

Department of Examinations and Assessment

Louisiana State Licensing Board for Contractors

LSLBC

Candidate Information Bulletin

Introduction



Welcome. If you are applying for a license from our Board or seeking additional licenses or classifications, we are happy to assist you in every way possible.

This bulletin is intended to guide Qualifying Party candidates through the examination process and to answer questions that are most commonly asked.

The first step in obtaining a license is to complete an application, which may be found on our website at: www.lslbc.louisiana.gov.

After you have applied for a license, you will receive an exam approval notice which will direct you to go to the website at www.lslbc.louisiana.gov/exams to register online.

If you hold a commercial license and want to add a new classification or a new qualifier to your company, you may download the appropriate forms at: www.lslbc.louisiana.gov/forms

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

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**ALL EXAMS HAVE
A PASSING
SCORE OF 70**

What Can I expect at the Testing Center?

Before Taking the Exam

Shortly after you register, you will receive a confirmation e-mail, which will include the correct location, date and time of exam(s). Please review this information for accuracy so that you do not miss your examination. Only after you have first submitted a Qualifying Party application and have been approved by this agency will you be allowed to take an examination. There will be NO EXCEPTIONS. You may not send anyone else in your place on the day of the exam.

Forfeits

If you fail to appear for a registered examination, you will be required to pay forfeit fees as explained on the registration site and on your registration email confirmation.

Reporting a Name Change

Any changes in your personal information such as address, name, social security number, etc. may be made using the Qualifying Party Personal Information Change Request form on our website at www.lslbc.louisiana.gov/qp_info_change



Study Materials

Business and Law is an open book online exam that you will take at your own convenience from your home or business computer. The exam consists of multiple choice questions taken from the Contractor's Guide to Business, Law and Project Management, which you should read in its entirety, including the appendices.

Trade examinations consist of general knowledge questions based on the type of work for which you will be licensed. This office does not provide books to study for the trade exams.

Study reference lists can be found at www.lslbc.louisiana.gov/examsclassifications



If you register at a Testing Center other than Baton Rouge, a convenience fee of \$75.00 per exam will be assessed, only payable by credit card on the registration website.

Testing Centers

What do I bring to the testing center?

- Proper identification A government-issued ID that has a clear photo of yourself.
- Approval letter The letter sent to you from the LSLBC to register for your examination. This letter contains exam ID numbers required to access the computer-based exam.
- Social Security Number The proctor will not have your social security number available, so please make sure that you know it.
- Registration Confirmation The RegisterBlast email sent to you upon successful registration of your exam.

What NOT to bring to the testing center

The following unauthorized items must be removed during the check-in process.

Cellphones	Cameras	Hats
Calculators	Pens or pencils	Sunglasses
Books, notes or other reference materials	Watches	Any other aid or electronic device without prior approval (<i>except medically necessary devices</i>)
Scanning devices	Purses or other containers	
	Food or drinks	

Calculators, pencils and scratch paper will be provided. If you are taking an open book examination, the books you need will be furnished at the Testing Center. ***You may not use your own books.***

Approved Testing Centers

<p><i>Louisiana State Licensing Board for Contractors</i> 2525 Quail Drive Baton Rouge, LA 70808 225.765.2301</p>	<p><i>Bossier Parish Community College</i> 6220 E. Texas Street Building D Room 203 Bossier City, LA 71111 318.678.6002</p>	<p><i>Delgado College Office of Advising & Testing</i> 980 Navarre Building 2, Room 302 New Orleans, LA 70119 504.671.5080/5086</p>	<p><i>LSU-Alexandria Student Center</i> Room 204 8100 U.S. 71, Alexandria, LA 71302 318.427.4492</p>	<p><i>Sowela Technical Community College</i> Computer Center 3850 Senator J. Bennett Johnston Ave Lake Charles, Louisiana 70615 337.421.6953 / 6973</p>
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***How do I contact
the Examinations
and Assessment
Department?***

**LSLBC -
Examinations**
2525 Quail Drive
Baton Rouge, LA 70808

Phone 225 765 2301 x259
Fax 225 765 2362
E-mail
nlopez@lslbc.louisiana.gov



We're on the Web!

www.lacontractor.org

Check-In

You must arrive at the Testing Center at **least 15 minutes** before your scheduled exam time with identification and documents detailed in the ***"What do I bring to the testing center?"*** section above.

After you have confirmed your name and exam by signing a roster, you will be assigned a seat and issued a locker for personal items, if needed. If parking passes are required at your testing location, please ask the proctor for a parking pass.

After passing an exam, you will need to direct questions about the issuance of the license or additional classifications or qualifying parties to the Applications Department at 225.765.2301 (Choose option 1)

Starting the Exam

The proctor will explain some basic instructions prior to the exam. Once you log into your computerized exam, more detailed instructions will be provided. It is important that you read the instructions carefully before you begin.

At the student login screen you will be asked to enter the EXAM ID from your approval letter and your SOCIAL SECURITY NUMBER.

