By Senator Wise

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5-00240E-11 2011964

A bill to be entitled

An act relating to construction liens and bonds; amending s. 255.05, F.S.; requiring that a contractor record in the official records a payment bond for a public works construction project; requiring that the bond number be stated on the first page of the bond; prohibiting the issuing authority for a building permit or a private provider performing inspection services from inspecting the property being improved until certain documents are filed; providing that a payment and performance bond is not required for certain contracts; authorizing certain entities to exempt certain contracts from the requirement for a payment and performance bond; requiring the contractor to serve a notice of contest of claim against the payment bond; providing the form and content for a notice to contractor; providing for a sworn notice of nonpayment and providing the form and content of the notice; prohibiting a public authority from withholding payment to a contractor when the contractor has provided a payment bond; amending s. 713.015, F.S.; requiring that a contractor provide an owner with a general statement of an owner's rights and responsibilities under Florida's Construction Lien Law; requiring that a signed copy of the statement be filed with the building permit application; specifying the form and content of the statement; deleting the requirement that notice be included in the direct contract between the contractor and the owner;

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amending s. 713.06, F.S.; revising the form of a notice for liens of persons not in privity with the owner; amending s. 713.13, F.S.; revising the form of the notice of commencement; requiring a payment bond to be attached to a notice of commencement if a project is bonded; amending s. 713.135, F.S.; revising the warning to the owner printed on certain permit cards; deleting a requirement relating to filing a notice of commencement before certain inspections; revising the warning to the owner provided on a building permit form; creating s. 713.137, F.S.; prohibiting the authority issuing a building permit or a private provider performing inspection services from inspecting an improvement until certain documents have been filed and the information in the notice of commencement meets certain standards; providing exceptions; amending s. 713.16, F.S.; revising requirements for demands for a copy of a construction contract and a statement of account; authorizing a lienor who submits or mails a claim of lien to the clerk for recording to make certain demands to an owner for certain written statements; providing requirements for such written demands; amending s. 713.18, F.S.; providing additional methods by which certain items may be served; specifying the information required on certain written instruments under certain circumstances; amending s. 713.22, F.S.; requiring that the contractor serve a notice of contest of lien; amending s. 713.23, F.S.; providing

for a sworn notice of nonpayment and providing the form and content of the notice; requiring that the contractor serve a notice of contest of claim against the payment bond and a notice of bond; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) and paragraph (a) of subsection (2) of section 255.05, Florida Statutes, are amended, and subsection (11) is added to that subsection, to read:

255.05 Bond of contractor constructing public buildings; form; action by materialmen.—

(1) (a) Any person entering into a formal contract with the state or any county, municipality city, or political subdivision thereof, or other public authority or private entity, for the construction of a public building, for the prosecution and completion of a public work, or for repairs upon a public building or public work must shall be required, before commencing the work or before recommencing the work after a default or abandonment, to execute and, deliver to the public owner, and record in the public records of the county where the improvement is located, a payment and performance bond with a surety insurer authorized to do business in this state as surety.

- (a) A public entity may not require a contractor to secure a surety bond under this section from a specific agent or bonding company.
  - (b) The bond must state on its front page: the name,

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principal business address, and phone number of the contractor, the surety, the owner of the property being improved, and, if different from the owner, the contracting public entity; the contract number assigned by the contracting public entity; the bond number assigned by the surety; and a description of the project sufficient to identify it, such as a legal description or the street address of the property being improved, and a general description of the improvement.

- (c) Such bond shall be conditioned upon the contractor's performance of the construction work in the time and manner prescribed in the contract and promptly making payments <u>due</u> to all persons defined <u>as a lienor</u> in s. 713.01 who furnish labor, services, or materials for the prosecution of the work provided for in the contract.
- (d) The contractor shall record the payment and performance bond upon issuance in the official records of the county in which the improvement will be located.
- (e)1. The issuing authority for the building permit, or a private provider performing inspection services, may not inspect the property being improved until:
- a. The issuing authority has a copy of the contractor's recorded payment and performance bond on file; or
- b. The contracting public entity has filed with the issuing authority a notarized statement stating that the contract is exempt from the requirement for a payment and performance bond as provided in this section.
- 2. This paragraph does not apply to inspections for the installation of temporary electrical service or other temporary utility service, land clearing, or other preliminary site work.

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(f) Any claimant may apply to The governmental entity having charge of the work shall provide a certified copy for copies of the contract and bond to any claimant upon request and shall thereupon be furnished with a certified copy of the contract and bond. The claimant has shall have a right of action against the contractor and surety for the amount due him or her, including unpaid finance charges due under the claimant's contract. Such action shall not involve the public authority in any expense.

- (g)1. A payment and performance bond is not required for a contract with the state for \$100,000 or less. When such work is done for the state and the contract is for \$100,000 or less, no payment and performance bond shall be required.
- 2. At the discretion of The official or board awarding a such contract when such work is done for a any county, municipality city, political subdivision, or public authority may exempt a contract, any person entering into such a contract which is for \$200,000 or less from the requirement for a may be exempted from executing the payment and performance bond.
- 3. When such work is done for the state, The Secretary of Management Services may delegate to a state agency agencies the authority to exempt any person entering into such a contract for amounting to more than \$100,000 but less than \$200,000 from the requirement for a executing the payment and performance bond. If In the event such exemption is granted, the officer or officials are shall not be personally liable to a person who suffers a persons suffering loss due to the because of granting such exemption. The Department of Management Services shall maintain information on the number of requests by state agencies for

delegation of authority to waive the bond requirements by agency and project number and whether any request for delegation was denied and the justification for the denial.

- (h) The persons who may be protected by a payment and performance bond for payments due to them for furnishing labor, services, or materials for the prosecution of the work are limited to those persons defined as a lienor in s. 713.01. A Any provision of in a payment and performance bond furnished for a public works contract work contracts as provided by this subsection which further restricts the classes of persons as defined in s. 713.01 protected by the bond or the venue of any proceeding relating to such bond is unenforceable.
- (i) (b) The Department of Management Services shall adopt rules with respect to all contracts for \$200,000 or less, to provide:
- 1. Procedures for retaining up to 10 percent of each request for payment submitted by a contractor and procedures for determining disbursements from the amount retained on a pro rata basis to laborers, materialmen, and subcontractors, as defined in s. 713.01.
- 2. Procedures for requiring certification from laborers, materialmen, and subcontractors, as defined in s. 713.01, before prior to final payment to the contractor, that they do not that such laborers, materialmen, and subcontractors have a claim no claims against the contractor resulting from the completion of the work provided for in the contract.

The state <u>is</u> <del>shall</del> not <del>be held</del> liable to any laborer, materialman, or subcontractor for any amounts greater than the

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pro rata share as determined under this section.

(j)(c)1. The amount of the bond shall equal the contract price, except that for a contract in excess of \$250 million, if the state, county, municipality, political subdivision, or other public entity finds that a bond in the amount of the contract price is not reasonably available, the public owner shall set the amount of the bond at the largest amount reasonably available, but not less than \$250 million.

- 2. For construction-management or design-build contracts, if the public owner does not include in the bond amount the cost of design or other nonconstruction services, the bond may not be conditioned on performance of such services or payment to persons furnishing such services. Notwithstanding paragraph (h) (a), such a bond may exclude persons furnishing such services from the classes of persons protected by the bond.
- (2) (a) 1. If a claimant is no longer furnishing labor, services, or materials on a project, a contractor or the contractor's agent or attorney may elect to shorten the prescribed time in this paragraph within which an action to enforce any claim against a payment bond must provided pursuant to this section may be commenced by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM

AGAINST PAYMENT BOND

To: ... (Name and address of claimant) ...

