### SLS 22RS-483

### **ENGROSSED**

2022 Regular Session

## SENATE CONCURRENT RESOLUTION NO. 4

BY SENATOR CATHEY

FEES/LICENSES/PERMITS. Repeals administrative licensing requirements relative to residential specialty classifications.

1	A CONCURRENT RESOLUTION
2	To repeal Louisiana State Licensing Board for Contractors rules, LAC 46:XXIX.503 and
3	505, which generally require any corporation, partnership, individual, or contractor
4	undertaking certain construction of residential buildings or structures to obtain a
5	specialty classification license or subcontract-labor-only license; to direct the office
6	of the state register to print the notice of the repeal in the Louisiana Administrative
7	Code; and to provide for related matters.
8	WHEREAS, LAC 46:XXIX.503 requires a corporation, partnership, individual, or
9	contractor to obtain a specialty classification license to undertake or oversee the construction
10	of each of the following works on residential buildings and structures, when the value of
11	work performed exceeds seven thousand five hundred dollars, including labor and materials:
12	1. Residential Pile Driving
13	2. Residential Foundations
14	3. Residential Framing
15	4. Residential Roofing
16	5. Residential Masonry/Stucco; and
17	WHEREAS, licensure for each of the aforementioned specialty classifications
18	requires the applicant to do all of the following:

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1	1. Successfully complete the business and law examination.
2	2. Successfully complete the trade examination for the respective specialty
3	classification.
4	3. Provide proof of current general liability and workers' compensation insurance
5	coverage as prescribed by the board; and
6	WHEREAS, a contractor seeking to obtain a specialty classification license is
7	required, in addition to all other application and licensing requirements, to do the following:
8	1. Designate a qualifying party to successfully pass both the open-book business and
9	law examination and respective trade examination.
10	2. Provide proof of current general liability and workers' compensation insurance
11	coverage as prescribed by the board; and
12	WHEREAS, LAC 46:XXIX.505 authorizes a subcontractor who provides "labor
13	only" and works under the direct supervision of a licensed residential building contractor to
14	obtain a subcontract-labor-only specialty classification license in lieu of the specialty
15	classification license required in LAC 46:XXIX.503; and
16	WHEREAS, a subcontractor seeking to obtain a subcontract-labor-only specialty
17	classification license may be exempt from the trade examination requirement, if the
18	subcontractor does all of the following:
19	1. Completes and submits a residential application as prescribed by the board.
20	2. Submits an affidavit executed by a licensed residential building contractor attesting
21	to the subcontractor's quality of work and character.
22	3. Completes the business and law examination.
23	4. Provides proof of current general liability and workers' compensation insurance
24	coverage as prescribed by the board; and
25	WHEREAS, some citizens of this state believe the construction industry is one of the
26	few remaining industries affording opportunities for workers to learn a trade and earn a
27	living without the expense of a higher education; and
28	WHEREAS, generally, stakeholders are concerned that specialty classification
29	licensing requirements of the board serve to adversely affect the self-employed contractor

30 and subcontractor, and thus the rules should be repealed; and

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1	WHEREAS, R.S. 49:969 authorizes the legislature, by concurrent resolution, to
2	suspend, amend, or repeal any rule adopted by a state department, agency, board, or
3	commission.
4	THEREFORE, BE IT RESOLVED by the Legislature of Louisiana that LAC
5	46:XXIX.503 and 505 are hereby repealed in their entirety.
6	BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
7	office of the state register and the Louisiana State Licensing Board for Contractors.
8	BE IT FURTHER RESOLVED that the office of the state register is hereby directed
9	to have the repeal of LAC 46:XXIX.503 and 505 printed and incorporated into the Louisiana
10	Administrative Code and to transmit a copy of the revised rules to the Louisiana State
11	Licensing Board for Contractors.

The original instrument was prepared by Leonore Heavey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle D. Ridge.

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DIGEST 2022 Regular Session

Cathey

Repeals Louisiana State Licensing Board for Contractors rules, LAC 46:XXIX.503 and 505, that require any corporation, partnership, individual, or contractor undertaking certain construction of residential buildings or structures to obtain a specialty classification license or subcontract-labor-only license.

#### Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Commerce, Consumer</u> <u>Protection, and International Affairs to the original bill</u>

1. Makes technical changes.