WOLFE LAW GROUP MIND OF A LAWYER. HEART OF A CONTRACTOR.

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<u>Reminder: Louisiana Lien Period Starts When The</u> <u>Entire Project is Completed, Not Simply The Claimant's</u> <u>Work</u>

Lien periods are a funny thing. In some states, they are painfully short, and in others tremendously long. Regardless of the actual period of time available for lien filing, in order to figure out when the lien period ends....it's important to know when it begins!

In some state (like <u>Washington</u>), the lien period starts when the claimant last furnishes labor and material to the project. So, if the foundation subcontractor last works on January 1st, that's when his lien period begins. It doesn't matter if the project as a whole continues for the next ten years.

Circumstances are different in Louisiana, where the lien period starts when the entire project is completed (or abandoned). Using the above example, if a foundation contractor last performs work on January 1st, but the project continues for another ten years, the foundation contractor can file its lien at anytime after he finishes work, all the way through the ten years of construction until a designed amount of time after the entire project is complete.

Louisiana construction lawyers were reminded of this in 2004 when the Louisiana First Circuit decided <u>Nu-Lite Electrical Wholesalers, LLC v. Alfred Palma, Inc.</u>, et al., 2003 CA 1167. In that case, this precise issue was presented.

The court – reviewing the definition of "abandonment" and "work" in the <u>Private</u> <u>Works Act</u> and related jurisprudence – held that the clock starts to tick after the entire work is abandoned or substantially completed.