

This chart details the project value limits for contractor licensing in Louisiana, based on information from the Louisiana State Licensing Board for Contractors (LSLBC) and other industry sources. All project costs include labor and materials.

| <b>Project type</b>                                                   | <b>License or registration needed</b>                                          | <b>Dollar limit</b>                                                           |
|-----------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Commercial construction</b>                                        | Commercial license                                                             | <b>\$50,000 or more</b>                                                       |
| <b>Residential construction</b>                                       | Residential license                                                            | <b>\$75,000 or more</b>                                                       |
| <b>Home improvements</b> (on existing <b>residential</b> structures)  | Home Improvement Registration                                                  | <b>\$7,500 to \$75,000</b>                                                    |
| <b>Specialty commercial trades</b> (electrical, mechanical, plumbing) | Commercial license with specific subclassification                             | <b>\$10,000 or more</b>                                                       |
| <b>Residential swimming pools</b>                                     | Residential Swimming Pool subclassification                                    | <b>\$7,500 or more</b>                                                        |
| <b>Hazardous materials or mold remediation</b>                        | Commercial license with specific subclassification or Mold Remediation license | <b>\$1 or more</b>                                                            |
| <b>Small projects</b>                                                 | None                                                                           | <b>Below \$7,500 for residential work</b><br><br>*Does not apply to hazardous |

### **Important considerations**

- **Dual licensing:** Contractors with a commercial or residential license do not need a separate Home Improvement Registration.
- **Subcontractors:** Subcontractors performing work above the listed thresholds must also be licensed for their respective specialty.
- **Recent law changes:** A legislative bill proposed lowering the licensing threshold for some projects as of August 1, 2024. While some sources reference the old thresholds, the Louisiana State Licensing Board for Contractors website confirms the thresholds shown above.

### **Requirements for commercial projects in Louisiana**

- **Commercial license:** A commercial license is mandatory for any commercial construction or improvement project where the total cost is \$50,000 or more.
- **Specialty work:** Specific types of work may require a license even if the overall project is less than \$50,000. For example, electrical, mechanical, or plumbing projects exceeding \$10,000 need a license.
- **Permits:** Even if a license isn't required for a smaller project, building permits from the local authorities are still necessary and building without them can lead to penalties.

### **Risks of unlicensed work**

- **Legal consequences:** Performing work that requires a license without one is illegal and can result in penalties, fines, or being debarred from future projects.
- **Financial and insurance issues:** Unlicensed work can lead to insurance claims being denied and can be a violation of contracts.
- **Building code violations:** Working without a license increases the risk of not following proper building codes, which can lead to safety hazards and costly rework.