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.
- (g) The board may require continuing education for any residential builder or remodeler licensed under this chapter; provided, however, that any residential builder or remodeler who has held a valid license under this chapter before July 1, 2015, shall be exempt from any continuing education requirements. No more than two (2) hours of continuing education shall be required by the board per year.

The holder of a valid license shall disclose to the owner or other person with whom the holder is contracting at the signing of a contract or the initial agreement to perform work whether the holder carries general liability insurance. The disclosure shall be written, the structure and composition of which shall be determined by the State Board of Contractors, and shall be placed immediately before the space reserved in the contract for the signature of the purchaser. The disclosure shall be boldfaced and conspicuous type which is larger than the type of the remaining text of the contract.

#### § 73-59-13. Disciplinary action by board

- (1) The board, upon satisfactory proof and in accordance with the provisions of this chapter and the regulations of the board pertaining thereto, is authorized to take the disciplinary actions provided for in this section against any 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 a license;

- (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;
- (e) Loaning a license to an unlicensed person;
- (f) Failing to maintain workers' compensation insurance, if applicable; or
- (g) Failing to pay for goods or services for which the builder is contractually bound.
- (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 may send a certified inspector to inspect the building or structure which is the subject of a complaint or the board may use a county certified building inspector from the county where the building or structure is located to inspect the building or structure which is the subject of a complaint. The report of the inspector shall be used in the investigation and the determination of the board. The provisions above shall only apply to hearings.

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

(3) At any hearing held hereunder, the board shall have the power to subpoena witnesses and compel their attendance and may also require the production of books, papers, documents or other materials which may be pertinent to the proceedings. The board may designate or secure a hearing officer to conduct the hearing. All evidence shall be presented under oath, which may be administered by any member of the board, and thereafter the proceedings may, if necessary, be transcribed in full by a court reporter and filed as part of the record in the case. Copies of such transcriptions may be provided to any party to the proceedings at a price reflecting actual cost, to be fixed by the 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 <u>Section 25-7-47</u>, <u>Mississippi Code of 1972</u>, and all such fees shall be taxed as part of the costs in the case.

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

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.

(4) At the conclusion of the hearing, the board may either decide the issue at that time or take the case under advisement for further deliberation. The board shall render its decision not more than ninety (90) days after the close of the hearing and shall forward to the last known business or residence address of the accused, by certified mail, return receipt requested, a written statement of the decision

of the board.

- (5) If a majority of the board finds the accused guilty of the charges filed, the board may:
  - (a) Issue a public or private reprimand;
  - (b) Suspend or revoke the license of the accused; or
  - (c) Order completion of an additional educational requirement prescribed by the board not to exceed two (2) hours per violation; or
  - (d) In lieu of or in addition to any reprimand, suspension, revocation, or education requirement, assess and levy upon the guilty party a monetary penalty of not less than One Hundred Dollars (\$100.00) nor more than Five Thousand Dollars (\$5,000.00) for each violation.
- (6) A monetary penalty assessed and levied under this section shall be paid to the board upon the expiration of the period allowed for appeal of such penalties under this section or may be paid sooner if the guilty party elects. Money collected by the board under this section shall be deposited to the credit of the State Board of Contractors Fund.
- When payment of a monetary penalty assessed and levied by the board in accordance with this section is not paid when due, the board shall have the power to institute and maintain proceedings in its name for enforcement of payment in the chancery court of the county of residence of the delinquent party; however, if the delinquent party is a nonresident of the State of Mississippi, such proceedings shall be in the Chancery Court of the First Judicial District of Hinds County, Mississippi.
- (7) When the board has taken a disciplinary action under this section, the board may, in its discretion, stay such action and place the guilty party on probation for a period not to exceed one (1) year upon the condition that such party shall not further violate either the laws of the State of Mississippi pertaining to the practice of residential construction or residential remodeling or the bylaws, rules or regulations promulgated by the board.
- (8) The board shall not assess any of the costs of disciplinary proceedings conducted pursuant to this section 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.
- (10) The board, for sufficient cause, may reissue a revoked license whenever a majority of the board members vote to do so.
- (11) Within ten (10) days after any order, judgment or action of the board, any person aggrieved thereby may appeal such order, judgment or action either to the chancery court of the county wherein the appellant resides or to the Chancery Court of the First Judicial District of Hinds County, Mississippi, upon giving bond with sufficient security in the amount of Two Hundred Fifty Dollars (\$250.00), approved by the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person. In lieu of the bond, the appellant may post Two Hundred Fifty Dollars (\$250.00) with the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person.

