

# **Arkansas Commercial Contractors Licensing Law**



## **Statutes and Rules of the Arkansas Contractors Licensing Board**

**Revised April, 2026**



# Arkansas Commercial Contractors Licensing Law

## Ark. Code Ann. § 17-25-101. Definitions.

(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, fee, commission, 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 is 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 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’s or entity’s being required to obtain a licensee, but the person or entity shall comply with all other provisions of this chapter.

(b) However, the 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 fifty thousand dollars (\$50,000), 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)(1) 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.

(2) 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, concrete labor, or installation of playground equipment.

(e) “Owner” means a person who owns property or a lessee of property.

(f) "Person" means any natural person, limited or general partnership, corporation, association, limited liability company, trust or other legal entity, and any organization capable of conducting business, or any combination thereof.

(g) "Prime contractor" means a contractor who contracts directly with the owner of property.

(h) "Subcontractor" means a person who contracts directly with a prime contractor or another subcontractor.

### **ACA § 17-25-102. Exemptions.**

The following shall be exempted from the provisions of this chapter:

(1) The practice of contracting as defined in § 17-25-101 by an authorized representative or representatives of the United States Government, State of Arkansas, incorporated town, city or county, or other political subdivision in this state;

(2) Architects and engineers, whose only financial interest in a project shall be the architectural or engineering fees for preparing plans, specifications, surveys, and supervision that is customarily furnished by architects and engineers; and

(3)(A) Manufacturers who produce equipment to be installed in the State of Arkansas and have the responsibility for the installation of the equipment, which would require a license under this chapter, if the installation is performed by a contractor properly licensed under this chapter.

(B) The Contractors Licensing Board shall have the authority to define "manufactures" as it is used in this subdivision (3).

(4)(A) Subcontractors of a licensed subcontractor who are properly registered with the board under this chapter.

(B) The board may issue rules necessary for the:

(i) Implementation of a registration process;

(ii) Determination of application fees for registration; and

(iii) Establishment of civil penalties in the same amounts and under the same procedures as for other license holders under this chapter.

### § 17-25-103. Penalties – Enforcement.

(a)(1) It is a violation of this chapter for any contractor to knowingly do any of the following:

(A)(i) 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 fifty thousand dollars (\$50,000) or more, without first having procured a license or registration with the proper classification to engage in the business of contracting in this state.

(ii) Subdivision (a)(1)(A)(i) of this section does not apply to any demolition work or other work necessary to clean up a natural disaster within seventy-two (72) hours following the natural disaster;

(B) Presents or files the license or registration certificate of another;

(C) Gives false or forged evidence of any kind to the Contractors Licensing Board or any member thereof in obtaining a certificate of license or registration;

(D) Impersonates another; or

(E) Uses an expired or revoked certificate of license or registration;

(2) A violation under subdivision (a)(1) of this section is a Class A misdemeanor, with each day of activity constituting a separate offense.

(b) The doing of any act or thing herein prohibited by any applicant, licensee or registrant shall, in the discretion of the board, constitute sufficient grounds to refuse a license or registration to an applicant or to revoke the license of a licensee or the registration of a registrant.

(c) Regarding any violation of this chapter, the board shall have the power to issue subpoenas and bring before the board as a witness any person in this state and may require the witness to bring with him or her any book, writing, or other thing under his or her control which he or she is bound by law to produce in evidence.

(d)(1) Except as provided in subdivision (d)(2) of this section, no action may be brought either at law or in equity to enforce any provision of any contract entered into in violation of this chapter.

(2) A contractor in violation of this chapter may bring an action for unjust enrichment or quantum meruit if the contractor:

- (A) Timely pays all fines, if any, assessed against him or her by the board; and
- (B) Properly applies to the board for a contractor's license issued under this chapter.

(e)(1)(A) Any contractor who, after notice and hearing, is found by the board to have violated or used a contractor in violation of this chapter shall pay to the board a civil penalty of not less than one hundred dollars (\$100) nor more than four hundred dollars (\$400) per day for the activity. However, the penalty shall not exceed three percent (3%) of the total project being performed by the contractor.

(B)(i) The penalty provided for in this chapter plus interest at ten percent (10%) per annum shall be paid to the board before the contractor can be issued a license to engage in the business of contracting in this state.

(ii) In addition to the assessment of the penalty, the board, upon a finding of a violation of this chapter, may issue an order of abatement directing the contractor to cease and desist all actions constituting a violation of this chapter.

(2) The board shall have the power to withhold approval for up to six (6) months of any application from any person who, before approval of the application, has been found in violation of this chapter.

(3) All hearings and appeals therefrom under this chapter shall be pursuant to the provisions of the Arkansas Administrative Procedure Act, § 25-15-201 *et seq.*

(4) No proceedings under this chapter may be commenced by the board after three (3) years from the date on which the act or omission which is the basis for the proceeding occurred.

(5) The board shall have the power to file suit in Pulaski County Circuit Court to obtain a judgment for the amount of any penalty not paid within thirty (30) days of service on the contractor of the order assessing the penalty, unless the circuit court enters a stay pursuant to the provisions of this chapter.

(6)(A) The board shall have the power to file suit in Pulaski County Circuit Court to enforce any order of abatement not complied with within fifteen (15) days, excluding

Saturdays, Sundays, and legal holidays, of service on the contractor of the order of abatement.

(B) If the circuit court finds the order of abatement to have been properly issued, it may enforce the order by any means by which injunctions are ordinarily enforced.

(C) However, nothing shall be construed herein to diminish the contractor's right to appeal and obtain a stay pursuant to the procedures provided for in this chapter.

**ACA § 17-25-104. Injunction.**

When any contractor engages or attempts to engage in the business of contracting as herein defined, in violation of this chapter, the Contractors Licensing Board shall have the right to go into a court where venue is proper and is of competent jurisdiction and, upon affidavit, secure a writ of injunction, without bond, restraining and prohibiting the contractor from performance of the work then being done or about to commence.

**ACA § 17-25-105. Form of indictment.**

In all prosecutions for violations of the provisions of this chapter for engaging in the business of contracting without a certificate of authority, it shall be sufficient to allege in the indictment, affidavit, or complaint that “ ‘A.’ unlawfully engaged in business as a contractor, without authority from the Contractors Licensing Board, State of Arkansas, to do so.”

**ACA § 17-25-106. [Repealed.]**

**ACA § 17-25-107. Abuse, neglect, or exploitation.**

(a) The definitions under § 5-28-101 apply to this chapter.

(b) Any contractor licensed or registered under this chapter that is found by the Contractors Licensing Board or the Residential Contractors Committee to have abused, neglected, or exploited an endangered person or an impaired person while engaging in performing the services of a contractor as defined under § 17-25-101 is subject to emergency license or registration suspension under §§ 17-25-309 and 17-25-510.

(c) The board may provide evidence, documentation, reports, and information related to the abuse, neglect, or exploitation of an endangered person or an impaired person to any entity with the authority to enforce § 5-28-101 *et seq.*

**ACA § 17-25-201. Creation – Members.**

(a) There is created a Contractors Licensing Board, consisting of seven (7) members, who shall be appointed by the Governor.

(b)(1) Each member shall be at least thirty-five (35) years of age and must have been a resident of the State of Arkansas for the previous five (5) years.

(2)(A) Five (5) members shall be contractors of not fewer than ten (10) years' experience in responsible charge of construction projects of a magnitude consistent with the duties of their offices. Each must hold an unexpired contractor's license issued under this chapter. Each must, at the time of appointment, maintain his or her principal place of business in Arkansas.

(B) At least one (1) member of the board shall have had as a larger part of his or her business the construction of sewers and waterworks.

(C) At least one (1) member of the board shall have had as a larger part of his or her business the construction of buildings.

(D) At least one (1) member of the board shall have had as a larger part of his or her business the construction of highways.

(3) Two (2) members of the board shall not be actively engaged in or retired from the profession of contracting. One (1) shall represent consumers, and one (1) shall be sixty (60) years of age or older and shall represent the elderly. Both shall be appointed from the state at large subject to confirmation by the Senate. The two (2) positions may not be held by the same person. Both shall be full voting members but shall not participate in the grading of examinations.

(c)(1) Members shall serve five-year terms.

(2) Terms shall expire on December 31 of the fifth year.

(3) Each member shall hold over after the expiration of his or her term until his or her successor shall be duly appointed and qualified.

(4) If a vacancy shall occur in the board for any cause, it shall be filled by appointment by the Governor.

(5) The Governor may remove any member of the board at any time for misconduct, incompetency, or neglect of duty.

(d) Each member of the board shall receive a certificate of appointment from the Governor and, before entering upon the discharge of the duties of his or her office, shall file with the Secretary of State the constitutional oath of office.

(e) Each member of the board may receive expense reimbursement and stipends in accordance with § 25-16-901 *et seq.*

**ACA § 17-25-202. Organization and functions.**

(a) The Contractors Licensing Board shall elect a chair, vice chair, and secretary, each to serve in his or her respective capacity for one (1) year. Officers shall be elected by the board annually.

(b) The board shall have two (2) regular meetings in each year. One (1) meeting shall be in the month of February, and one (1) meeting shall be in the month of August, for the purpose of transacting such business as may properly come before it, on call of the chair of the Contractors Licensing Board.

(c) Special or adjourned meetings may be held at such times as the board may provide by the bylaws which it shall adopt, or at such times as the board may, by reasonable resolution, provide.

(d) Due notice of each meeting and the time and place thereof shall be given to each member in such manner as the bylaws shall provide.

(e) Three (3) members of the board shall constitute a quorum.

(f) The board shall adopt a seal for its own use and shall have on it the words, “Contractors Licensing Board, State of Arkansas, Seal”, and the secretary shall have charge and custody of it.

**ACA § 17-25-203. Powers.**

(a) The Contractors Licensing Board shall have power to make such bylaws and rules, for its operation as it shall consider appropriate, provided that they are not in conflict with the laws of the State of Arkansas.

(b) All expenses incurred by the board for the administration of this chapter are authorized to be paid by the board.

(c) The board, or any committee thereof, shall be entitled to the services of the Attorney General or other state legal counsel as deemed appropriate, in connection with the

operation of the affairs of the board. Additional legal counsel may be employed by the board from time to time as it may be deemed necessary.

### **§ 17-25-204. Employees.**

The Contractors Licensing Board in consultation with the Secretary of the Department of Labor and Licensing may employ a chief administrative employee, also known as administrator, who shall possess such qualifications as may be determined by the Contractors Licensing Board and who shall serve at the pleasure of the board. In addition, the board may employ such additional professional and clerical employees as may be necessary for the operation of the board and its various functions and pay salaries thereto as may be authorized by law.

### **ACA § 17-25-205. Disposition of funds.**

The fees of the Contractors Licensing Board shall be deposited in banks to be used by the board in the manner prescribed by law, similar to the accounts of other examining and licensing boards of the state, and shall be audited under rules prescribed by the Secretary of the Department of Finance and Administration.

