Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

| 1  | State of Arkansas  | As Engrossed: H1/19/07_\$1/31/07_\$2/14/07 |                             |            |
|----|--|--|-----------------------------|------------|
| 2  | 86th General Assembly  | A Bill                                     |                             |            |
| 3  | Regular Session, 2007  |  | HOUSE BILL 102              | 24         |
| 4  |  |  |                             |            |
| 5  | By: Representatives R. Green, Woods, Burris, M. Martin, Cornwell, Davenport, Garner, Hardwick, |  |                             |            |
| 6  | Kidd, Medley, Norton, Ragland, Walters   |  |                             |            |
| 7  | By: Senator Whitaker   |  |                             |            |
| 8  |  |  |                             |            |
| 9  |  |  |                             |            |
| 10 | For An Act To Be Entitled  |  |                             |            |
| 11 | AN ACT   | TO PROHIBIT STATE AGENCIES FROM            |                             |            |
| 12 | CONTRA   | CTING WITH BUSINESSES THAT EMPLOY IL       | LEGAL                       |            |
| 13 | IMMIGRA  | ANTS; AND FOR OTHER PURPOSES.              |                             |            |
| 14 |  |  |                             |            |
| 15 |  | Subtitle                                   |                             |            |
| 16 | AN   | ACT TO PROHIBIT STATE AGENCIES FROM        | 1                           |            |
| 17 | CON  | TRACTING WITH BUSINESSES THAT EMPLOY       | ſ                           |            |
| 18 | ILL  | EGAL IMMIGRANTS.                           |                             |            |
| 19 |  |  |                             |            |
| 20 |  |  |                             |            |
| 21 | BE IT ENACTED BY THE   | GENERAL ASSEMBLY OF THE STATE OF AR        | KANSAS:                     |            |
| 22 |  |  |                             |            |
| 23 | SECTION 1. Ark   | cansas Code Title 19, Chapter 11, Su       | bchapter l is amende        | d          |
| 24 | to add an additional   | section to read as follows:                |                             |            |
| 25 | <u>19-11-105. I11</u>  | legal immigrants prohibition p             | ublic contracts for         |            |
| 26 | services.  |  |                             |            |
| 27 | <u>(a) As used in</u>  | n this section:                            |                             |            |
| 28 | <u>(1)</u> "Cor  | ntractor" means a person having a pu       | <u>blic contract with a</u> | :          |
| 29 | state agency for prof  | fessional services, technical and ge       | neral services, or          |            |
| 30 | any category of const  | truction in which the total dollar v       | alue of the contract        |            |
| 31 | is twenty-five thousa  | and dollars (\$25,000) or greater;         |                             |            |
| 32 | (2) "Exempt agency" means the constitutional departments of the                                |  |                             |            |
| 33 | state, the elected constitutional offices of the state, the General Assembly,                  |  |                             | . <u>,</u> |
| 34 | including the Legisla  | ative Council and the Legislative Jo       | int Auditing                |            |
| 35 | Committee and support  | ting agencies and bureaus thereof, t       | he Arkansas Supreme         |            |
| 36 | Court, the Court of A  | Appeals, circuit courts, prosecuting       | attorneys, and the          |            |



| 1  | Administrative Office of the Courts;  |  |  |
|----|---|--|--|
| 2  | (3) "Illegal immigrants" means any person not a citizen of the                |  |  |
| 3  | United States who has:  |  |  |
| 4  | (A) Entered the United States in violation of the Federal                     |  |  |
| 5  | Immigration and Naturalization Act or regulations issued the act;             |  |  |
| 6  | (B) Legally entered but without the right to be employed                      |  |  |
| 7  | in the United States; or  |  |  |
| 8  | (C) Legally entered subject to a time limit but has                           |  |  |
| 9  | remained illegally after expiration of the time limit;                        |  |  |
| 10 | (4) "Professional services contract" means a contract between a               |  |  |
| 11 | state agency and a contractor in which:                                       |  |  |
| 12 | (A) The relationship between the contractor and the state                     |  |  |
| 13 | agency is that of an independent contractor rather than that of an employee;  |  |  |
| 14 | (B) The services to be rendered consist of the personal                       |  |  |
| 15 | services of an individual that are professional in nature;                    |  |  |
| 16 | (C) The state agency does not have direct managerial                          |  |  |
| 17 | control over the day-to-day activities of the individual providing the        |  |  |
| 18 | services;   |  |  |
| 19 | (D) The contract specifies the results expected from the                      |  |  |
| 20 | rendering of the services rather than detailing the manner in which the       |  |  |
| 21 | services shall be rendered; and   |  |  |
| 22 | (E) Services rendered under a professional services                           |  |  |
| 23 | contract are rendered to the state agency itself or to a third-party          |  |  |
| 24 | beneficiary;  |  |  |
| 25 | (5) "Public contract for services" means any type of agreement                |  |  |
| 26 | between a state agency and a contractor for the procurement of services and   |  |  |
| 27 | all categories of construction with a state agency in which the total dollar  |  |  |
| 28 | value of that contract is twenty-five thousand dollars (\$25,000) or greater; |  |  |
| 29 | (6)(A) "State agency" means any agency, institution, authority,               |  |  |
| 30 | department, board, commission, bureau, council, or other agency of the state  |  |  |
| 31 | supported by appropriation of state or federal funds, except an exempt agency |  |  |
| 32 | under subdivision (a)(7)(B) of this section.                                  |  |  |
| 33 | (B) "State agency" includes an exempt agency when any                         |  |  |
| 34 | agency or exempt agency procures any item subject to Arkansas Constitution,   |  |  |
| 35 | Amendment 54;   |  |  |
| 36 | (7)(A) "Technical and general services" means:                                |  |  |