Notice of appeal shall be filed in the office of the clerk of the chancery clerk, who shall issue a writ of certiorari directed to the board commanding it within forty-five (45) days after service thereof to certify to such court its entire record in the matter in which the appeal has been taken. The appeal shall thereupon be heard in due course by the court, and the court shall review the record and shall affirm or reverse the judgment. If the judgment is reversed, the chancery court or chancellor shall render such order or judgment as the board ought to have rendered, and certify the same to the board; and costs shall be awarded as in other cases.

Appeals may be had to the Supreme Court of the State of Mississippi as provided by law from any final action of the chancery court. The board may employ counsel to defend all such appeals, to be paid out of the funds in the State Board of Contractors Fund.

On appeal, any order, judgment or action of the board revoking a certificate of responsibility or residential license shall remain in full force unless the chancery court or Supreme Court reverses such order, judgment or action of the board.

The remedies provided under this chapter for any aggrieved person 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.

- (12) Any political subdivision or agency of this state which receives a complaint against a residential builder or remodeler shall, in addition to exercising whatever authority such political subdivision or agency has been given over such complaint, forward the complaint to the board.
- (13) In addition to the reasons specified in subsection (1) of this section, the board shall be authorized to suspend the license of any licensee for being out of compliance with an order for support, as defined in Section 93-11-153. The procedure for suspension of a license for being out of compliance with an order for support, and the procedure for the reissuance or reinstatement of a license suspended for that purpose, and the payment of any fees for the reissuance or reinstatement of a license suspended 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 suspending a license when required by Section 93-11-163 are not actions from which an appeal may be taken under this section. Any appeal of a license suspension that is required by Section 93-11-157 or 93-11-163 shall be taken in accordance with the appeal procedure specified in Section 93-11-157 or 93-11-163, as the case may be, rather than the procedure specified in this section. If there is any conflict between any provision 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 case may be, shall control.

#### § 73-59-15. Persons and matters exempt

- (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;
  - (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, and the property or improvement will not be for sale, rent, public use or public assembly;
  - (d) The owners of property who supervise, superintend, oversee, direct or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down or maintenance of any building, railroad, excavation, project, development, improvement, plant facility or any other construction undertaking on such property for use by such owner and which will not be for sale, rent, public use or public assembly;
  - (e) Any contractor holding a valid license or certificate of responsibility for general construction from the board;
  - (f) Any nonresident contractor holding a valid license or certificate of responsibility for general 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.
- (2) A person specified in subsection (1)(b) or (c) shall not make more than one (1) application for a permit to construct a single residence or shall not construct more than one (1) single residences 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 (1) application is made for a permit to construct a single residence or if more than one (1) single residences is constructed within a period of one (1) year.

#### § 73-59-17. Permit denial to unlicensed builders; reporting violations

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

## § 73-59-18. Residential contractors required to possess permit issued under Section 27-65-27 in order to obtain building permit; applicability of section.

All residential contractors, in order to obtain a building permit in the State of Mississippi, shall possess a permit from the Department of Revenue issued under Section 27-65-27.

Notwithstanding the definitions of "residential builder" and "remodeler" in Section 73-59-1, for purposes of this section, a residential contractor is a person or entity contracting or offering to contract with an owner or possessor of residential real estate to construct a residence or appurtenant structure thereon, or to repair or renovate any portion of a residence or appurtenant structure thereon, regardless of the cost of the project, and regardless of whether all or part of the cost is expected to be paid as a benefit of a property and casualty insurance policy. A residential contractor is not a person building, repairing or renovating his or her own residence.

