

RULES AND REGULATIONS

CHAPTER ONE. GENERAL PROVISIONS

SECTION 101. Contractor's Record Keeping

A. It shall be the responsibility of licensed contractors to maintain adequate records at all times to show compliance with the licensure requirements of all subcontracts and subcontractors. Such records shall be made available to the board's inspectors at all reasonable times. The failure to maintain adequate records or the failure to furnish copies of such records within 72 hours notice thereof shall constitute a violation of this rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:135 (March 1982), LR 12:76 (November 1986), amended by the Department of Economic Development, Licensing Board for Contractors, LR 16:601 (July 1990), LR 19:1125 (September 1993).

SECTION 103. Disassociation of a Qualifying Party

A. When the qualifying party terminates employment with the licensee, the State Licensing Board for Contractors must be notified in writing, by the licensee, within 30 days of the disassociation and another party must qualify within 60 days of the disassociation or licensee will be subject to citation for suspension or revocation of license.

B. Failure to notify the board of the disassociation of a qualifying party constitutes a violation pursuant to R.S. 37:2158.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 105. Report of Changes

A. Any change in officers, or address of a company, partnership or corporation as reflected on the application shall be reported to the board by written notification within 15 days after such change. Any change in the name of a contractor as it appears on the license certificate or any change from an individual to a partnership or corporation; or a partnership to an individual or corporation; or a corporation to an individual or partnership, shall be reported in writing to the board within 15 days after such change. No change on the name or status of a licensed firm shall be made until all documents and information as required by the board has been satisfactorily furnished.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982).

SECTION 107. Enforcement of Act and Rules

A. The board, pursuant to R.S. 37:2158 and R.S. 37:2161 may bring suit to enjoin violations of this act and the executive director and/or his designated agent and/or the legal counsel for the board is hereby authorized to institute such suit on behalf of the board and to sign the verification of the petition for injunction and to do all things necessary in connection with the institution of such legal proceedings when so directed by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 109. Name

A. All contractors shall bid and perform work in the name which appears on the official records of the State Licensing Board for Contractors for the current license. If a licensed contractor assigns a contract, or any portion of a contract, in the amount of \$50,000 or more to another contractor, the person or firm to which it is assigned, and who performs the work must possess the proper current license. No unlicensed contractor shall be permitted to assign a contract, or any portion or a contract, in the amount of \$50,000 or more to a licensed contractor in circumvention of the laws of the state of Louisiana. Any contractor relying on an exemption when bidding shall state such exemption pursuant to R.S. 37:2163(A).

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 111. Correction Without Complaint

A. If a possible violation is known to the board, the board may correct it or take appropriate action without formal complaint.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, repromulgated LR 8:137 (March 1982).

SECTION 113. Maintenance of Skills

A. As provided by R.S. 37:2150 after granting said license, the licensee shall at all times show his ability to serve the public economically, expediently and properly; possess the necessary qualifications of responsibility, skill, experience and integrity so that the licensee will not tear down standards of construction established within the industry, and shall continue to maintain the qualifications established in R.S. 37:2156.1.

B. If any licensed contractor refuses to sign a contract at his bid price and a complaint is filed with the board by the owner and/or awarding authority, the board shall investigate such complaint and, after due hearing, may suspend or revoke the contractor's license in accordance with R.S. 37:2150 - 2164 inclusive.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150 and R.S. 37:2156.1.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982).

SECTION 115. Bankruptcy

A. It shall be the responsibility of any contractor who, voluntarily or involuntarily, is subjected to any provision of the laws of bankruptcy, to notify this board immediately and to make available to this board any and all information pertinent thereto.

B. Any contractor who is ordered by a competent court to cease operations or whose operations are closed due to operation of any law, shall notify this board immediately and make available to this board any and all information pertinent thereto.

