

SENATE CONCURRENT RESOLUTION NO. 4

BY SENATOR CATHEY

A CONCURRENT RESOLUTION

To repeal Louisiana State Licensing Board for Contractors rules, LAC 46:XXIX.503 and 505, which generally require any corporation, partnership, individual, or contractor undertaking certain construction of residential buildings or structures to obtain a specialty classification license or subcontract-labor-only license; to direct the office of the state register to print the notice of the repeal in the Louisiana Administrative Code; and to provide for related matters.

WHEREAS, LAC 46:XXIX.503 requires a corporation, partnership, individual, or contractor to obtain a specialty classification license to undertake or oversee the construction of each of the following works on residential buildings and structures, when the value of work performed exceeds seven thousand five hundred dollars, including labor and materials:

- (1) Residential Pile Driving
- (2) Residential Foundations
- (3) Residential Framing
- (4) Residential Roofing
- (5) Residential Masonry/Stucco; and

WHEREAS, licensure for each of the aforementioned specialty classifications requires the applicant to do all of the following:

- (1) Successfully complete the business and law examination.
- (2) Successfully complete the trade examination for the respective specialty classification.
- (3) Provide proof of current general liability and workers' compensation insurance coverage as prescribed by the board; and

WHEREAS, a contractor seeking to obtain a specialty classification license is required, in addition to all other application and licensing requirements, to do the following:

(1) Designate a qualifying party to successfully pass both the open-book business and law examination and respective trade examination.

(2) Provide proof of current general liability and workers' compensation insurance coverage as prescribed by the board; and

WHEREAS, LAC 46:XXIX.505 authorizes a subcontractor who provides "labor only" and works under the direct supervision of a licensed residential building contractor to obtain a subcontract-labor-only specialty classification license in lieu of the specialty classification license required in LAC 46:XXIX.503; and

WHEREAS, a subcontractor seeking to obtain a subcontract-labor-only specialty classification license may be exempt from the trade examination requirement, if the subcontractor does all of the following:

(1) Completes and submits a residential application as prescribed by the board.

(2) Submits an affidavit executed by a licensed residential building contractor attesting to the subcontractor's quality of work and character.

(3) Completes the business and law examination.

(4) Provides proof of current general liability and workers' compensation insurance coverage as prescribed by the board; and

WHEREAS, some citizens of this state believe the construction industry is one of the few remaining industries affording opportunities for workers to learn a trade and earn a living without the expense of a higher education; and

WHEREAS, generally, stakeholders are concerned that specialty classification licensing requirements of the board serve to adversely affect the self-employed contractor and subcontractor, and thus the rules should be repealed; and

WHEREAS, R.S. 49:969 authorizes the legislature, by concurrent resolution, to suspend, amend, or repeal any rule adopted by a state department, agency, board, or commission.

THEREFORE, BE IT RESOLVED by the Legislature of Louisiana that LAC 46:XXIX.503 and 505 are hereby repealed in their entirety.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the office of the state register and the Louisiana State Licensing Board for Contractors.

BE IT FURTHER RESOLVED that the office of the state register is hereby directed to have the repeal of LAC 46:XXIX.503 and 505 printed and incorporated into the Louisiana Administrative Code and to transmit a copy of the revised rules to the Louisiana State Licensing Board for Contractors.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES