## **DIGEST**

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HB 971 Original

2022 Regular Session

Romero

**Abstract:** Changes the definition of "home improvement contracting" to only include projects above \$7,500 and not greater than \$50,000.

<u>Present law</u> defines "home improvement contracting" as the construction or other creation of an addition to a pre-existing residential building or dwelling unit or to structures adjacent to such residence or building.

<u>Proposed law</u> retains <u>present law</u> and adds that a project is required to be greater than \$7,500 but not more than \$50,000 in order to qualify as home improvement contracting. <u>Present law</u> defines the term "home improvement contractor" to mean any person, including a contractor or subcontractor, who engages, or attempts to engage, in home improvement contracting.

<u>Proposed law</u> retains the definition but changes the term <u>from</u> "home improvement contractor" <u>to</u> "home improvement registrant". Further, <u>proposed law</u> changes references found in <u>present law</u> to such term.

<u>Present law</u> authorizes any home improvement contractor to complete any contracts in which he entered prior to Oct. 1, 2007 that are valued in excess of \$75,000 without obtaining a residential contractor's license, but requires such persons to obtain a residential contractor's license prior to entering home improvement contracts valued in excess of \$75,000 and entered into after Oct. 1, 2007.

<u>Proposed law retains present law</u> but lowers the threshold for residential contractor licensure  $\underline{\text{from}}$  \$75,000  $\underline{\text{to}}$  \$50,000.

<u>Proposed law</u> authorizes any home improvement registrant to complete any contracts into which he entered prior to Aug. 1, 2022, that are valued in excess of \$50,000 without obtaining a residential contractor's license, but requires such persons to obtain a residential contractor's license prior to entering home improvement contracts valued in excess of \$50,000 and entered into after Aug. 1, 2022.

(Amends R.S. 37:2150.1(intro. para.), (7), and (8), 2171.2(B), 2175.1(A)(intro. para.), (2), and (7), (B), and (D)(1) and (2), 2175.2(A), (B)(intro. para.) and (3), and (D), 2175.3(A)(2), (3), (6), (7), and (10), 2175.4(B) and (C), 2175.5(A)(5), and 2175.6)