



MSBOC

Mississippi State Board of Contractors

ANNUAL REPORT 2024

TABLE OF CONTENTS

MESSAGE FROM THE EXECUTIVE DIRECTOR.....3

EXECUTIVE SUMMARY.....5

ABOUT THE MISSISSIPPI STATE BOARD OF CONTRACTORS

 Overview..... 7

 Board Composition9

 Residential Standing Committee10

FINANCIAL SUMMARY.....11

 Budget11

PERFORMANCE MEASURES AND EFFICIENCIES12

 Licensure

 Enforcement

 Education and Public Relations

 Disaster Response

CONTACT INFORMATION.....14



MESSAGE FROM THE EXECUTIVE DIRECTOR

As we reflect on another successful year at the Mississippi State Board of Contractors (MSBOC), I am proud to share the continued progress and achievements made in our mission to protect the public and serve the contractors of Mississippi. I am continually impressed by the hard work and dedication of staff, whose efforts ensure a fair and efficient process remains a priority and we continue to address the most common concerns related to construction and licensure.

In 2024, we expanded our outreach efforts with 18 community engagement events, helping to connect with contractors and stakeholders across the state. We conducted 14 workshops focused on licensure and scam prevention, further empowering individuals with the knowledge needed to navigate the industry. Our newsletter subscriber base grew significantly, now reaching 6,171, which speaks to the increased demand for the valuable information we provide.

This year, MSBOC conducted 5,344 compliance checks, processed 12,954 applications, and saw 77% of new applications issued a license. Our website has seen significant traffic with 457,685 visits. Additionally, our customer service agents processed 79,424 calls, reflecting our unwavering commitment to supporting both contractors and consumers every step of the way, ensuring a smooth and successful experience for all.

We introduced new initiatives designed to make our services more accessible, including the integration of new technology to enhance user experiences and educational opportunities. Our team also worked diligently to update and improve the MSBOC website, ensuring it provides clearer instructions and easier access to forms and applications. Furthermore, we streamlined licensure classifications by combining 11 classifications, eliminating 3, and reducing the need for 2 exams, which has made the process more user-friendly and efficient.

In addition to supporting local contractors, MSBOC played a crucial role in assisting contractors with obtaining the necessary licenses to perform essential repair and recovery work in areas devastated by Hurricanes Helene and Milton. We also successfully negotiated three new reciprocity agreements, further expanding opportunities for Mississippi contractors to work in other states.

This year, we addressed 391 complaints and continued to improve our internal processes. The board and residential standing committees met 8 times to ensure the needs of license holders and the public are addressed. We also completed significant updates and revisions to our internal training manual, ensuring that our staff remains well-equipped to serve our constituents.

Moving forward, MSBOC will continue to streamline processes, provide clarity, and explore new ways to enhance services for all stakeholders.

Sincerely,

Stephanie Sills Lee, Executive Director

EXECUTIVE SUMMARY

Established by the legislature in 1952, the Mississippi State Board of Contractors (MSBOC) was formed with the primary aim of safeguarding the public from irresponsible contractors. The agency's funding is exclusively derived from fees and penalties associated with licensure. All facets of MSBOC operations including Licensure, Enforcement, Education/Public Relations, and Disaster Response undergo thorough annual evaluations. Key highlights from each respective area are outlined below.

Licensure: The Licensure Division is tasked with promptly reviewing and handling applications for those seeking either a new license or renewal.

- Staff processed more than 12,900 applications for licensure and renewal in FY24.
- There were 12,752 licensed contractors in Mississippi at the end of FY24 representing a 3% increase from the prior year. Fifty-eight percent (58%) of licensees held a commercial license while forty-two percent (42%) held a residential license.
- Forty-one percent (41%) of contractors licensed by MSBOC are from out of state, demonstrating a streamlined licensing process with minimal hurdles.
- Staff worked with surrounding states to update reciprocity agreements and develop ways to reduce barriers to licensing.
- Staff continued to evaluate all processes, procedures and forms to simplify and streamline the application, examination and renewal processes for applicants and licensed contractors.
- MSBOC staff participated in outreach initiatives and conducted licensure workshops around the state to educate contractors, applicants, government officials, and construction industry leaders.

