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: S2/22/07 | |
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| 2 | 86th General Assembly | A Bill | |
| 3 | Regular Session, 2007 | | HOUSE BILL 1284 |
| 4 | | | |
| 5 | By: Representatives Wills, Hyo | de, Adcock, Allen, Davis, Everett, George, l | Hoyt, Pierce, Reynolds |
| 6 | | | |
| 7 | | | |
| 8 | For An Act To Be Entitled | | |
| 9 | AN ACT TO INCLUDE DEMOLITION WORK UNDER THE | | |
| 10 | CONTRACTORS LICENSING LAW; AND FOR OTHER | | |
| 11 | PURPOSES. | | |
| 12 | | | |
| 13 | | Subtitle | |
| 14 | TO INC | CLUDE DEMOLITION WORK UNDER THE | |
| 15 | CONTRA | CTORS LICENSING LAW. | |
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| 18 | BE IT ENACTED BY THE GE | NERAL ASSEMBLY OF THE STATE OF A | .RKANSAS: |
| 19 | | | |
| 20 | SECTION 1. Arkansas Code § 17-25-101 is amended to read as follows: | | |
| 21 | 17-25-101. Definition. | | |
| 22 | (a)(l) As used in | n this chapter, unless the conte | xt otherwise requires, |
| 23 | "contractor" means any person, firm, partnership, copartnership, association, | | |
| 24 | corporation, or other o | rganization, or any combination | thereof, who, for a |
| 25 | fixed price, commission | , fee, or wage, attempts to or s | ubmits a bid to |
| 26 | construct or demolish, | or contracts or undertakes to co | nstruct <u>or demolish</u> , |
| 27 | or assumes charge, in a | supervisory capacity or otherwi | se, or manages the |
| 28 | construction, erection, | alteration, <u>demolition</u> , or repa | ir, or has or have |
| 29 | constructed, erected, a | ltered, <u>demolished</u> , or repaired, | under his or her, |
| 30 | their, or its direction | , any building, apartment, condo | minium, highway, |
| 31 | sewer, utility, grading | , or any other improvement or st | ructure on public or |
| 32 | private property for lease, rent, resale, public access, or similar purpose, | | |
| 33 | except single-family residences, when the cost of the work to be done, or | | |
| 34 | done, in the State of Arkansas by the contractor, including, but not limited | | |
| 35 | to, labor and materials, is twenty thousand dollars (\$20,000) or more. | | |
| 36 | (2) Howeve | r, when a person or entity acts | as a contractor in the |

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- construction, erection, alteration, <u>demolition</u>, or repair of his or her own or its own property, such action shall not result in the person or entity being required to obtain a license, but the person or entity <u>must</u> shall comply with all other provisions of this subchapter.
 - (b) However, the twenty-thousand-dollar (\$20,000) exception shall not apply to any project of construction in which any of the construction work necessary to complete the project, except any in-progress change orders, is divided into separate contracts of amounts less than twenty thousand dollars (\$20,000), a purpose being to circumvent the provisions of this chapter.
 - (c) It is the intention of this definition to include all improvements, demolition, or structures, excepting only single-family residences.
 - (d) Materials purchased by a prime contractor from a third party shall not be considered as part of the subcontractor's project if the prime contractor has the proper classification listed on a current contractor's license for the work being performed by the subcontractor. Materials purchased by a person or entity acting as a contractor in the construction, erection, alteration, or repair of his or her own or its own property from a third party shall not be considered as a part of the subcontractor's project, provided that the subcontract is for wood framing, shingle roofing, painting, floor covering, or concrete labor.

- SECTION 2. Arkansas Code § 17-25-103(a)(1), concerning penalties for engaging in certain actions without a contractor's license, is amended to read as follows:
- or submits a bid or bids to construct or demolish or contracts to construct or demolish, or undertakes to construct or demolish, or assumes charge in a supervisory capacity or otherwise, or manages the construction, erection, alteration, demolition, or repair of, or has constructed, erected, altered, demolished, or repaired, under his or her or its direction, any building, apartment, condominium, highway, sewer, utility, grading, or any other improvement or structure, when the cost of the work to be done or done, in the State of Arkansas by the contractor, including, but not limited to, labor and materials, is twenty thousand dollars (\$20,000) or more, without first having procured a license with the proper classification to engage in the

| 1 | business of contracting in this state ; | | |
|----------|--|--|--|
| 2 | (B) Subdivision (a)(1) of this section shall not apply to | | |
| 3 | any demolition work or other work necessary to clean up a natural disaster | | |
| 4 | within seventy-two (72) hours following the natural disaster; | | |
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| 6 | /s/ Wills | | |
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