After the Exam

At the end of the exam, the computer program will indicate a PASS or FAIL result. No written results will be provided at the Testing Center. An official grade notification will be mailed.

Retakes

The fee to retake a failed exam is \$120.00. You must wait at least 30 days before you can retake the same exam. Your official grade notification will include information about registering for a retake.

How much time will I be given for each exam?

- Major Classifications 4 hours
- 7-13 Electrical Transmission Lines 2 ½ Hours
- 7-23 Industrial Pipework & Insulation 3 hours
- 7-24 Industrial Piping 3 hours
- 7-25 Industrial Plants 4 hours
- 7-84 Instrumentation & Calibration 2 ½ hours
- 7-175 Electrical Power Substation 4 hours
- *All other subclassification and specialty classification 2 hours*

Business and Law is an online, **open book** examination based on the **Contractors Guide to Business, Law and Project Management**, Louisiana Contractors 12th Edition, published by the National Association of State Licensing Agencies, Phoenix, AZ.

You will have **4 hours** to complete this 50-question examination from the minute you first begin.

The above publication is automatically sent to the qualifying party candidate(s) when they are approved for the exam, and a charge of \$60 is assessed for each copy of the publication.

Candidates preparing for the Business and Law examination should read the publication mentioned above attentively.

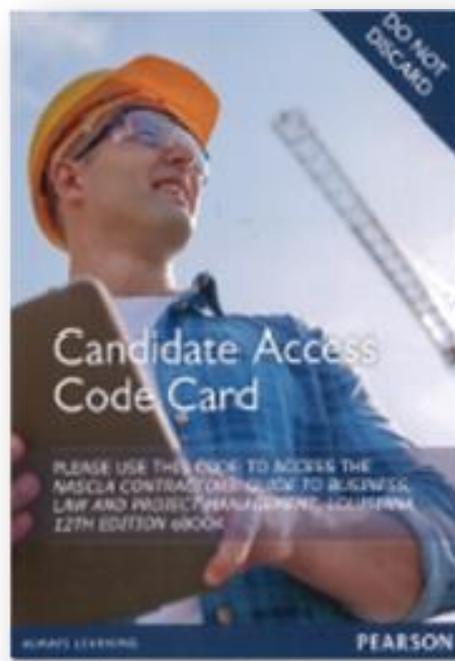
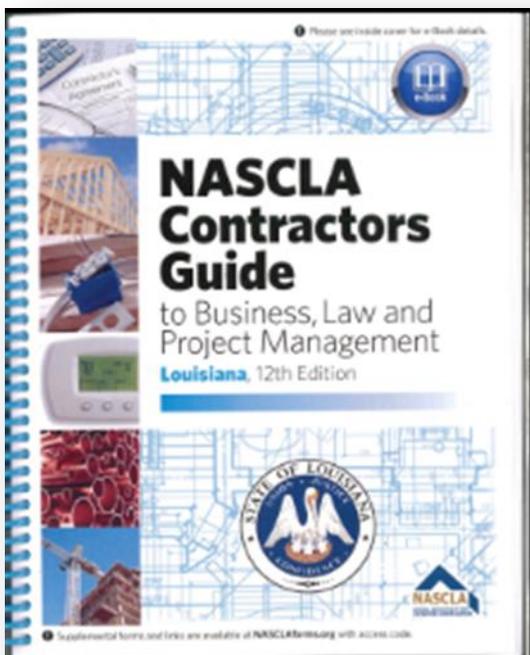
All companies applying for the Commercial Contractor’s License, the Residential Building Contractor’s License, or the Mold Remediator’s License must have at least one Qualifying Party pass this examination as one of the requirements for approval of the license. This is in addition to any trade examination(s) which may be required for a license.

The following list is an outline of the subject areas that will be covered in the exam.

Content Outline

Contractor’s Licensing Law	25%	Tax Laws	6%
Project Management	15%	Safety	6%
Contract Management	15%	Lien Laws	5%
Financial Management	10%	Business Management	5%
Labor Laws	8%	Risk Management	5%

Business and Law eBook



The Louisiana State Licensing Board for Contractors is the first to offer an electronic version of the study guide for the Business and Law examination as a pilot program in coordination with both the National Association of State Contractors Licensing Agencies (NASCLA) and Pearson Learning Solutions.

Candidates taking the Business and Law examination will receive the study guide shown above and will be able to access the electronic version as well by following the instructions in the fold-out card found in the inside front cover of the study guide. To access the needed code to use the electronic version, fold open the card and scratch off the gray area on the left side using a coin or similar edge. The web link (URL) to access the electronic version can be found inside the card on the right side.

eBook features include the ability to:

- *expand or decrease the size of the page view*
- *bookmark certain pages to return to more easily*
- *make a keyword search*
- *remove highlights*
- *remove writings or drawings you have made*
- *access specific topics quickly by clicking in the table of contents*
- *return to the last page you visited*
- *highlight areas you want*
- *write or draw on any page*
- *view two pages in a row side by side*

Sample Questions

1. The liability of the owner(s) extends not only to the company assets, but to the personal assets of the owner(s) as well in a:
 - a) limited liability corporation.
 - b) sole proprietorship.
 - c) corporation.
 - d) subchapter S corporation.