You are notified that the undersigned contests your notice of nonpayment, dated ....., and served on the

5-00240E-11 2011964 204 undersigned on ....., ...., and that the time within 205 which you may file suit to enforce your claim is limited to 60 206 days after the date of service of this notice. 207 208 DATED on ..... 209 210 Signed:...(Contractor or Attorney)... 211 212 The claim of any claimant upon whom such notice is served and who fails to institute a suit to enforce his or her claim 213 214 against the payment bond within 60 days after service of such 215 notice shall be extinguished automatically. The contractor or 216 the contractor's attorney <del>clerk</del> shall serve <del>mail</del> a copy of the notice of contest to the claimant at the address shown in the 217 218 notice of nonpayment or most recent amendment thereto and shall 219 certify to such service on the face of such notice and record 220 the notice. Service is complete upon mailing. 221 2.a. A claimant, except a laborer, who is not in privity 222 with the contractor must shall, before commencing or not later 223 than 45 days after commencing to furnish labor, services, or 224 materials for the prosecution of the work, furnish the 225 contractor with a written notice that he or she intends to look 226 to the bond for protection. The notice must be in substantially 227 the following form: 228 229 NOTICE TO CONTRACTOR 230 231 To: ... (Name and address of contractor) ... 232

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233 This notice is to inform you that the claimant identified below 234 intends to look to the contractor's bond to secure payment for 235 the furnishing of materials or services for the improvement of 236 real property. These materials or services have been furnished 237 or are being furnished to: ...(property description)..., which 238 is owned by: ...(owner's name and address).... A general 239 description of the materials or services is as follows: ... (general description of materials or services) .... The 240 materials or services were ordered by: ...(claimant's 241 242 customer).... 243 244 ... (name of claimant) ... 245 ... (signature of claimant or claimant's 246 representative) ..... (date) ... 247 ...(claimant's address)... 248 249 b. A claimant who is not in privity with the contractor and 250 who has not received payment for his or her labor, services, or 251 materials must serve on <del>shall deliver to</del> the contractor and <del>to</del> 252 the surety written notice of the performance of the labor or 253 services, or the delivery of the materials, or supplies and of 254 the nonpayment. The notice of nonpayment must state, as of the

date of the notice, the nature of the labor or services

performed and to be performed, if any; the materials furnished;

the materials to be furnished, if known; the amount paid on

account to date; the amount due; the amount to become due, if

known; and the date that the notice to contractor, if any, was

served on the contractor. The notice of nonpayment must be a

sworn statement and may be served at any time during the

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progress of the work or thereafter but not before 45 days after the first furnishing of labor, services, or materials, and not later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, not later than 90 days after the date that the rental equipment was last on the job site available for use. Any notice of nonpayment served by a claimant who is not in privity with the contractor which includes sums for retainage must specify the portion of the amount claimed for retainage. For a claimant who is not in privity with the contractor, the service of the notice of nonpayment satisfies one of the two conditions precedent to bringing an action against the contractor or surety as provided in sub-subparagraph c., both with respect to the payment described in the notice of nonpayment, including unpaid finance charges due under the claimant's contract, and with respect to any other payments that become due to the claimant after the date of the notice of nonpayment. The time for serving a written notice of nonpayment is measured from the last day of furnishing labor, services, or materials by the claimant and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The failure of a claimant to receive retainage sums of 10 percent or less of the value of labor, services, or materials furnished by the claimant is not considered a nonpayment requiring the service of the notice provided under this sub-subparagraph. The notice of nonpayment must be in substantially the following form:

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290 <u>NOTICE OF NONPAYMENT</u>

5-00240E-11 2011964 291 292 To: ...(Name and address of contractor)... 293 ... (Name and address of surety) ... 294 295 This notice is to inform you that, as of the date of this 296 notice, the claimant identified below has not been fully paid 297 for furnishing labor, services, or materials for an improvement to real property. The labor, services, or materials have been 298 furnished to: ...(property description)..., which is owned by: 299 300 ... (owner's name and address).... A general description of the 301 labor, services, or materials is as follows: ... (general 302 description of labor, services, or materials).... The labor, services, or materials were ordered by: ...(claimant's 303 304 customer).... 305 306 The amount paid by ... (claimant's customer) ... as of the date of 307 this notice for the labor, services, or materials is \$..... The 308 total amount currently due and unpaid is \$...., with \$.... of 309 that amount attributable to retainage. 310 You are further notified that the claimant identified below 311 312 expects to furnish additional labor, services, or materials for 313 the improvement ordered by the same customer. A general description of the additional labor, services, or materials is 314 315 as follows: ... (general description of labor, services, or 316 materials).... The additional amount expected to become due is: 317 \$.... 318 319 If applicable, a notice to contractor pursuant to section

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     255.05(2)(a)2.a., Florida Statutes, was served on ...(name of
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     contractor)... on ... (date)....
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     ... (name of claimant) ...
     ... (signature of claimant or claimant's
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     representative) ..... (date) ...
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     ...(claimant's address)...
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     Sworn to (or affirmed) and subscribed before me this .... day of
     ...., ..(year)... by ... (name of person making statement)....
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           ... (Signature of Notary Public..... (Print, Type, or Stamp
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                                 Commissioned Name of Notary Public)...
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     Personally Known .... OR Produced ..... as identification.
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          c. An <del>No</del> action for <del>the</del> labor, services, or materials, or
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     supplies may not be instituted against the contractor or the
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     surety unless the notice to contractor and the notice of
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     nonpayment both notices have been given, if required by this
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     section. Service of all notices or other instruments required or
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     permitted under this section shall may be made served in
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     accordance with s. 713.18. A claimant may not waive in advance
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     his or her right to bring an action under the bond against the
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     surety. In any action brought to enforce a claim against a
     payment bond under this section, the prevailing party is
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     entitled to recover a reasonable fee for the services of his or
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     her attorney for trial and appeal or for arbitration, in an
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     amount to be determined by the court, and the which fee must be
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     taxed as part of the prevailing party's costs, as allowed in
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     equitable actions. The time periods for service of a notice of
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nonpayment or for bringing an action against a contractor or a surety shall be measured from the last day of furnishing labor, services, or materials by the claimant and shall not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion.

(11) If a contractor furnishes a payment and performance bond for a public works project under this section and has recorded the bond pursuant to paragraph (1)(d), the public authority may not condition its payments to the contractor on the production of a release, waiver, or like documentation from a claimant demonstrating that the claimant does not have an outstanding claim against the contractor, the surety, the bond, or the public authority for payments due on labor, services, or materials furnished on the public works project.

Section 2. Section 713.015, Florida Statutes, is amended to read:

713.015 <u>General statement of owner's rights and</u>
responsibilities
Mandatory provisions for direct contracts.-

(1) For any direct contract greater than \$2,500 between an owner and a contractor, related to improvements to real property consisting of single or multiple family dwellings up to and including four units, the contractor must provide the owner with a copy of the general statement of owner's rights and responsibilities under Florida's Construction Lien Law as set forth in subsection (2), which must be contain the following notice provision printed in no less than 12-point, capitalized, boldfaced type on the front page of the contract or on a separate page, signed by the owner and dated, and submitted with

