

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 187 of the Regular Session

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005  
4

As Engrossed: H2/1/05

**A Bill**

HOUSE BILL 1194

5 By: Representative Pritchard  
6 By: Senator J. Taylor  
7  
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**For An Act To Be Entitled**

10 AN ACT TO AMEND ARKANSAS CODE § 17-25-403 TO  
11 DEFINE THE TERM "FINANCIAL OBLIGATIONS" TO  
12 INCLUDE CIVIL PENALTIES; AND FOR OTHER PURPOSES.  
13

**Subtitle**

14 AN ACT TO AMEND ARKANSAS CODE § 17-25-  
15 403 TO DEFINE THE TERM "FINANCIAL  
16 OBLIGATIONS" TO INCLUDE CIVIL PENALTIES.  
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18  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code § 17-25-403 is amended to add an additional  
23 subsection to read as follows:

24 (a)(1) In the event the contractor fails to honor its financial  
25 obligations to the State of Arkansas or to any city, county, school district,  
26 state agency, or other political subdivision of the state, the customer for  
27 whom the work was being performed shall be responsible for all financial  
28 obligations of the contractor to the State of Arkansas or to any city,  
29 county, school district, state agency, or other political subdivision of the  
30 state, on that customer's project, provided that the customer receives  
31 written notice of the contractor's failure to comply with this subchapter  
32 prior to final payment to the contractor.

33 (2) The responsibility of the customer shall not exceed any  
34 amount owed to the contractor on or after the date the customer receives the  
35 written notice.





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