### **ACA § 17-25-206. Records and reports.**

(a) The secretary of the Contractors Licensing Board shall keep a record of the proceedings of the Contractors Licensing Board.

(b) The secretary shall keep a register of all applications for license showing for each:

(1) The date of application, name, qualification, place of business, and place of residence;

(2) Whether the license was granted or refused; and

(3) A complete transcript of the proceedings, including evidence submitted by applicants, licensees, the board, or otherwise, at any hearing.

(c) The books and register of this board, including transcripts of proceedings, shall be prima facie evidence of all matters recorded therein. A certified copy of such books or register, including a transcript of proceedings, under the seal of the board and attested by its secretary, shall be received in evidence in all courts of the state in lieu of the original.

(d) A roster showing the names and places of business and of residence of all licensed contractors shall be prepared annually by the secretary of the board.

(e) On or before August 1 of each year, the board shall submit to the Secretary of the Department of Labor and Licensing a report of its transactions for the preceding year and shall file with the Secretary of State a copy of the report, together with a complete statement of receipts and expenditures of the board attested by the affidavit of the Chair of the Contractors Licensing Board and the Secretary of the Contractors Licensing Board and a copy of the roster of licensed contractors.

(f) A record shall be made and preserved by the board of each examination of applicant or licensee. The findings of the board thereon and a certified copy of the record shall be furnished to any applicant or licensee desiring to appeal from the findings of the board, as provided in § 17-25-312, upon payment of the costs of transcribing the record.

### **ACA § 17-25-301. Significance – Proof.**

(a) The issuance of a certificate of license or registration by the Contractors Licensing Board shall be evidence that the person, firm, or corporation named on the certificate of license or registration is entitled to all of the rights and privileges of a licensed or registered contractor while the license or registration remains unrevoked or unexpired.

(b) 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 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.

(2) It shall be unlawful for the building inspector or other authority to issue or allow the issuance of a building permit unless and until the applicant has furnished evidence that he or she is either exempt from the provisions of this chapter or is duly licensed under this chapter to carry out or superintend the work for which the permit has been applied.

### **ACA § 17-25-302. Limitations.**

The Contractors Licensing Board shall have power to limit by proper classification the license or registration to the character of work for which the applicant is qualified.

### **ACA § 17-25-303. Application – Renewal – Fees.**

(a)(1)(A) A person desiring to be licensed or registered as a contractor in this state shall make and file with the Contractors Licensing Board thirty (30) days before any regular or

special meeting of the Board, a written application on a form prescribed by the board, for examination by the board.

(B) The application shall be accompanied by payment in a sum to be determined by the board but not to exceed one hundred dollars (\$100) to the board.

(2) The thirty-day requirement may be waived by the board provided that the contractor has on file with the board a completed original application and proof of having successfully completed any examination required.

(b) Thereafter, an annual renewal license or registration fee to be determined by the board but not to exceed one hundred dollars (\$100) shall be paid by each licensee or registrant to defray the costs and expenses of the administration of this chapter.

### **ACA § 17-25-304. Financial statement – Surety bond.**

(a)(1) All persons and entities required by this chapter to be licensed by the Contractors Licensing Board shall transmit to the board with their original and renewal applications a financial statement of the applicant reviewed by a licensed certified public accountant or licensed public accountant in accordance with the American Institute of Certified Public Accountants Statements on Standards for Accounting and Review Services.

(2) However, if the total cost of the work to be completed by the applicant, including without limitation labor and materials, is less than one million five hundred thousand dollars (\$1,500,000) for a single commercial project, the applicant shall transmit to the board with his or her original and renewal applications a compiled financial statement of the applicant prepared by a licensed certified public accountant or licensed public accountant in accordance with the American Institute of Certified Public Accountants Statements on Standards for Accounting and Review Services.

(b)(1) The financial statement shall not be made public information and shall not be made available for inspection by any person except pursuant to an order of a court of competent jurisdiction.

(2) After the contractor is licensed, the board has the option of:

(A) Destroying the financial statement by the process of shredding or

(B) Returning the financial statement to the contractor.

(c)(1) In lieu of providing a financial statement for a person or entity required to be licensed or registered by the board as required by subsections (a) and (b) of this section, an applicant may provide a surety bond from:

(A) A surety authorized to transact surety business in the State of Arkansas; and

(B) A surety listed on the current United States Department of the Treasury's List of Approved Sureties.

(2) The surety bond shall be in an amount ten (10) times the required net worth for the applicant's license or registration classification with his or her initial or renewal application.

(3) The surety bond provided under this subsection shall:

(A) Be continuous in form;

(B)(i) Be maintained in effect for as long as the applicant maintains the license or registration issued by the board.

(ii) If an applicant submits a financial statement acceptable to the board, the surety bond may be canceled;

(C)(1) List the State of Arkansas as obligee for the bond.

(ii) The State shall have priority over all other claims to recover against the bond;

(D) Be for the benefit of any person who is damaged by:

(i) An act or omission of the applicant constituting a breach of a construction contract or a contract for the furnishing of labor, materials, or professional services for construction undertaken by the applicant; or

(ii) An unlawful act or omission of the applicant in performing the services of a contractor as defined under § 17-25-101; and

(E) Be in addition to, and not in lieu of, any other surety bond required of the applicant by law or rule, or by any party to a contract with the applicant.

(4)(A) The surety bond provided in this subsection may only be canceled by notification to the board by the surety and the applicant sixty (60) days before cancellation.

(B) When the surety bond is canceled, the licensee or registrant shall provide a replacement bond or submit a financial statement as required by this section before the effective date of the cancellation or the license or registration of the licensee or registrant shall be suspended.

(6) The board may adopt rules necessary to enforce this subsection.

**ACA § 17-25-305. Applicant qualifications.**

(a) The Contractors Licensing Board, in determining the qualifications of any applicant for an original license or any renewal license, shall, among other things, consider the following:

- (1) Expertise;
- (2) Ability;
- (3) The manner of performance of previous contracts;
- (4) Financial condition;
- (5) Equipment;
- (6) Any other fact tending to show ability and willingness to conserve the public health and safety; and
- (7) Default in complying with the provisions of this chapter or another law of the state.

(b) The board may develop reciprocal agreements with other states with similar licensing responsibilities.

(c) In addition to the offenses listed in § 17-2-102, the board may consider the following offenses when determining fitness for licensure or registration of a contractor under this chapter:

(1) Conviction of a crime with an element of dishonesty or fraud under the laws of this state, another state, or the United States;

(2) Conviction of voyeurism as prohibited in § 5-16-101 and § 5-16-102;

(3) Conviction under the Arkansas Hot Check Law, § 5-37-301 *et seq.* and;

(4)(A) A crime or act that is substantially related to the qualifications, functions, or duties of a contractor.

(B) A crime or act may be deemed substantially related to the qualifications, functions, or duties of a contractor if, to a substantial degree, the crime or act evidences present or potential unfitness of a person applying for or holding a contractors license or registration to perform the functions authorized by the license or registration.

### **ACA § 17-25-306. Examinations – Certification.**

(a) Any person desiring to apply for a license shall be permitted to take an examination to determine the applicant's qualifications.

(b) If the result of the examination of any applicant shall be satisfactory to the Contractors Licensing Board, and if the application complies with the board's rules, then the board shall issue to the applicant a certificate to engage in contracting in the State of Arkansas.

(c) Anyone failing to pass the examination may be reexamined at any regular meeting of the board upon payment of the regular fee.

**ACA § 17-25-307. Expiration.**

(a) All certificates of license or registration to engage in performing the services of a contractor as defined under § 17-25-101 in the State of Arkansas shall expire at 12:00 midnight on the day before the anniversary date of issuance unless otherwise designated by the Contractors Licensing Board, and all certificates of license or registration shall become invalid on that day unless renewed.

(b) A registration may be renewed for a period of one (1) year, two (2) years, or three (3) years with the fee of one hundred dollars (\$100) per year.

**ACA § 17-25-308. Grounds for revocation.**

(a) The Contractors Licensing Board may revoke the certificate of license or registration of any contractor licensed or registered under this chapter who is found guilty of any fraud or deceit in obtaining a license or registration or for aiding or abetting any contractor or person to violate the provisions of this chapter or for gross negligence, incompetence, or misconduct in the conduct of the contractor's business.

(b) The board may revoke the certificate of license of a contractor licensed under this chapter who fails to obtain or maintain worker's compensation coverage as required under the Workers' Compensation Law, § 11-9-101 *et seq.* and § 17-25-514.

**ACA § 17-25-309. Procedure for revocation – Reissuance – Emergency suspension.**

(a) Any person may prefer charges in connection with the foregoing against any contractor licensed or registered under this chapter.

(b) The charges shall be in writing and sworn to by the complainant and mailed to the Contractors Licensing Board and, unless dismissed without hearing by the board as unfounded or trivial, shall be heard and determined by the board.

(c) A time and place for the hearing shall be fixed by the board, and the hearing shall be held in the State of Arkansas.

(d) A copy of the charges, together with notice of the time and place of the hearing, shall be considered as legally served by the board when sent to the last known address of the accused by certified mail at least ten (10) days before the date fixed for the hearing. In the event that such service cannot be effected ten (10) days before the hearing, then the date of

hearing and determination shall be postponed as may be necessary to permit the carrying out of this condition.

(e) At the hearing the accused contractor shall have the right to appear personally and by counsel and to cross-examine witnesses and to submit evidence in the contractor's behalf and defense.

(f) If after the hearing the board finds the facts as alleged and of such character as to disqualify the contractor, then the board shall revoke the license or registration of the contractor, but in that event no refund shall be made of the license or registration fee.

(g) Within its discretion and upon proper application or hearing, the board may reissue a license or registration to any contractor whose license or registration has been revoked.

(h)(1) When abuse, neglect, or exploitation of an endangered person or an impaired person is found by the board to have occurred, the board may:

(A) State in writing that due to imminent physical or other harm to the endangered person or impaired person, the situation merits the emergency suspension of a license or registration; and

(B) Proceed with the suspension of a license or registration without a hearing or upon any abbreviated hearing that the board finds practicable to suspend the license or registration;

(2) The emergency suspension shall become effective immediately, unless otherwise stated in the written determination by the board.

(3) The emergency suspension may be effective for a period of thirty (30) days or less and the emergency suspension shall not be renewable.

(4) When an emergency suspension is ordered, a formal suspension or revocation proceeding shall be promptly instituted and acted upon in accordance with the Arkansas Administrative Procedures Act, § 25-15-201 *et seq.*

### **ACA § 17-25-310. Replacement.**

A certificate of license or registration to replace any lost, destroyed, or mutilated certificate may be issued subject to the rules of the Contractors Licensing Board.

### **ACA § 17-25-311. Corporations and partnerships – Unlawful acts.**

(a) A corporation or partnership may engage in the business of contracting when licensed by the Contractors Licensing Board.