5-00240E-11 2011964 378 the original building permit application pursuant to s. 379 713.135.÷ 380 381 ACCORDING TO FLORIDA'S CONSTRUCTION LIEN LAW (SECTIONS 713.001-382 713.37, FLORIDA STATUTES), THOSE WHO WORK ON YOUR PROPERTY OR 383 PROVIDE MATERIALS AND SERVICES AND ARE NOT PAID IN FULL HAVE A 384 RIGHT TO ENFORCE THEIR CLAIM FOR PAYMENT AGAINST YOUR PROPERTY. 385 THIS CLAIM IS KNOWN AS A CONSTRUCTION LIEN. IF YOUR CONTRACTOR 386 OR A SUBCONTRACTOR FAILS TO PAY SUBCONTRACTORS, SUB-387 SUBCONTRACTORS, OR MATERIAL SUPPLIERS, THOSE PEOPLE WHO ARE OWED 388 MONEY MAY LOOK TO YOUR PROPERTY FOR PAYMENT, EVEN IF YOU HAVE 389 ALREADY PAID YOUR CONTRACTOR IN FULL. IF YOU FAIL TO PAY YOUR 390 CONTRACTOR, YOUR CONTRACTOR MAY ALSO HAVE A LIEN ON YOUR 391 PROPERTY. THIS MEANS IF A LIEN IS FILED YOUR PROPERTY COULD BE 392 SOLD AGAINST YOUR WILL TO PAY FOR LABOR, MATERIALS, OR OTHER 393 SERVICES THAT YOUR CONTRACTOR OR A SUBCONTRACTOR MAY HAVE FAILED 394 TO PAY. TO PROTECT YOURSELF, YOU SHOULD STIPULATE IN THIS 395 CONTRACT THAT BEFORE ANY PAYMENT IS MADE, YOUR CONTRACTOR IS 396 REQUIRED TO PROVIDE YOU WITH A WRITTEN RELEASE OF LIEN FROM ANY 397 PERSON OR COMPANY THAT HAS PROVIDED TO YOU A "NOTICE TO OWNER." 398 FLORIDA'S CONSTRUCTION LIEN LAW IS COMPLEX, AND IT IS 399 RECOMMENDED THAT YOU CONSULT AN ATTORNEY. 400 (2) The general statement of owner's rights and 401 responsibilities under Florida's Construction Lien Law must be 402 in substantially the following form, must include the 403 information contained in the following form, and must include a 404 copy of a notice of commencement as provided in s. 713.13(1). 405 406 GENERAL STATEMENT OF OWNER'S RIGHTS AND RESPONSIBILITIES

UNDER FLORIDA'S CONSTRUCTION LIEN LAW (Required by Section 713.015, Florida Statutes)

ABOUT THIS DOCUMENT.—Florida law requires your contractor to provide you with this document when you are contracting to make improvements to real property. It is critical that you have some understanding of Florida's construction lien and payment laws and take appropriate steps to protect your investment and fulfill your obligations to those who provide labor, services, or materials for your project.

You must acknowledge that you have received and read this document by signing on the signature page. The original signed document must be delivered to the building permit authority, along with the building permit application for your project.

Your building permit application will not be processed unless this signed document is in the file. You need to retain a copy of this document so that you can follow the procedures described in the document and identify the proper statutory forms as you proceed with your construction project.

IT IS ALWAYS RECOMMENDED THAT YOU OBTAIN LEGAL ADVICE
BEFORE UNDERTAKING REAL PROPERTY IMPROVEMENTS. IF YOU HAVE
QUESTIONS REGARDING THE INFORMATION CONTAINED IN THIS DOCUMENT,
SEEK THE ADVICE OF A FLORIDA CONSTRUCTION LAW ATTORNEY.

THE FLORIDA CONSTRUCTION LIEN LAW.—Part I of chapter 713, Florida Statutes (F.S.), governs private construction projects in this state. The complete text of this law can be found at

www.leg.state.fl.us. This statement is a guide and does not take precedence over the language of Florida's Construction Lien Law.

Under this law, those who work on your property or provide materials or services and who are not paid in full have a right to enforce their claim for payment against your property. This claim is known as a construction lien. If your contractor or a subcontractor fails to pay subcontractors, sub-subcontractors, or material suppliers, those people who are owed money may look to your property for payment even if you have already paid your contractor in full. If you fail to pay your contractor, your contractor may also have a lien on your property. This means that if a valid lien is filed, your property could be sold against your will to pay for labor, services, or materials that your contractor or a subcontractor may have failed to pay. A contractor or subcontractor who files a lien on your property is called a lienor.

FLORIDA LAW ALSO PROVIDES PROCEDURES TO PROTECT OWNERS FROM PAYING MORE THAN THE AMOUNT OF THEIR CONTRACT. IF YOU FOLLOW THE FOUR STEPS SET FORTH BELOW, YOU WILL PROTECT YOURSELF FROM VALID LIENS AGAINST YOUR PROPERTY, AND FROM PAYING TWICE FOR LABOR, SERVICES, OR MATERIALS FURNISHED FOR YOUR PROJECT.

STEP 1 — THE NOTICE OF COMMENCEMENT.—An owner is required by law to complete, sign, and record in the public records a Notice of Commencement for all direct contracts that exceed \$2,500. The information provided in the recorded Notice of Commencement is relied upon by all parties who provide labor,

services, or materials for your project. A copy of the statutory

Notice of Commencement form required by s. 713.13, Florida

Statutes, is attached to this document.

If a lender is financing your project, the lender will assist you in completing the Notice of Commencement and is responsible for recording it in the public records. It is critical that your Notice of Commencement be recorded after any construction loan or mortgage documents are recorded. If you are not using a lender, preparing and recording the Notice of Commencement is your responsibility. The Notice of Commencement must be recorded before commencing construction and posted on your job site. For most projects, a copy of the recorded Notice of Commencement must be submitted to the building permit authority before the first building inspection.

STEP 2 - MONITOR THE DOCUMENTS AND NOTICES YOU RECEIVE. Pick up your certified mail. Most lien notices are sent by
certified mail and you need to know who is providing labor,
services, or materials for your project. The law provides that
any properly addressed notices that are returned to the sender
through no fault of the sender are considered received by you on
the date sent, so failing to claim certified mail only hurts
you.

If you expect to be absent for periods of time during your project, you should have an attorney or other agent in a position of trust who understands the law handle these details for you. Make sure someone is receiving your mail and taking

steps to obtain the necessary lien releases before making
payments to your contractor. If you receive anything that you do
not understand, seek the assistance of an experienced
construction law attorney.

STEP 3 — OBTAIN SIGNED LIEN WAIVERS EACH TIME YOU MAKE A PAYMENT TO YOUR CONTRACTOR.—Each time you pay your contractor you should obtain a Waiver and Release of Lien form from the contractor AND from anyone who has served you with a Notice to Owner. Make sure that each release waives lien rights against your project for work or materials furnished through the date of the work or materials that your payment covers. This date is probably not the date you are making the payment, but a date prior to the payment date through which labor, services, or materials have been billed.

UNDER FLORIDA LAW, YOU HAVE THE RIGHT TO WITHHOLD PAYMENTS

OWED TO THE CONTRACTOR UNTIL YOU HAVE BEEN PROVIDED WITH A

WRITTEN WAIVER AND RELEASE OF LIEN UPON PROGRESS PAYMENT OR A

WRITTEN WAIVER AND RELEASE OF LIEN UPON FINAL PAYMENT SHOWING

THAT THE LIENOR'S CLAIM FOR PAYMENT HAS BEEN PAID.

There are two statutory Waiver and Release of Lien forms that you should know about. The signed Waiver and Release of Lien Upon Progress Payment should be provided to you by your contractor, a subcontractor, or a material supplier each time you make a progress payment to your contractor. The signed Waiver and Release of Lien Upon Final Payment should be submitted by your contractor, the subcontractor, or the material

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supplier when they are finished furnishing all work or materials for your project and have received final payment. Once you receive a final waiver from the contractor, subcontractor, or material supplier, you should not need another waiver unless

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they are hired to do additional work. STEP 4 - OBTAIN A CONTRACTOR'S FINAL PAYMENT AFFIDAVIT BEFORE YOU MAKE FINAL PAYMENT TO YOUR CONTRACTOR. - In addition to obtaining Final Waiver and Release of Lien forms from the contractor and anyone who has served you with a Notice to Owner,

you should obtain a Contractor's Final Payment Affidavit before you make final payment to your contractor. This sworn affidavit should reflect that everyone who supplied labor, services, or materials on your project has been paid in full or should list those subcontractors and suppliers who are still owed money. Make sure that anyone listed as not being paid in full is paid before making final payment to your contractor. You have a right to rely on the information contained in the sworn affidavit when

you make final payment to your contractor with respect to any lienor who has not sent you a Notice to Owner. If a lienor has

sent you a Notice to Owner, you should obtain a Waiver and Release of Lien Upon Final Payment from that lienor.

