



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature
Second Regular Session

HB 2077: ROC; contractors; licensing; administrative decisions

Sponsor: Representative Hendrix, LD 14

Committee on Commerce

Overview

Revises Registrar of Contractors (ROC) statutes relating to licensing and administrative decisions. Expands the list of individuals who qualify for an agency license fee waiver.

History

Established in 1931, the ROC licenses and regulates residential and commercial contractors. The ROC also investigates complaints against contractors and is authorized to suspend or revoke a license, conduct hearings, issue citations and assess civil penalties.

The ROC administers the Residential Contractors' Recovery Fund (Fund) for the benefit of a claimant damaged by an act, representation, transaction or conduct of a licensed residential contractor that is in violation of statutory rules or regulations relating to contractors ([Title 32, Chapter 10, A.R.S.](#)).

If a contractor license has been revoked or suspended as a result of an order to remedy a violation, the ROC may order payment from the Fund to remedy the violation. A contractor may contest the amount or propriety of the payment by requesting a hearing to determine such amount or propriety ([A.R.S. § 32-1133.01](#)).

An agency must serve notice of an appealable agency action or contested case. A party may obtain a hearing on an appealable agency action or contested case by filing a notice of appeal or request for a hearing with the agency within 30 days after receiving the notice. The agency must notify the Office of Administrative Hearings (OAH) of the appeal or request for a hearing and OAH must schedule a hearing. An administrative law judge (ALJ) of OAH must issue a written decision within 20 days after the hearing is concluded. Within 30 days after the date OAH sends a copy of the decision to the agency head, the agency head may review the decision and accept, reject or modify it. The agency head's decision is the final administrative decision with outlined exceptions. For any appealable agency action or contest case involving a licensing decision, the licensee may accept the ALJ's decision. If the licensee accepts the ALJ's decision, the decision must be certified as the final decision by OAH. The ability for a licensee to accept the ALJ's decision does not apply to any appealable agency actions of the Department of Water Resources ([A.R.S. §§ 41-1092.03](#) and [41-1092.08](#)).

Provisions

1. Removes the requirement for the ROC to:
 - a) publicly post a list of applicants seeking a contractor license on the ROC's website;
 - and

<input type="checkbox"/> Prop 105 (45 votes)	<input type="checkbox"/> Prop 108 (40 votes)	<input type="checkbox"/> Emergency (40 votes)	<input type="checkbox"/> Fiscal Note
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- b) furnish copies of the posted list of applicants seeking a contractor license on written request. (Sec. 1)
- 2. Specifies the contractor requesting a hearing relating to contesting payments from the Fund bears the burden of proof at the hearing. (Sec. 2)
- 3. Repeals statute relating to maintaining a list of unlicensed contractors. (Sec. 3)
- 4. Clarifies the ROC may not issue a new license to *any person that is named on a revoked license* for one year. (Sec. 4)
- 5. Includes the following individuals to the list of persons who receive a fee waiver for an initial agency license:
 - a) an active duty military service member who is within one year of discharge; and
 - b) an active member of the military reserve forces. (Sec. 5)
- 6. Exempts appealable agency actions of the ROC from statutory provision relating to permitting a licensee to accept an administrative law judge's written decision. (Sec. 6)
- 7. Makes technical changes. (Sec. 1, 4)