(b) It shall be unlawful and a violation of this chapter for any two (2) or more contractors, whether doing business as individuals, partnerships, corporations, or other organizations,

to jointly submit a bid or enter into a contract for construction as a joint venture unless all parties to the joint venture are licensed pursuant to this chapter.

(c) Any combination of contractors other than a joint venture shall obtain a license for the combination prior to submitting a bid.

### **ACA § 17-25-312. Review.**

Any party aggrieved by any decision of the Contractors Licensing Board shall have the right to seek review thereof pursuant to the provisions of the Arkansas Administrative Procedures Act, § 25-15-201 *et seq.*

### **ACA § 17-25-313. License requirements to accompany invitation to bid.**

All architects and engineers preparing plans and specifications for work to be contracted in the State of Arkansas shall include in their invitation to bidders and in their specifications a copy of this chapter or such portions thereof as are deemed necessary to convey to the invited bidder, whether he or she is a resident of this state or not, the information that it will be necessary for him or her to have a certificate of license with the proper classification from this Contractors Licensing Board before his or her bid is submitted.

### **ACA § 17-25-314. [Repealed.]**

### **ACA § 17-25-315. Rules and regulations – Federally funded projects – Contractor qualifications.**

(a)(1) The Contractors Licensing Board shall have the power to promulgate rules for the efficient enforcement of this chapter and shall also have the power to assign the right or give permission to any state agency, board, or commission to determine qualifications of a contractor solely for the purpose of submitting a bid to the state agency, board, or commission on projects involving federal aid funds prior to the contractor's being licensed by the board.

(2) No state agency, board, or commission shall execute any construction contract involving federal aid funds unless and until the successful bidder for the project furnishes a certificate of license issued by the board.

(b)(1) The board shall have the power to provide by rule for any political subdivision or other political corporation to accept bids from unlicensed contractors for projects involving federal funds.

(2) However, no contractor shall submit a bid under this section prior to submitting application for licensure, and no political subdivision or political corporation shall execute any construction contract unless and until the successful bidder for the project furnishes an appropriate license issued by the Contractors Licensing Board.

**ACA § 17-25-316. Workers' compensation coverage required.**

(a) A contractor required to be licensed or registered by the Contractors Licensing Board shall obtain and maintain workers' compensation coverage as required under the Workers' Compensation Law, § 11-9-101 *et seq.*

(b) The board shall require proof of current workers' compensation coverage before issuing or renewing a license or registration to a contractor required to have workers' compensation coverage under the Workers' Compensation Law § 11-9-101 *et seq.*

(c)(1) If a contractor fails to maintain workers' compensation coverage or fails to maintain proof of current workers' compensation coverage on file with the board, the board may revoke or suspend the contractor's license or registration.

(2) A contractor's license or registration that has been revoked or suspended due to failure to maintain workers' compensation coverage may be reinstated upon receipt by the board of proof that the contractor has secured workers' compensation coverage.

(d) The board shall promulgate rules necessary to enforce this section.

**ACA § 17-25-317. Lifetime certificate of license as a contractor.**

(a)(1) Upon reaching the age of sixty-five (65), or any time thereafter, any individual who has received a certificate of license as a contractor from the Contractors Licensing Board for not less than twelve (12) years may apply for a lifetime certificate of license as a contractor.

(2) The lifetime certificate of license as a contractor shall be issued upon satisfactory proof of age and upon payment of a one-time fee of sixty-five dollars (\$65.00).

(3) The annual renewal fee for a lifetime license shall be waived if all required information is provided on the renewal application.

(b) An individual issued a lifetime certificate of license as a contractor shall maintain:

(1) All bonds as required by law or rule of the board for any period in which any work as a contractor is performed for remunerative purposes, whether as an employee or an independent contractor; and

(2) Workers' compensation coverage as required under the Workers' Compensation Law, § 11-9-101 *et seq.* and § 17-25-514.

## **Arkansas Contractors Bond Law**

### **ACA § 17-25-401. Definitions.**

(a)(1) As used in this subchapter, “contractor” means a person, firm, joint venture, partnership, copartnership, association, corporation, or other organization engaged in the business of the construction, alteration, dismantling, demolition, or repairing of roads, bridges, viaducts, sewers, water and gas mains, streets, disposal plants, water filters, tanks, towers, airports, buildings, dams, levees, canals, railways and rail facilities, oil and gas wells, water wells, pipelines, refineries, industrial or processing plants, chemical plants, power plants, electric, telephone, or any other type of energy or message transmission lines or equipment, or any other kind of improvement or structure.

(2) As used in this subchapter “contractor” includes:

(A) All original, prime, and general contractors and all subcontractors; and

(B) A contractor who is required to obtain a contractor’s license or registration under the state licensing law of this state, § 17-25-101 *et seq.*

(b) However, when a person or entity acts as a contractor in the construction, erection, alteration, or repair of his or her 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 fifty thousand dollars (\$50,000), the person or entity shall not be deemed a contractor under this chapter.

### **ACA § 17-25-402. Expenses – Disposition of funds.**

(a) All expenses incurred by the Contractors Licensing Board for the administration of this subchapter are authorized to be paid by the board.

(b)(1) All taxes, premiums, contributions, penalties, interest, and fines collected pursuant to this subchapter, except enforcement penalties, shall be distributed pro rata, based upon the amount of taxes, premiums, and contributions due to the Department of Finance and Administration, the Division of Workforce Services, the Workers’ Compensation Commission, or any city, county, or school district, or any other state agency or other political subdivision of the state, first to the extent of any taxes, premiums, and contributions due with any remainder applied to interest, penalties, and fines, in that order.

(2) All enforcement penalties assessed to a contractor pursuant to the provisions of this subchapter shall be paid directly to the board to defer the cost of enforcement.

(c) The board may employ such additional professional and clerical employees as may be necessary and pay salaries thereto as authorized by law.

**ACA § 17-25-403. Liability of customer.**

(a)(1) In the event the contractor fails to honor its financial obligations to the State of Arkansas or to any city, county, school district, state agency, or other political subdivision of the state, the customer for whom the work was being performed shall be responsible for all financial obligations of the contractor to the State of Arkansas or to any city, county, school district, state agency, or other political subdivision of the state, on that customer's project, provided that the customer receives written notice of the contractor's failure to comply with this subchapter prior to final payment to the contractor.

(2) The responsibility of the customer shall not exceed any amount owed to the contractor on or after the date the customer receives the written notice.

(3) The written notice shall be sent by certified mail, return receipt requested, and must include the maximum amount of any and all financial obligations the contractor may potentially owe the State of Arkansas or to any city, county, school district, state agency, or other political subdivision of the state, arising from that customer's project.

(b)(1) As used in this section, "financial obligations" include, but are not limited to, civil penalties imposed by the State of Arkansas or any city, county, school district, state agency, or other political subdivision of the state.

(2) Civil penalties imposed pursuant to §§ 17-25-103(e)(1)(A) and 17-25-408 for violations of the provisions of this chapter arise from and are connected to the customer's project and the provisions of this section apply thereto.

**ACA § 17-25-404. Bond – Filing – Terms.**

(a)(1) Before commencing work or undertaking to perform any services or duties in the state, a contractor shall file with the Contractors Licensing Board as the depository agency a surety bond of a surety authorized to do business in this state or a cash bond.

(2) The bond shall be a condition of licensure and a contractor's license shall not be released until the bond has been properly filed.

(b) The bond shall be:

(1) In a penal sum of ten thousand dollars (\$10,000.00);

(2) Payable to the State of Arkansas; and

(3) Conditioned on the contractor's complying with the tax laws of the State of Arkansas, and when applicable, the ordinances, rules, and regulations of any city, county, school district, state agency, or other political subdivision of the state, the Division of Workforce

Services Law, § 11-10-101 *et seq.*, the Workers' Compensation Law, § 11-9-101 *et seq.*, and the provisions of this subchapter.

**ACA § 17-25-405. [Repealed.]**

**ACA § 17-25-406. Notice of bond cancellation.**

(a)(1) Notice of bond cancellation shall be given to the Contractors Licensing Board in writing sixty (60) days prior to cancellation. The board shall notify the Department of Finance and Administration, the Division of Workforce Services, and the Workers' Compensation Commission of the notice of cancellation.

(2) It shall be the responsibility of each governmental agency to make any claims against the bond in accordance with state law for collection of any taxes, premiums, contributions, penalties, interest, or fines within the statute of limitations of the appropriate state law.

(b) A contractor's license that has become invalid due to bond cancellation may be reinstated upon receipt of a proper replacement bond.

**ACA § 17-25-407. [Repealed.]**

**ACA § 17-25-408. Failure to comply – Penalties – Enforcement.**

(a) The fact that a contractor is performing or has performed work in Arkansas and compliance as required by this subchapter has not been met shall constitute prima facie evidence of failure to comply.

(b) Upon notice to the contractor and a hearing thereon, if requested by the contractor or if deemed appropriate by the Contractors Licensing Board or any committee thereof, should it be determined that a violation exists, the board or committee may assess a penalty for noncompliance in a sum not to exceed five percent (5%) of the value of the contract performed, and upon a finding of a second or subsequent violation, the contractor may be assessed a penalty equal to ten percent (10%) of the value of the contract performed. Further, any contractor found in violation for a second or subsequent violation of this subchapter may lose its contractors license for a period of one (1) year. The board or committee may also issue an order to cease and desist the work pending compliance.

(c) Failure of a contractor to comply with the provisions of this subchapter shall be grounds for revocation of any license issued to the contractor by the board.

(d) Enforcement of the bond filing requirements contained herein shall be the responsibility of the board.

(e) The board shall have the power to make such rules for enforcement as it may consider appropriate and not in conflict with Arkansas law.

