
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 326 Original

DIGEST
2026 Regular Session

Abraham

Present law provides relative to the State Licensing Board for Contractors (board) and the regulation of contractors.

Present law provides for definitions.

Proposed law retains present law and defines the terms "commercial construction", "dwelling unit", "manufactured home" and "manufactured housing", and "modular home" and "modular housing".

Present law provides that board meetings shall be subject to the Open Meetings Law and allows the board to hold meetings outside of Baton Rouge at a location within the state, in a public building and open to the public. At least a majority of the regular monthly meetings of the board each year shall be held in Baton Rouge.

Proposed law retains present law, except removes the ability to have meetings outside of Baton Rouge.

Present law prohibits the residential subcommittee from approving any continuing education courses or written training programs for use by licensees that are provided by a member of the residential subcommittee or legal entity in which the member has a controlling interest.

Proposed law retains present law and further prohibits approving any continuing education courses or written training programs for use by licensees that are provided by a board member.

Present law requires that certain funds collected from license renewal fees, be distributed annually to accredited public university or community college construction management or construction technology programs after completion of the boards annual audit.

Proposed law retains present law, except allows the board to retain 4% of the funds as an administrative fee.

Present law prohibits a contractor from paying any additional fees or obtaining any additional license, except for licenses, fees, assessments, occupational license taxes, local inspection permit fees, and certain parish or municipal competency licenses for mechanical or plumbing contractors.

Proposed law retains present law and adds electrical contractors to the exemption.

Present law requires an applicant for a contractor's license or registration to submit a financial statement on a form supplied by the board, dated within 12 months of the application, prepared and signed by an accountant, bookkeeper, or certified public accountant, or in lieu thereof a current financial statement prepared by a certified accountant, and signed by the applicant attesting to its accuracy.

Proposed law retains present law and provides that a qualified party submit a financial statement and requires the applicant and qualified party be a citizen or legal resident of the U.S.

Present law requires an applicant for licensure to designate a qualifying party for each classification and for the business law requirement.

Proposed law retains present law and further requires the board to be notified within 30 days of the disassociation from the qualifying party designated in the application. Provides for the designation of a new qualifying party within 60 days.

Present law requires applicants for residential construction, related subclassifications, mold remediation, and home improvement licenses to prove proof of workers' compensation coverage and at least \$100,000 in liability insurance or equivalent liability protection through an authorized liability trust fund.

Proposed law retains present law except increases the amount of liability insurance from \$100,000 to \$500,000.

Proposed law requires that proof of insurance containing certain information be submitted by the applicant's insurance agent, broker, or insurer. Provides that the coverage be for a minimum of six months and include all scopes of work for which the applicant is licensed.

Present law requires a licensee to provide written notification to the board within 30 days of any criminal, civil, or administrative actions instituted or pending in any jurisdiction against or involving the licensee or any principal of the license.

Proposed law retains present law and further requires any qualifying party to provide written notification to the board within 30 days of any criminal, civil, or administrative actions.

Proposed law requires any building used in whole or in part for residential purposes to use a residential roofing contractor or residential contractor.

Present law exempts persons performing home improvement work and persons licensed as a building construction contractor or residential contractor from home improvement licensure.

Proposed law retains present law exemption for residential contractors and removes exemption for building construction contractors from home improvement licensure.

Present law allows the board and residential subcommittee to revoke, suspend, or refuse to renew

a license, issue cease and desist orders to stop work, issue fines and penalties, or debar any person licensed pursuant to the provision of present law for specific reasons.

Proposed law retains present law and authorizes the board and residential subcommittee to revoke, suspend, or refuse to renew a license, issue cease and desist orders to stop work, issue fines and penalties, or debar any person licensed for failing to comply with any state or local laws or ordinances regarding digging or underground work, including mapping of underground utilities prior to beginning work.

Present law provides that a licensee or qualifying party applying for a license or status after the three years shall be ineligible to apply for a license or qualifying party status for three years following a revocation of a license or a qualifying party status.

Proposed law retains present law and requires a licensee or qualifying party to appear before the board for approval of the issuance of a license or status.

Proposed law exempts all documents, records, and investigative material of any applicant or licensee regarding an alleged violation or violations from production under the Public Records Law, except for evidence in an administrative hearing.

Present law prohibits a contractor from entering into an agreement to perform repairs or construction without providing a good faith estimate of itemized and detailed costs of services and materials for repairs undertaken to a property damage claim. Further provides that contractors are responsible for violations committed by employees or other persons working on the contractor's behalf. A contractor does not violate present law if the final repair costs differ from the initial estimate due to the insurer's adjustment of the claim.

Proposed law retains present law except prohibits a contractor from entering into an agreement to perform remediation prior to and without first providing a good faith estimate of itemized and detailed costs of services and materials for repairs undertaken to a property damage claim.

Present law provides that any person who violates present law is subject to a fine of up to 10 percent of the total contract amount or the value of the work involved in the violation. Allows the board to assess administrative costs and attorney fees for each offense. Further, provides that in determining the penalty and costs, the board or residential subcommittee must consider the seriousness of the violation, the contractor's cooperation, and the contractor's prior violation history.

Proposed law retains present law and requires the board or residential subcommittee to consider the staff's investigative and enforcement efforts in determining the penalty and costs.

Present law provides that monetary penalties assessed by the board or residential subcommittee shall be paid within 90 days. Further provides that failure to pay may result in denial of issuance or renewal of a license or registration and may be subject to lawful collection efforts.

Proposed law retains present law and adds that failure to pay may result in suspension of license.

Present law requires all fines and penalties collected by the board for violations of present law be transferred annually, following the boards audit, to the Construction Educational Trust Fund.

Proposed law retains present law, except allows the board to retain four percent of the fines and penalties collected as an administrative fee.

Effective August 1, 2026.

(Amends R.S. 37:2150.1(3)-(24), 2152(A)(2), 2155(G)(3), 2156(K)(3), (M), and (N), 2156.1(B)(1), (D)(1), and (E), 2156.2(B)(2), 2157(A)(15)(b) and (18), 2158(C), 2159.1(3), and 2164(A), (B), and (I); adds R.S. 37:2150.1(25)-(28), 2156.4(D) and 2158(A)(24) and (G); repeals R.S. 37:2157(A)(19))