

2021 Regular Session

HOUSE BILL NO. 294

BY REPRESENTATIVE ROMERO

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

CONTRACTORS/CONSTRUCTION: Provides relative to the withholding of retainage

1 AN ACT

2 To enact R.S. 9:4859, relative to the withholding of retainage from subcontractors; to
3 provide for the release of retainage under certain circumstances; to provide for the
4 payment of work by a subcontractor upon substantial completion; and to provide for
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:4859 is hereby enacted to read as follows:

8 §4859. Subcontractors; release of retainage for payment

9 Whenever a contract entered into under the provisions of this Part provides
10 that funds earned by the contractor or subcontractor shall be withheld as retainage,
11 and a subcontractor substantially completes his part of a work in accordance with the
12 plans and specifications of the contract, the contractor shall request such adjustment
13 in retainage from the owner as necessary to enable the contractor to pay the
14 subcontractor in full, and the owner shall release to the contractor the amount due the
15 subcontractor, who shall remit payment to the subcontractor upon receipt of the
16 funds.

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 294 Original

2021 Regular Session

Romero

Abstract: Requires that a subcontractor be paid his portion of retainage upon substantial completion of the subcontractor's work.

Proposed law requires a contractor to request release of a subcontractor's portion of retainage upon substantial completion of a subcontractor's part of a work.

Proposed law requires an owner to release retainage upon a contractor's request pursuant to proposed law.

Proposed law requires a contractor to pay a subcontractor in full upon receipt of the subcontractor's portion of the retainage funds by the contractor.

(Adds R.S. 9:4859)