C. If any contractor is ordered by a competent court to pay a final and executory judgment awarded against him in the operation of his business, for charges for labor, material, breach of contract, etc., and fails to pay said judgment immediately upon its becoming final and executory, a hearing may be scheduled by the board for the purpose of disciplining the licensee in accordance with La. R.S. 37:2150, et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 117. Major Classification

A. Any contractor possessing a major classification is permitted to bid or perform any of the specialty type work listed under their respective major classification in R.S. 37:2156.2 or any other work that might not be listed which is directly related to the major classification he may hold as long as it is not prohibited by any rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, LR 11:341 (April 1985), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 119. Notice

A. Proper notification under R.S. 37:2162(G), shall be five days notice. Notification shall constitute placing of said notice in the U. S. Mail certified. The five days notice shall commence to run on the date of the issuance of notification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

CHAPTER THREE. LICENSE

SECTION 301. Requirements

A. All applications for contractor's license shall contain the information required on the forms which are available at the offices of the State Licensing Board for Contractors, 7434 Perkins Road, Baton Rouge, Louisiana 70808. Each application shall be time dated when received and shall be considered at the next regularly scheduled meeting of the board, provided the application is completed with a financial statement, references, fees, federal employer identification number, properly notarized and provided all examination requirements have been met.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 1:401 (September 1975), LR 3:11 (January 1977), LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 16:602 (July 1990).

SECTION 307. Ownership of License

A. The license for which a person becomes the qualifying party belongs to the entity of the licensee, as: a corporate license belongs to the corporation, a partnership license belongs to the partnership and an individual license belongs to the individual regardless of the status of the qualifying party of the entity.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, repromulgated LR 8:136 (March 1982).

SECTION 309. Application of Subsidiary

A. Any application for a license for a subsidiary shall be considered as a new application and subject to all laws and rules and regulations governing same.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2154.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, repromulgated LR 8:137 (March 1982).

SECTION 311. Reciprocity

A. Any applicant applying for a license who desires that any portion of the law regarding time limitations be waived shall cause the State Licensing Board of his domiciliary state to certify in writing that such board shall grant a Louisiana domiciliary that same waiver of such laws in that state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 16:602 (July 1990), amended LR 19:1126 (September 1993).

SECTION 315. License Revocation and Suspension

A. Any person, firm or corporation duly licensed under the provision of R.S. 37:2150, et seq. who violates any provisions of the said Louisiana Contractors Licensing Law or any rule or regulation of the board may, after due and proper hearing, have its license suspended or revoked by this board. Prior to the board's action on suspension or revocation of licenses as aforesaid, the licensee shall be given a hearing in accordance with the Louisiana Code of Civil Procedure, unless there are provisions in Title 37 or the Louisiana Administrative Procedure Act to the contrary.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, LR 8:138 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1126 (September 1993).

SECTION 317. Approval Withheld

A. In any instance where approval of an application has been withheld under the terms of R.S. 37:2156(D), a contractor shall have the right to apply to the Board for a hearing following which the Board may continue to withhold approval or grant its approval at its own discretion.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153 and R.S. 37:2157(D).

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, LR 8:138 (March 1982), amended LR 11:341 (April 1985).

CHAPTER FIVE. EXAMINATION

SECTION 501. Qualifying Party

A. Any licensed contractor may have more than one qualifying party. Nothing in the law is to be construed so as to prohibit a licensee from having more than one qualifying party per trade.

B. If a qualifying party for particular trade discontinues employment with a licensee, the licensee will still have a valid license and can still bid on jobs in that trade classification, but the licensee must have a qualifying party before commencing work on a new job.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1127 (September 1993).

SECTION 503. Authorized to Take Examination

A. The qualifying party or parties authorized to take the examination are:

1. Any individual contractor, co-partner or any corporate officer who was an organizer in the articles of incorporation, provided no person shall be allowed to be the qualifying party for more than one company and two subsidiaries. If more than two subsidiaries are formed or acquired by a parent company, a separate qualifying party shall be registered with the board for each two additional subsidiary companies. Under no circumstances may an individual be the qualifying party for more than three such related entities, or for more than one unrelated entity;

2. Any employee of said applicant who has been in full-time employment for 120 consecutive days immediately preceding. He shall be prepared to execute an affidavit furnished by the board at the time he takes the examination giving his length of employment and social security number. If requested, he shall be prepared to show evidence of his eligibility by furnishing canceled payroll checks representing four preceding months.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153(A).

