

Offered: 4/3/84
Referred: Finance

Original sponsor: Furnace

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE HOUSE

2

CS FOR HOUSE BILL NO. 610 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to construction contractors; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 08.18.011 is amended by adding a new subsection to
10 read:

11 (b) A general contractor may not allow a person required to be
12 registered under this chapter to begin work for the general contractor
13 as a specialty contractor unless the person is registered under this
14 chapter.

15 * Sec. 2. AS 08.18.031 is amended by adding a new subsection to read:

16 (b) The commissioner may not issue a certificate of registration
17 or renew the registration of an applicant whose registration has been
18 revoked or suspended or against whom a fine has been imposed under
19 this chapter until the period of revocation or suspension has expired
20 and any fine has been paid.

21 * Sec. 3. AS 08.18.051 is amended to read:

22 Sec. 08.18.051. IDENTIFICATION REQUIREMENTS [REGISTERED NAME].

23 (a) Except as provided otherwise by [STATE] law, a [NO] person who
24 has registered under one name as required by this chapter may not act
25 in the capacity of a contractor under any other name unless that name
26 also is registered.

27 (b) All advertising, contracts, correspondence, cards, signs,
28 posters, papers and documents prepared by a contractor for the
29 contracting business shall [WHICH] show the contractor's name, mailing

1 [AND] address, and address of the contractor's principal place of
2 business. Advertising and contracts shall also include the
3 contractor's registration number [SHALL SHOW THE NAME AND ADDRESS AS
4 REGISTERED UNDER THIS CHAPTER].

5 (c) Individual contractors and partners, associates, agents,
6 salesmen, solicitors, officers and employees of contractors shall use
7 their true names and addresses at all times while acting in the capac-
8 ity of a contractor or performing related activities.

9 * Sec. 4. AS 08.18.071(b) is amended to read:

10 (b) If the applicant is a general contractor the amount of the
11 bond shall be \$10,000 [\$5,000]; if the applicant is a specialty con-
12 tractor the amount of the bond shall be \$5,000 [\$2,000]. In lieu of
13 the surety bond the applicant may file with the commissioner a cash
14 deposit or other negotiable security acceptable to the commissioner
15 [OF COMMERCE] in the amount specified for bonds.

16 * Sec. 5. AS 08.18 is amended by adding a new section to Article 3 to
17 read:

18 Sec. 08.18.120. INVESTIGATIONS AND ISSUANCE OF CITATIONS. (a)
19 The department shall provide investigative services to enforce the
20 provisions of this chapter. A peace officer or an employee of the
21 department designated by the commissioner to conduct investigations
22 under this subsection may issue a citation for a violation of this
23 chapter. The provisions of AS 12.25.200 - 12.25.230 apply to the
24 issuance of a citation under this subsection. Each day a violation
25 continues after a citation for the violation has been issued consti-
26 tutes a separate violation.

27 (b) The supreme court shall establish a schedule of bail amounts
28 for violations of this chapter, but in no event may the bail amount
29 exceed the maximum fine that may be imposed for the violation. The

1 bail amount for a violation shall appear on the citation.

2 (c) A person cited for a violation under this section may,
3 within 15 days after the date of the citation, mail or personally
4 deliver to the clerk of the court in which the citation is filed

5 (1) the amount of bail indicated on the citation for that
6 violation; and

7 (2) a copy of the citation indicating that the right to an
8 appearance is waived, a plea of no contest is entered, and the bail is
9 forfeited.

10 (d) When bail has been forfeited under (c) of this section, a
11 judgment of conviction shall be entered. Forfeiture of bail is a
12 complete satisfaction for the violation. The clerk of the court
13 accepting the bail shall provide the violator with a receipt stating
14 that fact.

15 (e) If the person cited fails to pay the bail amount established
16 under (b) of this section or to appear in court as required, the
17 citation is considered a summons for a misdemeanor.

18 * Sec. 6. AS 08.18.121(f) is amended to read:

19 (f) If the commissioner of labor or the commissioner of commerce
20 and economic development determines that a person is acting as a
21 contractor in violation of this chapter, the commissioner shall give
22 written notice prohibiting further action by the person as a contrac-
23 tor. The prohibition continues until the person has submitted evi-
24 dence acceptable to the commissioner [OF LABOR] showing that the
25 violation has been corrected.

26 * Sec. 7. AS 08.18.121(g) is amended to read:

27 (g) A person affected by an order issued under this chapter may
28 seek equitable relief preventing the commissioner of labor or the
29 commissioner of commerce and economic development from enforcing the

1 order.

2 * Sec. 8. AS 08.18.131 is amended to read:

3 Sec. 08.18.131. INJUNCTION. In an action instituted in the
4 superior court by the commissioner of commerce and economic develop-
5 ment or the commissioner of labor [OR THE COMMISSIONER'S REPRESENTA-
6 TIVE], a person acting in the capacity of a contractor in violation of
7 this chapter may be enjoined from doing so. In addition to other
8 relief, a civil penalty not to exceed \$250 may be imposed for each
9 violation. Each day that an unlawful act continues constitutes a
10 separate violation.

11 * Sec. 9. AS 08.18.141 is amended to read:

12 Sec. 08.18.141. MISDEMEANOR. A person acting in the capacity of
13 a contractor in violation of this chapter is guilty of a class A
14 misdeemeanor.

15 * Sec. 10. AS 08.18 is amended by adding a new section to read:

16 Sec. 08.18.163. PROHIBITION ON STATE LOANS. A state agency,
17 corporation, or authority may not lend money for construction of a
18 project or building that is constructed in violation of AS 08.18.011.
19 The state agency, corporation, or authority shall make reasonable
20 efforts to determine whether construction is proceeding in accordance
21 with AS 08.18.011 before releasing money under a construction loan.

22 * Sec. 11. AS 08.18.171 is amended by adding a new paragraph to read:

23 (4) "department" means the Department of Commerce and
24 Economic Development.

25 * Sec. 12. Sections 1, 2 and 4 - 11 of this Act take effect July 1,
26 1984.

27 * Sec. 13. Section 3 of this Act takes effect July 1, 1985.