

2019 Regular Session

HOUSE BILL NO. 468

BY REPRESENTATIVE HENRY

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

CONTRACTS: Provides relative to the Private Works Act

1 AN ACT

2 To amend and reenact R.S. 9:4815(A)(introductory paragraph), relative to the Private Works
3 Act; to provide relative to certain contractual requirements; to prohibit the waiver of
4 certain contractual escrow requirements; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 9:4815(A)(introductory paragraph) is hereby amended and reenacted
7 to read as follows:

8 §4815. Escrow of funds due under contract; procedures

9 A. When, under the provisions of this Part, a contract in the amount of fifty
10 thousand dollars or more is entered into between an owner and a contractor and if in
11 accordance with the terms of such contract funds earned by the contractor are
12 withheld as retainage by the owner from periodic payments due to the contractor
13 then such funds shall be deposited by the owner into an interest bearing escrow
14 account. No contractor may be required to waive any such requirement. The
15 provisions of this Section shall not apply to a contract for a single family residence
16 or double family residence. The provisions of this Section also shall not apply to a
17 contract for the construction or improvement of the following types of industrial
18 facilities that are, or will be, engaged in activities defined or classified under one or
19 more of the following subsectors, industry groups, or industries of the 1997 North
20 American Industry Classifications System (NAICS):

- 1 (1) 22111 electric power generation.
- 2 (2) 321 wood products manufacturing.
- 3 (3) 322 paper manufacturing.
- 4 (4) 324 petroleum and coal products manufacturing.
- 5 (5) 325 chemical manufacturing.
- 6 (6) 326 plastics and rubber products manufacturing.
- 7 (7) 331 primary metals manufacturing.
- 8 (8) 562211/562212 hazardous and solid waste landfills.
- 9 (9) 422710 bulk stations and materials.
- 10 (10) 486110 crude oil pipelines.
- 11 (11) 486910 refined petroleum products pipelines.
- 12 (12) 486210 natural gas pipelines.
- 13 (13) 486990 other pipelines.
- 14 (14) 211112 natural gas processing plants.
- 15 * * *

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 468 Original

2019 Regular Session

Henry

Abstract: Relative to the Private Works Act, prohibits the waiver of contractual requirements that retainage funds be deposited by the owner into an interest bearing escrow account.

Present law provides, relative to the Private Works Act, that when a contract in the amount of \$50,000 or more is entered into between an owner and a contractor and funds earned by the contractor are withheld as retainage by the owner from periodic payments due to the contractor then such funds shall be deposited by the owner into an interest bearing escrow account.

Proposed law retains present law and specifies that no contractor may be required to waive the requirement that the funds be deposited by the owner into an interest bearing escrow account.

(Amends R.S. 9:4815(A)(intro. para.))