HISTORICAL NOTE: Adopted by the Department of Commerce, Licensing Board for Contractors, November 1974, amended and promulgated LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1127 (September 1993), LR 23:1495 (November 1997).

SECTION 505. Additional Classifications

A. A licensed contractor may add additional classifications to his license at any time provided:

1. The request for additional classification(s) is in writing.

2. A completed and notarized qualifying party application form is submitted pursuant to R.S. 37:2156.1(D)(1).

3. The required additional fees are paid and the qualifying party successfully passes the examination.

4. Additions or changes to an existing license shall become effective after completion of the above requirements and upon board approval at the next regularly scheduled board meeting.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982), LR 11:341 (April 1985), LR 12:760 (November 1986),

amended by the Department of Economic Development, Licensing Board for Contractors, LR 16:602 (July 1990), LR 19:1127 (September 1993).

SECTION 507. Applicants

A. Except as otherwise provided by law, all initial applicants shall be required to take and successfully pass the business and law portion of the board's examination and the trade portion where there exists a written or oral examination for same.

B. The qualifying party shall submit his application, with all supporting documentation, for approval at least 10 days prior to taking the examination. The qualifying party shall list all prior affiliations with a licensed contractor(s) and shall disclose whether or not any sanctions have been levied against such contractor(s). The qualifying party shall also state his and/or the contractor's involvement in such sanctions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 16:602 (July 1990), LR 19:1127 (September 1993).

SECTION 509. Exemption from Examination

A. A contractor who is a subsidiary of a currently licensed contractor and who is making application for a license in the same classification(s) as that of the currently licensed contractor shall not be required to take an examination on the subject for which said subsidiary contractor is seeking a license, with the approval of the board, provided that the holders of a majority of the stock in the subsidiary contractor are the same as the holders of the majority of stock in the currently licensed contractor, and further provided that the individual who was designated as the qualifying party at the time a license was originally issued to the currently licensed contractor remains in the employ of the currently licensed contractor at the time of application for license by the subsidiary contractor.

B. A licensed firm making application for a subsidiary license for the same classification(s) as those in which the licensed firm has qualified may be exempt from taking of an examination, provided that the qualifying party on record with the State Licensing Board for Contractors for the licensed firm making application for a subsidiary license is the same as that of the parent company, and further provided that no person shall be allowed to be the qualifying party for more than one company and two subsidiaries. If more than two subsidiaries are formed or acquired by a parent company, a separate qualifying party shall be registered with the board for each two additional subsidiary companies. It is further provided that any subsidiaries qualifying under the terms of this Section shall not be permitted to assume the position of a parent company or firm for the purpose of forming additional subsidiaries, if such reorganization results in there being a single qualifying party for more than one parent company and two additional subsidiary companies.

C. A qualifying party making application for a license as an individual or stockholder of a corporation may be exempt from taking another examination for the same classification for which he has previously taken and passed, subject to approval by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 16:602 (July 1990), LR 19:1127 (September 1993).

SECTION 511. No Written Examination Given

A. Applicants requesting a specialty class where there is no written examination shall be examined by the board on the experience shown on his application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:136 (March 1982).

Section 513. Cheating

A. Anyone found using unauthorized code books, text books, pagers, beepers, cellular telephones, tape recorders, radio transmitters, portable scanning devices, cameras, portable photocopy machines, reference materials, notes, blank writing or note paper, or any other aid or electronic device not specifically provided by the Examination Section for the purpose of examination administration shall have his or her examination paper confiscated, the exam results invalidated, and shall have his or her name placed on the agenda for the board's next regularly scheduled meeting for consideration and appropriate action. Failure to appear before the board shall result in the imposition of a one year waiting period before the applicant may retake the examination(s).

