



STATE OF ARKANSAS
OFFICE OF THE ATTORNEY GENERAL
JUSTICE BUILDING, LITTLE ROCK 72201

(501) 371-2007

STEVE CLARK
ATTORNEY GENERAL

OPINION NO. 86-15

January 24, 1986

Mr. Howard Williams, Administrator
Contractors Licensing Board
621 East Capitol
Little Rock, AR 72202

Dear Mr. Williams:

This letter is in response to your recent request for an opinion regarding Opinion 81-174.

Your questions are as follows:

1. Opinion 81-174 states an owner would not need a contractor's license to construct its own project, however, what percent of ownership would constitute one as being the owner of a project and if the owner received any type of fee, would this make any difference in the decision.
2. If an owner is not required to have a license to construct its own project and the project was sold to another entity before completion, would this constitute a violation.

The question presented in Opinion 81-174 was whether an owner could construct his own building without a contractor's license. That opinion stated that if the owner did not receive a fixed price, commission, fee or wage for the contracting work he performed, a license would not be required. Therefore, the opinion did not give carte blanche clearance for an owner to build his own building without a license, rather, it conditioned the work by an unlicensed owner upon whether he received some form of compensation for that work. Hence, it would appear that a party, whether he owned some fractional portion or the entirety of a project, would be required to be licensed by this Board if he received compensation for his work as set forth in Ark. Stat. Ann. §71-701.

In response to your question No. 2, the issue turns on whether the owner received the compensation as set forth in

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the Act and issue is dependent on facts which are not set forth in the opinion request. Therefore, we are unable to answer this question as this time.

The foregoing opinion, which I hereby approve, was prepared by Assistant Attorney Thomas S. Gay.

Sincerely,



STEVE CLARK
Attorney General

JSC:TSG:jk