OWNER'S ACKNOWLEDGMENT AND RECEIPT

The undersigned owner(s) of Florida real property hereby acknowledge that they are preparing to enter into a contract with for the construction of real property improvements to the following

5-00240E-11 2011964 552 described property (insert address or legal description): 553 554 555 ... (Signature of Property Owner) ..... (Date) ... 556 ... (Signature of Property Owner) ..... (Date) ... 557 558 Attached Statutory Form: Notice of Commencement 559 560 (2) (a) If the contract is written, the notice must be in 561 the contract document. If the contract is oral or implied, the 562 notice must be provided in a document referencing the contract. 563 (3) (b) The failure to provide such written notice does not 564 bar the enforcement of a lien against a person who has not been 565 adversely affected. 566 (4) <del>(c)</del> This section may not be construed to adversely 567 affect the lien and bond rights of lienors who are not in 568 privity with the owner. This section does not apply when the 569 owner is a contractor licensed under chapter 489 or is a person 570 who created parcels or offers parcels for sale or lease in the 571 ordinary course of business. 572 Section 3. Paragraph (c) of subsection (2) of section 573 713.06, Florida Statutes, is amended to read: 574 713.06 Liens of persons not in privity; proper payments.-575 (2) 576 (c) The notice must may be in substantially the following 577 form and must include the information and the warning contained 578 in the following form: 579 580 WARNING! FLORIDA'S CONSTRUCTION LIEN LAW ALLOWS SOME

5-00240E-11 2011964 581 UNPAID CONTRACTORS, SUBCONTRACTORS, AND MATERIAL 582 SUPPLIERS TO FILE LIENS AGAINST YOUR PROPERTY EVEN IF YOU HAVE MADE PAYMENT IN FULL. 583 584 585 UNDER FLORIDA LAW, YOUR FAILURE TO MAKE SURE THAT WE ARE PAID 586 MAY RESULT IN A LIEN AGAINST YOUR PROPERTY AND YOUR PAYING 587 TWICE. 588 TO PROTECT YOURSELF, EACH TIME YOU MAKE A PAYMENT TO THE 589 CONTRACTOR, ASK YOUR CONTRACTOR TO PROVIDE YOU WITH A WRITTEN 590 WAIVER AND RELEASE OF LIEN. FOR ADDITIONAL INFORMATION, REFER TO 591 THE GENERAL STATEMENT OF OWNER'S RIGHTS AND RESPONSIBILITIES, 592 WHICH WAS PROVIDED TO YOU BY YOUR CONTRACTOR AT THE BEGINNING OF 593 YOUR CONSTRUCTION PROJECT. AVOID A LIEN AND PAYING TWICE, YOU 594 MUST OBTAIN A WRITTEN RELEASE FROM US EVERY TIME YOU PAY YOUR 595 CONTRACTOR. NOTICE TO OWNER 596 597 598 To ... (Owner's name and address) ... 599 600 The undersigned hereby informs you that he or she has furnished 601 or is furnishing services or materials as follows: 602 ... (General description of services or materials) ... for the 603 improvement of the real property identified as ... (property 604 description) ... under an order given by ...... 605 606 Florida law prescribes the serving of this notice and restricts 607 your right to make payments under your contract in accordance with Section 713.06, Florida Statutes. 608 609 IMPORTANT INFORMATION FOR

YOUR PROTECTION

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Under Florida's laws, those who work on your property or provide materials and are not paid have a right to enforce their claim for payment against your property. This claim is known as a construction lien.

If your contractor fails to pay subcontractors or material suppliers or neglects to make other legally required payments, the people who are owed money may look to your property for payment, EVEN IF YOU HAVE PAID YOUR CONTRACTOR IN FULL.

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## PROTECT YOURSELF:

-RECOGNIZE that this Notice to Owner may result in a lien against your property unless all those supplying a Notice to Owner have been paid.

-LEARN more about the Construction Lien Law, Chapter 713, Part I, Florida Statutes, and the meaning of this notice by contacting an attorney or the Florida Department of Business and Professional Regulation.

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...(Lienor's Signature)...
...(Lienor's Name)...
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...(Lienor's Address)...

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Copies to: ...(Those persons listed in Section 713.06(2)(a) and (b), Florida Statutes)...

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The form may be combined with a notice to contractor given under s. 255.05 or s. 713.23 and, if so, may be entitled "NOTICE TO OWNER/NOTICE TO CONTRACTOR."

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          Section 4. Paragraph (d) of subsection (1) of section
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     713.13, Florida Statutes, is amended to read:
          713.13 Notice of commencement.
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642
           (1)
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           (d) A notice of commencement must be in substantially the
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     following form:
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646
     Permit No....
                                                       Tax Folio No....
647
                           NOTICE OF COMMENCEMENT
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     State of....
649
     County of....
650
     The undersigned hereby gives notice that improvement will be
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     made to certain real property, and in accordance with Chapter
653
     713, Florida Statutes, the following information is provided in
654
     this Notice of Commencement.
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          1. Description of property: ... (legal description of the
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     property, and street address if available) ....
657
          2. General description of improvement:....
          3. Owner information:....
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659
          a. Name and address:....
660
          b. Interest in property:....
661
          c. Name and address of fee simple titleholder (if other
662
     than Owner):....
663
          4.a. Contractor:...(name and address)....
664
          b. Contractor's phone number:....
665
          5. Surety: ...(a copy of the payment bond is attached, if
666
     the project is bonded)....
667
          a. Name and address:....
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668 b. Phone number:.... 669 c. Amount of bond: \$..... 670 6.a. Lender: ... (name and address) .... 671 b. Lender's phone number:.... 672 7.a. Persons within the State of Florida designated by 673 Owner upon whom notices or other documents may be served as 674 provided by Section 713.13(1)(a)7., Florida Statutes: ...(name 675 and address) .... 676 b. Phone numbers of designated persons:.... 677 8.a. In addition to himself or herself, Owner designates 678 ..... of ..... to receive a copy of the Lienor's 679 Notice as provided in Section 713.13(1)(b), Florida Statutes. b. Phone number of person or entity designated by 680 681 owner:.... 682 9. Expiration date of notice of commencement (the 683 expiration date is 1 year from the date of recording unless a 684 later different date is specified)..... 685 686 WARNING TO OWNER: IF THIS NOTICE OF COMMENCEMENT WILL EXPIRE 687 BEFORE ALL WORK IS COMPLETED AND FINAL PAYMENT IS MADE, THE 688 EXPIRATION DATE MUST BE EXTENDED. ANY PAYMENTS MADE BY THE OWNER 689 AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE 690 CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 691 713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST 692 693 BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST 694 INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR 695 LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR 696 NOTICE OF COMMENCEMENT.

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698
     Under penalty of perjury, I declare that I have read the
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     foregoing notice of commencement and that the facts stated
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     therein are true to the best of my knowledge and belief.
701
702
     ... (Signature of Owner or Owner's Authorized
703
     Officer/Director/Partner/Manager) . . .
704
705
     ... (Signatory's Title/Office)...
706
707
     The foregoing instrument was acknowledged before me this ....
708
     day of ...., ... (year)..., by ... (name of person)... as ... (type
709
     of authority,...e.g. officer, trustee, attorney in fact)... for
710
     ... (name of party on behalf of whom instrument was executed)....
711
712
     ... (Signature of Notary Public - State of Florida) ...
713
714
     ... (Print, Type, or Stamp Commissioned Name of Notary Public)...
715
          Personally Known .... OR Produced Identification ....
716
717
718
          Type of Identification Produced.....
719
720
     Verification pursuant to Section 92.525, Florida Statutes.
721
722
     Under penalties of perjury, I declare that I have read the
723
     foregoing and that the facts stated in it are true to the best
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     of my knowledge and belief.
725
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726 ...(Signature of Natural Person Signing Above)...