Enforcement: The Enforcement Division is the investigative and enforcement arm of MSBOC. This division works to ensure that construction projects throughout the state are conducted in accordance with the contractor licensing laws of Mississippi. Investigators make routine construction site visits, handle complaints and allegations of unlicensed activities, monitor permit offices and partner with various law enforcement agencies to protect the general public. Maintaining a presence throughout the state affords the agency an opportunity to inform contractors and the general public of the licensing laws.

- MSBOC investigators conducted 5,344 site visits around the state to ensure contractors working in Mississippi were properly licensed.
- Enforcement staff processed 391 complaints filed against licensed and unlicensed contractors.
- The agency collected \$582,778 in fines and penalties associated with licensing law violations.
- Staff conducted outreach and communication efforts, including presentations to building officials, code enforcement officials, and industry trade associations concerning licensing laws and updates.

Education and Public Relations: The Education and Public Relations division serves to extend MSBOC services around the state and promote quality construction in Mississippi. Proactive regulation through marketing outreach helps prevent violations and protects the health, safety and welfare of the public.

- Investing in construction education and craft training helps ensure a quality workforce for Mississippi's future. Utilizing funds received from licensure and penalties, MSBOC distributed \$2,300,000 to provide construction education and craft training at various high schools, junior colleges and universities in Mississippi pursuant to statutory mandate.
- The Mississippi Housing Institute received \$70,600 collected from residential renewal fees to support qualified residential building programs and education pursuant to statutory mandate.
- MSBOC utilized various marketing methods aimed at protecting consumers from contractor fraud. The marketing campaigns are an effective tool in keeping the public informed about construction industry regulations.
- The agency utilized press releases, social media, public service announcements and advertisements, when appropriate, to educate consumers about contractors and contractor licensing laws.
- The agency's website was updated and improved to include interactive videos, instructions and online services, making it much more user friendly and beneficial for public users.
- MSBOC's newsletter subscription rate increased to 6,171 subscribers.

Disaster Response: The MSBOC Disaster Response Team works to keep citizens from being victimized by unscrupulous contractors following natural disasters and assists contractors with the licensing process. The agency's hands-on response in affected areas aids in protecting the public by deterring fraudulent contractors from perpetrating scams that commonly occur after a disaster while simultaneously assisting consumers and contractors with the rebuilding process. Taking this proactive approach proves to be very beneficial for property owners and reduces the number of complaints against contractors.

- MSBOC dispatched Disaster Response Team members to areas impacted by severe weather, hurricanes and tornados. Investigators worked with law enforcement and building officials in impacted areas to address unlawful and/or fraudulent activity.
- Staff was instrumental in helping contractors secure the required licenses to carry out vital repair and recovery efforts in regions impacted by Hurricanes Helene and Milton. Additionally, we MSBOC successfully negotiated three new reciprocity agreements, broadening the opportunities for Mississippi contractors to work in other states.

ABOUT THE MISSISSIPPI STATE BOARD OF CONTRACTORS

Ensuring the safety and well-being of Mississippi residents is a top priority, with the Mississippi State Board of Contractors (MSBOC) playing a key role in maintaining these standards. Substandard construction can result in property damage, financial loss, injury, and even death. To mitigate these risks, Mississippi law requires contractors to be licensed, with the MSBOC overseeing the regulation of the state's construction industry.

Operating under Miss. Code Ann. §31-3-1, et. seq., and Miss. Code Ann. §73-59-1, et. seq., MSBOC is responsible for a range of activities designed to protect consumers. These include educating the public on the benefits of hiring licensed contractors, setting minimum licensing standards, and maintaining a comprehensive contractor database. MSBOC also administers examinations, processes license applications, and investigates complaints against both licensed and unlicensed contractors. Disciplinary actions are taken to uphold industry standards and ensure professionalism in the construction sector.

MSBOC takes pride in serving a wide range of construction professionals, including builders, electrical and mechanical contractors, water and sewer contractors, road builders, and roofers. This unified approach streamlines processes for both contractors and the public, distinguishing Mississippi from neighboring states with multiple licensing agencies. Through these efforts, MSBOC strengthens the state's construction environment.



By setting consistent standards for all contractors, MSBOC ensures industry integrity. In construction, where reliability and trust are paramount, these standards promote professionalism and consistency. MSBOC's role as a licensing authority enhances consumer confidence and bolsters the construction industry's reputation for dependability.

