

2025 Regular Session

HOUSE BILL NO. 140

BY REPRESENTATIVE FARNUM

(On Recommendation of the Louisiana State Law Institute)

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PROPERTY/IMMOVABLE: Provides relative to residential home improvements

1 AN ACT

2 To amend and reenact R.S. 9:4851 through 4855, relative to the Residential Truth in
3 Construction Act; to provide for scope and definitions; to provide for notice and
4 requests for information; to provide for effects on claims and privileges; to provide
5 for damages and attorney fees; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:4851 through 4855 are hereby amended and reenacted to read as
8 follows:

9 §4851. Scope; definition

10 A. The provisions of this Subpart and the notice required to be given ~~herein~~
11 in this Subpart shall be nonwaivable, ~~and~~ shall be applicable to all residential home
12 improvements, and shall be read and construed in pari materia with the other
13 provisions of this Part.

14 B. For the purposes of this Subpart, residential home improvements shall
15 include all improvements or construction ~~which~~ that enhance the value or enjoyment
16 of any ~~real property~~ immovable occupied by the owner thereof principally as a
17 single-family or double-family dwelling or residence if ~~such works~~ the
18 improvements would entitle ~~any~~ a person to ~~lien rights against the property~~ a claim
19 against the owner or a privilege upon the immovable under the provisions of ~~R.S.~~
20 ~~9:4801 through 9:4842~~ this Part.

1 §4852. Notice

2 A. Prior to or at the time of entering into a contract for residential home
3 improvements under the provision of this Subpart, the contractor shall deliver to the
4 owner or his authorized agent, for ~~such~~ the owner's or agent's signature, written
5 notice in substantially the following form:

6 NOTICE OF LIEN RIGHTS

7 Delivered this _____ day of _____, 20____, by _____,
8 Contractor.

9 You are having work done on your home. Under Louisiana law, all those
10 who work on your home, including the contractor, any subcontractors, and their
11 employees, as well as all those who supply materials, ~~or~~ equipment, or services for
12 the work, can file a lien against your home if they are not paid. They can also
13 recover from you personally the amounts that they are owed. This can occur even
14 if you pay the contractor all amounts that you agreed to pay for the work.

15 You might protect yourself if you do one of the following:

16 (a) Before the work begins, have a written and signed contract with your
17 contractor and have a payment bond issued. Before the work begins, make sure a
18 notice of your contract and the bond are properly recorded in the parish mortgage
19 records.

20 (b) When your contractor is paid, make sure that all those who worked on
21 your home or supplied materials, ~~or~~ equipment, or services have been paid in full.
22 To do this, you might want to require the contractor to give you written lien waivers
23 signed by all those who worked on your home or supplied materials, ~~or~~ equipment,
24 or services acknowledging that they have been paid.

25 At any time, you have the right to request, in writing, that the contractor
26 provide you the names, addresses, and other contact information of all persons who
27 worked on your home or supplied materials, equipment or services, along with a
28 statement of the amounts then owed to each of them. You also have the right to

1 make a written request directly to any of those persons for a statement of the
2 amounts owed to them.

3 If you have ~~further~~ any questions, contact a lawyer.

4 By signing below, you acknowledge that you have been provided with this
5 notice.

6 _____
7 Owner or Agent

8 _____
9 Date

10 B. The notice ~~herein~~ required by this Section shall not be considered a
11 condition of the construction contract.

12 ~~§4853. Copies of notice~~

13 A. C. A copy of the signed notice shall be given to the owner or agent ~~who~~
14 ~~has affixed his signature thereto.~~

15 B. D. Every Upon request, the contractor shall furnish a copy of the signed
16 notice to any person who may be entitled to lien rights against the residential a claim
17 against the owner or a privilege upon the owner's property for work, to be done or
18 material materials, equipment, or services to be furnished pursuant to this Subpart
19 ~~shall be furnished a copy of the signed notice by the contractor upon request in~~
20 connection with residential home improvements.

21 §4853. Requests for information

22 A. Within ten days after receipt of a written request from the owner or his
23 authorized agent, the contractor shall deliver to the owner or agent a list of the
24 names, addresses, and other contact information of all persons who may be entitled
25 under R.S. 9:4802 to a claim against the owner or a privilege upon the owner's
26 property for work, materials, equipment, or services furnished in connection with
27 residential home improvements, along with a statement of all amounts then owed to
28 each of them.

1 B. Notwithstanding any agreement to the contrary, an owner who has made
2 a request under Subsection A of this Section may withhold payment otherwise due
3 to the contractor until the contractor delivers the requested information.

4 C. Within ten days after receipt of a written request from the owner, a person
5 who is granted a claim and privilege under R.S. 9:4802 for work, materials,
6 equipment, or services furnished in connection with residential home improvements
7 shall provide to the owner a statement of all amounts then owed to the person.

8 D. Notwithstanding R.S. 9:4844, the period within which a person is
9 required to respond to a request made under Subsection A or C of this Section shall
10 not commence to run until the person's actual receipt of the request.