**ACA § 17-25-409. Proceedings upon violation.**

- (a) Regarding any violation of this subchapter, the Contractors Licensing Board shall have the power to issue subpoenas and bring before the board as a witness any person in the state and may require the witness to bring with him or her any book, writing, or other thing under his or her control which he or she is bound by law to produce in evidence.
- (b) No proceedings under this section may be commenced by the board after three (3) years from the date on which the act or omission which is the basis for the proceeding occurred.
- (c) The board shall have the power to file suit in the Pulaski County Circuit Court to enforce any cease and desist order not complied with within fifteen (15) days, excluding Saturdays, Sundays, and legal holidays, of service on the contractor of the order. If the circuit court finds the order to have been properly issued, it may enforce it by any means by which injunctions are ordinarily enforced. However, nothing shall be construed herein to diminish the contractor's right to appeal.
- (d) All hearings and appeals therefrom under this section shall be pursuant to the provisions of the Arkansas Administrative Procedures Act, § 25-15-201 *et seq.*

**Arkansas Criminal Background Check Law**

**ACA § 17-3-102. Licensing restrictions based on criminal records.**

- (a) An individual is not eligible to receive or hold a license issued by a licensing entity if that individual has pleaded guilty or nolo contendere to or been found guilty of any of the following offenses by any court in the State of Arkansas or of any similar offense by a court in another state or of any similar offense by a federal court, unless the conviction was lawfully sealed under the Comprehensive Criminal Record Sealing Act of 2013, § 16-90-1401 *et seq.*, or otherwise previously sealed, pardoned or expunged under prior law:
  - (1) Capital murder as prohibited in § 5-10-101;
  - (2) Murder in the first degree and second degree as prohibited in §§ 5-10-102 and 5-10-103;
  - (3) Manslaughter as prohibited in § 5-10-104;
  - (4) Negligent homicide as prohibited in § 5-10-105;
  - (5) Kidnapping as prohibited in § 5-11-102;
  - (6) False imprisonment in the first degree as prohibited in § 5-11-103;
  - (7) Permanent detention or restraint as prohibited in § 5-11-106;
  - (8) Robbery as prohibited in § 5-12-102;
  - (9) Aggravated robbery as prohibited in § 5-12-103;
  - (10) Battery in the first degree as prohibited in § 5-13-201;
  - (11) Aggravated assault as prohibited in § 5-13-204;

- (12) Introduction of a controlled substance into the body of another person as prohibited in § 5-13-210;
- (13) Aggravated assault upon a law enforcement officer or an employee of a correctional facility as prohibited in § 5-13-211, if a Class Y felony;
- (14) Terroristic threatening in the first degree as prohibited in § 5-13-301;
- (15) Rape as prohibited in § 5-14-103;
- (16) Sexual indecency with a child as prohibited in § 5-14-110;
- (17) Sexual extortion as prohibited in § 5-14-113;
- (18) Sexual assault in the first degree, second degree, third degree, and fourth degree as prohibited in §§ 5-14-124 – 5-14-127;
- (19) Incest as prohibited in § 5-26-202;
- (20) Offenses against the family as prohibited in §§ 5-26-303 – 5-26-306;
- (21) Endangering the welfare of an incompetent person in the first degree as prohibited in § 5-27-201;
- (22) Endangering the welfare of a minor in the first degree as prohibited in § 5-27-205;
- (23) Permitting the abuse of a minor as prohibited in § 5-27-221;
- (24) Engaging children in sexually explicit conduct for use in visual or print media, transportation of minors for prohibited sexual conduct, pandering or possessing visual or print media depicting sexually explicit conduct involving a child, or use of a child or consent to use of a child in a sexual performance by producing, directing, or promoting a sexual performance by a child, as prohibited in §§ 5-27-303 – 5-27-305, 5-27-402, and 5-27-403;
- (25) Computer child pornography as prohibited in § 5-27-603;
- (26) Computer exploitation of a child in the first degree as prohibited in § 5-27-605;
- (27) Felony adult abuse as prohibited in § 5-28-103;
- (28) Theft of property as prohibited in § 5-36-103;
- (29) Theft by receiving as prohibited in § 5-36-106;
- (30) Arson as prohibited in § 5-38-301;
- (31) Burglary as prohibited in § 5-39-201;
- (32) Felony violation of the Uniform Controlled Substances Act, § 5-64-101 *et seq.*, as prohibited in the former § 5-64-401, and §§ 5-64-419 – 5-64-442;
- (33) Promotion of prostitution in the first degree as prohibited in § 5-70-104;
- (34) Stalking as prohibited in § 5-71-229;
- (35) Criminal attempt, criminal complicity, criminal solicitation, or criminal conspiracy, as prohibited in §§ 5-3-201, 5-3-202, 5-3-301, and 5-3-401, to commit any of the offenses listed in this subsection; and
- (36) All other crimes referenced in this title.

(b)(1) If an individual has been convicted of a crime listed in subsection (a) or subsection (e) of this section, a licensing entity may waive disqualification or revocation of a license based on the conviction if a request for a waiver is made by:

- (A) An affected applicant for a license; or
- (B) The individual holding a license subject to revocation.

(2) A basis upon which a waiver may be granted includes without limitation:

- (A) The age at which the offense was committed;
- (B) The circumstances surrounding the offense;
- (C) The length of time since the offense was committed;
- (D) Subsequent work history since the offense was committed;
- (E) Employment references since the offense was committed;
- (F) Character references since the offense was committed;
- (G) Relevance of the offense to the occupational license; and
- (H) Other evidence demonstrating that licensure of the applicant does not pose a threat to the health or safety of the public.

(3) The waiver requirements of this section are not required for a renewal of a license if an individual has been convicted of a crime listed in subsection (a) of this section and has either:

- (A) Completed the waiver requirements of this section at his or her initial licensure;
- (B) Been licensed in this state before the enactment of subsection (a) of this section; or
- (C) Attended a professional or occupational school, program, or training in pursuit of an occupational license before the enactment of subsection (a) of this section and would have been qualified to hold an occupational license on or before July 24, 2019.

(c) If an individual has a valid criminal conviction for an offense that could disqualify the individual from receiving a license, the disqualification shall not be considered for more than five (5) years from the date of conviction or incarceration or on which probation ends, whichever date is the latest, if the individual:

- (A) Was not convicted for committing a violent or sexual offense; and
- (B) Has not been convicted of any other offense during the five-year disqualification period.

(d) A licensing entity shall not, as a basis upon which a license may be granted or denied:

- (1) Use vague or generic terms, including without limitation the phrases “moral turpitude” and “good character”; or
- (2) Consider arrests without a subsequent conviction.

(e) Due to the serious nature of the offenses, the following shall result in disqualification for licensure, regardless of the date of conviction or the date on which probation or incarceration ends unless a waiver is granted under subsection (b) of this section:

- (1) Capital murder as prohibited in § 5-10-101;
- (2) Murder in the first degree as prohibited in § 5-10-102 and murder in the second degree as prohibited in § 5-10-103;
- (3) Kidnapping as prohibited in § 5-11-102;
- (4) Aggravated assault upon a law enforcement officer or an employee of a correctional facility as prohibited in § 5-13-211, if a Class Y felony;

- (5) Rape as prohibited in § 5-14-103;
- (6) Sexual extortion as prohibited in § 5-14-113;
- (7) Sexual assault in the first degree as prohibited in § 5-14-124 and sexual assault in the second degree as prohibited in § 5-14-125;
- (8) Incest as prohibited in § 5-26-202;
- (9) Endangering the welfare of an incompetent person in the first degree as prohibited in § 5-27-201;
- (10) Endangering the welfare of a minor in the first degree as prohibited in § 5-27-205;
- (11) Adult abuse that constitutes a felony as prohibited in § 5-28-103;
- (12) Arson as prohibited in § 5-38-301; and
- (13) Engaging children in sexually explicit conduct for use in visual or print media, transportation of minors for prohibited sexual conduct, pandering or possessing visual or print media depicting sexually explicit conduct involving a child, or use of a child or consent to use of a child in a sexual performance by producing, directing, or promoting a sexual performance by a child, as prohibited in §§ 5-27-303 – 5-27-305, 5-27-402, and 5-27-403.

(f) This chapter does not preclude a licensing entity from taking emergency action against a licensee as authorized under § 25-15-211 for the sake of public health, safety, or welfare.

(g) The disqualification for an offense listed in subsection (a) of this section and the disqualification for an offense listed in subsection (e) of this section do not apply to:

- (1) An individual who holds a valid license on July 24, 2019;
- (2) An individual who holds a valid license on or before July 24, 2019, but failed to renew his or her license for any reason; or
- (3) An individual who was a student on or before July 24, 2019, in a professional or occupational school, program, or training in pursuit of an occupational license and would have been qualified to hold an occupational license on or before July 24, 2019.

### **ACA § 17-3-103. Prelicensure criminal background checks.**

(a)(1) An individual with a criminal record may petition a licensing entity at any time for a determination of whether the criminal record of the individual will disqualify the individual from licensure and whether or not he or she could obtain a waiver under § 17-2-102(b).

(2) The petition shall include details on the criminal record of the individual.

(b)(1) A licensing entity may require that the applicant undergo a state and federal criminal background check as required by the licensing entity for all applicants for a license.

(2) The petitioner under subsection (a) of this section shall be responsible for payment for the state and federal criminal background check.

# The Rules of the Contractors Licensing and Bond Law

## Subpart 1. General Provisions.

### 17 CAR § 255-101. Definitions.

As used in this part:

(1)(A) “Construction management” means a process of professional management applied to a construction program, generally from start to finish, for the purpose of controlling:

- (i) Time;
- (ii) Cost; and
- (iii) Quality.

(B)(i) Usually the construction management organization links itself to the owner as an agent and thereby places itself in a fiduciary relationship with the owner.

(ii) Construction management offers a broad range of services encompassing the planning, procurement, construction, and warranty phases of a project.

(iii) In this relationship, the construction manager can properly represent the owner both to the design professional and to the contractors.

(2)(A) “Full-time employee” means a person who is an actual employee of the business, not an independent contractor.

(B) The person must work, on average, thirty (30) or more hours a week for the business (one thousand five hundred (1,500) hours per year), must not be paid as an independent contractor (not receive a “1099” for his or her earnings but receive a “W-2” for his or her earnings).

(C) A full-time employee is not someone who is hired “job to job” as needed.

(D) Other factors to be considered in making this determination include, but are not limited to:

- (i) Whether the business pays for workers’ compensation insurance on the individual;
- (ii) Whether the business pays payroll taxes on the individual;
- (iii) The amount of control the business has over the activities of the individual;
- (iv) The ownership of the tools used by the individual; and
- (v) Whether the individual maintains his or her own business separate from the business in question;

(3) “Ownership” means, when the term his or her own or its own property is used in the contractors licensing law, the sole and exclusive right to sell or convey the property;

(4)(A) “Qualifying party” means a person who has passed the appropriate business and law or trade examination.

(B) To act as a “qualifying party” a person must be:

- (i) A sole owner;
- (ii) A partner of the partnership;
- (iii) An officer of the corporation who is actively engaged in the day-to-day activities of the company;
- (iv) A member of the limited liability company who is actively engaged in the day-to-day activities of the company;
- (v) A partner of the limited liability partnership who is actively engaged in the day-to-day activities of the company; or
- (vi) A full-time employee;

(5)(A) “Remodel” means the significant structural alteration or repair of an existing structure, including additions to existing structures.

(B) Additions that add more than fifty percent (50%) to the existing structure are considered new construction, not an addition; and

(6)(A) “Single-family residences” means, as referred to in Arkansas Code § 17-25-101, as amended, any project consisting of one (1) but not more than four (4) units constructed for residential occupancy.

(B) Any project consisting of five (5) or more units is considered multifamily housing.

## **17 CAR § 255-102. Deadlines.**

For any deadline that occurs on a Saturday, Sunday, or holiday proclaimed by the State of Arkansas, the time to complete that event shall be extended until the next business day.

