

Bill No. SB 1350

Barcode 903914

CHAMBER ACTION

Senate

House

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The Committee on Transportation (Sebesta) recommended the following amendment:

**Senate Amendment (with title amendment)**

On page 1, line 9,

insert:

Section 1. Paragraph (a) of subsection (3) of section 337.11, Florida Statutes, is amended to read:

337.11 Contracting authority of department; bids; emergency repairs, supplemental agreements, and change orders; combined design and construction contracts; progress payments; records; requirements of vehicle registration.--

(3)(a) On all construction contracts of \$500,000 ~~\$250,000~~ or less, the department shall advertise for bids in a newspaper having general circulation in the county where the proposed work is located. Publication shall be at least once a week for no less than 2 consecutive weeks, and the first publication shall be no less than 14 days prior to the date on which bids are to be received.

Section 2. Subsection (1) of section 337.14, Florida

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1 Statutes, is amended to read:

2           337.14 Application for qualification; certificate of  
3 qualification; restrictions; request for hearing.--

4           (1) Any person desiring to bid for the performance of  
5 any construction contract in excess of \$250,000 which the  
6 department proposes to let must first be certified by the  
7 department as qualified pursuant to this section and rules of  
8 the department. The rules of the department shall address the  
9 qualification of persons to bid on construction contracts in  
10 excess of \$250,000 and shall include requirements with respect  
11 to the equipment, past record, experience, financial  
12 resources, and organizational personnel of the applicant  
13 necessary to perform the specific class of work for which the  
14 person seeks certification. The department is authorized to  
15 limit the dollar amount of any contract upon which a person is  
16 qualified to bid or the aggregate total dollar volume of  
17 contracts such person is allowed to have under contract at any  
18 one time. Each applicant seeking qualification to bid on  
19 construction contracts in excess of \$250,000 shall furnish the  
20 department a statement under oath, on such forms as the  
21 department may prescribe, setting forth detailed information  
22 as required on the application. Each application for  
23 certification shall be accompanied by the latest annual  
24 financial statement of the applicant completed within the last  
25 12 months. If the annual financial statement shows the  
26 financial condition of the applicant more than 4 months prior  
27 to the date on which the application is received by the  
28 department, then an interim financial statement must also be  
29 submitted. The interim financial statement must cover the  
30 period from the end date of the annual statement and must show  
31 the financial condition of the applicant no more than 4 months

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1 prior to the date on which the application is received by the  
 2 department. Each required annual or interim financial  
 3 statement must be audited and accompanied by the opinion of a  
 4 certified public accountant or a public accountant approved by  
 5 the department. The information required by this subsection  
 6 is confidential and exempt from the provisions of s.  
 7 119.07(1). The department shall act upon the application for  
 8 qualification within 30 days after the department determines  
 9 that the application is complete. The department may waive the  
 10 requirements of this subsection for projects having a contract  
 11 price of \$500,000 or less if the department determines that  
 12 the project is of a noncritical nature and noncompliance with  
 13 the subsection will not endanger public health, safety, or  
 14 property.

15 Section 3. Paragraph (a) of subsection (1) of section  
 16 337.18, Florida Statutes, is amended to read:

17 337.18 Surety bonds for construction or maintenance  
 18 contracts; requirement with respect to contract award; bond  
 19 requirements; defaults; damage assessments.--

20 (1)(a) A surety bond shall be required of the  
 21 successful bidder in an amount equal to the awarded contract  
 22 price. However, the department may choose, in its discretion  
 23 and applicable only to multiyear maintenance contracts, to  
 24 allow for incremental annual contract bonds that cumulatively  
 25 total the full, awarded multiyear contract price. For a  
 26 project for which the contract price is ~~\$250,000~~ ~~\$150,000~~ or  
 27 less, the department may waive the requirement for all or a  
 28 portion of a surety bond if it determines the project is of a  
 29 noncritical nature and nonperformance will not endanger public  
 30 health, safety, or property. If the secretary or his designee  
 31 determines that it is in the best interests of the department

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1 to do so and that a reduced bonding requirement for a project  
2 will not endanger public health, safety, or property, the  
3 department may waive the requirement of a surety bond in an  
4 amount equal to the awarded contract price for a project  
5 having a contract price of \$250 million or more, and, in its  
6 place, may set a surety bond amount that is a portion of the  
7 total contract price and provide an alternate means of  
8 security for the balance of the contract amount which is not  
9 covered by the surety bond or provide for incremental surety  
10 bonding and provide an alternate means of security for the  
11 balance of the contract amount which is not covered by the  
12 surety bond. Such alternative means of security may include  
13 letters of credit, United States bonds and notes, parent  
14 company guaranties, and cash collateral. The department may  
15 require alternate means of security if a surety bond is  
16 waived. The surety on such bond shall be a surety company  
17 authorized to do business in the state. All bonds shall be  
18 payable to the department and conditioned for the prompt,  
19 faithful, and efficient performance of the contract according  
20 to plans and specifications and within the time period  
21 specified, and for the prompt payment of all persons defined  
22 in s. 713.01 furnishing labor, material, equipment, and  
23 supplies for work provided in the contract; however, whenever  
24 an improvement, demolition, or removal contract price is  
25 \$25,000 or less, the security may, in the discretion of the  
26 bidder, be in the form of a cashier's check, bank money order  
27 of any state or national bank, certified check, or postal  
28 money order. The department shall adopt rules to implement  
29 this subsection. Such rules shall include provisions under  
30 which the department shall refuse to accept bonds on contracts  
31 when a surety wrongfully fails or refuses to settle or provide

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1 a defense for claims or actions arising under a contract for  
2 which the surety previously furnished a bond.

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4 (Redesignate subsequent sections.)

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7 ===== T I T L E A M E N D M E N T =====

8 And the title is amended as follows:

9 On page 1, line 3, after the first semicolon,

10  
11 insert:

12 amending s. 337.11, F.S.; amending notification  
13 requirements for construction contracts;  
14 amending s. 337.14, F.S.; providing exemptions  
15 from prequalification requirements for certain  
16 projects; amending s. 337.18, F.S.; revising  
17 requirements for surety bonds for certain  
18 construction projects;

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