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The National Lien Digest[®]

THRESHOLDS FOR PAYMENT BONDS ON PUBLIC PROJECTS

Each state has its own statutes requiring payment bonds on construction projects. Some statutes may require that the general contractor obtain a payment bond on every construction project, and other states may only require a payment bond when the total value of the construction project exceeds a certain threshold. Additionally, the states vary in their requirements for the penal sum of the bond. The following is a guideline for public and federal projects. Please be aware that in some states, special statutes may apply for governmental entities not listed below.

State	Payment Bonds are generally required for general contracts:	The partial sum of the payment bond must be:
Alabama	\$50,000 or more	at least 50% of contract price
Alaska	exceeding \$100,000 (municipalities may exempt bond requirement on projects not exceeding \$400,000)	50% of contracts < \$1,000,000 40% of contracts < \$5,000,000 \$2,500,000 on contracts >: \$5,000,000
Arizona	\$50,000 or more	equal to contract amount
Arkansas	> \$50,000	equal to contract amount
California	exceeding \$25,000	equal to contract amount
Colorado	> \$50,000 (local public works projects) > \$150,000 (state projects) > \$150,000 (local public-private partnerships)	50% of contract price
Connecticut	> \$100,000 for general contracts	equal to contract amount
Delaware	> \$100,000	equal to contract amount
District of Columbia	> \$25,000 > \$100,000 District Government Procurement Regulations	Contracts less than \$1,000,000, 50% of contract Contracts more than \$1,000,000, but less than \$5,000,000, 40% of contract Contracts more than \$5,000,000, \$2,500,000
Florida	> \$100,000 > \$250,000 Department of Transportation	equal to contract amount
Georgia	> \$100,000	equal to contract amount
Hawaii	> \$25,000	equal to contract amount
Idaho	> \$50,000 or more	85% of contract amount
Illinois	> \$50,000	amount fixed by public entity
Indiana	> \$200,000	equal to contract amount
Iowa	> \$25,000	75% of contract price
Kansas	> \$100,000 > \$25,000 - County road projects > \$1,000 - State Highway projects	equal to contract amount

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State	Payment Bonds are generally required for general contracts:	The partial sum of the payment bond must be:
Kentucky	> \$40,000 State projects > \$100,000 Local projects	equal to contract amount
Louisiana	> \$25,000 > \$50,000 Emergency or DOT projects	50% of contract price
Maine	> \$125,000	equal to contract amount
Maryland	> \$100,000 > \$200,000 City of Baltimore projects	50% of contract price
Massachusetts	> \$25,000	50% of contract price
Michigan	> \$50,000 / All DOT projects	25% of contract amount
Minnesota	\$100,000 or more	equal to contract amount
Mississippi	\$25,000 or more	equal to contract amount
Missouri	> \$50,000	amount fixed by public entity
Montana	\$50,000 or more \$7,500 or more (school districts)	State projects: equal to contract amount Municipal projects: 25% of contract amount
Nebraska	\$15,000 or more (State projects) \$10,000 or more (Municipal projects)	equal to contract amount
Nevada	> \$100,000 DOT projects - all contracts	50% of contract amount DOT projects - equal to contract amount
New Hampshire	\$125,000 or more (Political Subdivision projects) \$75,000 or more (State projects)	equal to contract amount
New Jersey	\$200,000 or more (State projects) \$100,000 or more (Local agencies or school districts)	amount fixed by public entity
New Mexico	> \$25,000	equal to contract amount (Public entity may decrease to 50% of the contract amount)
New York	\$100,000 or more \$200,000 or more (Multiple contract awards)	typically equal to contract amount
North Carolina	> \$300,000 > \$500,000 (state projects)	equal to contract amount
North Dakota	> \$200,000	equal to contract amount
Ohio	all projects - Construction Manager at Risk or Design Build contracts Multi- or Single-prime projects if bid (most likely not bid if less than \$200,000)	equal to contract amount
Oklahoma	> \$50,000	equal to contract amount

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Oregon	> \$100,000 > \$50,000 (transportation projects)	equal to contract amount
Pennsylvania	> \$5,000 > \$25,000, up to \$100,000 > \$100,000 under Procurement Code	equal to contract amount 50% of contract amount equal to contract amount
Rhode Island	> \$150,000	50% of contract amount
South Carolina	> \$50,000 > \$10,000 (State highway)	equal to contract amount 50% of contract amount (State Highway)
South Dakota	> \$50,000	equal to contract amount
Tennessee	> \$100,000 All TDOT projects	25% of contract amount Amount fixed by department (TDOT)
Texas	> \$25,000 > \$50,000 municipal or Transportation code projects	equal to contract amount equal to contract amount
Utah	all projects	equal to contract amount
Vermont	> \$100,000 Agency of Transportation projects	Amount fixed by Agency of Transportation
Virginia	> \$500,000 public contracts > \$350,000 Commonwealth transportation projects	equal to contract amount
Washington	> \$150,000	equal to contract amount; municipalities: 25% of contract price
West Virginia	> \$25,000 > \$50,000 (Community Enhancement Projects)	“sufficient payment bond” “sufficient payment bond”

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Wisconsin	> \$148,000 State projects require payment bond or payment assurance > \$369,000 State projects require payment bond > \$74,000 Local projects require payment bond or payment assurance > \$148,000 Local projects require payment bond	equal to contract amount
Wyoming	> \$150,000 - For projects of \$150,000 or less another form of guarantee may be approved by the state	100% of contract price
Federal	> \$25,000 to \$100,000 payment bond or alternative > \$100,000 payment bond	equal to contract amount (unless determined impractical by awarding authority, then must equal performance bond)