Subcontractor Registration Rules – Mark Up Copy

224-25-1 ISSUANCE OF LICENSE OR REGISTRATION

(a) All Contractors licenses or Registrations will be issued under the name and address listed on the front of the application form. The use of any other name may constitute a violation. 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 15 days of such change.

(b)(1) All applications for a Contractors license or Registration in the State of Arkansas must be filed as either: (1) individual, (2) partnership, (3) corporation, (4) limited liability company or (5) any other business organization recognized by the Arkansas Secretary of State's Office.

(2) 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. Anyone failing to pass such examination may be re-examined at any regular examination period, upon payment of proper fee. Should the qualifying party (business and law or trade) leave a licensed entity, written notice shall be given within fifteen (15) days to the Contractors Licensing Board. 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. The replacement qualifier must be fully qualified within thirty (30) days of the departure of the previous qualifier. Any license not renewed within two years of expiration shall be required to re-qualify by examination process, as may be required at the time.

224-25-2 LICENSE OR REGISTRATION EXPIRATION & 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 date of its expiration. However, a license or registration held by an active duty service person, or their spouse, who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.

(b) Renewal.

(1) Renewal notices will be mailed approximately 60 days prior to the expiration of a license or registration. However, it shall be the responsibility of the holder of the Contractors License or registration to renew said license or registration. Failure to receive a renewal notice shall not excuse the failure to timely renew. A renewal application will be considered timely filed if a completed application is received by the Board by the expiration date.

(2) License renewal ~~Renewal~~ applications received by the Board prior to the expiration date of the license shall be accompanied by a renewal fee of $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) License renewal ~~Renewal~~ applications received within thirty (30) days of the expiration of the license shall be accompanied by a $100.00 renewal fee. Upon the receipt of the application the license shall be deemed to be reinstated until the Board has met and acted upon the renewal. 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) Any license renewal application received more than thirty (30) days after the expiration of the license shall be accompanied by a $100.00 fee and may be reviewed by the Board at its next available meeting. The applicant shall not have a valid license until said application is approved by the Board. A license may be renewed up until two (2) years after its expiration date. 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.

224-25-3 LICENSE AND REGISTRATION APPLICATIONS

Any application not complete within ninety (90) days after original receipt in our office will become invalid. Any application not passing the Board's review will be considered invalid after ninety (90) days from the date of its original review. During the ninety (90) 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. After an application becomes invalid a new application and fee must be submitted for consideration to obtain a Contractors License or registration.

224-25-5 CLASSIFICATION & EXPERIENCE

(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 Board.

224-25-7 BIDDING & CLASSIFICATION

(b) 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. However, if the Electrical and Mechanical classification,

considered together, or any other licensed classification ~~specialty~~, considered by itself, should constitute 80% or more of the total project, the holder of that classification may bid as a prime contractor on the project. A prime Contractor accepts full responsibility for any project except as may be written in the contract with owner.

(e) 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 own forces, if qualified, or may sublet such work to qualified specialty contractors skilled in the particular fields involved. It is the specific responsibility of the prime ~~general~~ contractor to furnish the skills required for the proper performance of all the work included in the contract.

224-25-8 COMPLAINTS & INVESTIGATIONS

(a) The purpose of the complaints procedure is to effectively deal with issues effecting the licensure or registration of Contractors. The complaints procedure is not intended to function as a dispute resolution process or a code enforcement process. Any complaint registered with the Contractors Licensing Board of alleged violations must be submitted in writing with proper information to identify job site, owner if possible, any name and phone numbers of individuals and any other information that may tend to be useful in the investigation. The Complainant must furnish his/their name, address and phone number in order to obtain any other information that may be necessary for proper investigation. A written response will be made to a Complainant when investigation is closed if so requested in writing.

(b) A contractor who is licensed or registered shall cooperate with any investigation and provide the Board with all relevant information requested by the Board. The failure to cooperate or to timely provide the Board with relevant information as requested may constitute misconduct in the conduct of the contractors business and may subject the contractor to the revocation of the contractors license or registration.

