

1                                   A bill to be entitled  
 2           An act relating to owner-controlled insurance programs for  
 3           public construction projects; amending s. 255.0517, F.S.;  
 4           revising definitions; revising conditions precedent to the  
 5           purchase by specified state agencies or entities of an  
 6           owner-controlled insurance program in connection with a  
 7           public construction project; reenacting s. 627.441(2),  
 8           F.S., relating to a requirement that liability insurers  
 9           offer coverage for a specified period for liability  
 10          arising out of current or completed operations under an  
 11          owner-controlled insurance program, for the purpose of  
 12          incorporating the amendment to s. 255.0517, F.S., in a  
 13          reference thereto; providing an effective date.

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

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 17           Section 1. Subsection (1) and paragraphs (a) and (b) of  
 18           subsection (2) of section 255.0517, Florida Statutes, are  
 19           amended to read:

20           255.0517 Owner-controlled insurance programs for public  
 21           construction projects.--

22           (1) DEFINITIONS.--As used in this section, the term:

23           (a) "Owner-controlled insurance program" means a  
 24           consolidated insurance program or series of insurance policies  
 25           issued to a public agency that may provide one or more of the  
 26           following types of insurance coverage for any contractor or  
 27           subcontractor working at a specified ~~or multiple~~ contracted work  
 28           site ~~sites~~ of a public construction project: general liability,

29 | property damage excluding coverage for damage to real property,  
 30 | workers' compensation, employer's liability, or pollution  
 31 | liability coverage.

32 | (b) "Specified contracted work site" means construction  
 33 | being performed during one or more fiscal years at one site or a  
 34 | series of contiguous sites separated only by a street, roadway,  
 35 | waterway, or railroad right-of-way. A work site will not be  
 36 | deemed to be contiguous for purposes of this section solely  
 37 | because the work involves infrastructure improvements to related  
 38 | delivery systems ~~or along a continuous system for the provision~~  
 39 | ~~for water and power.~~

40 | ~~(c) "Multiple contracted work site" means construction~~  
 41 | ~~being performed at multiple sites during one or more fiscal~~  
 42 | ~~years that is part of an ongoing capital infrastructure~~  
 43 | ~~improvement program or involves the construction of one or more~~  
 44 | ~~public schools.~~

45 | (2) PURCHASE REQUIREMENTS.--A state agency, political  
 46 | subdivision, state university, community college, airport  
 47 | authority, or other public agency in this state, or any  
 48 | instrumentality thereof, may only purchase an owner-controlled  
 49 | insurance program in connection with a public construction  
 50 | project if it is determined necessary and in the best interest  
 51 | of the public agency and if all of the following conditions are  
 52 | met:

53 | (a) The construction work will be performed under a single  
 54 | prime contract and the estimated total amount of the prime  
 55 | contract ~~cost of the project~~ is:

- 56 | 1. Seventy-five million dollars or more;

57           2. Thirty million dollars or more, if the project is for  
 58 the construction or renovation of two or more public schools  
 59 during a fiscal year; or

60           3. Ten million dollars or more, if the project is for the  
 61 construction or renovation of one public school, regardless of  
 62 whether the project's duration extends beyond a fiscal year.

63           (b) The program maintains completed operations insurance  
 64 coverage for the period of time provided in s. 95.11(3)(c) for  
 65 actions founded on construction defects ~~a term during which the~~  
 66 ~~coverage is reasonably commercially available, as determined by~~  
 67 ~~the public agency, but for no less than 5 years.~~

68           Section 2. For the purpose of incorporating the amendment  
 69 made by this act to section 255.0517, Florida Statutes, in a  
 70 reference thereto, subsection (2) of section 627.441, Florida  
 71 Statutes, is reenacted to read:

72           627.441 Commercial general liability policies; coverage to  
 73 contractors for completed operations.--

74           (2) A liability insurer must offer coverage at an  
 75 appropriate additional premium for liability arising out of  
 76 current or completed operations under an owner-controlled  
 77 insurance program for any period beyond the period for which the  
 78 program provides liability coverage, as specified in s.  
 79 255.0517(2)(b). The period of such coverage must be sufficient  
 80 to protect against liability arising out of an action brought  
 81 within the time limits provided in s. 95.11(3)(c).

82           Section 3. This act shall take effect July 1, 2007.