



LOUISIANA STATE LAW INSTITUTE

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April 16, 2025

Representative Phillip R. DeVillier
Speaker of the House of Representatives
P.O. Box 94062
Baton Rouge, Louisiana 70804

Senator Cameron Henry
President of the Senate
P.O. Box 94183
Baton Rouge, Louisiana 70804

**RE: HOUSE CONCURRENT RESOLUTION NO. 80 OF THE 2024 REGULAR
SESSION**

Dear Mr. Speaker and Mr. President:

The Louisiana State Law Institute respectfully submits its report to the legislature relative to additional protections for homeowners under the Private Works Act.

Sincerely,

A handwritten signature in blue ink, appearing to read "Guy Holdridge".

Guy Holdridge
Director

GH/pc

Enclosure

email cc: David R. Poynter Legislative Research Library
drplibrary@legis.la.gov

Secretary of State, Ms. Nancy Landry
admin@sos.louisiana.gov

**LOUISIANA STATE LAW INSTITUTE
SECURITY DEVICES COMMITTEE**

**REPORT TO THE LEGISLATURE IN RESPONSE TO
HCR NO. 80 OF THE 2024 REGULAR SESSION**

Relative to additional homeowner protections under the Private Works Act

Prepared for the
Louisiana Legislature on

April 16, 2025

Baton Rouge, Louisiana

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* * * * *

L. David Cromwell, Reporter
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2024 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 80

BY REPRESENTATIVE FARNUM

A CONCURRENT RESOLUTION

To authorize and direct the Louisiana State Law Institute to study the Private Works Act and provisions relative to protecting homeowners from claims when conducting home improvement projects and protecting homeowners from having to pay twice for work in order to avoid claims by unpaid claimants under the Private Works Act and report its findings to the legislature no later than January 25, 2025.

WHEREAS, the Private Works Act, R.S. 9:4801 et seq., governs the rights of parties to be paid when performing improvements on immovable property; and

WHEREAS, the Private Works Act applies to all construction projects in this state and there may be a need to provide additional special protections for homeowners when conducting residential improvement projects; and

WHEREAS, the protections that are available under the Private Works Act for property owners are often not known to or practical for homeowners when conducting residential improvement projects; and

WHEREAS, the Private Works Act only allows a homeowner to be relieved of claims against him when the claims arise from the performance of a contract by a general contractor for whom a bond is given and maintained as required by R.S. 9:4812 and when notice of the contract with the bond is properly filed as required by R.S. 9:4811; and

WHEREAS, circumstances arise in which the homeowner has paid the contractor in full, but because the homeowner does not have a bond and notice filed, the homeowner is not relieved of claims against him.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby authorize and direct the Louisiana State Law Institute to study the Private Works Act relative to the possibility of protecting a homeowner who conducts a residential improvement project from having to pay twice for some or all of the work in order to avoid claims by unpaid subcontractors, suppliers, laborers, and other claimants or in order to avoid or discharge privileges asserted by such claimants against the homeowners, and report its findings no later than January 25, 2025.

BE IT FURTHER RESOLVED that the Legislature of Louisiana does hereby authorize and direct the Louisiana State Law Institute to include representatives of the stakeholders impacted by the issues to be studied including but not limited to the Louisiana Bankers Associations, ABC Louisiana, Louisiana AGC, Louisiana Homebuilders Association, Louisiana Concrete Association, Louisiana Land Title Association, representatives of suppliers, and homeowners, to the extent not already included in the study.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the director of the Louisiana State Law Institute.

BE IT FURTHER RESOLVED that the Louisiana State Law Institute shall submit one copy and one electronic copy of any report produced pursuant to this Resolution to the David R. Poynter Legislative Research Library as required by R.S. 24:772.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

April 16, 2025

To: Representative Phillip R. DeVillier
Speaker of the House of Representatives
P.O. Box 94062
Baton Rouge, Louisiana 70804

Senator Cameron Henry
President of the Senate
P.O. Box 94183
Baton Rouge, Louisiana 70804

**REPORT TO THE LEGISLATURE IN RESPONSE TO 2024 HCR NO. 80 RE:
ADDITIONAL HOMEOWNER PROTECTIONS UNDER THE PRIVATE WORKS ACT**

House Concurrent Resolution No. 80 of the 2024 Regular Session authorized and directed the Louisiana State Law Institute to study the Private Works Act relative to the possibility of protecting a homeowner who conducts a residential improvement project from having to pay twice for some or all of the work in order to avoid claims and privileges by unpaid subcontractors, suppliers, laborers, and other claimants. In fulfillment of this request, the Law Institute assigned this project to its Security Devices Committee, which operates under the direction of Mr. L. David Cromwell as Reporter. As the resolution directed, the Law Institute included in its study representatives of the stakeholders impacted by these issues, including the Louisiana Bankers Association, ABC Louisiana, Louisiana AGC, Louisiana Homebuilders Association, Louisiana Concrete Association, Louisiana Land Title Association, representatives of suppliers, and homeowners.