## **17 CAR § 255-103. Bonds.**

(a) All bonds required to be filed with the Arkansas Contractors Licensing Board pursuant to Arkansas Code § 17-25-401 *et seq.* shall be made by surety companies which have qualified and are authorized to do business in the State of Arkansas.

(b) The bonds shall be executed by a resident or nonresident agent, broker, or producer licensed by the Insurance Commissioner to represent the surety company executing the bond and shall file with the bond the agent’s, broker’s, or producer’s power of attorney to demonstrate his or her authority.

## **Subpart 2. License and Registration**

### **17 CAR § 255-201. Issuance of license or registration.**

(a)(1) All contractors licenses or registrations will be issued under the name and address listed on the front of the application form.

(2) The use of any other name may constitute a violation.

(3) It is the responsibility of the contractor to inform the Contractors Licensing Board in writing of any name, address, ownership, or any other change relating to said license or registration within fifteen (15) days of such change.

(b)(1) All applications for a contractors license or registration in the State of Arkansas must be filed as:

- (A) An individual;
- (B) A partnership;
- (C) A corporation;
- (D) A limited liability company; or
- (E) Any other business organization recognized by the Secretary of State.

(2)(A) Each application for a license must be supported by a qualifying party who has satisfactorily completed such examination as may be required by the board, prior to being issued a license to engage in contracting in the State of Arkansas.

(B) Anyone failing to pass such examination may be reexamined at any regular examination period, upon payment of the proper fee.

(3)(A) Should the qualifying party (business and law or trade) leave a licensed entity, written notice shall be given within fifteen (15) days to the board.

(B) The notice shall state the name and position of the individual leaving and the name and position of the individual who will replace the departing qualifier.

(C) The replacement qualifier must be fully qualified within thirty (30) days of the departure of the previous qualifier.

(4) Any license not renewed within two (2) years of expiration shall be required to requalify by examination process, as may be required at the time.

(c)(1) If a license has been expired for two (2) years or more, the applicant must submit a new application.

(2) Applicants who have previously held a contractors license in good standing shall not be required to submit proof of appropriate experience if seeking the same classification previously held.

(d)(1)(A) A ninety-day temporary license shall be issued to an applicant who has submitted a completed application and a completed temporary license application and the fee, if the applicant holds in good standing a substantially equivalent license from another jurisdiction.

(B) The temporary license may be extended as necessary upon the showing of good cause by the applicant.

(2) A ninety-day temporary license shall be issued to an applicant who has submitted a completed application and a completed temporary license application and the fee, if the applicant is from another jurisdiction which does not issue a substantially equivalent license, if the applicant demonstrates appropriate competence by the demonstration of experience or appropriate testing, or the license classification requested.

### **17 CAR § 255-202. Registration.**

(a)(1) Pursuant to Arkansas Code § 17-25-102, a contractor may register with the Contractors Licensing Board.

(2) The contractor shall complete the form required by the board and submit the appropriate fee.

(3) A contractor may register for any of the specialty classifications listed in 17 CAR § 255-308.

(4) The contractor must certify its competence and financial ability to perform the functions for which it is registering.

(b) The registration fee, for both original and renewal, shall be one hundred dollars (\$100).

### **17 CAR § 255-203. License or registration expiration and renewal.**

(a) **Expiration.** All licenses and registrations to engage in the business of contracting in the State of Arkansas shall expire at midnight of the day of its expiration.

(b) **Renewal.**

(1)(A) Renewal notices will be mailed approximately sixty (60) days prior to the expiration a license or registration.

(B) However, it shall be the responsibility of the holder of the contractors license or registration to renew said license or registration.

(C) Failure to receive a renewal notice shall not excuse the failure to timely renew.

(D) A renewal application will be considered timely filed if a completed application is received by the Contractors Licensing Board by the expiration date.

(2) License renewal applications received by the board prior to the expiration date of the license shall be accompanied by a renewal fee of fifty dollars (\$50.00), and the licensee may continue to use the license until the next meeting of the board following the expiration date of the license.

(3)(A) License renewal applications received within thirty (30) days of the expiration of the license shall be accompanied by a one hundred-dollar renewal fee.

(B) Upon the receipt of the application, the license shall be deemed to be reinstated until the board has met and acted upon the renewal.

(C) The reinstatement of a license does not reinstate the license for the time period between the expiration of the license and the receipt of the application by the board.

(4)(A) Any license renewal application received more than thirty (30) days after the expiration of the license shall be accompanied by a one hundred-dollar fee and may be reviewed by the board at its next available meeting.

(B) The applicant shall not have a valid license until said application is approved by the board.

(C) A license may be renewed up until two (2) years after its expiration date.

(D) Any license expired two (2) years or more may apply for reinstatement.

(5) Any license renewal application not meeting the requirements of the board at its initial review, but being placed in an “improve status”, will constitute an extension of the existing license until the next available board meeting, at which time the license will expire if a new license is not issued unless it is again placed in “improve” status.

## **17 CAR § 255-204. License and registration applications.**

(a)(1) Any application that is not complete within ninety (90) days after original receipt in the Contractors Licensing Board office will become invalid.

(2) Any application not passing the board’s review will be considered invalid after ninety (90) days from the date of its original review.

(3) During the ninety-day period, the applicant may have the opportunity to make corrections or **improvements** needed in the application in order to warrant the issuance of a license or registration.

(4) After an application becomes invalid, a new application and fee must be submitted for consideration to obtain a contractor's license.

(b)(1) A potential applicant for a license with a criminal record may petition the board at any time for a determination of whether the individual's criminal record will disqualify the person or entity from licensure and whether he or she will be granted a waiver under Arkansas Code § 17-3-102(b).

(2) A person or entity wishing to submit a prelicensure criminal background waiver request shall do so on a form provided by the board.

(3) The board will respond with a decision in writing after the next scheduled board meeting following the submission of the completed form.

(4) The board's response will state the reason or reasons for the decision.

(5) All decisions of the board in response to the petition will be determined by the information provided by the applicant.

(6) Any decision made by the board in response to a prelicensure criminal background check petition is not subject to appeal.

(7) The board will retain a copy of the petition and response, and it will be reviewed during the formal application process.

(c)(1) At the time of the application, an applicant shall complete the criminal background history form contained within the application.

(2) If the applicant shall have been found guilty or pleaded guilty or nolo contendere to any offense that would disqualify the applicant for licensure under Arkansas Code § 17-2-102 or § 17-25-305(c) the applicant may request a waiver under Arkansas Code § 17-3-102.

(3) The applicant may also submit a written statement addressing the request for a waiver under Arkansas Code § 17-3-102.

(4) The board may grant a waiver upon consideration of the following, without limitation:

- (A) The age at which the offense was committed;
- (B) The circumstances surrounding the offense;
- (C) The length of time since the offense was committed;
- (D) Subsequent work history since the offense was committed;

- (E) Employment references since the offense was committed;
- (F) Character references since the offense was committed;
- (G) Relevance of the offense to the occupational license; and
- (H) Other evidence demonstrating that licensure of the applicant does not pose a threat to the health or safety of the public.

(5) A request for a waiver, if made by an applicant, must be in writing and accompany the completed application and fees.

(6) The board will respond with a decision in writing after the next scheduled board meeting following the submission of the completed form.

(7) An appeal of a determination under this subsection (c) will be pursuant to the Arkansas Administrative Procedures Act, Arkansas Code § 25-15-201 *et seq.*

(8) The board may request the applicant to appear before the board prior to making a determination.

#### **17 CAR § 255-205. Inactive status.**

(a) A contractor who is licensed may choose to become inactive in the State of Arkansas at the time of any renewal.

(b) A contractor who is inactive may not bid on any contract nor perform any work for which a licensed contractor is required.

(c) A contractor who elects inactive status must pay all renewal fees, but is not required to submit financial information to the Contractors Licensing Board.

(d) A contractor who is on inactive status may reactivate his or her license by making a request to the board and providing the financial information required to renew as an active contractor.

#### **17 CAR § 255-206. Uniformed service members, uniformed service veterans and their spouses.**

(a) All applications submitted by uniformed service members, uniformed service veterans, and their spouses shall be expedited.

(b)(1) A ninety-day temporary license shall be issued upon the receipt of an application and application fee submitted by a uniformed service member, a uniformed service veteran, or their spouse if the applicant holds in good standing a license from another jurisdiction with a similar scope of practice.

(2) The temporary license may be extended as necessary upon the showing of good cause by the applicant.

(c) Any applicant who is a uniformed service member, a uniformed service veteran, or their spouse and the applicant holds in good standing a license from another jurisdiction with a similar scope of practice shall not be required to demonstrate experience or be required to take the examination required by Arkansas Code § 17-25-306.

(d) A license held by a uniformed service member or their spouse who is on deployment outside the State of Arkansas shall not expire until one hundred eighty (180) days following their return to the state.

(e) A license held in inactive status by a uniformed service member or their spouse who is on deployment outside the State of Arkansas shall not expire until one hundred eighty (180) days following their return to the state.

### **17 CAR § 255-207. Initial fee waiver for certain applicants.**

(a)(1) An applicant may receive a waiver of the initial licensure fee, if eligible.

(2) Eligible applicants are applicants who are applying as a sole proprietor and:

(A) Are receiving assistance through the:

- (i) Arkansas, or current state of residence equivalent, Medicaid Program;
- (ii) Supplemental Nutrition Assistance Program;
- (iii) Special Supplemental Nutrition Program for Women, Infants, and Children;
- (iv) Temporary Assistance for Needy Families Program; or
- (v) Lifeline Assistance program;

(B) Were approved for unemployment within the last twelve (12) months; or

(C) Have an income that does not exceed two hundred percent (200%) of the federal poverty income guidelines.

(b) Upon agency request applicants shall provide documentation showing their receipt of benefits from the appropriate state agency:

(1) For Medicaid, the Supplemental Nutrition Assistance Program, the Special Supplemental Nutrition Program for Women, Infants, and Children, the Temporary Assistance for Needy Families Program, or the Lifeline Assistance Program, documentation from the Department of Human Services or current state of residence equivalent agency;

(2) For unemployment benefits approval in the last twelve (12) months, the Division of Workforce Services or current state of residence equivalent agency; or

(3) For proof of income, copies of all Internal Revenue Service forms indicating applicant's total personal income for the most recent tax year, e.g., W2, 1099, etc.

(c)(1) Applicants shall attest that:

(A) They are entitled to the fee waiver; and

(B) The documentation provided under subsection (b) of this section is a true and correct copy.

(2) Fraudulent or fraudulently obtained documentation shall be grounds for denial or revocation of license.

### **17 CAR § 255-208. Classification and experience.**

(a)(1) A contractor may be licensed in any or all classifications.

