

Stricken language would be deleted from present law. Underlined language would be added to present law.

1 State of Arkansas
2 81st General Assembly
3 Regular Session, 1997
4

As Engrossed: H3/14/97 H3/20/97

A Bill

HOUSE BILL 1798

5 By: Representatives Ingram, Angel and Rorie
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For An Act To Be Entitled

9 "AN ACT AMENDING ARKANSAS CODE TITLE 17, CHAPTER 25,
10 SUBCHAPTERS 1, 3, AND 4, PERTAINING TO THE LICENSURE OF
11 CONTRACTORS; AND FOR OTHER PURPOSES."
12
13

Subtitle

14 "LICENSURE OF CONTRACTORS."
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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20 SECTION 1. Arkansas Code 17-25-101 (a) and (b) are amended to read as
21 follows:

22 "(a) As used in this chapter, unless the context otherwise requires,
23 "contractor" means any person, firm, partnership, copartnership, association,
24 corporation, or other organization, or any combination thereof, who, for a
25 fixed price, commission, fee, or wage, attempts to or submits a bid to
26 construct, or contracts or undertakes to construct, or assumes charge, in a
27 supervisory capacity or otherwise, or manages the construction, erection,
28 alteration, or repair, or has or have constructed, erected, altered, or
29 repaired, under his, their, or its direction, any building, apartment,
30 condominium, highway, sewer, utility, grading, or any other improvement or
31 structure on public or private property for lease, rent, resale, public
32 access, or similar purpose, except single-family residences, when the cost of
33 the work to be done, or done, in the State of Arkansas by the contractor,
34 *including, but not limited to, labor and materials, is ~~twenty thousand dollars~~*
35 *(\$20,000) fifty thousand dollars (\$50,000) or more for a prime contractor or*
36 *twenty-five thousand dollars (\$25,000) or more for subcontractors.* However,

1 when a person or entity acts as a contractor in the construction, erection,
2 alteration, or repair of his own or its own property, such action shall not
3 result in the person or entity being required to obtain a license, but the
4 person or entity must comply with all other provisions of this subchapter.

5 (b) However, ~~the twenty thousand dollars (\$20,000)~~ fifty thousand dollars
6 (\$50,000) exception for prime contractors and twenty-five thousand dollars
7 (\$25,000) exception for subcontractors shall not apply to any project of
8 construction in which any of the construction work necessary to complete the
9 project, except any in-progress change orders, is divided into separate
10 contracts of amounts less than ~~twenty thousand dollars (\$20,000)~~ fifty
11 thousand dollars (\$50,000) for prime contractors and twenty-five thousand
12 dollars (\$25,000) for subcontractors, a purpose being to circumvent the
13 provisions of this chapter."
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15 SECTION 2. Arkansas Code 17-25-103(a) is amended to read as follows:

16 (a) Any contractor shall be deemed guilty of a misdemeanor and shall
17 be liable to a fine of not less than one hundred dollars (\$100) nor more than
18 two hundred dollars (\$200) for each offense, with each day to constitute a
19 separate offense, who:

20 (1) For a fixed price, commission, fee, or wage, attempts to or
21 submits a bid or bids to construct or contracts to construct, or undertakes to
22 construct, or assumes charge in a supervisory capacity or otherwise, of the
23 construction, erection, alteration, or repair, of any building, highway,
24 sewer, grading, or any other improvement or structure, when the cost of the
25 work to be done by the contractor, including, but not limited to, labor and
26 materials, is ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars
27 (\$50,000) or more for prime contractors or twenty-five thousand dollars
28 (\$25,000) or more for subcontractors, without first having procured a license
29 to engage in the business of contracting in this state;

30 (2) Shall present or file the license certificate of another;

31 (3) Shall give false or forged evidence of any kind to the board, or
32 any member thereof, in obtaining a certificate of license;

33 (4) Shall impersonate another; or

34 (5) Shall use an expired or revoked certificate of license."
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36 SECTION 3. Arkansas Code 17-25-401 is amended to read as follows:

1 (a)(1) "Contractor" shall include all original, prime, and general
2 contractors and all subcontractors. It is defined to be any person, firm,
3 joint venture, partnership, copartnership, association, corporation, or other
4 organization engaged in the business of the construction, alteration,
5 dismantling, demolition, or repairing of roads, bridges, viaducts, sewers,
6 water and gas mains, streets, disposal plants, water filters, tanks, towers,
7 airports, buildings, dams, levees, canals, railways and rail facilities, oil
8 and gas wells, water wells, pipelines, refineries, industrial or processing
9 plants, chemical plants, power plants, electric, telephone, or any other type
10 of energy or message transmission lines or equipment, or any other kind of
11 improvement or structure.

12 (2) The term "contractor" shall include any contractor who is
13 required to obtain a contractor's license under the state licensing law of
14 this state, § 17-25-101 et seq.

15 (b) However, when a person or entity acts as a contractor in the
16 construction, erection, alteration, or repair of his own or its own property
17 or of a single-family residence, or if the cost of the work to be done,
18 *including, but not limited to, labor and materials, is less than ~~twenty~~*
19 *~~thousand dollars (\$20,000) fifty thousand dollars (\$50,000) for prime~~*
20 *contractors and twenty-five thousand dollars (\$25,000) for subcontractors, the*
21 *person or entity shall not be deemed a contractor under this chapter."*

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23 SECTION 4. Arkansas Code 17-25-301(b)(1) is amended to read as follows:

24 "(b)(1) Upon making application to the building inspector or other
25 authority of any incorporated city or town in Arkansas charged with the duty
26 of issuing building or other permits for the construction of any building,
27 apartment, condominium, utility, highway, sewer, grading, or any other
28 improvement or structure, when the cost of the work to be done by the
29 contractor, but not limited to labor and materials, is ~~twenty thousand dollars~~
30 ~~(\$20,000) fifty thousand dollars (\$50,000) or more for prime contractors or~~
31 *twenty-five thousand dollars (\$25,000) or more for subcontractors, any person,*
32 *firm, or corporation, before being entitled to the issuance of such permits,*
33 *shall furnish satisfactory proof to the inspector or authority that he is duly*
34 *licensed under the terms of this chapter."*

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36 SECTION 5. Arkansas Code 17-25-304(a) is amended to read as follows:

1 "(a)(1) All persons and entities required by this chapter to be
2 licensed by the Contractors Licensing Board shall transmit to the board with
3 their original applications ~~and all renewal applications a~~ an audited
4 financial statement of the applicant audited by a certified public accountant
5 or registered public accountant.

6 (2) All persons and entities licensed by the Contractors Licensing
7 Board shall transmit to the board with renewal applications a financial
8 statement of the applicant reviewed by a certified public accountant or
9 registered public accountant according to American Institute of Certified
10 Public Accountants Professional Standards."

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12 SECTION 6. All provisions of this act of a general and permanent nature
13 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
14 Revision Commission shall incorporate the same in the Code.

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16 SECTION 7. If any provision of this act or the application thereof to
17 any person or circumstance is held invalid, such invalidity shall not affect
18 other provisions or applications of the act which can be given effect without
19 the invalid provision or application, and to this end the provisions of this
20 act are declared to be severable.

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22 SECTION 8. All laws and parts of laws in conflict with this act are
23 hereby repealed.

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/s/Rep. Ingram, et al

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