This section shall not apply to a residential contractor having a permanent place of business in the State of Mississippi or licensed under Section 31-3-1.

#### § 73-59-19. Authority under license

Any residential builder licensed pursuant to the provisions of this chapter may, without being required to obtain an additional license under any other law of this state, construct, improve, repair, remodel or renovate any commercial structure, provided the prescribed contract job does not exceed seven thousand five hundred (7,500) square feet.

#### § 73-59-21. Standing committee created; membership and powers

- (1) There is hereby created the Standing Committee on Residential Builders and Remodelers which shall be subordinate to the State Board of Contractors as set forth in Section 31-3-3. The standing committee shall be composed of the two (2) residential builders who serve as members of the State Board of Contractors and three (3) additional residential builders 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 terms as members of the State Board of Contractors. The initial terms of the three (3) additional residential builders on the Standing Committee on Residential Builders and Remodelers shall be one (1), three (3) and five (5) years, respectively, beginning July 1, 2000. Upon the expiration of the initial term of any member not serving ex officio, his or her successor shall be appointed for a term of five (5) years.
- (2) The Governor shall appoint one (1) of the two (2) ex officio members as Chairman of the Standing Committee on Residential Builders and Remodelers. The Executive Director of the State Board of Contractors as set forth in Section 31-3-11 shall serve as secretary of the standing committee. The standing 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) business days notice by regular mail. The members of the standing committee shall be entitled to receive a per diem as provided in Section 31-3-9.
- (3) Three (3) members of the Standing Committee on Residential Builders and Remodelers shall constitute a quorum and a majority vote of those present and voting at any meeting shall be necessary to transact business.
- (4) The Standing Committee on Residential Builders and Remodelers shall have the power to make recommendations to the State Board of Contractors pertaining to all duties set forth in <u>Sections 73-59-11</u> and <u>73-59-13</u>. The standing committee shall have only the

power to make recommendations to the State Board of Contractors and the State Board of Contractors shall have the power and authority to accept or reject any recommendation made by the standing committee. Hearings regarding residential builders and remodelers shall be exclusively under the jurisdiction of the Standing Committee on Residential Builders and Remodelers.

### RULES AND REGULATIONS OF THE STATE BOARD OF CONTRACTORS AS APPLIED TO RESIDENTIAL BUILDERS AND REMODELERS

#### Title 30: Professions and Occupations—Board of Contractors

#### Part 803: Residential Builders and Remodelers

#### Part 803 Chapter 1: Licensing

Rule 1.1 Application for License.

- (1) An applicant for a License or Renewal thereof shall observe the following requirements:
- (a) Licenses or any renewals thereof may be issued at any time during the course of a calendar year by the Executive Director after his determination that the applicant has satisfied all statutory and other requirements prerequisite to the issuance of a license or a renewal thereof.
- (b) An application must be filed on a form provided by the Board. No substitute will be accepted.
- (c) The Board's application form must be completed in ink or with a typewriter. Only one copy need by filed.
- (d) All questions must be answered. All schedules must be completed. Write "None" where applicable. No application will be considered unless it is completed as directed on the Board's form.
- (e) Additional information including supplementary or explanatory notes considered necessary may be furnished by inserting where needed.
- (f) All signatures must be affixed where called for and notarized where indicated.
- (g) An applicant for a residential remodeler's license may seek licensing for a subclassification to be known as a residential roofer. For this subclassification, there shall be administered a separate roofer's examination and the license shall be clearly marked that it only licenses the holder as a residential roofer.
- (h) A check in the amount of Fifty Dollars (\$50.00), representing the initial license fee, made payable to the State Board of Contractors should accompany the application but may be submitted separately. A check in the amount of One Hundred Dollars (\$100.00) made payable to the State Board of Contractors, shall accompany all requests for renewal of licenses. No application will be acted upon until such check is received.
- (i) The privilege tax levied under this Chapter is an annual tax. The licensee is under a duty to renew the license annually, and the failure to the Board to notify the licensee holder as to the date of the expiration shall not excuse the licensee from renewing the license and paying the annual tax.
- (j) An applicant shall provide a certificate of insurance evidencing current workers' compensation insurance, if applicable, and a federal employment identification number or social security number of the person making application.
- (k) An applicant for a residential builder or remodeler's license, or renewal thereof, shall provide a copy of a certificate of insurance

