

RÉSUMÉ DIGEST

ACT 371 (HB 273)

2019 Regular Session

Carmody

Prior law defined "commercial purpose" as any construction job except residential homes and attached homes with four or less units. New law retains this portion of the definition in prior law. Prior law further provided that a project that includes more than two residential homes in a subdivision shall be deemed a commercial undertaking. New law deletes prior law.

Prior law defined "contractor" as any person who does or offers to construct, supervise, superintend, oversee, direct, or take charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down, or furnishing labor, or furnishing labor together with material or equipment, or installing the same for any building, highway, road, railroad, sewer, grading, excavation, pipeline, public utility structure, project development, housing, or housing development, improvement, or any other construction undertaking of at least \$50,000 or more when the property is to be used for commercial purposes. New law retains this portion of prior law but changes the definition of "contractor" to reflect the changes to the definition of "commercial purpose" in new law.

Prior law defined "residential building contractor" to mean any corporation, partnership, or individual who constructs a fixed building or structure for sale or use by another residence who is paid to take on the construction or superintending of the construction of any building or structure, not more than three floors in height, to be used by another as a residence and exceeds the cost of \$75,000. New law changes the definition by also requiring that the structure has no more than four incorporated or attached dwelling units.

New law creates a definition for "cost of project" and defines the term to mean the value of all labor, materials, subcontractors, overhead, and supervision.

Existing law provides a procedure for the appointment of nineteen members to the State Licensing Board for Contractors (the board). The procedure set forth in prior law was for initial appointments to require the nominations to be submitted to the secretary of state. Prior law included antiquated dates by which the submissions would be made.

New law retains the number of members allotted to the board and the sources of the appointments. New law deletes antiquated dates and outdated procedures, and moves prior law so that the organizations that submit the nominees and the number of nominees presented are in a different location in existing law for easier readability.

Prior law provided for the officers of the board and specified that there would be a secretary-treasurer. New law breaks the position into two positions, creating both a secretary and a treasurer.

Prior law required that the board meet once a month in Baton Rouge and that the meeting notice be posted at the board office at least ten days in advance. New law adds a requirement that the notice be posted on the board's website.

New law requires that at least a majority of the regular monthly meetings of the board each year be held in Baton Rouge and that all meetings of the board shall be subject to the Open Meetings Law.

New law provides that the board may hold regular or special meetings outside of Baton Rouge, but within the state, after proper notice to the public has been given and if the meeting space is located in a public building and open to the public for the meeting.

Prior law required that a time period of sixty days must elapse after an out-of-state contractor applies for a license before the license is issued. New law allows the board to waive the sixty-day time period.

Prior law provided that if the board would like to hold a special meeting, that the chairman or vice chairman notify the members by registered mail or telegram at least three days before the meeting. New law deletes registered mail and telegram as means of notification and instead requires electronic notification.

New law clarifies the number of members required to constitute a quorum and conduct business. Prior law provided that 10 members constituted a quorum and new law adds that 10 is sufficient regardless of the total number of members appointed.

Prior law required the secretary-treasurer to furnish a bond, handle money, and register all applicants for licenses and their pertinent information in a register book, keeping a roster. New law splits the duties to require that the newly created treasurer furnish a bond and handle the finances and that the board administrator keep a roster online. New law deletes the requirement that a register book be maintained.

Prior law required the secretary-treasurer to keep minutes of the meetings and make them available to members and to the public within 21 days of the meeting. New law gives the responsibility to the secretary and provides that meeting minutes shall be prepared and made available when they are adopted at the next meeting, removing the 21 day time period.

Prior law required that a list of applicants for licensure be mailed to each member of the board. New law deletes the mailing requirement and instead requires the executive director of the board to transmit the list of applicants.

Prior law required each applicant to furnish a financial statement to the board that had been prepared by an independent auditor. New law deletes the requirement that an auditor prepare the records, instead allowing that an accountant, bookkeeper, or certified public accountant may prepare them. New law further requires that the applicant sign the financial statement before a notary public to attest to its correctness.

Existing law requires every applicant for licensure to designate a qualifying party as his legal representative. Prior law required the qualifying party to complete an application. New law further requires the qualifying party to pass an examination.

Prior law set out a list of qualifying parties including: any individual contractor or copartner, an employee of an applicant, or any stockholder of a corporation where the applicant was an original incorporator or original stockholder. New law deletes individual contractor or copartner and adds sole proprietor or spouse or a sole proprietor, any partner of a partnership, and any member or manager of an LLC.

Prior law provided that the state examination preempted any local examination for licensure. New law deletes the requirement that the board prepare and maintain a list of local examinations.

Prior law required the board to waive examination and grant a mechanical contractor or an electrical contractor license in certain circumstances. New law deletes the waiver requirement.

New law allows the board to consolidate subclassifications or specialties by rule.

New law deletes the option of obtaining a license in a specialty classification under a listed subclassification or in unlisted specialty work.

Prior law allowed the board to revoke or suspend a license for a number of reasons. New law retains the list of revocable offenses and further allows the board to revoke the license of a party who fails to timely notify the board of any change of company name, address, or other contact information.

Existing law allows a licensee to apply for additions or changes to his classification by applying, passing an examination, and paying the required fees. Prior law specified that the board would approve any changes at its next scheduled meeting. New law deletes the requirement that the changes be approved at the next meeting.

Prior law provided that nothing in prior law prohibited the issuance of plans and specifications to recognized plan rooms or material suppliers when the plans and specifications would only be used to prepare proposals to be incorporated in the bid in connection with federal aid. New law deletes prior law.

Prior law required an applicant for a license to perform mold remediation to present evidence that he had completed at least 24 hours of training in mold remediation and basic mold assessment and four hours of instruction in Louisiana's "Unfair Trade Practices and Consumer Protection Law". New law removes the requirement of four hours of instruction in Louisiana's "Unfair Trade Practices and Consumer Protection Law".

New law makes technical changes.

Effective August 1, 2019.

(Amends R.S. 37:2150.1(2), (4)(a), (8), (10), and (11), 2151, 2152, 2154, 2155, 2156(A), (C)(1) and (2), (D), and (G), 2156.1(A)(intro. para.), (B)-(M), 2156.2(A)(I)(29) and (II)(1), 2157, 2158(A)(intro. para.), (1)-(5), (9), and (11), (B), (D), and (E), 2159(A)-(C), 2162(A)-(E), and (I)-(L), 2163(C) and (D), 2167(A), (B)(3), (C), and (D), and 2186(B)(3) and (C); Adds R.S. 37:2158(A)(12); Repeals R.S. 37:2156.1(N), 2156.2(A)(IX), 2162(M), 2163(E), and 2167(E))