

CHAMBER ACTION

1 The State Administration Council recommends the following:

2
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to public construction bonds; amending s.
7 255.05, F.S.; revising the form for a public construction
8 bond; requiring all public construction bonds to be
9 construed as statutory bonds; prohibiting conversion to
10 common law bonds; limiting certain reference requirements
11 to payment bond forms used by public owners and bonds
12 executed by a surety; providing an effective date.

13
14 Be It Enacted by the Legislature of the State of Florida:

15
16 Section 1. Subsections (3), (4), and (6) of section
17 255.05, Florida Statutes, are amended to read:

18 255.05 Bond of contractor constructing public buildings;
19 form; action by materialmen.--

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

22
23 PUBLIC CONSTRUCTION BOND

Page 1 of 3

HB 487

2005
CS

24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

Bond No. (enter bond number)

BY THIS BOND, We _____, as Principal and _____, a corporation, as Surety, are bound to _____, herein called Owner, in the sum of \$_____, for payment of which we bind ourselves, our heirs, personal representatives, successors, and assigns, jointly and severally.

THE CONDITION OF THIS BOND is that if Principal:

1. Performs the contract dated _____, _____, between Principal and Owner for construction of _____, the contract being made a part of this bond by reference, at the times and in the manner prescribed in the contract; and

2. Promptly makes payments to all claimants, as defined in Section 255.05(1), Florida Statutes, supplying Principal with labor, materials, or supplies, used directly or indirectly by Principal in the prosecution of the work provided for in the contract; and

3. Pays Owner all losses, damages, expenses, costs, and attorney's fees, including appellate proceedings, that Owner sustains because of a default by Principal under the contract; and

4. Performs the guarantee of all work and materials furnished under the contract for the time specified in the contract, then this bond is void; otherwise it remains in full force.

HB 487

2005
CS

50 Any action instituted by a claimant under this bond for
 51 payment must be in accordance with the notice and time
 52 limitation provisions in Section 255.05(2), Florida Statutes.

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

57
 58 DATED ON _____, _____.

59
 60 (Name of Principal)
 61 By (As Attorney in Fact)
 62 (Name of Surety)
 63

64 (4) The payment bond provisions of all bonds required by
 65 ~~furnished for public work contracts described in~~ subsection (1)
 66 shall, ~~regardless of form,~~ be construed and deemed statutory
 67 payment furnished pursuant to this section and such bonds shall
 68 not under any circumstances be converted into common law bonds
 69 ~~bond provisions, subject to all requirements of subsection (2).~~

70 (6) All payment bond forms used by a public owner and all
 71 payment bonds executed pursuant to this section by a surety
 72 shall make reference to this section by number and shall contain
 73 reference to the notice and time limitation provisions of
 74 subsection (2) this section.

75 Section 2. This act shall take effect upon becoming a law.