(2) A contractor licensed as heavy construction (HC), highway, railroad, and airport construction (HRA), municipal and utility construction (MU), building (B), light building (LB), mechanical (M), or electrical (E) is authorized to perform any of the "specialties" associated with the classification in question.

(3) A contractor licensed as a specialty (S) is authorized to only perform the functions of the specific specialty for which a license is held.

(4) It is the responsibility of the applicant for a classification or a specific specialty to show appropriate experience and qualifications in each classification requested and demonstrate the ability to perform said classification.

(b)(1)(A) All applications for a temporary, new, or renewal of license with a classification of heavy construction (HC), highway, railroad, and airport (HRA), municipal and utility construction (MU), building (B), light building (LB), mechanical (M), or electrical (E) must show a minimum of five (5) years' appropriate experience or have passed the appropriate examination.

(B) All applications for a temporary, new, or renewal of license with a specialty classification must show a minimum of one (1) year appropriate experience or have passed the appropriate examination.

(2) Any applicant who holds in good standing a substantially equivalent license from another jurisdiction shall not be required to demonstrate experience.

(c)(1) A licensed contractor may perform construction management within the scope of the license held.

(2) A contractor shall maintain proper personnel, financial ability, and facility to perform the coordination, development, and management required for the entire project being performed or managed by the contractor.

(d) A contractor holding an electrical classification must maintain:

- (1) Expertise;
- (2) Proper facility;
- (3) Financial ability; and
- (4) At least one (1) full-time employee holding a master electrician license (issued by the Board of Electrical Examiners of the State of Arkansas) to ensure proper skills in performing and maintaining electrical projects.

(e) A contractor holding a mechanical classification must maintain:

- (1) Expertise;
- (2) Proper facility;
- (3) Financial ability;
- (4) At least one (1) full-time employee holding a master plumber license (issued by the Plumbing and Food Service Plan Review section of the Department of Health); and
- (5) At least one (1) full-time employee holding a Class A or Class B HVACR license issued by the HVACR Licensing Board to ensure proper skills in performing and maintaining mechanical projects.

(f) A contractor holding a specialty plumbing classification must maintain:

- (1) Expertise;
- (2) Proper facility;
- (3) Financial ability; and
- (4) At least one (1) full-time employee holding a master plumber license (issued by the Plumbing and Food Service Plan Review section of the Department of Health) to ensure proper skills in performing and maintaining plumbing projects.

(g) A contractor holding a HVACR classification must maintain:

- (1) Expertise;
- (2) Proper facility;
- (3) Financial ability; and
- (4) At least one (1) full-time employee holding a Class A or Class B HVACR license issued by the HVACR Licensing Board to ensure proper skills in performing and maintaining HVACR projects.

(h) Any contractor holding a specialty classification for which a license or permit is required by another licensing or permitting authority must hold the necessary license or permit in order to receive a license or registration from the Contractors Licensing Board.

(i) **Classifications and specialties.**

(1) A contractor holding a classification may perform any of the functions listed under that classification.

(2) Performing work not listed under the classification may constitute a violation.

### **Subpart 3. Outline of Classifications.**

#### **17 CAR § 255-301. Heavy Construction.**

This classification includes all of the specialty classes below:

- (1) Boring;
- (2) Cofferdams, dikes, levees, and canals;
- (3) Dams;
- (4) Marine, includes:
  - (A) Wharves;
  - (B) Docks;
  - (C) Harbor improvements; and
  - (D) Terminals;
- (5) Mining, includes surface and underground mining;
- (6) Oil and gas field construction;
- (7) Oil refinery, power and energy plant construction, including:
  - (A) Steel, alloy, ornamental, metal fabrication, and welding;
  - (B) Tower and stack construction;
  - (C) Foundation construction or drilling, pile driving, and stabilization;
  - (D) Concrete;
  - (E) Conveyors, material handling systems, cranes, and hoists;
  - (F) Base and paving, including:
    - (i) Base construction;
    - (ii) Hot and cold mixes;
    - (iii) Surface treatment;
    - (iv) Asphalt; and
    - (v) Concrete paving.
  - (G) Grading and drainage (includes grading, drainage, pipe and structures, clearing, grubbing, and rip rap), excavation; and
  - (H) Piping, process piping, valve repair, underground piping, cable, and trenching;
- (8) Tunnels, shafts; and
- (9) Underground piping, cable, and trenching.

## 17 CAR § 25-302. Highway, railroad, airport construction.

This classification includes all of the specialty classes below:

- (1) Base and paving:
  - (A) Base construction;
  - (B) Hot and cold mixes;
  - (C) Surface treatment;
  - (D) Asphalt; and
  - (E) Concrete paving;
- (2) Bridges and culverts:
  - (A) Painting;
  - (B) Repair; and
  - (C) Bridge deck overlay (sealant);
- (3) Cofferdams, dikes, levees, and canals;
- (4) Concrete;
- (5) Erosion control;
- (6) Foundation construction or drilling, pile driving, and stabilization;
- (7) Grading and drainage (includes grading, drainage, pipe and structures, clearing, grubbing, and rip rap), excavation;
- (8) Gunite;
- (9) HRA miscellaneous and specialty items:
  - (A) Traffic safety:
    - (i) Pavement markers;
    - (ii) Signaling;
    - (iii) Guardrail and fencing; and
    - (iv) Attenuators, signalization, and roadway lighting;
  - (B) Landscaping:
    - (i) Seeding;
    - (ii) Sodding; and
    - (iii) Chemical weed and brush control;
  - (C) Miscellaneous concrete:
    - (i) Sidewalks;
    - (ii) Driveways;
    - (iii) Curb and gutter; and
    - (iv) Box culverts;
  - (D) Pavement rehabilitation:
    - (i) Pressure grouting;
    - (ii) Grinding and grooving;
    - (iii) Concrete joints; and
    - (iv) Underdrains;
- (10) Railroad construction and related items;
- (11) Steel, alloy, ornamental, metal fabrication, and welding; and
- (12) Tower and stack construction.

## 17 CAR § 255-303. Municipal and utility construction.

This classification includes all of the specialty classes below:

- (1) Base and paving:
  - (A) Base construction;
  - (B) Hot and cold mixes;
  - (C) Surface treatment;
  - (D) Asphalt; and
  - (E) Concrete paving;
- (2) Grading and drainage (includes grading, drainage, pipe and structures, clearing, grubbing, and rip rap), excavation;
- (3) HRA miscellaneous and specialty items:
  - (A) Traffic safety:
    - (i) Pavement markers;
    - (ii) Signaling;
    - (iii) Guardrail and fencing; and
    - (iv) Attenuators, signalization, and roadway lighting;
  - (B) Landscaping:
    - (i) Seeding;
    - (ii) Sodding; and
    - (iii) Chemical weed and brush control;
  - (C) Pavement rehabilitation:
    - (i) Pressure grouting;
    - (ii) Grinding and grooving;
    - (iii) Concrete joints; and
    - (iv) Underdrains;
  - (D) Miscellaneous concrete:
    - (i) Sidewalks;
    - (ii) Driveways;
    - (iii) Curb and gutters; and
    - (iv) Box culverts;
- (4) Underground piping, cable, trenching, and boring;
- (5) Water lines associated with fire protection;
- (6) Water and sewer lines;
- (7) Water and sewer plants and sewer disposal:
  - (A) Steel, alloy, ornamental, metal fabrication, and welding;
  - (B) Tower and stack construction;
  - (C) Foundation construction or drilling, pile driving, and stabilization;
  - (D) Concrete;
  - (E) Conveyors, material handling systems, cranes, and hoists;
  - (F) Erosion control;
  - (G) Painting;
  - (H) Carpentry, framing, millwork, and cabinets;
  - (I) Lift stations and pumps;
  - (J) Above ground tanks;

- (K) Roofing and roof decks;
- (L) Pipes, process piping, and valve repair;
- (M) Insulation;
- (N) Dredging; and
- (O) Masonry; and
- (8) Water wells.

## **17 CAR § 255-304. Building.**

This classification includes all of the specialty classes below:

- (1) Awnings, canopies;
- (2) Base and paving:
  - (A) Base construction;
  - (B) Hot and cold mixes;
  - (C) Surface treatment;
  - (D) Asphalt; and
  - (E) Concrete paving;
- (3) Blinds, curtains, draperies, theatrical;
- (4) Bulk storage facilities;
- (5) Carpentry, framing, millwork, cabinets;
- (6) Car washes;
- (7) Ceilings, wall systems, and acoustical treatments;
- (8) Chimneys, fireplaces;
- (9) Concrete;
- (10) Control towers;
- (11) Conveyors, material handling systems, cranes, and hoists;
- (12) Demolition, blasting;
- (13) Drywall;
- (14) Erosion control;
- (15) Fencing, gates;
- (16) Floors, floor coverings;
- (17) Foundation construction or drilling, pile driving, and stabilization;
- (18) Furniture, recreational and/or playground equipment, bleachers, seating, and partitions;
- (19) Glass, glazing, doors, windows, hardware, and storefronts;
- (20) Golf cart and foot bridges and paths;
- (21) Golf courses;
- (22) Grading and drainage (including grading, drainage, pipe and structures, clearing, grubbing, and rip rap), excavation;
- (23) Greenhouses;
- (24) HRA miscellaneous and specialty items:
  - (A) Traffic safety:
    - (i) Pavement markers;
    - (ii) Signaling;
    - (iii) Guardrail and fencing; and

- (iv) Attenuators, signalization, and roadway lighting;
- (B) Landscaping:
  - (i) Seeding;
  - (ii) Sodding; and
  - (iii) Chemical weed and brush control;
- (C) Pavement rehabilitation:
  - (i) Pressure grouting;
  - (ii) Grinding and grooving;
  - (iii) Concrete joints; and
  - (iv) Underdrains;
- (D) Miscellaneous concrete:
  - (i) Sidewalks;
  - (ii) Driveways;
  - (iii) Curb and gutter; and
  - (iv) Box culverts;
- (25) Indoor/outdoor advertising;
- (26) Institutional and kitchen equipment;
- (27) Insulation;
- (28) Interior work;
- (29) Landscaping, irrigation, lawn sprinkler systems, and streams;
- (30) Lath, plaster, stucco, Dryvit, and EIFS;
- (31) Lightning protection;
- (32) Masonry;
- (33) Mausoleums;
- (34) Medical shielded enclosures;
- (35) Metal buildings, detached structures, and storage buildings;
- (36) Metal studs, walls;
- (37) Microwave systems, towers, and satellite dishes;
- (38) Overhead doors and dock equipment;
- (39) Paint booths;
- (40) Painting, wall coverings;
- (41) Passenger boarding bridges;
- (42) Poultry and swine houses;
- (43) Remodeling, renovations, restoration, and alterations;
- (44) Retaining walls;
- (45) Roofs, roof decks, and roofing sheet metal;
- (46) Sandblasting, hydroblasting, and dry ice blasting;
- (47) Siding, soffit, fascia, and gutters;
- (48) Skylights;
- (49) Solar systems;
- (50) Special coatings or applications, caulking, and waterproofing;
- (51) Sport and recreational surfaces;
- (52) Stack construction;
- (53) Steel, alloy, ornamental, metal fabrication, and welding;
- (54) Storm shelters;
- (55) Substations;

- (56) Swimming pools and spas; and
- (57) Tile, terrazzo, marble, countertops.

