

Explanatory Statement

The purpose of this rule change is to add the classification of “remodeler” to the possible classifications held by residential license holders. It came to the Committee’s attention that many cities were requiring a residential license for contractors to perform remodeling work. However, as Act 950 of 1999 did not require a license to perform remodeling work, many qualified remodeling contractors could not meet the experience requirements to obtain a full residential license. To meet the needs of the public, the construction industry and the cities of Arkansas, the Committee therefore adopted a “remodeler” classification. The classification is voluntary and, as far as complying with STATE law, is not required to be held to perform remodeling work. However, in the event a city or county requires a remodeling contractor to have a license, the Committee now has such a license to give.

CHANGES TO THE RESIDENTIAL REGULATIONS

224-25-5-5. INACTIVE STATUS

A holder of a Residential license Builder who is licensed may choose to become inactive in the State of Arkansas at the time of any renewal. A license holder Residential Builder who is inactive may not bid on any contract, pull any permit, nor perform any work for which a licensed Residential Builder is required. A license holder Residential Builder who elects inactive status must pay all renewal fees, but is not required to submit financial information to the Committee. A license holder Residential Builder 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 Residential Builder. A license holder Residential Builder may remain on inactive status for a period of time not to exceed six (6) consecutive years.

224-25-5-6. CLASSIFICATIONS & EXPERIENCE REQUIRED

(a) A contractor may be licensed in either of the following classifications: (1) Residential Building or (2) Residential Remodeler. A contractor holding a Residential Building class is authorized to work as a Residential Builder or a Residential Remodler. A contractor holding a Residential Remodeler class is not authorized to perform work requiring a Residential Building classification. Performing work outside of the appropriate classification may constitute a violation.

(b) Residential remodeling projects are not included within the definition of "Single Family Residence" as established by Ark. Code Ann. § 17-25-502(c). Under the provisions of Ark. Code Ann. § 17-25-501 et. seq. no license is required to perform residential remodeling.

This regulation does not place any obligation upon residential remodelers to obtain a license. However, the Committee acknowledges that many local governments have enacted ordinances requiring a Residential License in order to perform residential remodeling. Further, the Committee acknowledges that some individuals, while qualified through experience and training to perform residential remodeling work do not have the appropriate experience and/or training to obtain a Residential Building classification. In order to serve the public, the residential construction industry and local governments, the Committee has created the classification of "Residential Remodeler." It is not a violation of Ark. Code Ann. § 17-25-501 et. seq. nor of these Regulations to perform residential remodeling without a license from the Committee. However, the classification of "Residential Remodeler" is available to be obtained by a residential remodeler if the residential remodeler desires the same and meets the qualifications for obtaining the classification.

(c) ~~(a)~~ Residential Building.

(1) In order to show appropriate experience, qualifications and ability to perform in Residential Building, the following must be provided:

(A) ~~(1)~~ Proof of four (4) years of appropriate verifiable experience in the Building industry (commercial or residential) must be shown.

(B) ~~(2)~~ Two verifiable references on the forms prescribed by the Committee.

(C) ~~(3)~~ Compliance with all other state laws and regulations reasonably connected to the performance of residential building.

(2) ~~In addition, the~~ The Committee will take into consideration past performance, complaints, or violations of the law or regulations of the Committee and of the Contractors Licensing Board.

(d) Residential Remodeler.

(1) In order to show appropriate experience, qualifications and ability to perform residential remodeling, the following must be provided:

(A) Proof of two (2) years of appropriate verifiable experience in the remodeling industry (commercial or residential) must be shown.

(B) Two verifiable references on the forms prescribed by the Committee.

(C) Compliance with all other state laws and regulations reasonably connected to the performance of residential remodeling.

(2) The Committee will take into consideration past performance, complaints, or violations of the law or regulations of the Committee and of the Contractors Licensing Board.

(e) (b) A contractor holding a license from the Arkansas Contractors Licensing Board with the classification(s) of Building (B) or Light Building (LB) is considered to be qualified to perform Residential Building. However, a Residential Building class must be requested in writing prior to performing the work.

224-25-5-7. EXAMINATION REQUIRED

Unless exempted by the provisions of Ark. Code Ann. § 17-25-509, no person or entity shall be licensed ~~as a Residential Builder~~ by the Committee unless the individual, or a qualifying party for an entity, has passed the written examination required by the Committee.

224-25-5-10. COMPLAINTS & INVESTIGATIONS

(a) The purpose of the complaints procedure is to effectively deal with issues affecting the licensure of ~~Residential Builders~~ licensees. The complaints procedure is not intended to function as a dispute resolution process or a code enforcement process. Any complaint registered with the Committee 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.

(b) The Committee may delegate to the administrator/investigator the authority to obtain ~~Residential—Builder~~ licensee compliance as may be necessary. The administrator/investigator will conduct all investigations in such a manner that would be complimentary to the Licensing Law for Residential Builders.

224-25-5-11. HEARINGS & APPEALS

(c) The Committee shall have the power to revoke or suspend the ~~Residential Builder's~~ license of any licensee Residential Builder who:

(3) Is guilty of gross negligence, incompetence, or misconduct in the conduct of the ~~residential builder's~~ licensee's business.

224-25-5-13. DEFINITIONS

(e) Residential Remodeling: Any construction on a single-family residence involving structural changes, improvements, repairs or additions.