evidencing current coverage for general liability purposes. The Mississippi State Board of Contractors shall be listed on the policy of the insured to be notified if there is cancellation of coverage. Liability insurance shall not be required for inactive licensees.

- (l) A foreign corporation or a corporation domiciled outside the State of Mississippi must qualify to do business in this State with the office of the Secretary of State and provide the Board proof of good standing. (Applicants may contact the office of the Secretary of State by mail to Post Office Box 136, Jackson, Mississippi 39205, or by telephone at 601/359-1350.
- (m) An applicant for a license must pass the applicable written examination(s) with a grade of at least 70%.
- (n) The Board will hold examinations at locations and times to be determined by the Board. Applicants will be notified of the time and place of the examination.
- (o) A licensee of another state who desires to obtain a license duly issued and authorized by this Chapter shall be exempt from taking the written examination provided the Board determines that the requirements for a license in the foreign state are equivalent to such examination in this state and provided that the foreign state in question extends the same privilege to Mississippi licensees.
- (p) If a license is lost, mutilated or destroyed, a new license may be issued, upon receipt of a written request from the licensee stating the reason for the request, the license number and check in the amount of Twenty-Five Dollars (\$25.00).
- (2) Should any information contained in any application or presented at any oral interview for a license be found by the Board to be false, such license so issued or application being considered shall thereupon be terminated and withdrawn. No licensee or applicant submitting such information shall be issued a renewal of or an initial license until a period of one (1) year has expired after the date of such termination or withdrawal.
- (3) Any corporation or other legal business entity holding a valid license shall immediately notify the Board of any change of name or corporate structure by filing the appropriate form outlining the specific change and the impact on the status of the entity. A fee of \$50.00 shall accompany each application filed pursuant to this rule.
- (4) A licensee may change the status of a license from active to inactive by notifying the Board, in writing, and submitting a check in the amount of Twenty-Five Dollars (25.00). To reactivate an inactive license, the licensee must notify, in writing, the Board of his/her intentions to reactivate the license, submit the above referenced fee and provide proof of current workers' compensation and liability insurance where applicable.
- (5). The issuance of a residential builder's or remodeler's license by reciprocity to a military-trained applicant or military spouse shall be subject to the provisions of Section 73-50-1.

Source: Miss Code Ann. §§ 73-59-5 and 73-50-1.

1.2 Display of Building Permit.

Once a building permit is issued to a residential builder or remodeler, or the holder of a certificate of responsibility by a municipal or county building official, or any other authority charged with the duty of issuing local building permits, such licensed residential builder or residential remodeler or holder of a certificate of responsibility shall exhibit a sign at the

permitted job site which shall include, prominently displayed in lettering at least two (2) inches high and twelve (12) inches wide, the license or certificate of responsibility number of the residential builder or residential remodeler or holder of the certificate of responsibility and the State issuing it.

Source: Miss Code Ann. § 73-59-11(f)

1.3 Liability Insurance Disclosure Statement.

The holder of a valid license as a residential builder, remodeler or roofer as defined in Miss. Code. Ann. §§ 73-59-1 and 73-59-3 shall provide written disclosure at the time of contracting to the person with whom the licensee is contracting as to the requirement to carry general liability insurance. This disclosure shall be placed on the contracting document immediately before the space reserved on the document for the signature of the purchaser, shall be in bold and conspicuous type with a font size larger than the font appearing on the remainder of the contract, and shall be in words as follows:

Mississippi law requires that I inform you that I DO carry general liability insurance insuring my work under this contract. The name of the insurer is \_\_\_\_\_\_\_, and the policy number is \_\_\_\_\_\_. By your signature below, you signify your understanding and acknowledgement of this fact.

