

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

HOUSE BILL 2156

By: Representative Barnett

For An Act To Be Entitled

AN ACT TO AMEND ARKANSAS LAW CONCERNING THE COST OF
WORK REQUIRING A CONTRACTOR'S LICENSE; AND FOR OTHER
PURPOSES.

Subtitle

TO AMEND ARKANSAS LAW CONCERNING THE COST
OF WORK REQUIRING A CONTRACTOR'S LICENSE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 17-25-101(a) and (b), concerning definitions applicable to the Contractors Licensing Law, is amended to read as follows:

17-25-101. Definition.

(a)(1) As used in this chapter, "contractor" means any person, firm, partnership, copartnership, association, corporation, or other organization, or any combination thereof, that, for a fixed price, commission, fee, or wage, attempts to or submits a bid to construct or demolish, or contracts or undertakes to construct or demolish, or assumes charge, in a supervisory capacity or otherwise, or manages the construction, erection, alteration, demolition, or repair, or has or have constructed, erected, altered, demolished, or repaired, under his or her, their, or its direction, any building, apartment, condominium, highway, sewer, utility, grading, or any other improvement or structure on public or private property for lease, rent, resale, public access, or similar purpose, except single-family residences, 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)~~ fifty thousand dollars (\$50,000) or more.

(2) However, when a person or an entity acts as a contractor in the construction, erection, alteration, demolition, 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 shall comply with all other provisions of this subchapter.

(b) However, the ~~twenty-thousand-dollar~~ fifty-thousand dollar 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)~~ fifty thousand dollars (\$50,000), a purpose being to circumvent the provisions of this chapter.

SECTION 2. Arkansas Code § 17-25-103(a)(1)(A), concerning penalties for violating the Contractors Licensing Law, is amended to read as follows:

(1)(A) For a fixed price, commission, fee, or wage attempts to 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)~~ fifty thousand dollars (\$50,000) or more, without first having procured a license with the proper classification to engage in the business of contracting in this state.

SECTION 3. Arkansas Code § 17-25-301(b)(1), concerning evidence of licensure as a contractor, is amended to read as follows:

(b)(1) Upon making application to the building inspector or other authority of any incorporated city or town in Arkansas charged with the duty of issuing building or other permits for the construction of any building, apartment, condominium, utility, highway, sewer, grading, or any other improvement or structure, when the cost of the work to be done by the contractor, but not limited to labor and materials, is ~~twenty thousand~~

~~dollars (\$20,000)~~ fifty thousand dollars (\$50,000) or more, any person, firm, or corporation, before being entitled to the issuance of such permits, shall furnish satisfactory proof to the inspector or authority that he or she is duly licensed under the terms of this chapter.

SECTION 4. Arkansas Code § 17-25-401(b), concerning the definition of the term "contractor" as applied to contractors' bonds, is amended to read as follows:

(b) However, when a person or entity acts as a contractor in the construction, erection, alteration, or repair of his or her own or its own property or of a single-family residence, or if the cost of the work to be done, including, but not limited to, labor and materials, is less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000), the person or entity shall not be deemed a contractor under this chapter.

SECTION 5. Arkansas Code § 17-25-506(a), concerning applications for licensure with the Residential Contractors Committee, is amended to read as follows:

(a) Applications for licensure shall be made on forms prescribed by the Residential Contractors Committee and shall have attached thereto:

(1)(A) Except as provided in subdivision (a)(1)(B) of this section, a compiled financial statement with each application for all persons and entities required by this subchapter to be licensed by the committee when the cost of the work done or to be done in the State of Arkansas by the contractor, including without limitation labor and materials, is ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000) or more.

(B) A person or entity required to be licensed under this subchapter when the cost of the work done or to be done in the State of Arkansas by the contractor, including without limitation labor and materials, is less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000) shall not be required to submit a financial statement; and

(2) Such other information as required by the committee.

SECTION 6. Arkansas Code § 17-25-514(c), concerning workers' compensation for residential building contractors, is amended to read as follows:

(c) Unless otherwise required by law, a home improvement contractor required to be licensed under this subchapter shall not be required to secure the payment of workers' compensation under § 11-9-401 et seq. or provide proof of coverage to the committee before issuing or receiving a license if the cost of the work done or to be done in the State of Arkansas by the home improvement contractor, including without limitation labor and materials, is less than ~~twenty thousand dollars (\$20,000)~~ fifty thousand dollars (\$50,000).