I. Description of the Problem Addressed for Study

A. Introduction

The Private Works Act (R.S. 9:4801 et seq.) was last comprehensively revised by Acts 2019, No. 325, adopted on recommendation of the Louisiana State Law Institute.¹ The Act serves as the framework for the implementation of two fundamental policies. First, persons who contribute to the improvement of an immovable are entitled to legal protection so that the value of their efforts are not appropriated by the owner or his creditors. Second, owners, who initiate the work, should take reasonable steps to see that their contractors and suppliers are paid and that the contractors do not appropriate the price of the work and leave their subcontractors, laborers, and suppliers unpaid. These basic policies devised by the legislature have for the most part survived

¹ The subject matter now included in the Private Works Act had previously undergone several comprehensive revisions: Acts 1922, No. 139, as modified by Acts 1926, No. 298, consolidated the laws regulating the rights and liabilities of persons who contract for the improvement or modification of an immovable, and Acts 1981, No. 724, also adopted on recommendation of the Law Institute, enacted the Private Works Act in essentially its present form. For an account of the efforts of the legislature to arrive at a satisfactory balancing of the many policies involved before the 1922 Act, see Daggett, *Louisiana Privileges and Chattel Mortgages*, (1942) page 218.

the test of time and were preserved when the Act was comprehensively revised by the Law Institute in 2019.²

Throughout its successive revisions, the basic objectives of the Act have remained quite simple. First, contractors, laborers, suppliers of materials, and others who deal directly with the owner of an immovable or who contribute to its improvement are granted a privilege on the immovable to secure the price of their work or materials.³ Second, owners who have work done through a general contractor are required to see that the contractor records his contract and provides a surety bond protecting those persons who perform work or supply materials under the contract for the price of that work or material.⁴ An owner who does not comply with these provisions is made personally liable for the claims that would otherwise be protected by the surety bond, and his property is subject to a privilege to secure those claims. A penalty is also inflicted upon the general contractor who does not record his contract if the contract exceeds one hundred thousand dollars – in such cases, the general contractor is denied a privilege on the immovable for the price of his work.⁵ This does not affect the personal liability of the owner, nor the privilege enjoyed by those who deal with the contractor.

The Act works very well when the construction project is undertaken by an owner who has access to legal advice or when the construction is to be financed by a bank or other lending institution, because they are generally aware of its provisions and can take steps to protect themselves (and the owner) by having a notice of the construction contract recorded along with a payment bond satisfying the requirements of the Act. Often, however, for a variety of reasons, an owner fails to require the contractor to file notice of contract or to provide a surety bond. Work on immovables, particularly when involving individual residences, is often done on a small scale involving unsophisticated parties. In many, if not most, of those cases, the owner may be wholly unaware of the requirements of the Act and may not think it necessary to obtain legal advice. The employment of plumbers, painters, roofers, and similar workers seldom causes the owner to resort to the procedures necessary to protect himself against "mechanic's liens" or "construction liens", as they are popularly called. Even when an owner is aware of the provisions of the Act and his potential liability for failing to require the contractor to provide a surety bond, it is often not financially feasible to obtain a surety bond. In many cases, the contractor might be unable to obtain a bond at any cost. In all of these cases, an owner is at risk if he pays his contractor before confirming that the contractor and his subcontractors have paid all workers and suppliers, even those whose identities are not known to the owner. Under the Act, his property is not only subject to a privilege, but the owner is personally liable for such unpaid amounts.

Even after work is completed, the Act allows a subcontractor, laborer, or supplier to file a statement of claim or privilege before expiration of a statutorily prescribed period of time.⁶ If the

² See Acts 2019, No. 325.

³ R.S. 9:4801.

⁴ R.S. 9:4802.