Section 5. Section 713.135, Florida Statutes, is amended to read:

- 713.135 Notice of commencement and applicability of lien.-
- (1) When  $\underline{a}$  any person applies for a building permit, the authority issuing such permit shall:
- (a) Require the applicant to submit the signed and dated general statement of an owner's rights and responsibilities under Florida's Construction Lien Law provided in s. 713.015 for any single-family or multifamily residential dwelling up to and including four units. A building permit application may not be processed unless the signed document is in the file.
- (b) (a) Print on the face of each permit card in no less than 14-point, capitalized, boldfaced type: "WARNING TO OWNER:

  IF YOU FAIL YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT, YOU MAY PAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT, AND THE CONTRACTOR'S PAYMENT BOND IF THE PROJECT IS BONDED, MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT."
- (c) (b) Make available to Provide the applicant and the owner of the real property upon which improvements are to be constructed copies of the general statement of an owner's rights and responsibilities under Florida's with a printed statement stating that the right, title, and interest of the person who has contracted for the improvement may be subject to attachment under the Construction Lien Law, as described in s. 713.015, along with a statutory notice of commencement form. The issuing

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755 authority may make the general statement and form available in 756 printed form or on the Internet or both. The Department of 757 Business and Professional Regulation shall furnish, for 758 distribution, the statement described in this paragraph, and the 759 statement must be a summary of the Construction Lien Law and 760 must include an explanation of the provisions of the 761 Construction Lien Law relating to the recording, and the posting 762 of copies, of notices of commencement and a statement 763 encouraging the owner to record a notice of commencement and 764 post a copy of the notice of commencement in accordance with s. 765 713.13. The statement must also contain an explanation of the owner's rights if a lienor fails to furnish the owner with a 766 notice as provided in s. 713.06(2) and an explanation of the 767 owner's rights as provided in s. 713.22. The authority that 768 769 issues the building permit must obtain from the Department of 770 Business and Professional Regulation the statement required by 771 this paragraph and must mail, deliver by electronic mail or 772 other electronic format or facsimile, or personally deliver that 773 statement to the owner or, in a case in which the owner is 774 required to personally appear to obtain the permit, provide that 775 statement to any owner making improvements to real property 776 consisting of a single or multiple family dwelling up to and 777 including four units. However, the failure by the authorities to 778 provide the summary does not subject the issuing authority to 779 liability. 780 (c) In addition to providing the owner with the statement 781 as required by paragraph (b), inform each applicant who is not the person whose right, title, and interest is subject to 782 783 attachment that, as a condition to the issuance of a building

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permit, the applicant must promise in good faith that the statement will be delivered to the person whose property is subject to attachment.

- (d) Furnish to the applicant two or more copies of a form of notice of commencement conforming with s. 713.13. If the direct contract is greater than \$2,500, the applicant shall file with the issuing authority prior to the first inspection either a certified copy of the recorded notice of commencement or a notarized statement that the notice of commencement has been filed for recording, along with a copy thereof. In the absence of the filing of a certified copy of the recorded notice of commencement, the issuing authority or a private provider performing inspection services may not perform or approve subsequent inspections until the applicant files by mail, facsimile, hand delivery, or any other means such certified copy with the issuing authority. The certified copy of the notice of commencement must contain the name and address of the owner, name and address of the contractor, and the location or address of the property being improved. The issuing authority shall
- <u>(d)</u> Verify that the name and address of the owner, the name of the contractor, and the location or address of the property being improved, which <u>are is</u> contained in the certified copy of the notice of commencement, <u>are is</u> consistent with the information in the building permit application.
- (e) Provide the recording information from the official public records in which the notice of commencement and payment bond, if any, are recorded to any person upon request. The issuing authority shall provide the recording information on the certified copy of the recorded notice of commencement to any

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person upon request. This subsection does not require the recording of a notice of commencement prior to the issuance of a building permit. If a local government requires a separate permit or inspection for installation of temporary electrical service or other temporary utility service, land clearing, or other preliminary site work, such permits may be issued and such inspections may be conducted without providing the issuing authority with a certified copy of a recorded notice of commencement or a notarized statement regarding a recorded notice of commencement. This subsection does not apply to a direct contract to repair or replace an existing heating or airconditioning system in an amount less than \$7,500.

- (f) (e) Not require that a notice of commencement be recorded as a condition of the application for, or processing or issuance of, a building permit. However, this paragraph does not modify or waive the inspection requirements set forth in this subsection.
- (g) Not require that a notice of commencement be recorded or provided for those projects described in s. 713.137(2).
- (2) An issuing authority under subsection (1) is not liable in any civil action for the failure of the person whose property is subject to attachment to receive or to be delivered the general statement of an owner's rights and responsibilities under Florida's a printed statement stating that the right, title, and interest of the person who has contracted for the improvement may be subject to attachment under the Construction Lien Law as provided in s. 713.015.
- (3) An issuing authority under subsection (1) is not liable in any civil action for the failure to verify that a certified

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copy of the recorded notice of commencement has been filed in accordance with this section.

- (4) The several boards of county commissioners, municipal councils, or other similar bodies may by ordinance or resolution establish reasonable fees for furnishing, upon request, copies of the forms and the printed statement provided in paragraph (1)(a) paragraphs (1)(b) and (d) in an amount not to exceed \$5 to be paid by the applicant for each permit in addition to all other costs of the permit; however, no forms or statement need be furnished, mailed, or otherwise provided to, nor may such additional fee be obtained from, applicants for permits in those cases in which the owner of a legal or equitable interest (including that of ownership of stock of a corporate landowner) of the real property to be improved is engaged in the business of construction of buildings for sale to others and intends to make the improvements authorized by the permit on the property and upon completion will offer the improved real property for sale.
- (5) In addition to any other information required by the authority issuing the permit, each building permit application must contain:
  - (a) The name and address of the owner of the real property;
  - (b) The name and address of the contractor;
- (c) A description sufficient to identify the real property to be improved; and
- (d) The number or identifying symbol assigned to the building permit by the issuing authority, which number or symbol must be affixed to the application by the issuing authority.
  - (6) (a) In addition to any other information required by the

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871	authority issuing the permit, the building permit application
872	must be in substantially the following form:
873	
874	Tax Folio No
875	BUILDING PERMIT APPLICATION
876	
877	Owner's Name
878	Owner's Address
879	Fee Simple Titleholder's Name (If other than owner)
880	Fee Simple Titleholder's Address (If other than owner)
881	City
882	State Zip
883	Contractor's Name
884	Contractor's Address
885	City
886	State Zip
887	Job Name
888	Job Address
889	City County
890	Legal Description
891	Bonding Company
892	Bonding Company Address
893	City State
894	Architect/Engineer's Name
895	Architect/Engineer's Address
896	Mortgage Lender's Name
897	Mortgage Lender's Address
898	
899	Application is hereby made to obtain a permit to do the

5-00240E-11 2011964 900 work and installations as indicated. I certify that no work or 901 installation has commenced prior to the issuance of a permit and 902 that all work will be performed to meet the standards of all 903 laws regulating construction in this jurisdiction. I understand 904 that a separate permit must be secured for ELECTRICAL WORK, 905 PLUMBING, SIGNS, WELLS, POOLS, FURNACES, BOILERS, HEATERS, 906 TANKS, and AIR CONDITIONERS, etc. 907 908 OWNER'S AFFIDAVIT: I certify that all the foregoing information 909 is accurate and that all work will be done in compliance with 910 all applicable laws regulating construction and zoning. 911 912 WARNING TO OWNER: IF YOU FAIL YOUR FAILURE TO RECORD A 913 NOTICE OF COMMENCEMENT, YOU MAY PAY RESULT IN YOUR 914 PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A 915 NOTICE OF COMMENCEMENT, AND THE CONTRACTOR'S PAYMENT 916 BOND IF THE PROJECT IS BONDED, MUST BE RECORDED AND 917 POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. 918 919 IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR 920 LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR 921 RECORDING YOUR NOTICE OF COMMENCEMENT. 922 923 ... (Signature of Owner or Agent)... 924 925 ... (including contractor) ... 926 STATE OF FLORIDA 927 COUNTY OF .... 928

