DIGEST

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HB 140 Original

2025 Regular Session

Farnum

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

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

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

<u>Present law</u> (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.

<u>Proposed law</u> adds to the notice provided by <u>present law</u> 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.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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.

<u>Proposed law</u> 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.

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

<u>Proposed law</u> changes <u>present law</u> 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.

<u>Proposed law</u> 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.

<u>Present law</u> (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.

<u>Proposed law</u> retains <u>present law</u> and makes technical changes.

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