B. It is the policy of the board that the specific contents of its examinations are considered to be proprietary and confidential. Anyone found in possession of examination questions, answers, or drawings in whole or in part shall have his or her examination paper confiscated, the exam results invalidated, shall be barred from taking any other examination, and shall not be eligible to become a qualifying party for the licensee for a period of one year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 21:1214 (November 1995).

Section 515. Examination Scheduling and Rescheduling

A. A candidate may request three dates upon which he or she will be available to take the examination. An attempt will be made to accommodate the candidate. New applicants for licensure will be given priority in scheduling.

B. A candidate shall have until five working days prior to the scheduled examination date in which to cancel the examination. A candidate who fails to make notification before the five-day period or a candidate who fails to appear on the scheduled examination date shall forfeit his or her examination fee and be required to submit a new examination fee before a new examination date will be scheduled. Valid explanations for failing to meet this requirement must be submitted in writing and will be evaluated on a case-by-case basis.

C. All requests for rescheduling examinations must be submitted in writing.

D. A candidate who fails an examination may schedule a second attempt 30 days or more after the date on which he or she failed the first examination.

E. A candidate who fails an examination a second time may schedule a third attempt 60 days or more after the date on which he or she failed the second examination.

F. A candidate who fails an examination the third time may not schedule another attempt until one calendar year has elapsed from the first time the candidate attempted the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, State Licensing Board for Contractors, LR 21:1214 (November 1995).

Section 517. Examination Administration Procedures

A. Administrative check-in procedures begin one-half hour before the examinations begin. Candidates must report to the board office for processing at least 15 minutes prior to the examination's starting time. Any candidate reporting after the 15-minute reporting time may not be allowed admittance to the examination room.

B. Personal items (e.g., telephones, pagers, calculators, purses, briefcases, etc.) are to be placed in the front of the testing room or may be secured in a candidate's personal vehicle. A candidate shall not have access to these items during examination administration.

C. A candidate wearing bulky clothing or attire which would facilitate concealment of prohibited materials shall be requested to leave said clothing or attire outside the examination room or to remove it and place it in the front of the examination room. Failure to remove the article shall constitute permission to search for contraband materials, or a cancellation of his or her scheduled examination, at the option of the candidate.

D. All examination activities are subject to being filmed, recorded, or monitored.

E. A candidate taking an examination shall not be allowed access to telephones or other communication devices during the course of the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 21:1214 (November 1995).

Section 519. Test Item Challenges

A. A candidate who believes that an individual test item may not have a correct answer or may have more than one correct answer shall be afforded an opportunity to challenge the test item. The candidate shall record his or her comments in writing on a form prepared by the test monitor immediately after the examination. Comments will not be accepted at any other time. Comments should provide a detailed explanation as to why the candidate feels the item is incorrect. General comments (e.g., "This item is wrong.") will not be investigated.

B. Examination comments shall be reviewed. Comments on test items from examinations developed in-house shall be reviewed in-house. Comments on test items from examinations developed by consultants shall be forwarded to same review. Candidates shall be notified in a timely manner regarding the validity of their comments.

C. If a test item comment is deemed to be valid, the director of the Applications and Examinations Section shall prepare a memorandum explaining the comment. This memorandum will be reviewed by the Testing and Classification Committee. Only the Testing and Classification Committee shall have the authority to change a grade based upon test item comment(s).

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 21:1214 (November 1995).

Section 521. Examination Reviews

A. The Business and Law examination may not be reviewed.

B. A candidate may at any time request a breakdown of his or her examination performance based upon the subject content of the examination. Insofar as is possible, the breakdown will provide a candidate with the total number of questions answered incorrectly within a subject area. The candidate will be advised of areas of strength and weakness.

