

Inactive Status for Residential Licenses

Contractors who hold an active residential license must maintain continuous insurance coverage for general liability in the minimum amount of \$100,000 and workers' compensation in accordance with Louisiana Contractors Licensing Law (LA.R.S. 37:2150-2192). Louisiana Contractors Licensing Law allows a residential contractor to place his license in an inactive status if the contractor has held a residential license for at least one year and is in good standing with the Board.

When a residential license is placed in an inactive status, it is not necessary to maintain general liability and workers' compensation insurance coverage. The inactive status option can save residential contractors money when they are not doing work. Note: Be sure to place your residential license on inactive status before discontinuing your insurance coverage.

To become active again, and before using the license, an inactive contractor must show proof of current workers' compensation and general liability insurance coverage. Inactive contractors must continue to submit annual licensing renewals to avoid the need to reapply for a new residential license.

Insurance requirements when holding an active license:

Proof of insurance is required upon licensing and annual renewal of the insurance policies. The insurance agent should submit electronic certificates of insurance to insurance@lslbc.louisiana.gov. It is the contractor's responsibility to make sure the insurance agent submits the certificate(s) of insurance prior to the policy expiration date.

A lapse of workers' compensation or general liability insurance coverage can be grounds for suspension or revocation of the license or registration. Additionally, the contractor can be assessed an administrative penalty and issued a cease and desist order after an administrative hearing is held.

If you would like to place your residential license in an inactive status, please contact Elaine Riggins, Applications Director, in writing at eriggins@lslbc.louisiana.gov.

If you have any questions regarding this matter please feel free to contact us at 225-765-2301, or email us at info@lslbc.louisiana.gov.

"Properly licensed and qualified contractors . . . IT'S THE LAW!"

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