

REFERENCE TITLE: residential contractor assessments; recovery fund

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1087

Introduced by
Senator Hoffman: Representative Keshel

AN ACT

AMENDING SECTION 32-1126, ARIZONA REVISED STATUTES; RELATING TO
CONTRACTORS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-1126, Arizona Revised Statutes, is amended to
3 read:

4 32-1126. Fees

5 A. The license fees prescribed by this chapter are as follows:

6 1. Application and license fees for an original biennial license:

7 (a) For general residential contracting and subclassifications of
8 general residential contracting, not more than \$500.

9 (b) For general commercial contracting and subclassifications of
10 general commercial contracting, not more than \$1,500.

11 (c) For general dual licensed contracting, not more than \$2,000.

12 (d) For specialty residential contracting, not more than \$350.

13 (e) For specialty commercial contracting, not more than \$1,000.

14 (f) For specialty dual licensed contracting, not more than \$1,350.

15 2. Biennial license renewal ~~fee~~ FEES:

16 (a) For general residential contracting and subclassifications of
17 general residential contracting, not more than \$320.

18 (b) For general commercial contracting and subclassifications of
19 general commercial contracting, not more than \$1,000.

20 (c) For general dual licensed contracting, not more than \$1,320.

21 (d) For specialty residential contracting, not more than \$270.

22 (e) For specialty commercial contracting, not more than \$900.

23 (f) For specialty dual licensed contracting, not more than \$1,170.

24 B. The fee for an annual license renewal granted pursuant to
25 section 32-1123.01 is one-half of the biennial license renewal fee.

26 C. The registrar may establish reasonable fees for services
27 performed by the registrar relating to reexaminations, processing of
28 applications, changes of qualifying party and approval of name changes on
29 licenses.

30 D. The penalty for failure to apply for renewal of a license within
31 the time prescribed by this chapter is \$50.

32 E. The registrar may establish a separate fee for examination.

33 F. The registrar may contract with private testing services to
34 establish and administer such examinations and may authorize the payment
35 of the examination fee to the private testing service.

36 G. Except as provided in section 32-1152, subsection C AND
37 SUBSECTION H OF THIS SECTION, a person applying for a contractor license
38 or for renewal of a contractor license to engage in residential
39 contracting shall pay an assessment of ~~not more than \$600~~ \$370 FOR AN
40 INITIAL LICENSE AND \$270 FOR LICENSE RENEWAL during the biennial license
41 period for deposit in the residential contractors' recovery fund
42 established by section 32-1132. If the registrar does not issue the
43 license, the assessment shall be returned to the applicant.

1 H. IF AT THE END OF A FISCAL YEAR THE AMOUNT OF MONIES IN THE
2 RESIDENTIAL CONTRACTORS' RECOVERY FUND ESTABLISHED BY SECTION 32-1132
3 EXCEEDS \$15,000,000, THE ASSESSMENTS PRESCRIBED IN SUBSECTION G OF THIS
4 SECTION SHALL BE REDUCED BY FIFTY PERCENT UNTIL THE AMOUNT OF MONIES IN
5 THE RESIDENTIAL CONTRACTORS' RECOVERY FUND AT THE END OF A SUBSEQUENT
6 FISCAL YEAR IS LESS THAN \$10,000,000. AT THAT TIME THE ASSESSMENTS SHALL
7 BE REINSTATED TO THE FULL AMOUNTS PRESCRIBED IN SUBSECTION G OF THIS
8 SECTION.