



## **CASH DEPOSIT REQUIREMENTS FOR CONTRACTORS**

### **INFORMATION BULLETIN NO. 134**

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City Planning & Development – Development Services

City of Kansas City, Missouri

<http://www.kcmo.org/codes/>

The City of Kansas City, Missouri, Building and Rehabilitation Code (KCBRC, Chapter 18, Code of Ordinances) requires certain types of contractors to place a cash deposit with the director of the Finance Department. Should the contractor in any event fail to pay bills rendered by the City for any obligation, permit, service, or material, the amount of such bills shall be deducted from the deposit. Failure of the contractor to pay such bills or to maintain the deposit in the full amount required shall be cause for denial of further permits.

These types of contractors are required by section 18-327 of the KCBRC to post a \$500.00 cash deposit prior to seeking a license, and may be required to post up to an additional \$50,000.00 to satisfy the requirements of Water Services and Public Works:

- Fire protection contractor class I
- Fire protection contractor class II
- Plumbing contractor

Certain other contractors (including, but not limited to, general contractors, residential building, demolition, and electrical contractors) performing excavation and/or utility work in the public right-of-way may also be required to post a \$500.00 to \$2,500.00 cash deposit and/or a \$50,000.00 bond to satisfy the requirements of Water Services and Public Works, although it is not currently a condition of their obtaining trades licensure. Questions concerning when the additional deposit amounts are required should be directed to the Public Works Department at (816) 513-2574.

Once a deposit is posted, it remains on file and is tapped by the City and its departments as the need arises. If the deposit falls below the prescribed minimum at any time, the contractor shall be required to post an additional amount to return the balance to the minimum level required to satisfy all affected departments. No deposit shall be refunded, in whole or in part, until the individual or contractor originally posting that deposit has provided the City Planning & Development, Development Services evidence of either the closure or sale of that business or the contractor's intent to permanently discontinue performing tradeswork in Kansas City, Missouri; has furnished a written request for the refund thereof; and has been cleared by all affected departments.

For information on posting the required deposit, contact the Finance Department at (816) 513-1144 or (816) 513-1145.