⁵ R.S. 9:4811(D). "A general contractor shall not enjoy any privilege arising under this Part if the price of the work stipulated or reasonably estimated in his contract exceeds one hundred thousand dollars unless notice of the contract is timely filed."

⁶ Where a timely notice of contract has not been filed, as is the case with almost all residential improvement projects, the filing period is sixty days after substantial completion of the work, though the Act provides a mechanism whereby

owner is unaware of the risk, it is likely that the owner will have already paid his contractor for the work before then, thus exposing himself to the possibility of having to pay twice. Under those circumstances, the owner would have the legal right to indemnity from the contractor,⁷ but if it is the contractor who failed to pay the unpaid claimants, that right may prove to be a hollow one indeed.

B. Rationale for Personal Liability

There are several arguments that support the Act's imposition of personal liability against the owner to persons with whom the owner is not in privity of contract, even after the owner has paid his contractor. First, and most importantly, the Act gives the owner a method of avoiding personal liability by recording the contract and obtaining a surety bond. Because of the bargaining position of the parties, the owner is much more likely to have the ability to insist that the contractor provide a bond than is any supplier or subcontractor. Secondly, the presence of the bond permits the owner to agree to make his payments as the work progresses, or even after it is finished, while at the same time still permitting the contractor to obtain credit for the cost of the work as it progresses. In the absence of some assurance of payment, subcontractors and materialmen are less likely to extend credit to the contractor, who would then have to have sufficient capital to complete the job. *In a sense, the credit extended by subcontractors and materialmen to the contractor is in effect credit extended to the owner*, for in the absence of the contractor's ability to obtain services and supplies on credit, the contractor would demand that the owner fund costs in advance, rather than in periodic, after-the-fact progress payments. Moreover, it is obviously advantageous to the owner to defer paying until after the work or some definable part of it is finished, particularly since financial institutions are unlikely to lend even part of the funds without some assurances of completion and freedom from claims.

The Act's balancing of interests among the contractors, those from whom they obtain services and supplies, the owner, and lenders has proved to be essentially effective for more than a hundred years. This balancing of interests is ultimately founded in the policy judgment, which pervades many areas of Louisiana law, that one who receives an unmerited enhancement of his property should compensate those persons who cause that enhancement.⁸

The Act provides a reasonable procedure by which the owner can protect himself from paying twice, and the owner generally is not liable, if he follows that procedure, for paying more than he has agreed to pay for the work. Compliance with the Act, however, does assume a certain level of knowledge of both the law and the construction process that many persons do not and are not likely to possess. Furthermore, the basic construct of the Act that requires filing of notice of a contract with a surety bond to protect those indirectly dealing with the owner by providing services and materials to enhance his property is for the most part impractical in the case of smaller projects and ordinary repairs.

certain claimants on residential works can cause the filing period to be extended to a total of seventy days by giving notice to the owner before the sixty-day period expires. R.S. 9:4822(A) and (D).

⁷ R.S. 9:4802(F).

⁸ See Civil Code Article 2298.

II. Present Provisions Relating to Residential Privileges

Though the Act allows a residential property owner, just like any other owner, to protect himself against the risk of double payment by requiring his contractor to provide a surety bond, following this procedure is impractical, or even sometimes impossible, in the case of most residential improvement projects. The Legislature has recognized that owners are often unaware of or unable to comply with the Act's requirement of a surety bond. To afford added protection to owners, while not relieving them of the claims and privileges provided by the Act, the Legislature has passed legislation designed to force contractors to pay their workers and suppliers. R.S. 9:4814, added in 1997, imposes civil penalties of up to one thousand dollars for each one thousand dollars of misapplied funds. In addition, criminal statutes may be used against a contractor, as it is a crime for a contractor or subcontractor to fail to use money that he has received to satisfy the claims of materialmen, laborers, and others.⁹ These provisions, however, offer small consolation to the owner who is forced to pay twice for the improvements, and they provide no real level of additional protection to unpaid subcontractors and suppliers.

A provision of law known as the Residential Truth in Construction Act¹⁰ seeks to address the problem by making owners aware of potential claims and privileges arising from residential improvements. This Act requires contractors for residential home improvements to give owners a statutorily prescribed "notice of lien rights" before or at the time that the contract for the work is signed. In addition to warning the homeowner against the possibility of claims of third persons, the notice also suggests means by which the homeowner might be protected from the risk of double liability. These means include not only requiring a surety bond, but also requiring the contractor to provide written lien waivers signed by all those who work on the residential project or supplied materials or equipment acknowledging that they have been paid. Even though penalties are provided against a contractor who fails to give the required notice of lien rights, the Residential Truth in Construction Act expressly provides that a contractor's failure to comply with its provisions does not deprive anyone of a privilege or claim arising under the Private Works Act – not even the contractor who failed to give the required notice.