C. A candidate who has failed an examination twice may request in writing a review of his or her failed examinations. A date and time will be established for the review. The candidate who took the examination is the only person allowed to review the examination. No other parties may be present.

D. The review shall consist of a reading of the test items that the candidate answered incorrectly, the possible answer choices, and the answer that the candidate recorded on the answer sheet.

E. No discussions regarding the merits of the candidate's answers, discussions designed to elicit the correct answer, or discussions regarding the merits of the test item are permitted.

F. A candidate participating in an examination review shall not have in his or her possession or on his or her person any electronic recording device, microphone, tape recorder, cellular telephone, camera, radio transmitter, voice-activated tape recorder, portable scanner or photocopier, paper or writing instruments, or any other device designed to record information regarding the incorrectly answered test items.

G. A candidate wearing bulky clothing or attire designed to facilitate concealment of prohibited materials will not be allowed to review his or her examination.

H. Any person seeking relief from any of these rules shall have the option of appearing before the board to present an explanation of the situation whereupon the board may determine the appropriate action. Any person wishing to avail himself or herself of this Section should contact the board administrator to have his request placed on the agenda for consideration at the next regularly-scheduled board meeting.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 21:1215 (November 1995).

CHAPTER SEVEN. HEARINGS; MEETINGS

SECTION 701. Hearings

A. Hearings may be conducted by the board's legal counsel at regular or special meetings whenever deemed necessary and special hearing officers may be hired at the board's discretion. Hearings shall be conducted in accordance with the Code of Civil Procedure, unless there are provisions to the contrary in Title 37 or the Administrative Procedures Act.

B. Written notice by certified mail shall be given to all parties at least five days prior to such hearings or special meetings. The board members shall be notified at least three days prior to such hearings or special meetings. The notice shall include the time, place and purpose of the hearing or special meeting and may be held at any place within the state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 4:69 (March 1978), LR 8:137 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1127 (September 1993).

SECTION 703. Disqualification or Debarment by Any Public Entity

A. Pursuant to the requirements of R.S. 37:2158(B), a public entity which disqualifies any person or licensee pursuant to R.S. 38:2212(J) must provide the board with written notification thereof within 30 days of the date of such disqualification. The notice required by §703 shall include the basis for the disqualification, the terms and provisions thereof, and copies of the evidence or basis upon which the disqualification was imposed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153(A).

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 23:1495 (November 1997).

CHAPTER NINE. SUBCONTRACTORS

SECTION 901. Subcontractors

A. It shall be the responsibility of licensed contractors to secure the current valid license number of any subcontractor who submits a bid to them or performs work in the amount of \$50,000 or more. If any licensed contractor awards a contract in the amount of \$50,000 or more to any unlicensed subcontractor, the license of the contractor may be suspended, revoked or rescinded after a hearing is conducted by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982).

SECTION 903. Subcontractor License; Default

A. It shall be unlawful and illegal for any general contractor, contractor, owner, awarding authority, subcontractor, or any other person to contract or subcontract all or any portion of work involved herein, to any other contractor, or subcontractor unless said contractor or subcontractor was duly licensed by the board as of the final date fixed for the submission of bids on said work from the primary contractor to the owner or awarding authority. This rule shall be subject to the provisions and limitations established by R.S. 37:2156(B) and (D).

B. If work is subcontracted as per this rule, and the subcontractor should default for any reason, the awarding authority shall have the right to take bids from any subcontractor that is properly licensed at the time of this default.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, LR 8:138 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1128 (September 1993).

CHAPTER ELEVEN. BIDDING

SECTION 1103. Proper Classification

A. All licensed contractors bidding in the amount of \$50,000 or more shall be required to have qualified for the classification in which they bid.

B. When two or more contractors bid as a joint venture on any project in the amount of \$50,000 or more, not in conflict with R.S. 37:2150, et seq., all parties are required to be licensed at the time the bid is submitted. Each party to the joint venture may only perform within the applicable classifications of the work of which he is properly classified to perform.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, LR 8:138 (March 1982).

