

Hall of the House of Representatives
90th General Assembly - Regular Session, 2015
Amendment Form

Subtitle of House Bill No. 1008

TO REGULATE THE FAIRNESS IN THE BIDDING PRACTICES FOR THE CONSTRUCTION OF PUBLICLY FUNDED PROJECTS; AND TO MODIFY THE RETAINAGE LAWS OF THE STATE OF ARKANSAS.

Amendment No. 1 to House Bill No. 1008

Amend House Bill No. 1008 as originally introduced:

Delete everything after the enacting clause and substitute the following:

"SECTION 1. Arkansas Code § 22-9-604 is amended to read as follows:
22-9-604. Procedure.

(a)(1)(A) In the case of a construction contract entered into between a public agency and a contractor who is required to furnish a performance and payment bond, the contractor shall be entitled to payment of ninety-five percent (95%) of the earned progress payments when due, with the public agency retaining five percent (5%) to assure faithful performance of the construction contract.

(B) Upon the approval of the design consultant, if the contractor completes fifty percent (50%) of the construction contract the public agency shall not retain any further moneys.

(2) If the construction contract allows for phased work in which completion may occur on a partial occupancy, any retention proceeds withheld and retained under this section shall be partially released within thirty (30) days under the same conditions under this section in direct proportion to the value of the part of the capital improvement completed.

(b)(1) In the case of a construction subcontract entered into between a contractor for a public agency and a subcontractor who is required by the contractor to furnish a performance and payment bond, the subcontractor shall be entitled to payment of ninety-five percent (95%) of the earned progress payments when due, with the contractor retaining five percent (5%) to assure faithful performance of the construction subcontract.

(2) Upon the approval of the contractor, if the subcontractor completes fifty percent (50%) of the construction subcontract the contractor shall not retain any further moneys.

~~(c)~~(c) All sums withheld by the public agency shall be paid to the contractor within thirty (30) days after the construction contract has been completed.

~~(e)~~(d) In the event the construction contract requires the contractor to purchase and furnish materials or equipment that will be stored on the job site or in a bonded warehouse by the contractor and used in the job as



required by the construction contract, no retainage ~~will~~ shall be withheld on that amount of the submitted progress payment pertaining to the cost of these stored materials or equipment."

The Amendment was read _____

By: Representative Murdock
ANS/ANS - 02-12-2015 15:07:34
ANS139

Chief Clerk