

1 State of Arkansas
2 89th General Assembly
3 Regular Session, 2013
4

A Bill

HOUSE BILL 2156

5 By: Representative Barnett
6

For An Act To Be Entitled

8 AN ACT TO AMEND ARKANSAS LAW CONCERNING THE COST OF
9 WORK REQUIRING A CONTRACTOR'S LICENSE; AND FOR OTHER
10 PURPOSES.
11

Subtitle

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13
14 TO AMEND ARKANSAS LAW CONCERNING THE COST
15 OF WORK REQUIRING A CONTRACTOR'S LICENSE.
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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), concerning
21 definitions applicable to the Contractors Licensing Law, is amended to read
22 as follows:

23 17-25-101. Definition.

24 (a)(1) As used in this chapter, "contractor" means any person, firm,
25 partnership, copartnership, association, corporation, or other organization,
26 or any combination thereof, that, for a fixed price, commission, fee, or
27 wage, attempts to or submits a bid to construct or demolish, or contracts or
28 undertakes to construct or demolish, or assumes charge, in a supervisory
29 capacity or otherwise, or manages the construction, erection, alteration,
30 demolition, or repair, or has or have constructed, erected, altered,
31 demolished, or repaired, under his or her, their, or its direction, any
32 building, apartment, condominium, highway, sewer, utility, grading, or any
33 other improvement or structure on public or private property for lease, rent,
34 resale, public access, or similar purpose, except single-family residences,
35 when the cost of the work to be done, or done, in the State of Arkansas by
36 the contractor, including, but not limited to, labor and materials, is ~~twenty~~



1 ~~thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000) or more.

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

7 (b) However, the ~~twenty-thousand-dollar~~ fifty-thousand dollar
 8 exception shall not apply to any project of construction in which any of the
 9 construction work necessary to complete the project, except any in-progress
 10 change orders, is divided into separate contracts of amounts less than ~~twenty~~
 11 ~~thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000), a purpose being
 12 to circumvent the provisions of this chapter.

13
 14 SECTION 2. Arkansas Code § 17-25-103(a)(1)(A), concerning penalties
 15 for violating the Contractors Licensing Law, is amended to read as follows:

16 (1)(A) For a fixed price, commission, fee, or wage attempts to
 17 or submits a bid or bids to construct or demolish or contracts to construct
 18 or demolish, or undertakes to construct or demolish, or assumes charge in a
 19 supervisory capacity or otherwise, or manages the construction, erection,
 20 alteration, demolition, or repair of, or has constructed, erected, altered,
 21 demolished, or repaired, under his or her or its direction, any building,
 22 apartment, condominium, highway, sewer, utility, grading, or any other
 23 improvement or structure, when the cost of the work to be done, or done, in
 24 the State of Arkansas by the contractor, including, but not limited to, labor
 25 and materials, is ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars
 26 (\$50,000) or more, without first having procured a license with the proper
 27 classification to engage in the business of contracting in this state.

28
 29 SECTION 3. Arkansas Code § 17-25-301(b)(1), concerning evidence of
 30 licensure as a contractor, is amended to read as follows:

31 (b)(1) Upon making application to the building inspector or other
 32 authority of any incorporated city or town in Arkansas charged with the duty
 33 of issuing building or other permits for the construction of any building,
 34 apartment, condominium, utility, highway, sewer, grading, or any other
 35 improvement or structure, when the cost of the work to be done by the
 36 contractor, but not limited to labor and materials, is ~~twenty thousand~~

1 ~~dollars (\$20,000)~~ fifty thousand dollars (\$50,000) or more, any person, firm,
 2 or corporation, before being entitled to the issuance of such permits, shall
 3 furnish satisfactory proof to the inspector or authority that he or she is
 4 duly licensed under the terms of this chapter.

5
 6 SECTION 4. Arkansas Code § 17-25-401(b), concerning the definition of
 7 the term "contractor" as applied to contractors' bonds, is amended to read as
 8 follows:

9 (b) However, when a person or entity acts as a contractor in the
 10 construction, erection, alteration, or repair of his or her own or its own
 11 property or of a single-family residence, or if the cost of the work to be
 12 done, including, but not limited to, labor and materials, is less than ~~twenty~~
 13 ~~thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000), the person or
 14 entity shall not be deemed a contractor under this chapter.

15
 16 SECTION 5. Arkansas Code § 17-25-506(a), concerning applications for
 17 licensure with the Residential Contractors Committee, is amended to read as
 18 follows:

19 (a) Applications for licensure shall be made on forms prescribed by
 20 the Residential Contractors Committee and shall have attached thereto:

21 (1)(A) Except as provided in subdivision (a)(1)(B) of this
 22 section, a compiled financial statement with each application for all persons
 23 and entities required by this subchapter to be licensed by the committee when
 24 the cost of the work done or to be done in the State of Arkansas by the
 25 contractor, including without limitation labor and materials, is ~~twenty~~
 26 ~~thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000) or more.

27 (B) A person or entity required to be licensed under this
 28 subchapter when the cost of the work done or to be done in the State of
 29 Arkansas by the contractor, including without limitation labor and materials,
 30 is less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars
 31 (\$50,000) shall not be required to submit a financial statement; and

32 (2) Such other information as required by the committee.

33
 34 SECTION 6. Arkansas Code § 17-25-514(c), concerning workers'
 35 compensation for residential building contractors, is amended to read as
 36 follows:

1 (c) Unless otherwise required by law, a home improvement contractor
2 required to be licensed under this subchapter shall not be required to secure
3 the payment of workers' compensation under § 11-9-401 et seq. or provide
4 proof of coverage to the committee before issuing or receiving a license if
5 the cost of the work done or to be done in the State of Arkansas by the home
6 improvement contractor, including without limitation labor and materials, is
7 less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000).

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