SECTION 1107. Federal Projects

A. A license shall not be required to bid on any projects funded in part by the federal government designated for a particular project by an agency of the federal government where a federal regulation or law prohibits such requirement, provided said agency presents specific evidence of a federal regulation or law prohibiting same in the bid documents. Should the agency fail to present such evidence, the bidder shall be required to have a license before bidding. Any successful bidder on any exempt project funded in part by the federal government shall submit an application for license completed in its entirety and pay the fee prior to commencement of work on federal jobs. After meeting said requirements, a letter shall be issued to said successful bidder authorizing the commencement of work. Thereafter, the application shall be presented to the board at its next regular meeting and following compliance with all remaining requirements including delay periods, a license shall be issued.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982), LR 12:761 (November 1986), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1128 (September 1993).

SECTION 1109. Division of Contract

A. Any division of a contract into parts less than \$50,000 when combined is \$50,000 or more, will be treated as one contract totalling the amount of these parts when combined.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982).

SECTION 1111. Failure to Insure or Bond

A. Whenever a licensed contractor bids a project within the scope of this act, and is awarded the contract, is unable or refuses to provide bonding and insurance coverage as required by the proposal bid for the execution of the project, the awarding authority or owner may file a complaint with the board. The board shall investigate such complaint and if after due hearing, may discipline the licensee in accordance with La. R.S. 37:2150, et seq.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982), amended by the Department of Economic Development, Licensing Board for Contractors, LR 19:1128 (September 1993).

SECTION 1113. Electrical or Mechanical Work

A. Any person, firm, partnership, co-partnership, association, corporation, or other organization bidding on or performing a job in the amount of \$50,000 or more, the majority of which job is classified as V. Electrical Work or VI. Mechanical Work, the licensee shall hold the major classification or subdivision thereunder of electrical work or mechanical work as the case may be.

1. On all jobs involving mechanical or electrical work the board shall consider the monetary value of the electrical or mechanical material and/or equipment furnished by the owner or builder, if any, in determining the amount of electrical or mechanical work involved.

2. The board takes cognizance of all local ordinances and codes regulating the licensing of electrical and mechanical contractors.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2159 and 37:2153.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 8:137 (March 1982).

CHAPTER THIRTEEN. FEES

SECTION 1301. Fee for Licenses

A. The annual fee for licenses for the following year shall be set by the board at its July meeting each year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2164.

HISTORICAL NOTE: Promulgated by the Department of Commerce, Licensing Board for Contractors, November 1974, amended LR 2:271 (September 1967), LR 8:136 (March 1982), LR 10:199 (March 1984), LR 11:341 (April 1985), LR 12:761 (February 1986), amended Department of Economic Development, Licensing Board for Contractors, LR 19:1128 (September 1993).

CHAPTER FIFTEEN. RESIDENTIAL

Section 1501. Definitions

A. All individuals bidding or performing the work of a general contractor on a residential project the cost of which equals \$50,000 or more must be licensed under the classification "residential construction." It shall not include individuals who build no more than one residence for their own use per year.

B. A subcontractor, architect or engineer who acts as a residential building contractor as defined in R.S. 37:2150.1(9) must possess a residential construction license.

C. "Cost of a project" includes the value of all labor, materials, subcontractors, general overhead and supervision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2173.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 22:94 (February 1996).

Section 1503. Requirements

A. All residential building contractors shall work in the name which appears on the official records of the State Licensing Board for Contractors for the current license.

B. If a licensed general residential contractor assigns a contract, or any portion of a contract, in the amount of \$50,000 or more to another general residential contractor, the person or firm to which it is assigned, and/or who performs the work must possess the proper current license. No unlicensed contractor shall be permitted to assign a contract, or any portion of a contract, in the amount of \$50,000 or more to a licensed contractor in circumvention of the laws of the State of Louisiana.