11 E. For purposes of this Section, an amount is considered to be owed to a
12 person when his right to payment of the amount has been earned by his performance,
13 regardless of whether the person has rendered an invoice or billing for the amount.

14 F. Any contractual provision prohibiting the disclosure to the owner of
15 information requested under this Section, or requiring the consent of another person
16 to such disclosure, is absolutely null.

17 §4854. ~~Lien rights unaffected~~ Effect on claims and privileges of persons other than
18 contractor

19 A. Except as otherwise provided in this Section, nothing ~~Nothing~~ contained
20 in this Subpart shall abrogate or ~~interfere with the lien rights~~ extinguish the claim or
21 privilege arising in favor of any person ~~otherwise entitled thereto pursuant to~~ under
22 the provisions of this Part.

23 B. A contractor who fails to deliver to the owner or his authorized agent the
24 notice required by R.S. 9:4852 in a timely manner shall not enjoy any privilege
25 arising under this Part and shall not be entitled to file a statement of claim or
26 privilege for any amounts due to him.

27 C. If a contractor who is deprived of a privilege by Subsection B of this
28 Section files a statement of claim or privilege and thereafter fails without reasonable
29 cause to deliver a written request for cancellation of the statement within the time

1 provided by R.S. 9:4833(A), the owner shall be entitled to recover from the
2 contractor statutory damages in an amount equal to the greater of one thousand
3 dollars or ten percent of the price of the contract in addition to actual damages and
4 attorney fees recoverable under R.S. 9:4833(B).

5 D. The failure of a person who receives a request under R.S. 9:4853(C) to
6 provide a timely and accurate response to the request shall extinguish the person's
7 claim and privilege under R.S. 9:4802 to the extent of any damages suffered by the
8 owner as a result of the failure or inaccuracy.

9 §4855. ~~Penalty for violation~~ Damages and attorney fees

10 In the event ~~any liens are perfected~~ that a statement of claim or privilege is
11 filed under the provisions of this Part against any immovable property for work, ~~or~~
12 ~~improvements covered under the provisions of this Subpart~~ materials, equipment, or
13 services furnished in connection with residential home improvements and the
14 contractor has failed to comply with the provisions of this Subpart; or, if having
15 technically complied with this Subpart, has willfully, knowingly, and unlawfully
16 falsified any statements or fraudulently obtained the signature of the owner or his
17 agent, ~~such~~ the owner shall have a civil cause of action therefor, ~~and shall be entitled~~
18 ~~to reasonable~~ the right to recover from the contractor damages and reasonable
19 attorney fees. The ~~penalty~~ recovery provided for ~~herein~~ in this Section shall not
20 apply if the contractor or a subcontractor ~~obtains a bond from a good and solvent~~
21 ~~surety in favor of the owner of the property on which the lien is placed pursuant to~~
22 ~~R.S. 9:4841,~~ causes the claim against the owner and the privilege securing it to be
23 extinguished by depositing security in accordance with R.S. 9:4835 or reimburses
24 the ~~property~~ owner in an amount sufficient to satisfy the ~~lien~~ claim and privilege,
25 either in the form of a deduction from the original contract price or other refund, and
26 the owner so acknowledges receipt in writing.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 140 Original

2025 Regular Session

Farnum

Abstract: Provides relative to the Residential Truth in Construction Act.

Present law (R.S. 9:4851) sets forth the scope of the Residential Truth in Construction Act and provides a definition of residential home improvements.

Proposed law expands the scope of present law to apply to double-family dwellings and makes technical changes.

Present law (R.S. 9:4852) requires contractors to provide notice of lien rights to owners who have contracted for residential home improvements and sets forth the contents of this notice.

Proposed law adds to the notice provided by present law that the owner can request from the contractor certain information concerning persons who have worked on the owner's home as well as statements of any amounts that are owed to them.

Proposed law also requires copies of the signed notice to be provided to the owner and claimants.

Present law (R.S. 9:4853) provides with respect to copies of notice.

Proposed law provides with respect to requests for information by the owner to the contractor and allows the owner to withhold payment until the contractor provides the information.

Proposed law further provides for requests of statements of amounts owed by the owner to claimants, provides for the timing of responses, and provides that prohibitions on the disclosure of information are absolutely null.

Present law (R.S. 9:4854) provides that lien rights under the Private Works Act are unaffected by the Residential Truth in Construction Act.

Proposed law changes present law to eliminate the privilege of a contractor who fails to deliver the required notice of lien rights, allow the owner to cancel a statement of claim and privilege that is improperly filed by such a contractor, and provide for statutory damages.

Proposed law further provides that the claim and privilege of a claimant who fails to provide that requested statement of amounts owed shall be extinguished to the extent of any damages suffered by the owner.

Present law (R.S. 9:4855) permits an owner to recover damages and attorney fees from a contractor who has violated the provisions of the Residential Truth in Construction Act.

Proposed law retains present law and makes technical changes.

(Amends R.S. 9:4851-4855)