

Stricken language would be deleted from and underlined language would be added to law as it existed prior to the 82nd General Assembly.

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999
4

As Enrolled: H3/19/99 H3/29/99

A Bill

Act 1496 of 1999
HOUSE BILL 2069

5 By: Representative Lynn
6
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For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 22-9-204 CONCERNING THE
10 LICENSURE OF SUBCONTRACTORS; AND FOR OTHER PURPOSES."

Subtitle

11 "AN ACT CONCERNING THE LICENSURE OF
12 SUBCONTRACTORS."
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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19 SECTION 1. Arkansas Code 22-9-204 is amended to read as follows:

20 "~~22-9-204. Improvements exceeding \$50,000 - Subcontractors exceeding~~
21 \$20,000 - Penalty.

22 (a) ~~In each instance where the total bid amount submitted by the~~
23 ~~licensed prime contractor exceeds fifty thousand dollars (\$50,000), all All~~
24 ~~prime contractors, as a condition to perform construction work for and in the~~
25 ~~State of Arkansas, shall use no other subcontractors~~ when the subcontractors'
26 portion of the project is twenty thousand dollars (\$20,000) or more except
27 those licensed by the Contractors Licensing Board and qualified in:

28 (1) Mechanical, indicative of heating, air conditioning, and
29 ventilating;

30 (2) Plumbing;

31 (3) Electrical, indicative of wiring and illuminating fixtures;

32 and

33 (4) Roofing and sheet metal work, indicative of roofing
34 application.

35 (b) In the event the prime contractor is qualified and licensed by the
36 Contractors Licensing Board, he may use his own forces to perform those tasks

1 listed in this section as subcontractors in one (1) or more of the trades
2 listed.

3 (c)(1) When the prime contractor makes a definite decision regarding
4 the subcontractors he intends to use, he shall place the name of each
5 subcontractor in a blank space provided on the form of proposal of his bid.

6 (2) In the event that one (1) or more of the subcontractors named
7 by the prime contractor in his successful bid thereafter refuse to perform his
8 contract or offered contract, the prime contractor may substitute another
9 subcontractor, licensed by the Contractors Licensing Board, after having
10 obtained prior approval from the architect or engineer, the owner, and the
11 Construction Section of Arkansas State Building Services.

12 (d) The prime contractor shall submit written evidence that the
13 substituted contractor is costing the same amount of money or less and, if
14 costing less, that the savings will be deducted from the total contract of the
15 prime contractor and rebated to the owner.

16 (e) It shall be mandatory that the mechanical, plumbing, electrical,
17 roofing, and sheet metal subcontractors named on the form of proposal by the
18 prime contractor awarded a contract under the provisions of this subchapter be
19 given contracts by the prime contractor in keeping with their proposals to
20 perform the items for which they were named.

21 (f)(1) It shall be a violation of this section for any prime contractor
22 to submit a bid listing unlicensed contractors or to use unlicensed
23 contractors on a public works project.

24 (2) It shall be a violation of this section for any subcontractor
25 who is not licensed by the Contractors Licensing Board to contract to perform
26 work on a public works project.

27 (3) Any contractor or subcontractor who, after notice and
28 hearing, is found to have violated this section shall pay to Arkansas State
29 Building Services a civil penalty of not less than two hundred fifty dollars
30 (\$250) and not more than five hundred dollars (\$500) and may be suspended from
31 bidding on future public works contracts for a term of not less than six (6)
32 months nor more than twelve (12) months.

33 (4) All hearings and appeals therefrom under this section shall
34 be pursuant to the provisions of the Arkansas Administrative Procedure Act, §
35 25-15-201 et seq. Arkansas State Building Services shall have the power to
36 file suit in the Circuit Court of Pulaski County to obtain a judgment for the

1 amount of any penalty not paid within thirty (30) days of service on the
2 contractor of the order assessing the penalty.

3 (5) Penalties collected pursuant to this section shall be
4 deposited in the State Building Services Maintenance Fund.”

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6 SECTION 2. All provisions of this act of a general and permanent nature
7 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
8 Revision Commission shall incorporate the same in the Code.

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10 SECTION 3. If any provision of this act or the application thereof to
11 any person or circumstance is held invalid, such invalidity shall not affect
12 other provisions or applications of the act which can be given effect without
13 the invalid provision or application, and to this end the provisions of this
14 act are declared to be severable.

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16 SECTION 4. All laws and parts of laws in conflict with this act are
17 hereby repealed.

18 /s/ Lynn

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21 APPROVED: 4/15/1999
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