Source: Miss Code Ann. § 73-59-11(f)

1.4 Continuing Education

#### (1) Authority and Scope

Pursuant to Miss. Code Ann. §73-59-11, continuing education is required for residential licenses issued on or after July 1, 2015. The Board adopts the rules and regulations for continuing education set forth herein.

#### (2) Definitions

- (a) Continuing Education Committee: The continuing education committee shall be composed of three (3) members of the Standing Committee on Residential Builders and Remodelers and at least one (1) of those three (3) embers must serve on the Mississippi State Board of Contractors. The continuing education committee shall have the power to make recommendations to the Mississippi State Board of Contractors regarding all matters related to continuing education for residential license holders.
- (b) Continuing Education Course: A continuing education course is a training program that complies with the procedures, standards and minimum requirements established for continuing education and has been approved by the board.
- (c) Continuing Education Credit: A continuing education credit is equal to a 50 minute credit hour of instruction.
- (d) Continuing Education Instructor: A continuing education instructor is an individual that complies with the procedures, standards and minimum requirements established for continuing education and who has submitted a training program to MSBOC for continuing education credit review and been approved by the board.

(e) Continuing Education Provider: A continuing education provider is an institution or organization that complies with the procedures, standards and minimum requirements established for continuing education and who has submitted a training program to MSBOC for continuing education credit review and been approved by the board.

#### (3) Continuing Education Committee

The Board may form a Continuing Education Committee which will review, assess, approve, or deny applications for educational providers, instructors and courses according to the general standards and minimum requirement set forth herein and within the board's and committee's discretion. The committee shall consist of three (3) members of the Standing Committee on Residential Builders and Remodelers and at least one (1) of those three (3) members must serve on the Mississippi State Board of Contractors. Members will meet prior to the regularly scheduled board meetings or as often as necessary. Decisions and/or recommendations of the committee will be presented to the full board at scheduled board meetings for final approval or denial of a provider, instructor, course or related education issue.

#### (4) Requirements for Residential License Holders

Two (2) credit hours of continuing education taught by a board approved provider or instructor must be obtained each year in order to maintain a residential license pursuant to Miss. Code Ann. §73-59-11. The continuing education requirement applies to all residential licenses issued on or after July 1, 2015.

Since individual needs vary, each individual must exercise judgment in selecting courses that will advance that individual's knowledge. The Board will not mandate the specific courses to be taken by licensed contractors, unless continuing education has been ordered by the board as a result of a disciplinary hearing.

Credit shall be granted upon completion of an entire course. No credit shall be given for courses attended prior to becoming a licensed contractor with MSBOC.

To fulfill the continuing education requirements:

- (a) **Residential License Holders:** Each qualifying party for a residential license must complete two (2) credit hours of instruction taught by a board approved provider or instructor. In order to renew a license, proof of compliance with the continuing education requirement must be submitted by each qualifying party.
- (b) Board Members: Service on the Mississippi State Board of Contractors or Mississippi State Board of Contractors Standing Committee on Residential Builders and Remodelers will satisfy the two (2) hour continuing education requirement, so long as the Board member or Standing Committee member remains in good standing with the Board and maintains the proper licensing requirements during his or her term of appointment.
- (c) Continuing Education Instructor: Board approved continuing education instructors may use their course instruction to satisfy the continuing education requirement. Instructors must provide the Board with evidence of what Board approved courses he or she taught, when course(s) were taught, and how many credit hours were taught. Instructors will receive credit for each particular course only once.