MSBOC regulates commercial and residential contractors who bid or perform construction projects with the following thresholds, including materials and labor:

- \$50,000 or more for commercial projects;
- \$5,000 or more for public fire sprinkler work;
- \$10,000 or more for private fire sprinkler work;
- \$10,000 or more for improvements to an existing residence;
- \$50,000 or more for new residential construction
- Residential subcontractors performing the life safety trades of electrical, mechanical, HVAC and plumbing work.
- Residential construction manager
- Residential solar contractor

BOARD COMPOSITION

The Mississippi State Board of Contractors is comprised of ten (10) members appointed to staggered terms by the Governor. Two (2) road contractors; two (2) building contractors; two (2) residential builders; one (1) plumbing or heating and air conditioning contractor; one (1) electrical contractor; one (1) water and sewer contractor and one (1) roofing contractor. Each member is required to be a resident of the State of Mississippi and must have been actually engaged in the contracting business for a period of not less than ten (10) years before appointment.

The following are members of the Board:

Tony Carroll, Chairman - Amory, MS - Building Contractor

Hunter L. Fordice, Vice Chairman - Vicksburg, MS - Road Contractor

Thomas H. Kline - Fulton, MS - Mechanical Contractor (Plumbing, Heat & Air)

Madison H. Smith - Tupelo, MS - Electrical Contractor

O. L. Sims - Hattiesburg, MS - Water and Sewer Contractor

Greg Smith - Gulfport, MS - Residential Contractor

Tim Allred - Meridian, MS - Residential Contractor

Michael C. Rozier, Jr. - Hattiesburg, MS - Building Contractor

Tyler Norman, Meridian, MS - Roofing Contractor

Lee Carson, Carthage, MS - Road Contractor

RESIDENTIAL STANDING COMMITTEE

The Residential Standing Committee is subordinate to the State Board of Contractors. The Standing Committee is composed of two (2) residential builders who serve as members of the State Board of Contractors and three (3) additional residential builders.

The following are members of the Residential Standing Committee:

Greg Smith - Gulfport, MS

Tim Allred - Meridian, MS

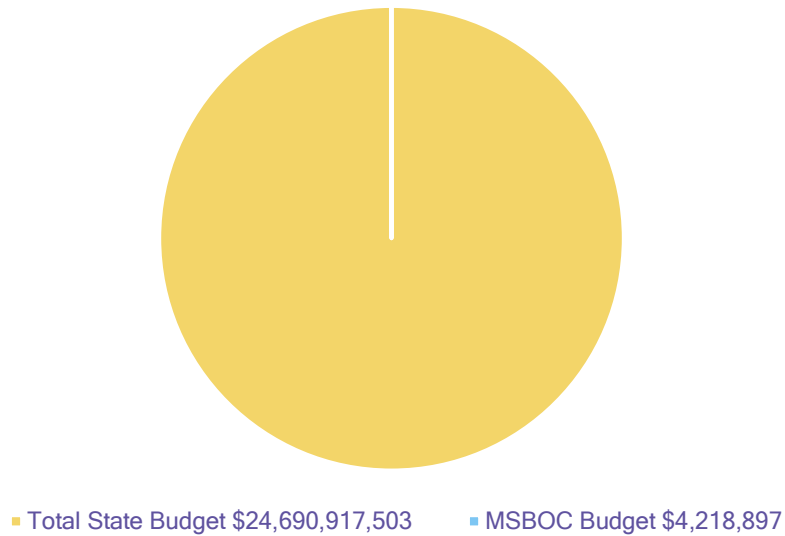
Kenneth Estes - Saltillo, MS

Bruce Kirkland- Ridgeland, MS

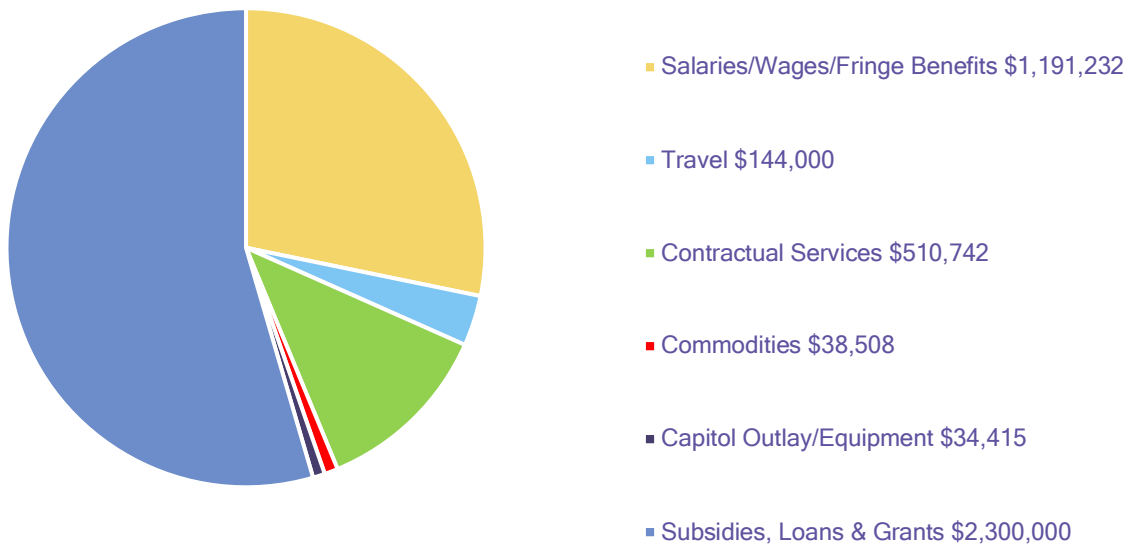
Trey Pace - Madison, MS

FINANCIAL SUMMARY

FY24 Budget Appropriation Comparison



FY24 MSBOC Budget Appropriation \$4,218,897





PROGRAM PERFORMANCE AND EFFICIENCIES

Licensure - provide licensing services in a timely and professional manner.

- Effectively manage the application process to promote and preserve properly licensed contractors.
- Analyze methods and options to streamline and simplify the application process to better serve the public.
- Offer fillable forms online to expedite the licensure process.
- Ensure licensure exams are up to date and consistent with industry best practices.
- Utilize consumer satisfaction survey to improve services offered.

Enforcement - promote consumer protection through the regulatory enforcement process by ensuring construction contractors are properly licensed and qualified to provide construction services.

- Reduce and prevent unlicensed activity and unprofessional conduct that poses a threat to public safety and threatens legitimate business activity.
- Verify proper licensing credentials at construction sites.
- Respond to complaints from public in a timely manner.

Education and Public Relations - promote and encourage education of contractors, industry officials, consumers and agency employees.

- Expand the number of skilled workers.
- Utilize specially appropriated funds for construction education and craft training.
- Promote awareness of MSBOC services and the benefits of hiring a licensed contractor.

Disaster Response - support consumers and contractors with the rebuilding process following a disaster.

- Protect consumers from common scams that occur after a disaster and assist contractors with the licensure process.
- Utilize various forms of media to warn individuals about unlicensed and fraudulent contractors.
- Decrease the number of complaints against unlicensed and fraudulent contractors who prey on disaster victims.
- Evaluate protocols for a coordinated disaster response plan with various agencies.
- Conduct preparedness drills and exercises.
- Use public events as a platform to communicate disaster response themes and messages.

PROGRAM PERFORMANCE AND EFFICIENCIES

	2020	2021	2022	2023	2024
Number of New Commercial License Applications	642	647	628	652	853
Number of Commercial Licenses Renewed	6,423	6,493	6,599	6,500	6636
Number of New Residential License Applications	296	364	330	2,960	938
Number of Residential Licenses Renewed	2,671	2,678	2,690	2,688	4527
Number of Additional Classifications Applications	434	444	384	1,837	1370
Revenue Generated from Licensure Fees	\$3,141,070	\$3,185,625	\$3,225,990	\$3,327,230	\$3,550,520
Revenue Generated from Other Fees	\$211,803	\$222,401	\$223,870	\$639,871	\$373,349
Number of Construction Sites Visited	8,234	7,033	6,768	5,177	5344
Number of Contractors Required to Pay Civil Penalties	120	163	142	152	191
Civil Penalties Collected	\$426,680	\$652,620	\$404,310	\$675,433	\$582,778
Grants provided for Construction Education and Craft Training	\$2,058,291	\$2,300,000	\$1,797,075	\$2,300,000	\$2,300,000
Disaster Response Drills/Training/Events/Community Outreach	4	8	4	8	18

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