

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 Engrossed: H3/19/99 H3/29/99

## A Bill

HOUSE BILL 2069

5 By: Representative Lynn  
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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

13 "AN ACT CONCERNING THE LICENSURE OF  
14 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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