

RÉSUMÉ DIGEST

ACT 29 (SB 151)

2015 Regular Session

Cortez

Prior law made the Department of Transportation and Development (DOTD) liable for legal interest on contract balances due and required the release of retainage or other payments to a contractor if the final estimate was not complete, when DOTD failed to make final payment due to a contractor after recordation of formal final acceptance and within 45 days of its receipt of a clear lien certificate.

New law makes DOTD liable for legal interest on final contract balances when DOTD fails to make any final payment within 100 days after receipt of a clear lien certificate.

Prior law required a claimant, after maturity of his claim and within 45 days of recordation of final acceptance of work by DOTD or notice of default of the contractor or subcontractor, to file a copy of a sworn statement of the amount due with DOTD and to record the original statement with the recorder of mortgages for the parish where the work was performed.

New law changes requirement from claimant filing a copy of the statement with DOTD to claimant filing a certified copy of his recorded sworn statement, showing recordation data, with the undersecretary of DOTD.

Prior law authorized a public entity, contractor, or subcontractor, or other interested party to require a person who has filed a statement of claim or privilege to give a written authorization directing the recorder of mortgages to cancel the statement of claim or privilege from his records.

New law adds option for claimant to file an original lien cancellation certificate with the recorder of mortgages and to submit a certified copy of the recorded lien cancellation certificate, showing recordation data, with the undersecretary of DOTD.

Prior law required a party who files a bond or other security to guarantee payment of a statement of claim or privilege to give notice to DOTD, the claimant, and the contractor by certified mail.

New law adds requirement for the party to file a certified copy of the cancelled statement of claim or privilege, showing recordation data, with the undersecretary of DOTD by certified mail.

Effective upon signature of the governor (May 29, 2015).

(Amends R.S. 48:251.5(B)(1) and (2), 256.5(B), 256.6(A)(1), and 256.7(C))