

Committee on Governmental Oversight and Accountability

CS/HB 101 — Public Construction

by Commerce Committee and Reps. Andrade and others (CS/SB 246 by Governmental Oversight and Accountability Committee and Senator Hooper)

Retainage is an amount that a state or local government entity may withhold from payment for construction services to the contractor during the construction process. This bill reduces the retainage cap from 10 percent of the costs due to five percent of the costs throughout the term of the contract for construction services.

The bill repeals:

- The authority granted to a contractor to request the government entity to release up to half of the retained amount after fifty percent of the project is completed; and
- The authority granted to a contractor to withhold more than five percent of each progress payment to his or her subcontractors after fifty percent of a project with a government entity is completed.

The bill specifies that the provisions do not apply to:

- Department of Transportation construction contracts authorized under ch. 337, F.S.; and
- Any contract for construction services entered into, pending approval, or advertised by a government entity, on or before October 1, 2020.

If approved by the Governor, these provisions take effect on October 1, 2020.

Vote: Senate 40-0; House 118-1