AN ACT

RELATING TO PUBLIC WORKS CONTRACTS; CLARIFYING EVIDENTIARY
STANDARDS FOR CLAIMS AGAINST A BOND FOR FURNISHING LABOR AND
MATERIALS FOR PUBLIC WORKS PROJECTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 13-4-19 NMSA 1978 (being Laws 1923, Chapter 136, Section 2, as amended) is amended to read:

"13-4-19. RIGHTS OF PERSON FURNISHING LABOR OR MATERIALS AND RIGHT OF STATE WITH RESPECT TO TAXES DUE.--

A. The state shall have the right to sue on the payment bond for all taxes due arising out of construction services rendered under a contract, in respect of which a payment bond is furnished under Section 13-4-18 NMSA 1978 by a contractor that does not have its principal place of business in New Mexico, and to prosecute such action to final execution and judgment for the sum due. The court may allow, as part of the costs, interest and reasonable attorney fees.

B. Every person, firm or corporation that has furnished labor or materials in the prosecution of work provided for in a contract, in respect of which a payment bond is furnished under Section 13-4-18 NMSA 1978, and that has not been paid in full for the labor or materials before the expiration of a period of ninety days after the day on which the last of the labor was done or performed or materials were furnished or supplied for which claim is made, shall have the right to sue on the payment bond for the