C. All applications for a residential contractors license shall contain the information required on the forms which are available at the offices of the State Licensing Board for Contractors, 7434 Perkins Road, Baton Rouge, Louisiana (70808). Application shall be time dated when received and shall be reviewed by the Residential Contractors Licensing Board Subcommittee prior to being submitted to the Contractors Licensing Board at the next regularly scheduled meeting of the board, provided the application is completed with all of the information requested thereon, along with a financial statement, fees, certificate of workers

compensation insurance, certificate of general liability insurance in the minimum amount of \$100,000, properly notarized and provided all examination requirements have been met.

D. Workers compensation and general liability insurance, obtained from an insurer authorized to sell those forms of insurance coverage in the state, shall be maintained continuously by residential building contractors. Insurance certificates evidencing current workers compensation and general liability insurance shall be submitted with each new application, every renewal application, and upon the renewal date of coverage. In the event of a lapse of insurance coverage, a cease and desist order shall be issued and such lapse shall be grounds for suspension or revocation of the license after proper hearing.

E. The qualifying party for each applicant must pass any examinations required and administered by the State Licensing Board for Contractors.

F. The qualifying party shall be an individual owner, an original incorporator, partner, member or shareholder, or an employee of the applicant who has been in full-time employment for 120 consecutive days immediately preceding the application. Any licensed residential building contractor may have more than one qualifying party.

G. All licensed residential builders shall take and pass all examinations required to change or add a non-residential classification or subclassification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2173.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 22:94 (February 1996).

Section 1505. Exceptions

A. An applicant for a residential building contractor's license who can show written proof that he possessed a contractors license for Building Construction as required by R.S. 37:2150-2164 prior to February 1, 1996 shall not be required to take the examinations required by the State Licensing Board for Contractors, but shall meet all other requirements for such license.

B. An applicant who can show written proof that he holds a residential construction license issued by a local municipality issued prior to February 1, 1996 that administered a test written by a national testing company, approved by the State Licensing Board for Contractors, shall be exempt from taking the examinations required by the Board, but shall meet all other requirements for such license.

C. An applicant seeking an exemption from the examinations required by the State Licensing Board for Contractors for having been actively engaged in residential building construction prior to February 1, 1996 as stated in R. S. 37:2167(D)(3) and (4) shall, in addition to all other requirements for licensure:

1. submit copies of the required building permits to the State Licensing Board for Contractors with the application, and
2. submit requests for any exceptions or other special requests in writing to the State Licensing Board for Contractors Residential Subcommittee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2173.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 22:94 (February 1996).

Section 1507. Violations

A. The State Contractors Licensing Board Residential Subcommittee has the authority to conduct hearings on alleged violations by residential building contractors in accordance with the provisions of R. S. 37:2158.

B. The State Contractors Licensing Board Residential Subcommittee shall make recommendations to the Contractors Board regarding their findings and determinations as a result of the hearings on said alleged violations.

C. Residential building contractors whose alleged violations were heard by the subcommittee and a recommendation rendered may request to appear at the next regularly scheduled board meeting, or at any other board meeting where their alleged violations are brought before the board for final action, and shall be given an opportunity to address the board regarding the subcommittee's recommendation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2173.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 22:95 (February 1996).

Section 1509. Penalties

A. The subcommittee has the authority to issue, suspend, modify or revoke residential contractors licenses, subject to the final approval of the State Licensing Board for Contractors.

B. In accordance with the provisions of R.S. 37:2172, the subcommittee shall have the authority to issue a fine not to exceed \$500.00 for each violation, for the causes listed in R.S. 37:2158, subject to final approval by the State Contractors Licensing Board.

C. In addition to or in lieu of any of the penalties provided in this Chapter, the subcommittee is empowered to issue a cease and desist order. Further, the subcommittee may seek the other civil remedies provided in R.S. 37:2162 for violations of this Chapter, subject to the final approval of the State Licensing Board for Contractors.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2173.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Licensing Board for Contractors, LR 22:95 (February 1996).