The original instrument was prepared by Carla S. Roberts. The following digest, which does not constitute a part of the legislative instrument, was prepared by Mary Dozier O'Brien.

DIGEST

Murray (SB 627)

<u>Proposed law</u> provides that a home improvement contractor who is licensed pursuant to the provisions of R.S. 37:2175.2 and who meets all of the following criteria shall be exempt from the requirements of workers' compensation coverage:

- (1) Have no employees and employs no independent contractors or subcontractors.
- (2) Is not an officer or principal of any corporation, or a member or manager of any limited liability company, or a partner of any partnership or a principal of any firm engaged in home improvement contracting that employs independent contractors or subcontractors or that has any employees other than the home improvement contractor himself.
- (3) The licensed home improvement contractor has chosen to be exempt from workers' compensation coverage.

<u>Proposed law</u> provides that any home improvement contractor who avails himself of <u>proposed law</u>, who would otherwise be immune from a tort liability claim based upon the exclusive remedies provided for in workers' compensation, thereby waives any defense or immunity against any claim in tort which would otherwise be subject to the provisions of exclusive remedy in workers' compensation.

<u>Proposed law</u> provides that any person, who would otherwise be limited to the provisions of workers' compensation coverage, is authorized to pursue any and all claims against the licensed home improvement contractor in tort where such claims would otherwise be subject to the exclusive remedies of workers' compensation.

<u>Proposed law</u> provides that the provisions of <u>proposed law</u> shall not exempt or in any way apply to subcontractors or employees of any person, firm, partnership, or corporations engaged within a project under a principal contractor.

<u>Proposed law</u> provides that the provisions of <u>proposed law</u> shall require a Home Improvement Contractors' Coverage Exemption form to be completed, and submitted to the Louisiana State Licensing Board for Contractors upon application for licensing.

<u>Proposed law</u> provides that an affidavit reflecting the exemption from coverage shall be completed upon the application for any building permit and submitted to the local permits office, with a copy submitted to the Louisiana State Licensing Board for Contractors, before receiving a local building permit.

<u>Proposed law</u> provides that a home improvement contractor who is exempt from the requirements of workers' compensation must submit an affidavit to the local building permit official in order to obtain a building code permit.

Effective August 1, 2014.

(Amends R.S. 37:2171.2(B) and 2175.2(C); adds R.S. 23:1064)

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Labor and Industrial</u> <u>Relations to the original bill</u>

- 1. Clarifies that a sole practitioner may avail himself of the provisions of <u>proposed</u> <u>law</u> if he practices his home improvement contracting trade through a corporation, a limited liability company, or partnership.
- 2. Requires that a home improvement contractor who is exempt from the requirements of workers' compensation must submit an affidavit to the local building permit official in order to obtain a building code permit.

Senate Floor Amendments to reengrossed bill

1. Technical Legislative Bureau amendments.