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929
          Sworn to (or affirmed) and subscribed before me this ....
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     day of ...., ... (year) ..., by ... (name of person making
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     statement) ....
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933
                  ... (Signature of Notary Public - State of Florida) ...
934
       ...(Print, Type, or Stamp Commissioned Name of Notary Public)...
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936
          Personally Known .... OR Produced Identification ....
937
938
          Type of Identification Produced.....
939
                                         ... (Signature of Contractor) ...
940
941
     STATE OF FLORIDA
942
     COUNTY OF ....
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944
          Sworn to (or affirmed) and subscribed before me this ....
945
     day of ...., ... (year) ..., by ... (name of person making
946
     statement) ....
947
                  ... (Signature of Notary Public - State of Florida) ...
948
      ... (Print, Type, or Stamp Commissioned Name of Notary Public)...
949
950
          Personally Known .... OR Produced Identification ....
951
952
          Type of Identification Produced.....
953
                      (Certificate of Competency Holder)
954
955
     Contractor's State Certification or Registration No....
956
957
     Contractor's Certificate of Competency No......
```

## APPLICATION APPROVED BY

.....Permit Officer

(b) Consistent with the requirements of paragraph (a), an authority responsible for issuing building permits under this section may accept a building permit application in an electronic format, as prescribed by the authority. Building permit applications submitted to the authority electronically must contain the following additional statement in lieu of the requirement in paragraph (a) that a signed, sworn, and notarized signature of the owner or agent and the contractor be part of the owner's affidavit:

OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty of perjury, I declare that all the information contained in this building permit application is true and correct.

- (c) An authority responsible for issuing building permit applications which accepts building permit applications in an electronic format shall provide public Internet access to the electronic building permit applications in a searchable format.

(7) This section applies to every municipality and county in the state which now has or hereafter may have a system of issuing building permits for the construction of improvements or for the alteration or repair of improvements on or to real property located within the geographic limits of the issuing authority.

Section 6. Section 713.137, Florida Statutes, is created to read:

713.137 Prerequisites to inspection of improvements;

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5-00240E-11 2011964 exceptions.-(1) The authority issuing a building permit or a private provider performing inspection services may not inspect the real property being improved unless: (a) The following documents have been filed with the issuing authority: 1.a. A certified copy of the recorded notice of commencement; or b. A notarized statement that the notice of commencement has been filed for recording, along with a copy of the notice. 2. If the permit is for a commercial project: a. A copy of the contractor's recorded payment bond; or b. A notarized statement of the contractor or owner stating that a payment bond was not required. 3. A signed copy of the general statement of owner's rights and responsibilities under Florida's Construction Lien Law, if required by s. 713.015. (b) The information in the notice of commencement filed with the issuing authority has been verified by the issuing authority to be legible, complete, and consistent with the building permit application. (2) This section does not apply to inspections of the following improvements: (a) The installation of temporary electrical service or other temporary utility service, land clearing, or other preliminary site work. (b) Improvements pursuant to a direct contract in an amount of \$5,000 or less.

(c) The repair or replacement of a heating or air-

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1016 conditioning system pursuant to a direct contract in an amount of \$7,500 or less.

- (d) The installation of a solar hot water system pursuant to a direct contract in an amount of \$7,500 or less.
- Section 7. Section 713.16, Florida Statutes, is amended to read:
- 713.16 Demand for copy of contract and statements of account; form.—
- (1) A copy of the contract of a lienor or owner and a statement of the amount due or to become due if fixed or ascertainable thereon must be furnished by any party thereto, upon written demand of an owner or a lienor contracting with or employed by the other party to such contract. If the owner or lienor refuses or neglects to furnish such copy of the contract or such statement, or willfully and falsely states the amount due or to become due if fixed or ascertainable under such contract, any person who suffers any detriment thereby has a cause of action against the person refusing or neglecting to furnish the same or willfully and falsely stating the amount due or to become due for his or her damages sustained thereby. The information contained in such copy or statement furnished pursuant to such written demand is binding upon the owner or lienor furnishing it unless actual notice of any modification is given to the person demanding the copy or statement before such person acts in good faith in reliance on it. The person demanding such documents must pay for the reproduction thereof; and, if such person fails or refuses to do so, he or she is entitled only to inspect such documents at reasonable times and places.

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(2) The owner may serve in writing a demand of any lienor for a written statement under oath of his or her account showing the nature of the labor or services performed and to be performed, if any, the materials furnished, the materials to be furnished, if known, the amount paid on account to date, the amount due, and the amount to become due, if known, as of the date of the statement by the lienor. Any such demand to a lienor must be served on the lienor at the address and to the attention of any person who is designated to receive the demand in the notice to owner served by such lienor and must include a description of the project, including the names of the owner, the contractor, and the lienor's customer, as set forth in the lienor's notice to owner, sufficient for the lienor to properly identify the account in question. The failure or refusal to furnish the statement does not deprive the lienor of his or her lien if the demand is not served at the address of the lienor or directed to the attention of the person designated to receive the demand in the notice to owner. The failure or refusal to furnish the statement under oath within 30 days after the demand, or the furnishing of a false or fraudulent statement, deprives the person so failing or refusing to furnish such statement of his or her lien. If the owner serves more than one demand for statement of account on a lienor and none of the information regarding the account has changed since the lienor's last response to a demand, the failure or refusal to furnish such statement does not deprive the lienor of his or her lien. The negligent inclusion or omission of any information deprives the person of his or her lien to the extent the owner can demonstrate prejudice from such act or omission by the lienor.

5-00240E-11 2011964 1074 The failure to furnish a response to a demand for statement of 1075 account does not affect the validity of any claim of lien being 1076 enforced through a foreclosure case filed prior to the date the 1077 demand for statement is received by the lienor. 1078 (3) A request for sworn statement of account must be in 1079 substantially the following form: 1080 REQUEST FOR SWORN STATEMENT OF ACCOUNT 1081 1082 WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT, SIGNED 1083 UNDER OATH, WITHIN 30 DAYS OR THE FURNISHING OF A FALSE 1084 STATEMENT WILL RESULT IN THE LOSS OF YOUR LIEN. 1085 1086 To: ... (Lienor's name and address) ... 1087 1088 The undersigned hereby demands a written statement under oath of 1089 his or her account showing the nature of the labor or services performed and to be performed, if any, the materials furnished, 1090 1091 the materials to be furnished, if known, the amount paid on 1092 account to date, the amount due, and the amount to become due, 1093 if known, as of the date of the statement for the improvement of 1094 real property identified as ..... (property description)..... 1095 Name of contractor: ..... 1096 Name of the lienor's customer (as specified in the lienor's 1097 Notice to Owner, if such notice has been served): ...... 1098 ... (signature and address of owner) ... ..... (date of request for sworn statement of account)..... 1099 1100 (4) When a contractor has furnished a payment bond pursuant 1101 to s. 713.23, he or she may, when an owner makes any payment to 1102 the contractor or directly to a lienor, serve a written demand