### **17 CAR § 255-305. Light building.**

- (a) This classification includes all of the specialty classes that are listed under the building classification.
- (b)(1) However, contractors holding a light building classification are limited as follows.
  - (2) Light building construction is new construction of commercial projects for which the cost of materials and labor is less than one million five hundred thousand dollars (\$1,500,000) in any project and the structure does not exceed two (2) stories in height.

### **17 CAR § 255-306. Mechanical contracting.**

- (a) This classification includes all of the specialty classes below:
- (b) **Note.** Trade licenses required to obtain this classification are:
  - (1) Arkansas master plumber;
  - (2) Arkansas Class A or B HVACR.
- (c) Specialty classes:
  - (1) Boiler construction and repair;
  - (2) Control systems and instrumentation;
  - (3) Heating, ventilation, air conditioning, and refrigeration;
  - (4) Plumbing;
  - (5) Pneumatic tube systems;
  - (6) Pollution, air or dust control, blower or exhaust systems;
  - (7) Piping, process piping, and valve repair;
  - (8) Sheet metal, duct;
  - (9) Sprinklers, fire protection (trade certificate needed); and
  - (10) Temperature control (pneumatic).

### **17 CAR § 255-307. Electrical contracting.**

- (a) This classification includes all of the specialty classes below:
- (b) **Note.** Trade license required to obtain this classification is the Arkansas master electrician license.
- (c) Specialty classes:

- (1) Cable television lines (above and below ground);
- (2) Communication, computer or sound systems, and cabling;
- (3) Communication lines and ducts;
- (4) Control systems and instrumentation;
- (5) Electrical signs;
- (6) Electrical temperature control systems;
- (7) Electrical transmission lines;
- (8) Electrical work for buildings and structures;
- (9) Underground conduit installation;
- (10)(A) Signal or burglar alarms, fire detection and monitoring systems.
  - (B)(i) Separate burglar and fire alarm license from the Division of Arkansas Police may be required.
  - (ii) Please contact the division for additional licensing requirements; and
- (11) Substations.

### **17 CAR § 255-308. Specialties – Specific.**

- (a) A contractor may obtain any subclassification as a specialty by request and proper qualifications shown.

**Example:** Base and paving, plumbing, drywall, insulation, etc.

- (b) The list of specialty subclassifications is:
  - (1) Above ground tanks;
  - (2) Asbestos (trade certificate needed);
  - (3) Awnings, canopies, and gutters;
  - (4) Base and paving:
    - (A) Base construction;
    - (B) Hot and cold mixes;
    - (C) Surface treatment;
    - (D) Asphalt; and
    - (E) Concrete paving;
  - (5) Blinds, curtains, draperies, theatrical;
  - (6) Boat docks;
  - (7) Boiler construction and repair (trade license needed);
  - (8) Bulk storage facilities;
  - (9) Cable television lines (above and below ground);
  - (10) Car washes;
  - (11) Carpentry, framing, millwork, and cabinets;
  - (12) Ceilings, wall systems, and acoustical treatments;
  - (13) Chemical resistant tile and brick;
  - (14) Chimneys, fireplaces;
  - (15) Cofferdams, dikes, levees, and canals;
  - (16) Communication, computer or sound systems, and cabling;
  - (17) Concrete;

- (18) Control systems and instrumentations;
- (19) Conveyors, material handling systems, cranes, and hoists;
- (20) Cooling towers;
- (21) Demolition, blasting;
- (22) Dredging;
- (23) Drywall;
- (24) Electrical transmission lines;
- (25) Elevators, escalators, dumbwaiters, and chairlifts (trade certificate needed);
- (26) Energy and chemical pipelines;
- (27) Energy management, retrofit systems;
- (28) Environmental general;
- (29) Erosion control;
- (30) Factory trained medical equipment technician (exemption from the Board of Electrical Examiners of the State of Arkansas required);
- (31) Fencing, gates;
- (32) Fiberglass;
- (33) Fireproofing;
- (34) Floors, floor covering;
- (35) Foundation construction or drilling, pile driving, and stabilization;
- (36) Furnaces, fuel burning or heat transfer equipment, stokers, and refractories;
- (37) Furniture, recreational and/or playground equipment, bleachers, seating, and partitions;
- (38) Gas fitter (trade license needed);
- (39) Generators, turbines;
- (40) Glass, glazing, doors, windows, hardware, and storefront;
- (41) Golf cart and foot bridges and paths;
- (42) Golf courses;
- (43) Grading and drainage (includes grading, drainage, pipe and structures, culverts, clearing, grubbing, and rip rap), excavation;
- (44) Grain bins;
- (45) Greenhouses;
- (46) Heating, ventilation, air conditioning, and refrigeration (Arkansas HVACR Class A or Class B trade license required);
- (47) HRA miscellaneous and specialty items:
  - (A) Traffic safety:
    - (i) Pavement markers;
    - (ii) Signaling;
    - (iii) Guardrails and fencing; and
    - (iv) Attenuators, signalization, and roadway lighting;
  - (B) Landscaping:
    - (i) Seeding;
    - (ii) Sodding; and
    - (iii) Chemical weed and brush control;
  - (C) Pavement rehabilitation:
    - (i) Pressure grouting;
    - (ii) Grinding and grooving;

- (iii) Concrete joints; and
  - (iv) Underdrains;
- (D) Miscellaneous concrete:
  - (i) Sidewalks;
  - (ii) Driveways;
  - (iii) Curb and gutter; and
  - (iv) Box culverts;
- (48) Hydraulics;
- (49) Incinerator and stack construction;
- (50) Indoor/outdoor advertising;
- (51) Institutional and kitchen equipment;
- (52) Insulation;
- (53) Interior work;
- (54) Kilns, drying systems;
- (55) Landfills;
- (56) Landscaping, irrigation, lawn sprinkler systems, and streams;
- (57) Landscaping with planting (trade license needed);
- (58) Lathe, plaster, stucco, Dryvit, and EIFS;
- (59) Lead abatement (trade certificate needed);
- (60) Lift stations, pumps;
- (61) Lightning protection;
- (62) Liners;
- (63) Marine docks;
- (64) Masonry;
- (65) Mausoleums;
- (66) Medical shielded enclosures;
- (67) Metal buildings, detached structures, and storage buildings;
- (68) Metal studs, walls;
- (69) Meter installation and service;
- (70) Microwave systems, towers, and satellite dishes;
- (71) Millwright;
- (72) Oil and gas field construction, rigged;
- (73) Overhead doors and dock equipment;
- (74) Paint booths;
- (75) Painting, wall coverings;
- (76) Passenger boarding bridges;
- (77) Piping, process piping, valve repair;
- (78) Plant maintenance;
- (79) Plating and waste treatment systems;
- (80) Plumbing (trade license needed);
- (81) Pneumatic tube systems;
- (82) Pollution, air and dust control, blower and exhaust systems;
- (83) Poultry and swine electrical;
- (84) Poultry and swine houses;
- (85) Poultry HVACR;
- (86) Precipitators;

- (87) Railroad construction and related items;
- (88) Rebar;
- (89) Refrigeration, cold storage (trade certificate needed);
- (90) Remediation;
- (91) Remodeling, renovations, restoration, and alterations;
- (92) Retaining walls;
- (93) Right of way clearing;
- (94) Roofing, roof decks, and roofing sheet metal;
- (95) Sandblasting, hydroblasting, and dry ice blasting;
- (96) Scaffolding;
- (97) Scales;
- (98) Security, banking, and detention equipment (bars and safety no certificate needed);
- (99) Septic tank installation and repair (trade certificate needed);
- (100) Service station equipment;
- (101) Sheet metal, ducts, and ventilation (trade license required);
- (102) Siding, soffit, fascia, and gutters;
- (103) Signal or burglar alarms, fire detection and monitoring systems (trade certificate needed);
- (104) Skylights;
- (105) Solar systems;
- (106) Special coatings or applications, caulking, and waterproofing;
- (107) Sport and recreational surfaces;
- (108) Sprinklers, fire protection (trade certificates needed);
- (109) Steel, alloy, ornamental, metal fabrication, and welding;
- (110) Storm shelters;
- (111) Substations;
- (112) Swimming pools, spas;
- (113) Temperature controls (electric);
- (114) Temperature controls (pneumatic);
- (115) Testing and balancing;
- (116) Tile, terrazzo, marble, countertops;
- (117) Tuckpointing;
- (118) Tunnels, shafts;
- (119) Underground piping, cable, trenching, and boring;
- (120) Underground storage tanks (certificate needed);
- (121) Water and sewer lines;
- (122) Water lines associated with fire protection;
- (123) Water wells (water well license required); and
- (124) Wind turbines.

(c)(1) The classification in subdivision (b)(59) of this section is for those contractors performing work under circumstances that they must be certified pursuant to 40 C.F.R. pt. 745.

(2) This classification is not for other types of lead abatement.

## Subpart 4. Financial Requirements – Bidding

### 17 CAR § 255-401. License requirements – Minimum net worth.

(a)(1) Except as provided in subsection (a)(2) or subsection (e) of this section, all applications for an unrestricted license must contain an audited or reviewed financial statement of the applicant's year end or more current, and prepared on the GAAP or accrual income tax basis, of the company, an audited opinion letter or review report from an independent CPA or RPA.

(2)(A) The application for a restricted license shall contain a compiled annual year-end or more current annual financial statement of the applicant, prepared on the GAAP or accrual income tax basis.

(B) The compiled statement shall contain a report from a licensed independent certified public accountant or public accountant but is not required to include footnote disclosures unless specifically requested by the Contractors Licensing Board.

(C) As used in subdivision (a)(2)(A) of this section, "restricted license" means a commercial contractor's license that authorizes a total cost of work to be completed, including without limitation labor and materials, of less than one million five hundred thousand dollars (\$1,500,000) for a single commercial project.

#### (b) Minimum business-related net worth – New and renewal applications.

(1) Minimum business-related net worth for classification or classifications requested (property not used for business purposes is not acceptable):

HEAVY	\$50,000
HIGHWAY, RAILROAD, AIRPORT	\$50,000
MUNICIPAL & UTILITY	\$50,000
BUILDING	\$50,000
LIGHT BUILDING	\$20,000
MECHANICAL	\$20,000
ELECTRICAL	\$20,000
SPECIALTY	\$5,000

(2) New applicants must have one half (1/2) of the minimum net worth requirement in cash.

(c)(1) Working capital will also be reviewed and considered in determining whether to issue a new or renewal license.

(2) New applicants are required to show a positive working capital.