2. To create a Limited Liability Company in Louisiana, the Articles of Organization must be filed with the Louisiana:
 - a) Division of Administration.
 - b) Secretary of State.
 - c) Department of Taxation and Revenue.
 - d) Department of Economic Development.

3. The form of business which is considered separate and apart from its owners and continues to exist upon the death of one of its owners is a:
 - a) sole proprietorship.
 - b) limited partnership.
 - c) general partnership.
 - d) corporation.

4. Which of the following is required to have a contractor's license?
 - a) A property owner who is making home improvements on his own residence.
 - b) A person donating labor and service for the construction of a church building.
 - c) A person who submits a bid in the amount of \$50,000 or more to repair 25 miles of a highway.
 - d) A farmer building a barn for his own use which will cost \$80,000.

5. From the time the Board receives the contractor's license application to the time the license is issued, out of state applicants have a mandatory waiting period of:
 - a) 15 days.
 - b) 30 days.
 - c) 45 days.
 - d) 60 days.

6. Which type of license below requires a four hour course in “Unfair Trade Practices and Consumer Protection Law”?
- a) Residential License.
 - b) Building Construction License.
 - c) Mold Remediation License.
 - d) Hazardous Waste Treatment or Removal License.
7. According to the Fair Labor Standards Act, a period of 168 hours during seven consecutive 24-hour periods, beginning on any day of the week and any hour of the day is:
- a) an employment agreement.
 - b) a wage garnishment law agreement.
 - c) a contract work hour.
 - d) a work week.
8. An employee earns \$10 per hour. He worked 38 hours from Monday to Friday. On Saturday, he worked eight hours. Overtime is paid at the rate of 1-1/2 times the regular rate; therefore, his total compensation for the hours worked on Saturday is:
- a) \$80.
 - b) \$90.
 - c) \$110.
 - d) \$120.
9. Occupational license taxes are required by:
- a) cities and parishes.
 - b) the Louisiana Department of Revenue and Taxation.
 - c) the Internal Revenue Service.
 - d) the Louisiana State License Board for Contractors.
10. The Internal Revenue Service requires employers to retain all records of employment taxes for a period of at least how many years after the date the tax to which they relate becomes due?
- a) 2
 - b) 4
 - c) 5
 - d) 6

11. An employee's final wages are paid on April 30. The employee requests a Wage and Tax Statement (form W-2) from the employer on that date.

The employer must provide the employee his W-2 no later than:

- a) May 30 of the same year.
- b) December 31 of the same year.
- c) January 1 of the following year.
- d) January 31 of the following year.

12. Calendar scheduling:

- a) is recommended for large, complex projects.
- b) can be done on a desk calendar.
- c) helps track daily costs and payments.
- d) logs the hours worked on each task.

13. A contractor estimates the following direct costs on a job:

Materials	\$20,000
Materials' sales tax	6%
Labor	\$10,000
Overhead markup	50% of labor costs
Contingencies	\$1,000
Profit markup	10% of total costs

Assume that all costs to be considered are shown above. The total bid on the project should be:

- a) \$37,200
- b) \$39,600
- c) \$39,920
- d) \$40,920

14. Whenever there is a conflict between the local codes and the contract specifications, the:

- a) specifications must be followed.
- b) codes must be followed.
- c) stricter of the two must be followed.
- d) least restrictive of the two should be followed.

15. The retainage is paid the contractor:

- a) at the midway point of the project.
- b) when the project is substantially completed.
- c) when the project is finished.
- d) when the lien period has expired and no lien has been filed.

16. A periodic payment or cost reimbursement made to the contractor during the construction period is called a:

- a) retention release.
- b) progress payment.
- c) borrowed fund.
- d) final payment.

17. Theft of office equipment would be covered under which type of policy below?

- a) Comprehensive General Liability.
- b) Director's and Officer's Liability.
- c) Professional Liability.
- d) Property Insurance.

18. A lien is best defined as:

- a) a legal interest one person has in the property of another.
- b) a legal claim against real property for payment of fees owed for the improvement of that property.
- c) the title to real property held in trust until claims are settled.
- d) A right which prevents an individual from occupying his own home until all improvements have been paid for.

19. OSHA requires employers to post an annual summary of occupational injuries and illnesses. This summary shall be posted no later than:

- a) December 1.
- b) January 1.
- c) February 1.
- d) June 1.

20. If an employer is required to keep an OSHA Form 300 (injury/illness log), after the year to which the form pertains, the employer must keep the form for **at least**:

- a) one year.
- b) three years.
- c) five years.
- d) ten years.

Answer Key

Business and Law Sample Questions

1. B
2. B
3. D
4. C
5. D
6. C
7. D
8. C
9. A
10. B
11. A
12. B
13. D
14. C
15. D
16. B
17. D
18. B
19. C
20. C