#### (5) Reporting Procedures; Failure to Comply; Reinstatement

(a) The license holder is responsible for demonstrating compliance with and completion of the continuing education requirement. Proof of having completed two (2) credit hours of continuing education must be submitted each year with the renewal application. Providing

false or fraudulent information or documentation to the Board will result in disciplinary action including assessment of fines and action taken against the license. No carryover of continuing education hours from one licensure period to another shall be allowed.

(b) License holders who are not able to demonstrate compliance with the continuing education requirement will not be allowed to renew their license.

#### (6) Waiver of Continuing Education Requirement

The continuing education requirement shall be waived for residential licenses on inactive status; however, an inactive residential license holder must show proof of having completed two (2) credit hours of continuing education prior to returning to active status. Additionally, the board may defer or waive some or all of the continuing education requirements in the event of a state of emergency declared by the Governor or for good cause shown by the license holder.

#### (7) Sources of Continuing Education

A list of approved continuing education providers, instructors and courses will be maintained on the Mississippi State Board of Contractors website at www.msboc.us.

#### (8) Requests for Non-Traditional Approval

Licensee holders seeking credit for non-traditional continuing education must complete the appropriate request form and submit it with the required fee to the board for review and approval. It is entirely within the Board's discretion whether or not a non-traditional approval request is granted.

#### (9) Requirements for Providers and Instructors

- (a) Institutions, organizations and individuals wishing to become an approved provider or instructor must submit the required application(s) to the board for review. The board's continuing education committee will review the application and make its recommendation to the Board to approve or deny the application or request additional information from the applicant. The applicant will be informed in writing of the board's decision. Only those institutions, organizations, and individuals that meet or exceed the established standards and minimum requirements will be approved to award continuing education credit.
- (b) The board may require prior teaching experience. Teaching experience may be either formal or informal. A college degree may or may not be required depending upon the course being taught. In lieu of a college degree, the board may accept proof of competency such as appropriate certification related to the area of specialty.
- (c) All continuing education applications submitted to the board for review must be received by the Board at least 30 days prior to the next regularly scheduled Board meeting. The Board meets quarterly on the second Wednesday in January, the second Wednesday in April, the second Wednesday in July and the second Wednesday in October.
- (d) All fees established by the board must be submitted with an application in order for the application to be processed. Fees are non-refundable and no part of any fee shall be returned.

- (e) Upon approval of an application, each approved provider or instructor shall agree to conduct courses in accordance with the board requirements and shall indicate agreement by signing a continuing education provider/instructor agreement form provided by the board.
- (f) The board may request that a provider or instructor reapply for approval if the provider or instructor has not held any classes for continuing education credit or submitted a roster to the board for a period of 2 years. The provider or instructor will be required to submit a new application along with all appropriate fees to the board for approval prior to holding a class for continuing education credit.(10)

#### **Revocation of Approval**

The Board shall have the authority to monitor approved courses, providers and/or instructors to determine whether they are in compliance with the terms of the agreement and the rules and regulations of the Board. The Board may suspend, revoke or terminate the agreement with any approved continuing education provider or instructor if the Board determines that either has failed to comply with the terms of the agreement or the rules and regulations of the Board.

#### (11) Violation for Operating as Non-Approved Provider

Any institution, organization or individual who acts as a provider or instructor of continuing education without being properly certified or who provides the Board with falsified information or documentation may be subject to having their provider or instructor status revoked and/or prevented from obtaining future approval as a provider or instructor. A provider or instructor with a revoked status may petition the Board for reinstatement; such petition must be accompanied by a filing fee as determined by the Board.

