

By Senator Miller

18-952A-03

See HB 259

1 A bill to be entitled
2 An act relating to contractor bonds for public
3 building construction; amending s. 255.05,
4 F.S.; revising contract amount thresholds for
5 payment and performance bonds; providing an
6 effective date.

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

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10 Section 1. Paragraph (a) of subsection (1) of section
11 255.05, Florida Statutes, is amended to read:

12 255.05 Bond of contractor constructing public
13 buildings; form; action by materialmen.--

14 (1)(a) Any person entering into a formal contract with
15 the state or any county, city, or political subdivision
16 thereof, or other public authority, for the construction of a
17 public building, for the prosecution and completion of a
18 public work, or for repairs upon a public building or public
19 work shall be required, before commencing the work or before
20 recommencing the work after a default or abandonment, to
21 execute, deliver to the public owner, and record in the public
22 records of the county where the improvement is located, a
23 payment and performance bond with a surety insurer authorized
24 to do business in this state as surety. A public entity may
25 not require a contractor to secure a surety bond under this
26 section from a specific agent or bonding company. The bond
27 must state on its front page: the name, principal business
28 address, and phone number of the contractor, the surety, the
29 owner of the property being improved, and, if different from
30 the owner, the contracting public entity; the contract number
31 assigned by the contracting public entity; and a description

1 of the project sufficient to identify it, such as a legal
2 description or the street address of the property being
3 improved, and a general description of the improvement. Such
4 bond shall be conditioned upon the contractor's performance of
5 the construction work in the time and manner prescribed in the
6 contract and promptly making payments to all persons defined
7 in s. 713.01 who furnish labor, services, or materials for the
8 prosecution of the work provided for in the contract. Any
9 claimant may apply to the governmental entity having charge of
10 the work for copies of the contract and bond and shall
11 thereupon be furnished with a certified copy of the contract
12 and bond. The claimant shall have a right of action against
13 the contractor and surety for the amount due him or her,
14 including unpaid finance charges due under the claimant's
15 contract. Such action shall not involve the public authority
16 in any expense. When such work is done for the state and the
17 contract is for \$250,000~~\$100,000~~ or less, no payment and
18 performance bond shall be required. At the discretion of the
19 official or board awarding such contract when such work is
20 done for any county, city, political subdivision, or public
21 authority, any person entering into such a contract which is
22 for \$500,000~~\$200,000~~ or less may be exempted from executing
23 the payment and performance bond. When such work is done for
24 the state, the Secretary of the Department of Management
25 Services may delegate to state agencies the authority to
26 exempt any person entering into such a contract amounting to
27 more than \$250,000~~\$100,000~~ but less than \$500,000~~\$200,000~~
28 from executing the payment and performance bond. In the event
29 such exemption is granted, the officer or officials shall not
30 be personally liable to persons suffering loss because of
31 granting such exemption. The Department of Management Services

1 shall maintain information on the number of requests by state
2 agencies for delegation of authority to waive the bond
3 requirements by agency and project number and whether any
4 request for delegation was denied and the justification for
5 the denial.

6 Section 2. This act shall take effect July 1, 2003.
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