

Changes to Mechanic's Lien and Bond Claim Laws 2023 YTD

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Abstract

In the ever-evolving landscape of construction law, monitoring legislative changes is crucial for contractors, subcontractors, material suppliers, and other stakeholders within the construction industry. This year, there have been significant statute changes which could impact mechanic's lien and bond claim rights in several states. In this article, we review which states implemented changes, what led to some of the changes, and what the changes mean for your business. States within this article include Alabama, the District of Columbia, Florida, Montana, New Mexico, Texas, and Washington.

Alabama

Alabama [House Bill 168](#) (effective 09/01/2023), raises the payment bond threshold on public works. Previously, any contract over \$50,000 required a payment bond. In HB168, bonds are required for contracts valued at \$100,000 or more.

Ala. Code 39-1-1 (e) This section shall not require the taking of a bond to secure contracts in an amount less than ~~fifty thousand dollars (\$50,000)~~ one hundred thousand dollars (\$100,000).

Additionally, HB168 provides updated requirements for the Notice of Completion given by the contractor. Under prior statute, after completion of the contract, the contractor had to “...give notice of the completion by an advertisement in a newspaper of general circulation published within the city or county in which the work has been done, for a period of four successive weeks.”

Under the revised statute, the contractor must...

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