

Course 7: License-Permits - Certifications - Insurance

Practice Questions (22)

Choose the best answer.

1. You can receive from the Louisiana Licensing Board for Contractors *except one*:

- A. Commercial License
- B. Residential License
- C. Mold Remediation License
- D. Home Improvement Registration
- E. Occupancy License

2. If you are selected to complete a commercial project with a value of \$50,000 or more do you need a commercial license?

- A. Yes
- B. No

3. What are the trade exceptions that are required, to have a commercial license at the value of \$10,000 or more?

- A. Plumbing/Carpentry/Concrete
- B. Electrical/Mechanical/Plumbing
- C. Mechanical/Carpentry/Electrical

4. What are the basic requirements for residential and commercial licenses?

- A. Registered Business and Complete and submit an application
- B. Financial statement with \$10,000 net worth
- C. Applicant must pass Business & Law and Trade Exam
- D. All the Above

5. Residential license is required for residential construction or home improvement projects exceeding \$75,000.

- A. True
- B. False

6. In order to build a single family home, duplex, triplex, or fourplex you will need your residential license.

- A. True
- B. False

7. In order to build three or more single family homes built under the same contract in the same subdivision, two or more duplexes, triplexes, fourplexes, apartment buildings or condominiums you need a commercial license.

- A. True
- B. False

8. Residential subcontractors who bid or perform work in one of the six new specialty areas listed below must be licensed for that specialty when the work exceeds \$7,500 (including labor and materials) on any new single family residential home, duplex, triplex, or fourplex. Residential pile driving, Residential foundations, Residential framing, Residential roofing, Residential masonry/stucco, Residential swimming pools

- A. True
- B. False

9. Residential Subcontract Contractors are not allowed to perform labor only projects.

- A. True
- B. False

10. Home Improvement Registration requirements include all the following except:

- A. Passing the Trade Exam
- B. Complete and submit an application
- C. Provide proof of general liability & workers' compensation insurance
- D. Business entities must be registered with the Louisiana Secretary of State

11. If you acquire your license with the Louisiana Licensing Board for Contractors, Louisiana has reciprocity agreements with how many other states?

- A. 10
- B. 15
- C. 11
- D. 20

12. How are contracts calculated to determine whether a contract reaches licensure limits?

- A. Labor Only Cost
- B. Labor and Materials Costs
- C. Materials Only Cost
- D. It is based on the contract

13. Unlicensed and Licensed home improvement, residential and commercial contractors can be penalized if they do not meet the licensing laws.

- A. True
- B. False

14. What two programs assist contractors in securing bonding?

- A. Small and Emerging Business Development Program and Hubzone Program
- B. Bonding Assistance Program and Surety Bonding Program
- C. Louisiana Contractor Accreditation Institute and Bonding Assistance Program
- D. Hudson Initiative and 8(a) Business Development Program

15. Who is protected by Workers' Compensation Insurance?
- A. Employee only
 - B. Employer only
 - C. Employee and employer
16. What is the minimum and maximum weekly benefits payable under Workers' insurance during the period between September 1, 2017 and August 31, 2018?
- A. \$174; \$653
 - B. \$450; \$1,200
 - C. \$890; \$2,000
17. What does Workers' Compensation Insurance cover?
- A. Wage replacement only
 - B. Medical benefits only
 - C. Both wage replacement and medical benefits
18. Workers' Compensation pays for pain and suffering.
- A. True
 - B. False
19. Employees can sue for injuries taken place on the job.
- A. True
 - B. False
20. Commercial General Liability Insurance is mandatory in Louisiana.
- A. True
 - B. False
21. Commercial liability insurance protects your Louisiana business from financial loss resulting from claims of injury or damage caused to other by you or your employee. It covers the following cases *except one*:
- A. Bodily injury
 - B. Legal defense and judgements
 - C. Asset Depreciations
22. How much Commercial Liability General Liability Insurance should a business carry?
- A. Minimum of \$100,000
 - B. Minimum of \$500,000
 - C. Minimum of \$5,000,000