



Musings on Construction Claim Changes



Everyone knows that the construction economy is not exactly stellar right now and has not been for a while. Groups from the [AGC](#) to the federal government are discussing the issues with the building sector. I have discussed some ways that I believe that a Virginia or any other contractor can distinguish itself from competitors (for instance [green building](#)) to protecting itself through [careful contract drafting](#). I continue to

believe in these ways for contractors to keep profitable and afloat during these tough times.

Unfortunately, in a tough economy, the likelihood that a construction firm will go unpaid increases. As a [construction attorney](#), this means claims. One thing that hit me last week was that the types of claims have changed. I see more [Miller and Little Miller Act bond claims](#) than I had in previous months and years.

My thought is that with the economy, the ratio of private to public jobs is declining. In short, more of the current construction jobs are owned by government and therefore are not subject to [mechanic's lien](#). While I do not claim to be an economist, this seems to be what has lead to the increase of bond claims in my construction practice.

For Virginia construction contractors and subcontractors and their attorneys it means that we all need to be very familiar with the [legal requirements for payment bond claims](#). Some of these requirements [changed this past July 1](#). Also, make sure that whatever company provides the bond on your government construction project is one that meets the financial requirements and has the financial strength to remain in business in the face of such claims. Consultation with an experienced construction lawyer can help keep construction pros in Virginia and elsewhere keep up with these changing legal requirements and assure that critical notices and deadlines are not missed.

Construction is tough right now, but with the right help and proper legal planning, contractors can thrive (or at least get paid).

I would love to hear from both attorneys and construction professionals. What sort of claims are you seeing or making? Do you think that my analysis is correct?

Image via [Wikipedia](#)

Please check out my [Construction Law Musings Blog](#) for more on Virginia construction law and other topics.