

BOBBY JINDAL
GOVERNOR



MICHAEL B. MCDUFF
EXECUTIVE DIRECTOR

State of Louisiana
STATE LICENSING BOARD FOR CONTRACTORS

November 18, 2014

TO: The Honorable John A. Alario, President, Louisiana State Senate
The Honorable Check Kleckley, Speaker of the House of Representative
The Honorable Daniel "Danny" Martiny, Chairman, Senate Committee on Commerce,
Consumer Protection, and International Affairs
The Honorable Erich E. Ponti, Chairman, House Commerce Committee

FR: Judy Dupuy, Board Administrator JD

RE: Summary Report

In Accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) as amended, the Louisiana State Licensing Board for Contractors published a call for comments for proposed rules through its authority granted in R.S. 37:2150-2192 in the October 20, 2014 issue of the *Louisiana Register*, (Vol. 40, No. 10). The LSLBC received no written comments or requests for a hearing. The final rule for publication is attached, and will become effective in January, 2015.

If you have any questions, please feel free to contact me at 225-763-3982.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT
(Summary)

The proposed rule change is not anticipated to have any direct effect on employment. However, to the extent the creation of the OTS results in economies of scale relative to technology procurements, there could be greater procurement competition for those entities seeking to provide information technology systems and services to the state.

Richard Howze
State Chief Information Officer
1410#043

Evan Brasseaux
Staff Director
Legislative Fiscal Office

~~NOTICE OF INTENT~~ **RULE**
Office of the Governor
Licensing Board for Contractors

Construction Management (LAC 46:XXIX.119)

In accordance with the provisions of R.S. 49:950 et seq., which is the Administrative Procedure Act, and through the authority granted in R.S. 37:2150-2192, which is the contractor licensing law, the Licensing Board for Contractors (LSLBC) hereby ~~gives notice of its intent to update~~ its rules and regulations regarding contracting matters under the jurisdiction of the LSLBC. *amends and adopts*

Title 46

**PROFESSIONAL AND OCCUPATIONAL
STANDARDS**

Part XXIX. Contractors

Chapter 1. General Provisions

§119. Construction Management

A. Any person, company or entity who undertakes, attempts to, or submits a price or bid or offer to perform work in construction management or program management whose scope of authority and responsibility includes supervision, oversight, direction, or in any manner assuming charge of the construction services provided to an owner by a contractor or contractors in excess of \$50,000 must possess a license from this board in the major classification of building construction or heavy construction or highway, street, and bridge construction or municipal and public works construction. Any licensed contractor with any of these major classifications shall be able to bid and perform any such project specified for construction and/or program management within the scope of the classification(s) they hold. If a program manager whose scope of authority and responsibilities does not include any of the above stated tasks, that program manager does not need a contractor's license.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:2150-2192.

HISTORICAL NOTE: Promulgated by the Office of the Governor, Licensing Board for Contractors, LR 41:

Family Impact Statement

In compliance with Act 1183 of the 1999 Regular Session of the Louisiana Legislature, the impact of this proposed Rule on the family has been considered. It is anticipated that this proposed Rule will have no impact on family functioning, stability or autonomy as described in R.S. 49:972.

Poverty Impact Statement

In compliance with Act 854 of the 2012 Regular Session of the Louisiana Legislature, the poverty impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no impact on child, individual, or family poverty in relation to individual or community asset development as described in R.S. 49:973.

Small Business Statement

The proposed Rule will have no adverse impact on small businesses as defined in the Regulatory Flexibility Act.

Provider Impact Statement

In compliance with House Concurrent Resolution (HCR) 170 of the 2014 Regular Session of the Louisiana Legislature, the provider impact of this proposed Rule has been considered. It is anticipated that this proposed Rule will have no known impact on providers of services for individuals with developmental disabilities.

Public Comments

Interested persons may submit written comments on the proposed regulations to the Licensing Board for Contractors, attention Judy Dupuy, Board Administrator, 2525 Quail Drive, Baton Rouge, LA 70808, fax (225) 765-2431, or jdupuy@lsbc.louisiana.gov through November 15, 2014.

Public Hearing

If it becomes necessary to convene a public hearing to receive comments, in accordance with the Administrative Procedures Act, a hearing will be held December 2, 2014 at 9:30 a.m. at the Louisiana State Licensing Board for Contractors at 2525 Quail Drive, Baton Rouge, LA 70808.

Michael McDuff
Executive Director

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES**
RULE TITLE: Construction Management

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The proposed rule change will have no impact on state or local governmental expenditures. Implementation of the proposed rule changes will be carried out using existing staff and funding levels. A group of rarely utilized construction management sub-classifications create a classification redundancy that can be adequately obtained through more prominent classifications already in existence. The proposed rule change removes these sub-classifications and provides for fewer classifications for a licensed contractor to maintain, while providing the clarification for those licensed contractors when bidding on jobs involving construction or program management.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Implementation of the proposed rule change will not impact revenue collections of state or local governmental units. The proposed rule change does not include any fee increase by the Louisiana State Licensing Board for Contractors.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

Contractors will benefit from clarification of Board procedures and requirements, and will have to carry fewer classifications.