

ARKANSAS SENATE
90th General Assembly - Regular Session, 2015
Amendment Form

Subtitle of Senate Bill No. 631

TO AMEND THE LAW CONCERNING THE COST OF WORK AND MATERIALS REQUIRING A GENERAL
CONTRACTOR'S LICENSE.

Amendment No. 1 to Senate Bill No. 631

Amend Senate Bill No. 631 as originally introduced:

Page 4, delete line 15 and substitute the following:

"less than ~~twenty~~ twenty five thousand dollars (~~\$20,000~~) (\$50,000).

SECTION 7. Arkansas Code § 22-9-204 is amended to read as follows:

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

(a) As a condition to performing construction work for and in the State of Arkansas, all prime contractors shall use no other subcontractors when the subcontractors' portion of the project is ~~twenty~~ twenty five thousand dollars (~~\$20,000~~) (\$50,000) or more, except those licensed by the Contractors Licensing Board and qualified in:

- (1) Mechanical, indicative of heating, air conditioning, ventilation, and refrigeration;
- (2) Plumbing;
- (3) Electrical; and
- (4) Roofing.

(b)(1) In the event the prime contractor is qualified and licensed by the board, he or she may use his or her own forces to perform those tasks listed in this section as subcontractors in one (1) or more of the trades listed.

(2)(A) A subcontractor, including the situation stated in subdivision (b)(1) of this section, may subcontract a portion of the listed work.

(B) However, a subcontractor is prohibited from subcontracting the work in its entirety.

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

(2) In the event that one (1) or more of the subcontractors named by the prime contractor in his or her successful bid thereafter refuses to perform his or her contract or offered contract, the prime contractor may substitute another subcontractor licensed by the board after having obtained



prior approval from the architect or engineer and the owner. Additional approval must be obtained from the Arkansas Building Authority for capital improvement projects under its jurisdiction.

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

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

(f)(1) It shall be a violation of this section for any prime contractor to submit a bid listing unlicensed contractors or to use unlicensed contractors on a public works project if the listed work of the unlicensed contractors or portion of the unlicensed contractors' work is ~~twenty~~ fifty thousand dollars ~~(\$20,000)~~ \$50,000 or more.

(2) It shall be a violation of this section for any subcontractor who is not licensed by the board to contract to perform work on a public works project if the listed work of the subcontractor or portion of the subcontractor's work is ~~twenty~~ fifty thousand dollars ~~(\$20,000)~~ (\$50,000) or more.

(3) The board has jurisdiction over violations of this subsection under § 17-25-103."

The Amendment was read the first time, rules suspended and read the second time and _____

By: Senator Hester

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Secretary