(c) The Contractors Licensing Board may delegate to the administrator/investigator the authority to obtain contractor compliance as may be necessary. The administrator/investigator will conduct all investigations in such a manner that would be complimentary to the Licensing and Registration Law for Contractors.

224-25-13 REGISTRATION

(a) Pursuant to Ark. Code Ann. § 17-25-102, a contractor may register with the Board. The contractor shall complete the form required by the Board and submit the appropriate fee. A contractor may register for any of the specialty classifications listed in Rule 6(i). 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).

Bond in Lieu Rules – Mark Up Copy

224-25-6 FINANCIAL REQUIREMENTS

(a)(1) Except as provided in subsection (e), all ~~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.

(e)(1) A bond in lieu of a financial statement, as authorized by Ark. Code Ann. § 17-25-304(c), may be filed by a contractor seeking a license. The bond shall be made by surety companies which have qualified and are authorized to do business in the State of Arkansas. The bonds shall be executed by a resident or nonresident agent, broker or producer licensed by the Arkansas 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 authority.

(2) The bond shall be on the form provided by the Contractors Licensing Board.

Language Clean up – Mark Up Copy

224-25-5 CLASSIFICATION & EXPERIENCE

(c) ~~A contractor holding the classification(s) of Heavy Construction (HC), Highway, Railroad & Airport Construction (HRA), Municipal & Utility Construction (MU), Building (B) or Light Building (LB) is considered to be a General Contractor in its respective market.~~ A licensed ~~General~~ Contractor may perform Construction Management within the scope of the license held. ~~in its respective market. All other classifications are considered to be subcontractors.~~ A contractor ~~considered to be a General Contractor~~ shall maintain proper personnel, financial ability and facility to perform ~~for the owner~~ the coordination, development and management ~~expertise~~ required for the entire project being performed or managed by the contractor.

224-25-9 HEARINGS & APPEALS

(b) Appeals from decisions of the Residential ~~Building~~ Contractors Committee:

(1) Appeals from decisions of the Residential ~~Building~~ Contractors Committee to the Board shall be in writing and filed with the Board within 10 calendar days of the date the decision was served upon the respondent.

Rule Changes – Act 135 – Uniform Service Licensing

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224-25-5-2 LICENSE EXPIRATION & RENEWAL

(a) Expiration. All licenses to engage in the business of contracting in the State of Arkansas shall expire at midnight of the date of its expiration. ~~However, a license held by an active duty service person, or their spouse, who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.~~

224-25-5-5 INACTIVE STATUS

A holder of a license may choose to become inactive in the State of Arkansas at the time of any renewal. A license holder who is inactive may not bid on any contract, pull any permit, nor perform any work for which a license is required. A license holder who elects inactive status must pay all renewal fees, but is not required to submit financial information to the Committee. A license holder who is on inactive status may reactivate its license by making a request to the Committee and providing all necessary information required to renew as an active license holder. ~~A license holder may remain on inactive status for a period of time not to exceed six (6) consecutive years. Active duty service people who hold license are allowed additional time in inactive status if deployed outside the State of Arkansas. However, they must request additional time within 180 days of returning to the State.~~

224-25-5-15 UNIFORM 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) A ninety (90) day temporary license shall be issued upon the receipt of an application and application fee submitted by a Uniform 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. The temporary license may be extended as necessary upon the showing of good cause by the applicant.

(c) Any applicant who is a Uniform 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 Ark. Code. Ann. § 17-25-509.

(d) A license or registration held by a Uniform Service Member or their spouse who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.

(e) A license or registration held in inactive status by a Uniform Service Member or their spouse who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.

Rules for Act 1072 of 2021 – Residential Roofers Registration
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224-25-5-9. CLASSIFICATIONS

(d) CLASSIFICATIONS AND SPECIALTIES - A contractor holding a classification may perform any of the functions listed under that classification. Performing work not listed under that classification may constitute a violation.