III. Prior Study Resolutions and Revisions

House Concurrent Resolution No. 80 of the 2024 Regular Session is similar to another study resolution issued by the Legislature to the Law Institute twenty years earlier. House Concurrent Resolution No. 259 of the 2004 Regular Session directed the Law Institute to study the Private Works Act and recommend legislation that would "prevent homeowners from having to pay a claimant for amounts due under a construction contract when such obligations have already been paid but have been misapplied or misappropriated by the general contractor." In the course of its study in response to the 2004 resolution, the Law Institute considered several possible protections for homeowners, such as:

⁹ See R.S. 14:202, which makes it a crime for any "contractor, subcontractor, or agent of a contractor or subcontractor, who has received money on account of a contract for the construction, erection, or repair of a building, structure, or other improvement, including contracts and mortgages for interim financing" to "knowingly fail to apply the money received as necessary to settle claims for material and labor due for the construction or under the contract."

¹⁰ R.S. 9:4851 et seq.

1. Excluding residential work in an amount under a certain threshold, such as \$5,000, from the scope of the Act altogether.
2. Limiting claims against the owner and privileges upon the owner's immovable to those persons who have contracted directly with the owner, thereby excluding remote claimants from both a personal claim against the owner and a privilege upon the immovable.
3. Limiting the owner's liability for the claims of remote claimants to the contract funds remaining in the owner's hands when he receives notice of their claims.
4. Excluding all homeowners from the operation of the Act.

In its report to the Legislature in response to House Concurrent Resolution No. 259 of 2004,¹¹ the Law Institute pointed out that each of these solutions, all of which are based upon relieving residential property from the effect of the Act to a greater or lesser degree, would inevitably discourage extensions of credit until after the work is completed and perhaps the contractor has paid his suppliers. An unintended consequence would be that those who are no longer being protected by the Act would likely demand payment in advance. This would not only deprive the owner of the indirect credit that the Act affords him, but it would also obviously expose the owner to other risks arising from payment in advance for work that has not yet been satisfactorily performed. Ultimately, the report recommended no change in the law but instead suggested efforts to educate the public of the risks involved, rather than an outright amendment to the Act.

Several years later, Senate Resolution No. 158 of the 2012 Regular Session directed the Law Institute to study and review "the placement and structure of Louisiana's lien law." Though that study resolution did not indicate any specific concern by the Legislature over the protection of homeowners, the Law Institute's study of the Act in response to the resolution included consideration of the issue of whether additional protections for homeowners were warranted. Among the changes considered were:

1. Whether all claims and privileges against a homeowner should be eliminated unless the homeowner is actually given the notice prescribed by the Residential Truth in Construction Act.
2. Whether the general contractor should lose his privilege against the immovable if he fails to give the required notice.
3. Whether remote claimants who are not in privity with the homeowner should have their claims eliminated unless they either verify that the contractor has given the homeowner the required notice of lien rights or they themselves have given such a notice before or shortly after their commencement of work or delivery of materials to the site.

¹¹ Louisiana State Law Institute Security Devices Committee, Thomas A. Harrell, Kerry Triche, Revision of the Louisiana Revised Statutes Report to the Legislature Pursuant to the Instructions of House Concurrent Resolution No. 259 of 2004, Possible Revisions to the Private Works Acts (La. R.S. 9:4801 et seq.) 5-8 (2006).

After giving thorough consideration to these alternatives, the Law Institute decided against recommending any of these substantive changes in the 2019 revision, chiefly because of an overriding desire not to upset the delicate balance that the Act had sought to achieve between the obligations of an owner and the protections deserved by those who expend labor, services, or supplies in the improvement of the owner's property. In most cases, both are acting in good faith and are injured by another person's default, but the party in the best position to prevent the loss is the owner, because he holds the purse strings and can either demand that the contractor provide a surety bond or, before making payment to the contractor, at least take steps to ensure that those who have worked on the project are paid. Thus, though the comprehensive revision of the Private Works Act that the Law Institute proposed, and the Legislature enacted, in 2019 made a wide variety of changes to the Act, the revision did not include any special protections for homeowners. Instead, the revision merely removed the "legalese" from the statutorily prescribed notice of lien rights required under the Residential Truth in Construction Act and substituted the "plain language" form of notice that presently appears in the Act. The 2019 legislation did not, however, alter the consequences of the contractor's failure to give the statutorily prescribed notice. As before the revision, the contractor's failure to give the required notice of lien rights does not abrogate or interfere with the "lien rights of any person otherwise entitled thereto" pursuant to the provisions of the Private Works Act, even those of the contractor himself.