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HB1024

| 1  | (i) Work accomplished by skilled individuals                                 |  |  |
|----|--|--|--|
| 2  | involving time, labor, and a degree of expertise in which performance is     |  |  |
| 3  | evaluated based upon the quality of the work and the results produced;       |  |  |
| 4  | (ii) Work performed to meet a demand, including                              |  |  |
| 5  | without limitation work of a recurring nature that does not necessarily      |  |  |
| 6  | require special skills or extensive training; or                             |  |  |
| 7  | (iii) The furnishing of labor, time, or effort by a                          |  |  |
| 8  | contractor or vendor, not involving the delivery of any specific end product |  |  |
| 9  | other than reports that are incidental to the required performance.          |  |  |
| 10 | (B) "Technical and general services" shall not be                            |  |  |
| 11 | construed to include the procurement of professional services under § 19-11- |  |  |
| 12 | <u>801 et seq.</u>   |  |  |
| 13 | (b) No state agency may enter into or renew a public contract for            |  |  |
| 14 | services with a contractor who knows that the contractor or a subcontractor  |  |  |
| 15 | employs or contracts with an illegal immigrant to perform work under the     |  |  |
| 16 | contract.  |  |  |
| 17 | (c) Before executing a public contract, each prospective contractor          |  |  |
| 18 | shall certify in a manner that does not violate federal law in existence on  |  |  |
| 19 | January 1, 2007, that the contractor, at the time of the certification, does |  |  |
| 20 | not employ or contract with an illegal immigrant.                            |  |  |
| 21 | (d)(1) If a contractor violates this section, the state shall require        |  |  |
| 22 | the contractor to remedy the violation within sixty (60) days.               |  |  |
| 23 | (2)(A) If the contractor does not remedy the violation within                |  |  |
| 24 | the sixty (60) days specified under subdivision (d)(1) of this section, the  |  |  |
| 25 | state shall terminate the contract for breach of the contract.               |  |  |
| 26 | (B) If the contract is terminated under subdivision                          |  |  |
| 27 | (d)(2)(A) of this section, the contractor shall be liable to the state for   |  |  |
| 28 | actual damages.  |  |  |
| 29 | (e)(1)(A) If a contractor uses a subcontractor at the time of                |  |  |
| 30 | certification, the subcontractor shall certify in a manner that does not     |  |  |
| 31 | violate federal law in existence on January 1, 2007, that the subcontractor, |  |  |
| 32 | at that time of certification, does not employ or contract with an illegal   |  |  |
| 33 | immigrant.   |  |  |
| 34 | (B) A subcontractor shall submit the certification                           |  |  |
| 35 | required under subdivision(e)(l)(A) of this section within thirty (30) days  |  |  |
| 36 | after the execution of the subcontract.                                      |  |  |

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| 1        | (2) The contractor shall maintain on file the certification of                |
|----------|---|
| 2        | the subcontractor throughout the duration of the term of the contract.        |
| 3        | (3) If the contractor learns that a subcontractor is in                       |
| 4        | violation of this section, the contractor may terminate the contract with the |
| 5        | subcontractor and the termination of the contract for a violation of this     |
| 6        | section shall not be considered a breach of the contract by the contractor    |
| 7        | and subcontractor.  |
| 8        |   |
| 9        | /s/ R. Green  |
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