### Part 803 Chapter 2: Charges of Misconduct and Disciplinary Action

#### Rule 2.1 Complaint and Hearing Procedures

- (1) The Standing Committee on Residential Builders and Remodelers ("Standing Committee") and the Mississippi State Board of Contractors ("Board") shall act in accordance with the following procedures after receiving a sworn complaint about a residential builder or remodeler:
- (a) When the Board receives sworn charges as set forth in Miss. Code Ann. § 73-59-13(2), the Board shall deliver to the accused a letter, via regular mail, outlining the charges and requesting the accused to respond, in writing, to the charges within ten (10) days after receipt of the letter.
- (b) If the accused fails to respond timely, the Board shall deliver to the accused a second letter, via certified mail, return receipt requested, outlining the charges and requesting the accused to respond, in writing, to the charges within ten (10) days after receipt of the letter.
- (c) If the accused responds timely to either letter set forth above, the Board shall investigate the matter and may issue a formal complaint and Notice of Hearing against the accused and cause a hearing to be held as set forth in Miss. Code Ann. § 73-59-13(2) and these rules.
- (d) If the Board determines that there is reasonable cause to believe a complaint is valid and not frivolous, it shall proceed with an appropriate investigation. Subsequent to the investigation and in the Board's discretion, the Board shall cause a hearing to be held concerning the charges against the licensee. If the Board determines that such a hearing is necessary, a copy of the complaint and notice of hearing shall be served upon the licensee in person or by certified mail at the licensee's last known address, not less than thirty (30) days prior to the date for the scheduled hearing. The Board shall render a decision within ninety (90) days of the close of the hearing

and a copy of such written decision shall be presented to each party in person or by certified mail at their last known address. In any event, all requirements pertaining to hearings set forth in Miss. Code Ann. § 73-59-13, as amended, shall be followed.

- (e) If the accused fails to respond timely to the second letter, then the Board shall deliver to the accused a formal Complaint along with a Notice of Hearing requesting the accused to respond to the charges and setting a hearing date no less than thirty (30) days from the date of service. The Notice of Hearing shall include the date and location of the hearing along with a requirement that the accused contact the Board no later than fifteen (15) days prior to the hearing to schedule a specific time for appearance at the hearing. Failure to contact the Board to schedule a specific time for appearance may result in the accused being heard only after all other scheduled matters have been addressed or not being heard on that scheduled date.
- (f) If the accused fails to respond timely to the formal Complaint, then the Standing Committee and the Board may consider the charges set forth therein and all other available evidence in determining whether the accused is guilty of the charges filed. In the event the Board finds the accused guilty of the charges filed, it may impose any of the penalties set forth in Miss. Code Ann. § 73-59-13(5).
- (g) Any request for a continuance must be made in writing and presented to the Chair of the Standing Committee at least fifteen (15) days prior to the scheduled hearing or, upon good cause shown, at any time prior to the hearing. Continuances will not be routinely granted. Instead, a party must show substantial, legitimate grounds for a continuance. Where scheduling conflicts are the basis for requesting a continuance, the party shall provide written proof of such conflicts in a timely manner as set forth herein.
- (h) The Board shall notify the accused of any decision as set forth herein according to Miss. Code Ann. § 73-59-13(4). The accused shall have the right to appeal this decision as set forth in Miss. Code Ann. § 73-59-13(11).
- (2) All complaints and/or charges against a licensee shall be submitted to the Board on the proper forms provided by the Board.
- (3) All Board members shall refrain from formal interviews and/or comments in connection with a pending charge or complaint submitted to the Board.
- (4) Licensee shall within seven (7) days after final judgment, notify the Board of any adverse court decision in which the licensee was included.

Source: Miss. Code Ann. §§ 25-43-3.101 - 25-43-3.115 (1972).

#### Rule 2.2 Administrative Penalties

- (1) If the Standing Committee on Residential Builders and Remodelers determines that disciplinary action should be taken for a violation of law, then it shall consider at a minimum the following factors in determining the action to be taken:
- (a) The willfulness of the violation;
- (b) Any cost of restoration or abatement;
- (c) Any economic benefit to the violator as a result of noncompliance;
- (d) The seriousness of the violation, including any harm to the complainant or the public; and
- (e) Any prior violation by the violator.

(2) Failure to adhere to the rules and/or regulations of the Board shall constitute grounds for suspension or revocation and, in the Board's discretion, monetary penalties pursuant to statutory authority.