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on any other lienor for a written statement under oath of his or her account showing the nature of the labor or services performed and to be performed, if any, the materials furnished, the materials to be furnished, if known, the amount paid on account to date, the amount due, and the amount to become due, if known, as of the date of the statement by the lienor. Any such demand to a lienor must be served on the lienor at the address and to the attention of any person who is designated to receive the demand in the notice to contractor served by such lienor. The demand must include a description of the project, the names of the owner, the contractor, and the lienor's customer, as set forth in the lienor's notice to contractor, sufficient for the lienor to properly identify the account in question. The failure or refusal to furnish the statement does not deprive the lienor of his or her rights under the bond if the demand is not served at the address of the lienor or directed to the attention of the person designated to receive the demand in the notice to contractor. The failure to furnish the statement within 30 days after the demand, or the furnishing of a false or fraudulent statement, deprives the person who fails to furnish the statement, or who furnishes the false or fraudulent statement, of his or her rights under the bond. If the contractor serves more than one demand for statement of account on a lienor and none of the information regarding the account has changed since the lienor's last response to a demand, the failure or refusal to furnish such statement does not deprive the lienor of his or her rights under the bond. The negligent inclusion or omission of any information deprives the person of his or her rights under the bond to the extent the

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contractor can demonstrate prejudice from such act or omission by the lienor. The failure to furnish a response to a demand for statement of account does not affect the validity of any claim on the bond being enforced in a lawsuit filed prior to the date the demand for statement of account is received by the lienor.

- (5) (a) Any lienor who <u>submits or mails</u> has recorded a claim of lien to the clerk for recording may make written demand on the owner for a written statement under oath showing:
- 1. The amount of the direct contract under which the lien was recorded;
- 2. The dates and amounts paid or to be paid by or on behalf of the owner for all improvements described in the direct contract;
- 3. The reasonable estimated costs of completing the direct contract under which the lien was claimed pursuant to the scope of the direct contract; and
  - 4. If known, the actual cost of completion.
- (b) Any owner who does not provide the statement within 30 days after demand, or who provides a false or fraudulent statement, is not a prevailing party for purposes of an award of attorney's fees under s. 713.29. The written demand must include the following warning in conspicuous type in substantially the following form:

WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT WITHIN 30 DAYS OR THE FURNISHING OF A FALSE STATEMENT WILL RESULT IN THE LOSS OF YOUR RIGHT TO RECOVER ATTORNEY FEES IN ANY ACTION TO ENFORCE THE CLAIM OF LIEN OF THE PERSON REQUESTING THIS STATEMENT.

(6) Any written demand served on the owner must include a

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description of the project, the names of the contractor and the
lienor's customer, as set forth in the lienor's notice to owner,
sufficient for the owner to properly identify the project in
question.

(7)(6) For purposes of this section, the term "information" means the nature and quantity of the labor, services, and materials furnished or to be furnished by a lienor and the amount paid, the amount due, and the amount to become due on the lienor's account.

Section 8. Section 713.18, Florida Statutes, is amended to read:

713.18 Manner of serving notices and other instruments.-

- (1) Service of notices, claims of lien, affidavits, assignments, and other instruments permitted or required under this part, or copies thereof when so permitted or required, unless otherwise specifically provided in this part, must be made by one of the following methods:
- (a) By actual delivery to the person to be served; if a partnership, to one of the partners; if a corporation, to an officer, director, managing agent, or business agent; or, if a limited liability company, to a member or manager.
- or by registered, global express guaranteed, or certified mail, with postage or shipping paid by the sender prepaid, and or by overnight or second-day delivery with evidence of delivery, which may be in an electronic format.
- (c) If the method specified in paragraph (a) or paragraph

  (b) cannot be accomplished, By posting on the site of the improvement if service as provided by paragraph (a) or paragraph

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1190 (b) cannot be accomplished premises.

- (2) Notwithstanding subsection (1), service of if a notice to owner, a notice to contractor under s. 713.23, or a preliminary notice under s. 255.05 is mailed by registered or certified mail with postage prepaid to the person to be served at any of the addresses set forth in subsection (3) within 40 days after the date the lienor first furnishes labor, services, or materials, service of that notice is effective as of the date of mailing if:
- (a) The notice is mailed by registered, global express guaranteed, or certified mail, with postage prepaid, to the person to be served at any of the addresses set forth in subsection (3);
- (b) The notice is mailed within 40 days after the date the lienor first furnishes labor, services, or materials; and
- $\underline{\text{(c)1.}}$  The person who served the notice maintains a registered or certified mail log that shows the registered or certified mail number issued by the United States Postal Service, the name and address of the person served, and the date stamp of the United States Postal Service confirming the date of mailing; or  $\underline{\text{if}}$
- 2. The person who served the notice maintains electronic tracking records generated through use of the United States Postal Service Confirm service or a similar service containing the postal tracking number, the name and address of the person served, and verification of the date of receipt by the United States Postal Service.
- (3) (a) Service of If an instrument served pursuant to this section is effective on the date of mailing if the instrument:

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1. Is sent to the last address shown in the notice of commencement or any amendment thereto or, in the absence of a notice of commencement, to the last address shown in the building permit application, or to the last known address of the person to be served; and, is not received, but

- $\underline{2.}$  Is returned as being "refused," "moved, not forwardable," or "unclaimed," or is otherwise not delivered or deliverable through no fault of the person serving the item, then service is effective on the date the instrument was sent.
- (b) If the address shown in the notice of commencement or any amendment to the notice, or, in the absence of a notice of commencement, in the building permit application, is incomplete for purposes of mailing or delivery, the person serving the item may complete the address and properly format it according to United States Postal Service addressing standards using information obtained from the property appraiser or another public record or directory without affecting the validity of service under this section.
- (4) A notice served by a lienor on one owner or one partner of a partnership owning the real property If the real property is owned by more than one person or a partnership, a lienor may serve any notices or other papers under this part on any one of such owners or partners, and such notice is deemed notice to all owners and partners.
- Section 9. Section 713.22, Florida Statutes, is amended to read:
  - 713.22 Duration of lien.-
- (1)  $\underline{A}$  No lien provided by this part does not shall continue for a longer period than 1 year after the claim of lien has been

5-00240E-11 2011964 1248 recorded or 1 year after the recording of an amended claim of 1249 lien that shows a later date of final furnishing of labor, 1250 services, or materials, unless within that time an action to 1251 enforce the lien is commenced in a court of competent 1252 jurisdiction. A lien that has been continued beyond the 1-year 1253 period The continuation of the lien effected by the commencement 1254 of an the action is shall not enforceable be good against 1255 creditors or subsequent purchasers for a valuable consideration 1256 and without notice, unless a notice of lis pendens is recorded. 1257 (2) An owner or the owner's agent or attorney may elect to 1258 shorten the time prescribed in subsection (1) within which to 1259 commence an action to enforce any claim of lien or claim against 1260 a bond or other security under s. 713.23 or s. 713.24 by 1261 recording in the clerk's office a notice in substantially the 1262 following form: 1263 NOTICE OF CONTEST OF LIEN 1264 To: ... (Name and address of lienor) ... 1265 You are notified that the undersigned contests the claim of lien 1266 filed by you on ...., ... (year)..., and recorded in .... Book ...., Page ...., of the public records of .... County, Florida, 1267 1268 and that the time within which you may file suit to enforce your 1269 lien is limited to 60 days from the date of service of this notice. This .... day of ...., ... (year)..... 1270 1271 Signed: ... (Owner or Attorney) ... 1272 1273 The lien of any lienor upon whom such notice is served and who 1274 fails to institute a suit to enforce his or her lien within 60 1275 days after service of such notice shall be extinguished

automatically. The owner or the owner's attorney <del>clerk</del> shall

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serve mail a copy of the notice of contest to the lien claimant
at the address shown in the claim of lien or most recent
amendment thereto and shall certify to such service on the face
of such notice and record the notice. Service shall be deemed
complete upon mailing.

Section 10. Paragraphs (c), (d), and (e) of subsection (1) and subsections (2) and (4) of section 713.23, Florida Statutes, are amended to read:

713.23 Payment bond.

1286 (1)

(c) Either before beginning or within 45 days after beginning to furnish labor, materials, or supplies, a lienor who is not in privity with the contractor, except a laborer, shall serve the contractor with notice in writing that the lienor will look to the contractor's bond for protection on the work. If a notice of commencement is not recorded, or a reference to the bond is not given in the notice of commencement, and in either case if the lienor not in privity with the contractor is not otherwise notified in writing of the existence of the bond, the lienor not in privity with the contractor shall have 45 days from the date the lienor is notified of the existence of the bond within which to serve the notice. The notice <u>must may</u> be in substantially the following form:

NOTICE TO CONTRACTOR

1303 To ... (name and address of contractor)...

This notice is to inform you that the lienor identified below

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1335 date of the notice, the nature of the labor or services 1336 performed and to be performed, if any; the materials furnished; 1337 the materials to be furnished, if known; the amount paid on 1338 account to date; the amount due; the amount to become due, if 1339 known; and the date that the notice to contractor, if any, was 1340 served on the contractor. Any notice of nonpayment served by a 1341 lienor who is not in privity with the contractor which includes 1342 sums for retainage must specify the portion of the amount 1343 claimed for retainage. The notice of nonpayment shall be a sworn 1344 statement and may be served at any time during the progress of 1345 the work or thereafter, but not later than 90 days after the 1346 final furnishing of the labor, services, or materials by the 1347 lienor or, with respect to rental equipment, not later than 90 1348 days after the date that the rental equipment was last on the 1349 job site available for use. This A written notice satisfies the 1350 this condition precedent with respect to the payment described 1351 in the notice of nonpayment, including unpaid finance charges 1352 due under the lienor's contract, and with respect to any other payments which become due to the lienor after the date of the 1353 1354 notice of nonpayment. The time period for serving a written 1355 notice of nonpayment shall be measured from the last day of 1356 furnishing labor, services, or materials by the lienor and shall not be measured by other standards, such as the issuance of a 1357 1358 certificate of occupancy or the issuance of a certificate of 1359 substantial completion. The failure of a lienor to receive 1360 retainage sums not in excess of 10 percent of the value of 1361 labor, services, or materials furnished by the lienor is not 1362 considered a nonpayment requiring the service of the notice 1363 provided under this paragraph. The notice under this paragraph

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1364
      must may be in substantially the following form:
1365
                             NOTICE OF NONPAYMENT
1366
      To: ... (name and address of contractor) ...
1367
      ... (name and address of surety) ...
1368
1369
      This notice is to inform you that, as of the date of this
1370
      notice, the lienor identified below has not been fully paid for
1371
      furnishing labor, services, or materials for an improvement to
1372
      real property. The labor, services, or materials have been
1373
      furnished to: ... (property description)..., which is owned by:
1374
      ... (owner's name and address) .... A general description of the
1375
      labor, services, or materials is as follows: ... (general
      description of labor, services, or materials).... The labor,
1376
1377
      services, or materials were ordered by: ...(lienor's
1378
      customer)....
1379
1380
      The amount paid by ...(lienor's customer)... as of the date of
1381
      this notice for the labor, services, or materials is: $..... The
1382
      total amount currently due and unpaid is $...., with $.... of
1383
      that amount attributable to retainage.
1384
1385
      You are further notified that the lienor identified below
1386
      expects to furnish additional labor, services, or materials for
1387
      the improvement ordered by the same customer. A general
1388
      description of the additional labor, services, or materials is
1389
      as follows: ... (general description of labor, services, or
1390
      materials).... The additional amount expected to become due is:
1391
      $...<u>..</u>
1392
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1393
      If applicable, a notice to contractor pursuant to section
1394
      713.23(1)(c), Florida Statutes, was served on ...(name of
1395
      contractor)... on ... (date)....
1396
1397
      ... (name of lienor)...
1398
      ... (signature of lienor or lienor's
1399
      representative) ..... (date) ...
1400
      ...(lienor's address)...
1401
1402
      Sworn to (or affirmed) and subscribed before me this .... day of
1403
      ...., ... (year)..., by .... (name of person making statement)....
1404
             ... (Signature of Notary Public..... (Print, Type, or Stamp
1405
                                  Commissioned Name of Notary Public)...
1406
1407
      Personally Known .... OR Produced ..... as identification.
1408
      To ... (name of contractor and address) ...
1409
1410
      ... (name of surety and address) ...
1411
1412
      The undersigned notifies you that he or she has furnished
1413
      ... (describe labor, services, or materials)... for the
1414
      improvement of the real property identified as ... (property
      description).... The amount now due and unpaid is $.....
1415
1416
1417
                                 ... (signature and address of lienor) ...
1418
1419
            (e) An No action for the labor or materials or supplies may
1420
      not be instituted or prosecuted against the contractor or surety
1421
      unless both notices have been given, if required by this
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5-00240E-11 2011964 1422 section. An No action may not shall be instituted or prosecuted 1423 against the contractor or against the surety on the bond under 1424 this section after 1 year from the performance of the labor or 1425 completion of delivery of the materials and supplies. The time 1426 period for bringing an action against the contractor or surety 1427 on the bond shall be measured from the last day of furnishing 1428 labor, services, or materials by the lienor. The time period may 1429 and shall not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a 1430 1431 certificate of substantial completion. A contractor or the 1432 contractor's agent or attorney may elect to shorten the 1433 prescribed time within which an action to enforce any claim 1434 against a payment bond provided under this section or s. 713.245 1435 must may be commenced at any time after a notice of nonpayment, 1436 if required, has been served for the claim by recording in the 1437 clerk's office a notice in substantially the following form: 1438 NOTICE OF CONTEST OF CLAIM 1439 AGAINST PAYMENT BOND To: ... (Name and address of lienor)... 1440 1441 You are notified that the undersigned contests your notice 1442 of nonpayment, dated ...., and served on the undersigned 1443 on ...., and that the time within which you may file suit 1444 to enforce your claim is limited to 60 days from the date of service of this notice. 1445 1446 1447 DATED on ...., ..... 1448 1449 Signed: ... (Contractor or Attorney) ... 1450

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1452 fails to institute a suit to enforce his or her claim against 1453 the payment bond within 60 days after service of the notice 1454 shall be extinguished automatically. The contractor or the 1455 contractor's attorney clerk shall serve mail a copy of the 1456 notice of contest to the lienor at the address shown in the 1457 notice of nonpayment or most recent amendment thereto and shall 1458 certify to such service on the face of the notice and record the 1459 notice. Service is complete upon mailing. 1460 (2) The bond shall secure every lien under the direct 1461 contract accruing subsequent to its execution and delivery, 1462 except that of the contractor. Every claim of lien, except that of the contractor, filed subsequent to execution and delivery of 1463 1464 the bond shall be transferred to it with the same effect as 1465 liens transferred under s. 713.24. Record notice of the transfer 1466 shall be effected by the contractor, or any person having an 1467 interest in the property against which the claim of lien has been asserted, by recording in the clerk's office a notice in 1468 substantially the following form: 1469 1470 NOTICE OF BOND 1471

To ... (Name and Address of Lienor) ...

bond, a copy being attached.

The claim of any lienor upon whom the notice is served and who

Signed: ...(Name of person recording notice)...

You are notified that the claim of lien filed by you on ....,

the public records of .... County, Florida, is secured by a

...., and recorded in Official Records Book .... at page .... of

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The notice shall be verified. The <u>person recording the notice of bond elerk</u> shall <u>serve mail</u> a copy of the notice <u>along with a copy of the bond</u> to the lienor at the address shown in the claim of lien, or the most recent amendment to it; shall certify to the service on the face of the notice; and shall record the notice. The clerk shall receive the same fee as prescribed in s. 713.24(1) for certifying to a transfer of lien.

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(4) The provisions of s. 713.24(3) shall apply to bonds under this section.

1489 1490

Section 11. This act shall take effect October 1, 2011.