



Contractor News Source Bulletin

LOUISIANA STATE LICENSING BOARD FOR CONTRACTORS
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Licensed Contractor
.....It's the Law!

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Inactive Status Option for Residential Licenses

Louisiana Contractors Licensing Law allows a residential building contractor in good standing with the Board who has held a license for at least one year to place his license in an inactive status, provided he applies for a transfer to inactive status. Because a contractor with an inactive license cannot do contracting work, he does not need to maintain workers' compensation or general liability coverage. **The inactive status option can save residential building contractors a lot of money when they are not doing work.** However, an inactive contractor must show proof of workers' compensation and general liability before using the license or becoming active again. Inactive contractors must keep up annual licensing renewals to avoid the need to reapply later on.

Insurance requirements when not on inactive status:

Contractors who hold a home improvement registration, residential building license or mold remediation license must have continuous workers' compensation and general liability coverage in the minimum amount of \$100,000 in accordance with Louisiana Contractors Licensing Law (L.A.R.S. 37:2150-2192).

Proof of insurance is required upon licensing or annual renewal. The insurance agent should submit electronic certifications of insurance to insurance@lslbc.louisiana.gov. It is the contractor's responsibility to make sure the insurance agent submits a certification of insurance prior to the policy expiration date.

A lapse of workers' compensation or general liability coverage will result in a cease and desist order and can be grounds for suspension or revocation of the license or registration after an administrative hearing.

“Properly licensed and qualified contractors...It's the Law!”

For questions or further information, please visit our website at www.lacontractor.org, call us at 225-765-2301 ext. 213 or send an email to info@lslbc.louisiana.gov.

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