Source: Miss. Code Ann. § 73-59-13.

#### Part 803 Chapter 3: General Rules

#### Rule 3.1 Board Meetings

If a regular or special meeting of the Board has been recessed to reconvene on a day and time fixed and ordered by the Board and entered upon its minutes, the recessed meeting thus held on the subsequent date shall be considered a part of and continuation of the regular meeting or special meeting, as the case may be, the same as if actions and proceedings then taken had been taken at the initial regular meeting date or special meeting date and any action authorized on such an initial date may be taken or continued and passed upon at the later date or dates.

Source: Miss. Code Ann. § 73-59-11(f).

#### Rule 3.2 Executive Director

Neither the Executive Director, individually, nor the surety of the Executive Director's official bond shall be held financially liable or responsible for any action taken by the Executive Director when acting under direct instructions from the Board as shown by the minutes of the Board.

Source: Miss. Code Ann. § 73-59-11(f).

#### Rule 3.3 Miscellaneous

- (1) Any of the foregoing Rules and Regulations of the Board shall not apply to contracts involving federal funds if in violation of federal requirements.
- (2) Any of the foregoing Rules and Regulations of the Board may be suspended and/or modified by a majority vote of the State Board of Contractors unless such suspension or modification is inconsistent with the general laws governing the Board and its operation provided that such suspension or modification is made in compliance with the provisions of the Mississippi Administrative Procedures Law, Miss. Code Ann. §§ 25-43-1.101 through 25-43-3.114, as amended.
- (3) Should the Board determine that an emergency exists because of an imminent threat to the public, it may thereby invoke rule actions with fewer than twenty-five (25) days' notice in accordance with Miss. Code Ann. §25-43-3.108. In any such instances, the Board must state in writing its reasons for doing so. It may abbreviate or eliminate the rule action notice for a period of not longer than one hundred and twenty (120) days renewable one time for not more than ninety (90) days. After this time, the normal notice procedure would once again apply.
- (4) If any provision of any section of these Rules and Regulations or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect any other provisions of that section or application of the Rules and Regulations which can be given effect without the invalid provisions or application, and to this end the provisions of these Rules and Regulations are declared to be severable.

- (5) Anyone may obtain public information from, or make submissions or requests to, in writing or orally, the Executive Director of the Board, whose office is located at 2679 Crane Ridge Drive, Suite C, Jackson, MS 39216, telephone no. (601) 354-6161, during regular office hours between 8 a.m. and 5 p.m. Monday through Friday.
- (6) These Rules and Regulations shall become effective thirty (30) days after promulgation and filing with the Secretary of State.

Source: Miss. Code Ann. § 73-59-11(f).

#### Rule 3.4 Fee Schedule

The following is a list of all pertinent fees as charged by the Mississippi State Board of Contractors:

Commercial Application (1 classification)	\$400.00
Commercial License – Add'l Classification	\$100.00
Commercial License Renewal	\$400.00
Commercial License Renewal – Late Fee	\$50.00
Commercial License – Name Change	\$50.00
Commercial Fee (To make license Inactive)	\$25.00
Commercial Fee (To reactivate license)	\$25.00
Duplicate Commercial License Fee	\$50.00
Reciprocity/Verification of License	\$25.00
Residential Application	\$50.00
Residential License Renewal	\$100.00
Residential License Renewal – Late Fee	\$10.00
Residential Fee (To make license Inactive)	\$25.00
Residential Fee (To reactivate license)	\$25.00
Duplicate Residential License Fee	\$50.00
Request for Waiver of Exam	\$50.00
Request for Oral Examination	\$50.00
Request for Change in Qualifying Party	\$25.00
Public Information Requests (charge for copying records)	\$0.50/pg.
Public Information Requests (administrative time/shipping & handling)	\$25.00
Mailing List (all active contractors)	\$500.00

Returned Check Fee

\$40.00

Source: Miss. Code Ann. §§ 31-3-13(f) and 73-59-11(f).