IV. House Bill No. 101 of the 2024 Regular Session

Since the comprehensive revision of the Private Works Act in 2019, only a few amendments of the Act have been proposed, but one of the proposed amendments, found in House Bill No. 101 of the 2024 Regular Session, would have dramatically changed one of the central pillars of the Act – not just on residential improvement projects but on all projects, whether residential, commercial, or industrial, and regardless of size. That bill proposed to amend R.S. 9:4802(C) to provide that an owner is relieved of any liability to those with whom he is not in privity of contract whenever the contractor has been paid in full. Thus, just as present law provides that an owner who requires the contractor to provide a surety bond is relieved of exposure to claimants working under the contractor, so would the mere fact of payment to the contractor, apparently regardless of when payment occurred. Even after learning of the existence of unpaid claimants, the owner might relieve himself of any responsibility to see that they are paid by simply delivering whatever contract funds remain in his hands to the contractor.

Even if that was not intended, and the bill had been revised to provide that the owner's liability is limited to the balance of contract funds in his hands at the time that statements of claim or privilege are filed, as is the rule in several other states,¹² the bill would still have given rise to a number of possible problems. First, the law allows statements of claim or privilege on a residential improvement project to be filed for up to sixty, and sometimes even seventy, days after work is substantially complete. Most residential contractors would expect full payment long before then, and by the mere act of making payment to the contractor, the owner would deprive any claimant who had not already filed of any protection under the Act. Thus, a claimant would act at his peril by not filing at the earliest possible moment. Also, if the owner decided to pay those unpaid claimants who had filed, he would be unwittingly upsetting the rule under the Private Works Act

¹² See, e.g., N.Y. Lien Law § 11, 11-b; Conn. Gen. Stat. Ann. § 49-36(c); Colo. Rev. Stat. Ann. § 38-22-102(3.5), 38-22-113(4); M.C.L. 570.1118a(1).

that claimants of the same nature rank equally, regardless of when they may file statements of claim or privilege.¹³ There would be an added incentive for claimants to file early, so that they would be paid by the owner, thus effectively achieve priority over other claimants who ostensibly have claims of equal rank.

Though House Bill No. 101 would certainly have achieved its apparent goal of giving expansive protection to owners on all construction projects, the bill would have upset the delicate balancing of interests that has existed under the Act for countless years, and the Law Institute believes that the Legislature made a wise choice in looking for other solutions rather than that proposed by the bill.

V. Recommendations of the Law Institute in Response to HCR No. 80

House Concurrent Resolution No. 80 of 2024 does not appear to express any basic dissatisfaction with either the Private Works Act in general or the existence of the claims and privilege it grants to persons supplying services or materials in connection with residential improvement work. Nevertheless, the resolution implicitly recognizes the perceived inequity that current law visits upon those homeowners who, after paying a contractor the entire contract price that is due, are then required to pay again if the contractor for some reason fails to pay suppliers and subcontractors. After considering both this perceived inequity as well as:

1. The admittedly difficult and obviously conflicting interests of the parties involved in a construction project, many of whom are not in privity of contract with each other and may not even know of the others' existence;
2. The detrimental and unintended effects upon the availability of credit, to contractors and owners alike, that a material limitation of the protections of the Act would likely cause;
3. The present provisions of both the Private Works Act and Residential Truth in Construction Act that require notices to homeowners, including the notice of lien rights that the contractor is required to give to homeowners in connection with residential improvement projects;
4. The existing civil and criminal penalties against the contractor or subcontractor who diverts funds paid to them;
5. The possible adverse effect upon the ease with which residential improvement contracts can be obtained if the protections given to the suppliers, subcontractors, and other persons providing services or materials in connection with the project were removed or substantially altered;

¹³ R.S. 9:4821(B). Thus, for example, the claims and privileges of all subcontractors rank equally with each other, regardless of whether they arise from the same work or different works and regardless of the dates on which the subcontractors file their statements of claim or privilege.