(3) SPECIALTIES (Specific)

A contractor may obtain one or more of the Specialty Classifications by proper qualifications shown. The list of those Specialty Classifications Is:

SPECIALTIES

Awnings, Canopies & Gutters
Base & Paving
a. Base Construction
b. Hot & Cold Mixes
c. Surface Treatment
d. Asphalt
e. Concrete Paving
Boat Docks
Carpentry, Framing, Millwork, Cabinets
Ceilings, Wall Systems, Acoustical Treatments
Central Vacuum Systems
Chimneys, Fireplaces
Communication, Computer or Sound Systems, Cabling
Concrete
Demolition
Detached Garage, Storage Building, Detached Structures, Metal Buildings
Drywall
Fencing, Gates
Floors, Floor Covering
Foundation Construction or Drilling, Pile Driving, Stabilization
Glass, Glazing, Doors, Windows
Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Culverts, Clearing, Grubbing & Rip Rap), Excavation
Greenhouses and Sunrooms
Insulation
Kitchen and Bathroom Renovations
Landscaping, Irrigation, Lawn Sprinklers, Streams
Lathe, Plaster, Stucco, Dryvit, EIFS
Masonry
Metal Studs, Walls

Overhead Doors
Painting, Wallcovering
Rebar
Retaining Walls
~~Roofing, Roof Decks, Roofing Sheet Metal~~
Siding, Soffit, Fascia, Gutters
Skylights
Solar Systems
Special Coatings or Applications, Caulking, Waterproofing
Steel, Alloy, Ornamental, Metal Fabrication, Welding
Storm Shelters
Swimming Pools, Spas
Tile, Terrazzo, Marble, Countertops

224-25-6-1. ISSUANCE OF REGISTRATION

(a) All registrations will be issued under the name and address listed on the front of the application form. The use of any other name may constitute a violation. It is the responsibility of the registrant to inform the Committee in writing of any name, address, ownership or any other change relating to said registration within 15 days of such change.

(b) All applications for a Registration must be filed as either: (1) individual, (2) partnership, (3) corporation, (4) limited liability company or (5) any other business organization recognized by the Arkansas Secretary of State's Office.

224-25-6-2. REGISTRATION EXPIRATION & RENEWAL

(a) Expiration. All registrations shall expire at midnight of the date of its expiration.

(b) Renewal. Any renewal application not meeting the requirements of the Committee at its initial review, but being placed in an "improve status" will constitute an extension of the existing registration until the next available Committee meeting, at which time the registration will expire if a new registration is not issued.

224-25-6-3. REGISTRATION APPLICATIONS

(a) Any registration application not complete within ninety (90) days after original receipt by the Committee will become invalid. Any registration not passing the Committee's review will be considered invalid after ninety (90) days from the date of its original review. During the ninety (90) day period, the applicant may make corrections or improvements needed in the application in order to warrant the issuance of a registration. After an application becomes invalid a new application and fee must be submitted for consideration to obtain a registration.

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

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

(3) The Committee's response will state the reason(s) for the decision.

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

(5) Any decision made by the Committee in response to a pre-licensure criminal background check petition is not subject to appeal.

(6) The Committee 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 registration application, an applicant shall complete the criminal back ground 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 Ark. Code Ann. § 17-3-102 or Ark. Code Ann. § 17-25-507(c) the applicant may request a waiver under Ark. Code Ann. § 17-3-102

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

(4) The Committee 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 registration; 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 Committee will respond with a decision in writing after the next scheduled Committee meeting following the submission of the completed form.

(7) An appeal of a determination under this section will be pursuant to Ark. Code Ann. §17-25-511.

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

224-25-6-4. REGISTRATION FEES

New and renewal registration fees shall be Twenty Dollars ($20.00). This fee is non-refundable.

224-25-6-5. Bond

All bonds required to be filed with the Committee pursuant to Ark. Code Ann. § 17-25-601 et seq. shall be made by surety companies which have qualified and are authorized to do business in the State of Arkansas. The bonds shall be executed by a resident or nonresident agent, broker or producer licensed by the Arkansas 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 authority. The bond shall be issued on a form approved by the Committee.

