
DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 924 Original

2026 Regular Session

Glorioso

Abstract: Prohibits contractors from making directed communications to homeowners or occupants during a period following a declared emergency and promising or implying that a homeowner or occupant will receive insurance payouts, or offer certain inducements to homeowners or occupants. Contractors must provide certain written disclosures to homeowners before contracting for work during a period following a declared emergency. Prohibits contractors from lending their licenses to others or having others make such directed communications on their behalf.

Present law provides for when an owner of residential property who enters into a disaster repair contract may cancel the contract within 10 days of entering into it.

Proposed law adds that each disaster repair contract shall include a notice of the owner's right to cancel under this Subsection, and that failure to include that notice shall extend the cancellation period to 30 days.

Present law provides for violations for which the Louisiana State Licensing Board for Contractors may revoke or suspend a license, issue cease and desist orders to stop work, issue fines and penalties, or debar any licensed person.

Proposed law adds the soliciting, receiving, or agreeing to receive, directly or indirectly, any money, fee, commission, thing of value, or other compensation in exchange for permitting a license, license number, classification, registration, or the name of a licensee or registrant to be used by any other person to the list of violations.

Proposed law provides definitions for "catastrophe response period", "direct solicitation", "disaster-related residential contracting services", "prohibited inducement", "license renting", and "license lending".

Proposed law provides that during the catastrophe response period, no person shall engage in direct solicitation at a residence for disaster-related residential contracting services unless that contact is initiated at the request of the residential property owner or occupant.

Proposed law provides that a contractor violates this provision of proposed law if any person working on behalf of the contractor, including but not limited to a compensated employee or a non-employee who is compensated by the contractor, violates this provision of proposed law.

Proposed law provides that no person offering disaster-related residential contracting services shall do any of the following:

- (1) Offer or provide a prohibited inducement.
- (2) Represent, state, or imply that a residential property owner or occupant will obtain insurance proceeds, will be approved for coverage, or is entitled to coverage for a particular scope of work, except that this Paragraph shall not prohibit advising the owner to contact the owner's insurer or licensed insurance professional.
- (3) Represent, state, or imply that the person will handle, negotiate, present, interpret, or adjust a property insurance claim on behalf of the insured, except as otherwise permitted by law and licensure.

Proposed law provides that prior to obtaining any signature on a disaster repair contract, and prior to accepting any deposit or consideration, a person offering disaster-related residential contracting services during the catastrophe response period shall provide the owner a written disclosure, in at least fourteen-point bold type, containing all of the following:

- (1) The name of the contractor, the contractor's license number or registration number, and any classifications.
- (2) A statement that the contractor is not a public adjuster and cannot interpret the insurance policy or advise the owner regarding coverage.
- (3) A statement that the owner is responsible for payment of any applicable deductible and that it may be unlawful for a contractor to waive, absorb, or offset a deductible.
- (4) A statement that the owner may cancel a disaster repair contract within ten days in accordance with R.S. 9:2784.1 and instructions for how to cancel.
- (5) Contact information for the Louisiana State Licensing Board for Contractors for license verification and complaint intake.

Proposed law provides that any contract entered into in violation of proposed law shall be voidable at the election of the residential property owner for a period of one year from execution.

Proposed law provides that rescission or voiding pursuant to proposed law shall result in all of the following:

- (1) Any payment made by the homeowner before cancellation shall be refunded promptly.
- (2) The contractor shall be entitled to payment only for documented emergency mitigation work requested by the owner and actually performed prior to cancellation, and for materials actually ordered or delivered prior to cancellation, along with reasonable overhead, provided

that such amounts are itemized and supported by documentation.

Proposed law provides that any purported waiver of the rights provided by proposed law shall be null, void, and unenforceable as against public policy.

Proposed law provides that in any disciplinary action alleging license renting, evidence that the licensee or registrant accepted compensation from another person in connection with that other person advertising, contracting, bidding, obtaining permits, or performing work using the licensee's or registrant's license number, classification, registration, or name shall create a rebuttable presumption of a violation of this Subsection.

Proposed law provides for rulemaking authority.

Proposed law provides that nothing in proposed law shall prohibit any of the following:

- (1) General advertising not directed to a specific residence or person.
- (2) Emergency mitigation work requested by a residential property owner or occupant.

Proposed law provides that for a violation of proposed law the Louisiana State Licensing Board for Contractors may impose a fine up to 10% of the total contract or value of the work, or \$5000 per violation, whichever is greater.

(Amends R.S. 37:2164(A); Adds R.S. 9:2784.1(B)(4), R.S. 37:2158(A)(8)(c), and R.S. 37:2159.2.)