



No Damage for Delay Clauses as Interpreted by The Appellate Division, First Department, NYREJ

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Delay damages have been a hot topic in construction in New York State for over three decades. These damages could be for extended supervision costs, increased labor wages and additional labor costs caused by inefficient work experienced by contractors caused by owner delays. Up until the seminal case of Corinno Civetta, decided by the New York State Court of Appeals, delay damages were available to contractors who incurred additional costs for labor due to delays caused by the owner. However, in the 1980s, owners began inserting clauses in contracts which are known as “no damage for delay” clauses. Simply put, these exculpatory clauses state that the owner is not liable for additional costs incurred by the contractor in the event that the owner caused delays to the contractor’s work.