Rule Change for Criminal Background Check – Acts 748,762 and 826

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224-25-5-3. LICENSE APPLICATIONS

(c)(1) At the time of application, an applicant shall complete the criminal back ground 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 Ark. Code Ann. § 17-2-102 or Ark. Code Ann. § 17-25-507(c) the applicant may request a waiver under Ark. Code Ann. § 17-3-102, ~~except those permanently disqualifying offenses found in Ark. Code Ann § 17-3-102(e).~~

Rule For Act 725 of 2021

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224-25-5-16

(a) An applicant may receive a waiver of the initial licensure fee, if eligible. Eligible applicants are applicants who:

(1) Are applying as a Sole Proprietor; and

(2) Are receiving assistance through the Arkansas, or current state of residence equivalent, Medicaid Program, the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (SSNP), the Temporary Assistance for Needy Families Program (TEA), or the Lifeline Assistance Program (LAP); or

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

(4) 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, SNAP, SSNP, TEA, or LAP, documentation from the Arkansas Department of Human Services (DHS), or current state of residence equivalent agency; or

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

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

(c) Applicants shall attest that they are entitled to the fee waiver and that the documentation provided under (b) is a true and correct copy. Fraudulent or fraudulently obtained documentation shall be grounds for denial or revocation of license.

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224-25-2 LICENSE EXPIRATION & RENEWAL

(a) Expiration. All licenses to engage in the business of contracting in the State of Arkansas shall expire at midnight of the date of its expiration. ~~However, a license held by an active duty service person, or their spouse, who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.~~

224-25-4 INACTIVE STATUS

A contractor who is licensed may choose to become inactive in the State of Arkansas at the time of any renewal. A contractor who is inactive may not bid on any contract nor perform any work for which a licensed contractor is required. A contractor who elects inactive status must pay all renewal fees, but is not required to submit financial information to the Board. A contractor who is on inactive status may reactivate its license by making a request to the Board and providing the financial information required to renew as an active contractor. ~~Active duty service people who hold licenses are allowed additional time in inactive status if deployed outside the State of Arkansas. However, they must request additional time within 180 days of returning to the State.~~

224-25-15 UNIFORM 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) A ninety (90) day temporary license shall be issued upon the receipt of an application and application fee submitted by a Uniform 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. The temporary license may be extended as necessary upon the showing of good cause by the applicant.

(c) Any applicant who is a Uniform 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 Ark. Code. Ann. § 17-25-306.

(d) A license held by a Uniform Service Member or their spouse who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.

(e) A license held in inactive status by a Uniform Service Member or their spouse who is on deployment outside the State of Arkansas shall not expire until 180 days following their return to the State.

Rule For Act 725 of 2021

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224-25-15

(a) An applicant may receive a waiver of the initial licensure fee, if eligible. Eligible applicants are applicants who:

(1) Are applying as a Sole Proprietor; and

(2) Are receiving assistance through the Arkansas, or current state of residence equivalent, Medicaid Program, the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (SSNP), the Temporary Assistance for Needy Families Program (TEA), or the Lifeline Assistance Program (LAP); or

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

(4) 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, SNAP, SSNP, TEA, or LAP, documentation from the Arkansas Department of Human Services (DHS), or current state of residence equivalent agency; or

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

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

(c) Applicants shall attest that they are entitled to the fee waiver and that the documentation provided under (b) is a true and correct copy. Fraudulent or fraudulently obtained documentation shall be grounds for denial or revocation of license.

Rule Change on Criminal Background Checks

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224-25-3 LICENSE APPLICATIONS

(c)(1) At the time of application, an applicant shall complete the criminal back ground 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 Ark. Code Ann. § 17-2-102 or Ark. Code Ann. § 17-25-305(c) the applicant may request a waiver under Ark. Code Ann. § 17-3-102, ~~except those permanently disqualifying offenses found in Ark. Code Ann § 17-3-102(e).~~