The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Xavier I. Alexander.

DIGEST 2024 Regular Session

SB 392 Original

Abraham

<u>Present law</u> provides for functions and duties of the State Licensing Board for Contractors (board), including licensure of persons performing contracting services.

<u>Present law</u> defines "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.

<u>Proposed law retains present law except changes the entire cost for a new residential structure from \$75,000 to \$50,000 and changes the cost for any improvements or repairs for a residential structure from \$7,500 to \$10,000.</u>

<u>Present law</u> defines "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.

<u>Proposed law</u> retains <u>present law</u> except provides that the project value for home improvement contracting exceeds \$10,000 but is not greater than \$50,000. Further prohibits home improvement contracting from performing any structural work defined as any portion of a building that is integral to the integrity of the building as an existing enclosed unit and shall include footings, foundation, outside walls, skeleton, bearing columns and interior load bearing walls, floor slabs, roof and roofing system, except by a licensed residential contractor or person performing home improvement work as a building construction license.

<u>Proposed law</u> defines 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.

Proposed law retains present law except changes the cost of the undertaking for constructing an

residential structure $\underline{\text{from}}$ \$75,000 $\underline{\text{to}}$ \$50,000. Further changes the cost of the undertaking for home improvements $\underline{\text{from}}$ \$75,000 $\underline{\text{to}}$ \$50,000.

Proposed law defines the term "structural".

<u>Present law</u> provides 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.

<u>Proposed law</u> provides that every home improvement work performed by a licensee for home improvement contracting services in an amount in excess of \$10,000 but not in excess of \$50,000 shall be in writing.

<u>Present law</u> provides 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.

<u>Proposed law</u> retains <u>present law</u> except changes the value of it in the construction project <u>from</u> \$75,000 to \$50,000.

<u>Present law</u> provides 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.

<u>Proposed law</u> retains <u>present law</u> except changes the value of the home improvement project <u>from</u> \$7,500 to \$10,000.

Effective August 1, 2024.

(Amends R.S. 37:2150.1(4)(a)(ii) and (iii), (8), (15), (17) and (18), 2159(A)(intro para), and 2161(A)(2) and (3); adds R.S. 37:2150.1(19))