

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

# A Bill

HOUSE BILL 1938

5 By: Representative Nickels  
6

## For An Act To Be Entitled

8 AN ACT TO AMEND ARKANSAS LAW CONCERNING THE  
9 JURISDICTION OF THE CONTRACTORS LICENSING BOARD; AND  
10 FOR OTHER PURPOSES.  
11

## Subtitle

12  
13 TO AMEND ARKANSAS LAW CONCERNING THE  
14 JURISDICTION OF THE CONTRACTORS LICENSING  
15 BOARD.  
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18

19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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21 SECTION 1. Arkansas Code § 17-25-101 is amended to read as follows:  
22 17-25-101. Definition.

23 (a)(1) As used in this chapter, "contractor" means any person, firm,  
24 partnership, copartnership, association, corporation, or other organization,  
25 or any combination thereof, that, for a fixed price, commission, fee, or  
26 wage, attempts to or submits a bid to construct or demolish, or contracts or  
27 undertakes to construct or demolish, or assumes charge, in a supervisory  
28 capacity or otherwise, or manages the construction, erection, alteration,  
29 demolition, or repair, or has or have constructed, erected, altered,  
30 demolished, or repaired, under his or her, their, or its direction, any  
31 building, apartment, condominium, highway, sewer, utility, grading, or any  
32 other improvement or structure on public or private property for lease, rent,  
33 resale, public access, or similar purpose, except single-family residences  
34 except as provided in subdivision (c)(2) of this section, when the cost of  
35 the work to be done, or done, in the State of Arkansas by the contractor,  
36 including, but not limited to, labor and materials, is twenty thousand



1 dollars (\$20,000) or more.

2 (2) However, when a person or an entity acts as a contractor in  
 3 the construction, erection, alteration, demolition, or repair of his or her  
 4 own or its own property, such action shall not result in the person or entity  
 5 being required to obtain a license, but the person or entity shall comply  
 6 with all other provisions of this subchapter.

7 (b) However, the twenty-thousand-dollar exception shall not apply to  
 8 any project of construction in which any of the construction work necessary  
 9 to complete the project, except any in-progress change orders, is divided  
 10 into separate contracts of amounts less than twenty thousand dollars  
 11 (\$20,000), a purpose being to circumvent the provisions of this chapter.

12 (c)(1)(A) ~~It~~ Except as provided in this subsection, it is the  
 13 intention of this definition to include all improvements, demolition, or  
 14 structures, excepting only single-family residences.

15 (B) This definition includes a remodeling project of  
 16 twenty thousand dollars (\$20,000) or more.

17 (2)(A) This definition includes a residential building  
 18 contractor that constructs five (5) or more single family residences in a  
 19 single year.

20 (B) As used in subdivision (c)(2)(A) of this section:

21 (i) "Residential building contractor" means the same  
 22 as defined at § 17-25-502; and

23 (ii) "Single family residence" means the same as  
 24 defined at § 17-25-502.

25 (d)(1) Materials purchased by a prime contractor from a third party  
 26 shall not be considered as part of the subcontractor's project if the prime  
 27 contractor has the proper classification listed on a current contractor's  
 28 license for the work being performed by the subcontractor.

29 (2) Materials purchased by a person or an entity acting as a  
 30 contractor in the construction, erection, alteration, or repair of his or her  
 31 own or its own property from a third party shall not be considered as a part  
 32 of the subcontractor's project, provided that the subcontract is for wood  
 33 framing, shingle roofing, painting, floor covering, or concrete labor.

34  
 35 SECTION 2. Arkansas Code § 17-25-502(2), concerning the definition of  
 36 "residential building contractor", is amended to read as follows:

1           (2) "Residential building contractor" means any person, firm,  
 2 partnership, copartnership, association, corporation, or other organization  
 3 or any combination thereof, which for a fixed price, commission, fee, or wage  
 4 attempts to or submits a bid to construct or contract or undertakes to  
 5 construct or assumes charge in a supervisory capacity or otherwise manages  
 6 the construction of no more than four (4) single family residences in a  
 7 single year; and

8  
 9           SECTION 3. Arkansas Code Title 17, Chapter 25, Subchapter 5 is amended  
 10 to add an additional section to read as follows:

11           17-25-515. Licensure of certain residential building contractors with  
 12 Contractors Licensing Board.

13           A residential building contractor that constructs five (5) or more  
 14 single family residences in a single year shall be licensed with the  
 15 Contractors Licensing Board.