6. The approaches taken by other states to address the competing interests of homeowners and construction lien claimants;¹⁴
7. The inequity that would result to unpaid suppliers, subcontractors, and other persons providing services or materials in connection with a home improvement project if the law provided them no recourse against owners who benefit from their services and materials; and
8. The balancing of the competing interests that the present Private Works Act and its predecessors have achieved over time,

the Law Institute has concluded that the two fundamental tenets of the Private Works Act should be maintained: specifically, (a) that persons who contribute to the improvement of an immovable are entitled to legal protection so that the value of their efforts is not taken without compensation, and (b) that owners, who initiate and will benefit from the work, should take reasonable steps to see that subcontractors, laborers, and suppliers are paid and that contractors do not appropriate the price of the work and leave subcontractors, laborers, and suppliers unpaid. The Law Institute also believes that, despite some risks to both suppliers and owners who are either unsophisticated or unaware of the Act, the present provisions strike about as reasonable a balance as can be devised. Thus, the Law Institute recommends against any further modifications to the substantive rights granted by the Private Works Act for the purpose of insulating owners from possible liability to unpaid claimants; however, the Law Institute proposes several revisions to the Residential Truth in Construction Act to lessen the risk that a homeowner will have the burden of paying twice for the same work due to the failure of the contractor or a subcontractor to pay those who supply labor, services, or material in connection with a residential improvement project. These revisions, which are detailed below, would accomplish the following:

1. Grant the owner the right to obtain from the contractor on a residential improvement project the names and contact information of all persons who performed work or supplied materials or equipment on the project, as well as a statement of all amounts currently owed to them.
2. Require that the notice of lien rights that a contractor on a residential improvement project is required to give to the owner at the time of contracting include an explicit statement informing the owner of this right to request information and statements of amounts owed.
3. Entitle the owner who has made such a request of the contractor to withhold payment to the contractor until the contractor provides the requested information.

¹⁴ See, e.g., A.R.S. § 33-992.01, 33-993; Cal. Civ. Code § 8060, 8102, 8202, 8410, 8412, 8414, 8416; Colo. Rev. Stat. Ann. § 38-22-101, 38-22-102, 38-22-109, 38-22-113; Conn. Gen. Stat. Ann. § 49-34, 49-35, 49-36; Fl. St. § 713.015, 713.06, 713.08, 713.135, 713.16; Ill. St. Ch. 770 § 60/5, 60/21; Md. Code Ann., Real Prop. § 9-104, 9-114; M.C.L. 570.1118a; Minn. Stat. Ann. § 514.03; NRS 108.245, 108.226; N.J.S.A. 2A:44A-9; N.Y. Lien Law § 4, 11, 11-b; N.C.G.S. § 44A-18; OH ST § 1311.011; O.R.S. § 87.070; 49 PS § 1405, 1510; Tex. Prop. Code Ann. § 53.254; Va. Code Ann. § 43-7(A); R.C.W.A. 60.04.151.

4. Incentivize residential improvement contractors to give owners the required notice of lien rights by depriving any contractor who fails to do so of any privilege upon the owner's property to secure amounts owed to him.
5. Allow homeowners to make direct requests to subcontractors, suppliers, and other potential claimants for information as to the amounts owed to them and provide that any claimant who receives such a request and fails to give the owner a timely and accurate response suffers the loss of his claim and privilege to the extent that the failure causes damage to the owner.
6. Extend the applicability of the Residential Truth in Construction Act to both single- and double-family dwellings.

These revisions were submitted to the Legislature and have been introduced as House Bill No. 140 of the 2025 Regular Session. Although not included among the legislative changes that the Law Institute has recommended in response to this study resolution, the Legislature may also wish to consider the possibility of amending licensing laws applicable to home improvement contracting¹⁵ to prohibit specifically, and to grant the licensing board the express authority to police, a failure of a home improvement contractor to comply with the requirements of the Residential Truth in Construction Act.

Finally, while perhaps beyond the scope of the resolution's mandate, the Law Institute also suggests that interested agencies and institutions might wish to consider initiating a more aggressive educational program directed toward both homeowners and residential improvement contractors to make both groups more aware of their rights and obligations under the Private Works Act and the Residential Truth in Construction Act. An educational program of this nature could both help homeowners avoid the perceived injustice that results when they have to pay twice and at the same time remind residential improvement contractors of their obligations under the law.

¹⁵ See R.S. 37:2159.1.