(d)(1) If the board determines that the financial information provided by an applicant for a renewal license does not satisfy the financial requirements, the board may, at its option, deny the application or place the application in improve status.

(2) An applicant who is placed in improve status will have his or her license extended thirty (30) days, pending further information being provided, changes being made by the applicant to resolve any difficulties, or both, as required by the board in its sole discretion.

(3) The license is effective only until the next regular meeting of the board and will expire at the next regular meeting unless further action is taken by the board.

(e)(1)(A) A bond in lieu of a financial statement, as authorized by Arkansas Code § 17-25-304(c), may be filed by a contractor seeking a license.

(B) The bond shall be made by surety companies that have qualified and are authorized to do business in the State of Arkansas.

(C) The bond shall be executed by a resident or nonresident agent, broker, or producer licensed by the Insurance Commissioner to represent the surety company executing the bond and shall be filed with the agent's, broker's, or producer's power of attorney to demonstrate his or her authority.

(2) The bond shall be on the form provided by the board.

## **17 CAR § 255-402. Bidding and classification.**

(a) It shall be permissible for any city, municipality, sewer or water district, or other political corporation to accept bids from unlicensed contractors for projects involving federal funds specifically designated for the project in question, provided, however:

(1) No contractor shall submit a bid prior to submitting application for licensure; and

(2) No construction contract shall be executed until the successful bidder has furnished an appropriate license issued by the Contractors Licensing Board.

(b)(1) Any project being advertised for bid in the State of Arkansas for construction, erection, alteration, or repair of any building or any other structure, must be bid by a licensed prime contractor.

(2) However, if the electrical or mechanical classification, considered together, or any other licensed classification, considered by itself, should constitute eighty percent (80%) or more of the total project, the holder of that classification may bid as a prime contractor on the project.

(3) A prime contractor accepts full responsibility for any project except as may be written in the contract with the owner.

(c) A contractor holding a building classification cannot list itself as electrical and mechanical subcontractors unless these classifications:

- (1) Have been properly issued by the board; and
- (2) Appear on the current license held by the contractor.

(d)(1) The listing of any classification or subclassification on a license certificate authorizes the performance of work falling within that field or of any field so closely related that the skill required for the specified field would also apply.

(2) It is not intended for these classifications to be restrictive beyond the point of safeguarding the public interest in requiring contractors to supply the skills necessary to perform the work under contract.

(e)(1) A contractor holding the building classification may enter into general contracts for building construction, including all specialty items required in the contract to make the building usable for the purpose intended, and may perform these items with his or her own forces, if qualified, or may sublet such work to qualified specialty contractors skilled in the particular fields involved.

(2) It is the specific responsibility of the prime contractor to furnish the skills required for the proper performance of all work included in the contract.

(f)(1) The board may delegate the authority to the administrator for necessary changes, such as suggested bid limit, name changes, added classification or classifications, etc., provided, however, proper information to support such change be submitted to the office for placement in file.

(2) Any such change will be presented for board review at its next regular meeting.

## **Subpart 5. Complaints – Investigations – Hearings and Appeals**

### **17 CAR § 255-501. Complaints and investigations.**

(a)(1)(A) The purpose of the complaints procedure is to effectively deal with issues affecting the licensure or registration of contractors.

(B) The complaints procedure is not intended to function as a dispute resolution process or a code enforcement process.

(2)(A) Any complaint registered with the Contractors Licensing Board of alleged violations must be submitted in writing with proper information to identify:

- (i) Job site;
- (ii) Owner, if possible;
- (iii) Any name and phone numbers of individuals; and
- (iv) Any other information that may tend to be useful in the investigation.

(B) The complainant must furnish his or her or their name, address, and phone number in order to obtain any other information that may be necessary for proper investigation.

(3) A written response will be made to a complainant when investigation is closed if so requested in writing.

(b)(1) A contractor who is licensed or registered shall cooperate with any investigation and provide the board with all relevant information requested by the board.

(2) The failure to cooperate or to timely provide the board with relevant information as requested may constitute misconduct in the conduct of the contractor's business and may subject the contractor to the revocation of the contractor's license or registration.

(c)(1) The board may delegate to the administrator/investigator the authority to obtain contractor compliance as may be necessary.

(2) The administrator/investigator will conduct all investigations in such a manner that would be complimentary to the licensing and registration law for contractors.

(3) The administrator/investigator may defer investigation into a complaint during the pendency of any civil litigation involving the complainant and contractor, and upon resolution of the litigation may act in accordance with the findings, order, or judgment of the civil court.

(d) Any application being denied because of a violation of Arkansas Code § 17-25-101 *et seq.*, shall become invalid and a new application must be submitted, and the thirty-day waiting period shall begin anew upon being received in the office of the board.

## **17 CAR § 255-502. Hearings and appeals.**

(a) All hearings and appeals of decisions of the Contractors Licensing Board will be held in accordance with the Arkansas Administrative Procedures Act, Arkansas Code § 25-15-201 *et seq.*

(b) **Appeals from decisions of the Residential Contractors Committee.**

(1) Appeals from decisions of the committee to the board shall be in writing and filed with the board within ten (10) calendar days of the date the decision was served upon the respondent.

(2)(A)(i) A transcript of the original hearing or hearings will be ordered and filed with the board.

(ii) A copy of the transcript will be provided to the respondent upon request.

(B)(i) In the event the board affirms or modifies, but does not reverse the decision of the committee, the respondent will be responsible for the costs of the appeal.

(ii) Said costs include, but are not limited to, the cost of the transcript.

(iii) Said costs are in addition to any civil penalties or other sanction imposed.

(3)(A) The board will review the decision of the committee and hear arguments from the respondent or respondent's counsel and from the counsel for the committee.

(B) No new or additional evidence will be taken.

(4) The board may affirm, reverse, or modify the decision of the committee.

**(c) Payment of civil penalties.**

(1) All civil penalties assessed by the board are required to be paid within twenty (20) days of the date of the hearing.

(2) Any civil penalty suspended in whole or in part by the board shall be suspended upon any condition specifically stated by the board and upon the condition the civil penalty is paid within twenty (20) days of the date of the hearing.

(3) In the event the civil penalty is not paid within twenty (20) days of the date of the hearing, any amount suspended shall be reinstated and shall become due and payable without any further action of the board being required.

# Grants

## Subpart 1. Organization and Administration

### 17 CAR § 256-101. Administration of Grant.

- (a)(1) The Contractors Licensing Board shall administer the construction industry training grants within the policies set by the board.
- (2) All formal communications shall be addressed to or signed by the Administrator of the Contractors Licensing Board.
- (b) The final responsibility for setting selection criteria and choosing the grantees shall rest with the board.
- (c) This part shall govern the construction industry training grants given to:
  - (1) Apprenticeship programs;
  - (2) Secondary schools offering construction training programs; and
  - (3) Coalitions of such programs.

## Subpart 2. Grant Eligibility Criteria

### 17 CAR § 256-201. Grant eligibility criteria – Apprenticeship programs.

- (a) To be eligible to receive a construction industry training grant, an apprenticeship program must meet the following requirements:
  - (1) The program must be performing actual construction work in Arkansas;
  - (2) The training must take place in Arkansas; and
  - (3) The program or programs must be approved by, or registered with, the State Apprenticeship Committee and/or the United States Department of Labor Employment and Training Administration.
- (b)(1) Only construction-related apprenticeship programs will be approved for grant funding.
- (2) The list of programs includes, but is not limited to, the following:
  - (A) Welding;

- (B) Plumbing;
- (C) Carpentry;
- (D) Equipment operator;
- (E) Laborer;
- (F) Sheet metal working;
- (G) Electrical;
- (H) Ironworker;
- (I) HVACR mechanic;
- (J) Boilermaker;
- (K) Painting;
- (L) Glazing; and
- (M) Insulation worker.

(c)(1) In determining whether to issue a grant to a qualified apprenticeship program, the Contractors Licensing Board will consider the following factors.

(2) Other factors not listed may be considered based on the board's discretion:

- (A) Will the proposal give useful training to the apprenticeship students?;
- (B) Will there be any matching federal/state/local/private funds to further achieve the goals of the grant request?; and
- (C) Will the grant serve as 'seed money' or will there be a perceived need for ongoing funding from the board in future years?.

### **17 CAR § 256-201. Grant eligibility criteria – Secondary schools.**

To be eligible to receive a construction industry grant a secondary school must meet the following requirements:

(1) The program must be offered by an Arkansas public secondary school;

(2)(A) Only construction-related programs will be approved for grant funding.

(B) The list of programs includes, but is not limited to, the following:

- (i) Welding;
- (ii) Plumbing;
- (iii) Carpentry;
- (iv) Equipment operator;
- (v) Laborer;
- (vi) Sheet metal worker;
- (vii) Electrical;
- (viii) Ironworker;
- (ix) HVACR mechanic;
- (x) Boilermaker;
- (xi) Painting;

- (xii) Glazing; and
- (xiii) Insulation worker; and

(3)(A) In determining whether to issue a grant to a qualified public secondary school, the Contractors Licensing Board will consider the following factors.

(B) Other factors not listed may be considered based on the board's discretion:

- (i) Will the proposal attract secondary students to careers in the construction industry?;
- (ii) Will the proposal give useful training to the students?;
- (iii) Will there be any matching federal/state/local/private funds to further achieve the goals of the grant request?; and
- (iv) Will the grant serve as 'seed money' or will there be a perceived need for ongoing funding from the board in future years?.

### **Subpart 3. Applications**

#### **17 CAR § 256-301. Application process.**

(a) **Application.**

- (1) The application form can be obtained from the Arkansas Contractors Licensing Board staff.
- (2) The deadline will be established by the board.

(b) **Minimum standards.** Monies for this program are available to qualified construction programs only as determined by the board.

(c) **Submission of applications.** All apprenticeship programs, secondary schools offering construction industry training, and coalitions of such programs may apply for grant funding.

### **Subpart 4. Awards Process**

#### **17 CAR § 256-401. Board discretion to award.**

- (a) The Arkansas Contractors Licensing Board shall have the discretion to determine which programs will receive the grant funding based on the board's objectives to advance training and education in the construction industry.

- (b) The board shall have the discretion to determine which grant applications to fund and to set the specific amount of each grant.

## **Subpart 5. Grant Payment**

### **17 CAR § 256-501. Payment policies.**

- (a)(1) Arkansas construction industry training grants are not automatically renewable.
- (2) Programs must apply each year, and the Contractors Licensing Board has the discretion to determine which grants will be awarded, if any.
- (b)(1) The grant funds shall be used only for the advancement of construction-related training and education.
- (2) Grant funds shall only be used as set out in the applicant's grant request, as approved by the board.
- (c) The board has the right to review and revisit its determination to distribute grant funds at any time.
- (d) All grant recipients must agree to provide a complete accounting of all grant funds expended at the request of the board.



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