

RÉSUMÉ DIGEST

ACT 178 (SB 392)

2024 Regular Session

Abraham

Existing law provides for functions and duties of the State Licensing Board for Contractors (board), including licensure of persons performing contracting services.

Prior law defined "contractor" as any person who undertakes to, attempts to, or submits a price or bid or offers to construct, supervise, superintend, oversee, direct, or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, furnishing labor, or furnishing labor together with material or equipment, or installing material or equipment for any new residential structure where the entire cost is \$75,000 or more when the property is used for residential or any improvements or repairs where the entire cost exceeds \$7,500 to an existing residential structure.

New law retains prior law except changes the entire cost for a new residential structure from \$75,000 to \$50,000.

Prior law defined "home improvement contracting" as the reconstruction, alteration, renovation, repair, modernization, conversion, improvement, removal, or demolition, or the construction of an addition to any preexisting residential structure which building is used or designed to be used as a residence or dwelling unit, or to structures which are adjacent to such residence or building where the project value exceeds \$7,500 but is not greater than \$75,000.

New law retains prior law except provides that the project value for home improvement contracting is \$7,500 or more but less than \$50,000. New law provides that "home improvement contracting" shall not include the performance of any structural work that is integral to the structural integrity of any new or existing structure, including but not limited to footings, foundation, outside walls, skeleton, bearing columns and interior load bearing walls, and floor slabs.

Prior law defined a "residential contractor" as any person who constructs a fixed building or structure for sale or use by another as a residence or who, for a price, commission, fee, wage, or other compensation, undertakes or offers to undertake the construction or superintending of the construction of any residential structure which is not more than three floors in height, to be used by another as residence, when the cost of the undertaking exceeds \$75,000. Further provides that a "residential contractor" means any person performing home improvements when the cost of the undertaking exceeds \$75,000.

New law retains prior law except changes the cost of undertaking the construction of a residential structure from \$75,000 to \$50,000 or greater and changes the cost of undertaking home improvements from exceeding \$75,000 to exceeding \$7,500.

Existing law provides for exemptions to the provisions of laws governing contractors.

New law adds an exemption for any person performing work as a subcontractor for a residential construction license holder or building construction license holder, except for electrical, mechanical, plumbing, mold remediation, asbestos, or hazardous materials scopes of work.

Prior law provided that every home improvement work performed by a licensee for home improvement contracting services in an amount in excess of \$7,500 but not in excess of \$75,000 shall be in writing.

New law provides that every home improvement work performed by a licensee for home improvement contracting services in an amount of \$7,500 but not less than \$50,000 shall be in writing.

Prior law provided that any licensee performing construction management work in which the value of the construction project is in excess of \$50,000, for commercial construction projects, shall possess a license from the board in the major classification applicable to the type of work being performed on the construction project.

New law retains prior law except changes the value of the construction project to \$50,000 or more.

Prior law provided that any licensee performing construction management work in which the value of the construction project is in excess of \$75,000, for residential construction, shall for a residential construction project, possess a residential construction license.

New law retains prior law except changes the value of the construction project from in excess of \$75,000 to \$50,000 or more.

Prior law provided that any licensee performing construction management work in which the value of the home improvement project is in excess of \$7,500, for home improvement projects, shall possess a home improvement license.

New law retains prior law except changes the value of the home improvement project to \$7,500 or more.

Effective August 1, 2024.

(Amends R.S. 37:2150.1(4)(a)(ii), (8), (15), 2159(A)(intro para), and 2161(A); adds R.S. 37:2157(A)(18) and (19))