HB 535 2004 **CS**

CHAMBER ACTION

The Committee on Local Government & Veterans' Affairs recommends the following:

2

4

5

6

7

8

9

10

11 12

1

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to public construction bonds; amending s. 255.05, F.S.; revising the form for a public construction bond; requiring all public construction bonds to be construed as statutory bonds; prohibiting conversion to common law bonds; deleting a requirement that bond forms used by public owners reference certain notice and time limitation provisions; providing an effective date.

14 15

13

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

16 17

18

19

21

Section 1. Subsections (3), (4), and (6) of section 255.05, Florida Statutes, are amended to read:

20 form; action by materialmen.--

(3) The bond required in subsection (1) may be in substantially the following form:

2223

Page 1 of 3

255.05 Bond of contractor constructing public buildings;

CODING: Words stricken are deletions; words underlined are additions.

HB 535 2004 **CS**

24	PUBLIC CONSTRUCTION BOND
25	
26	Bond No. (enter bond number)
27	
28	BY THIS BOND, We, as Principal and, a
29	corporation, as Surety, are bound to, herein called Owner,
30	in the sum of \$, for payment of which we bind ourselves,
31	our heirs, personal representatives, successors, and assigns,
32	jointly and severally.
33	THE CONDITION OF THIS BOND is that if Principal:
34	1. Performs the contract dated,, between
35	Principal and Owner for construction of, the contract
36	being made a part of this bond by reference, at the times and in
37	the manner prescribed in the contract; and
38	2. Promptly makes payments to all claimants, as defined in
39	Section 255.05(1), Florida Statutes, supplying Principal with
40	labor, materials, or supplies, used directly or indirectly by
11	Principal in the prosecution of the work provided for in the
12	contract; and
13	3. Pays Owner all losses, damages, expenses, costs, and
14	attorney's fees, including appellate proceedings, that Owner
15	sustains because of a default by Principal under the contract;
16	and
17	4. Performs the guarantee of all work and materials
18	furnished under the contract for the time specified in the
19	contract, then this bond is void; otherwise it remains in full
50	force.
1	

HB 535 2004 **CS**

Any action instituted by a claimant under this bond for payment must be in accordance with the notice and time

limitation provisions in subsection (2).

Any changes in or under the contract documents and compliance or noncompliance with any formalities connected with the contract or the changes does not affect Surety's obligation under this bond.

DATED ON ______, _____.

... (Name of Principal) ..

By ... (As Attorney in Fact) ..

... (Name of Surety) ...

(4) The payment provisions of All bonds required by furnished for public work contracts described in subsection (1)

- (4) The payment provisions of All bonds required by furnished for public work contracts described in subsection (1) shall, regardless of form, be construed and deemed statutory bonds furnished pursuant to this section and such bonds shall not under any circumstances be converted into common law bonds bond provisions, subject to all requirements of subsection (2).
- (6) All bonds executed pursuant to this section shall make reference to this section by number and shall contain reference to the notice and time limitation provisions of this section.
 - Section 2. This act shall take effect upon becoming a law.