$\boldsymbol{B}\boldsymbol{y}$ the Committees on Judiciary; and Regulated Industries; and Senator Baker

590-03780-10

20101048c2

	2010104
1	A bill to be entitled
2	An act relating to construction bonds; amending s.
3	255.05, F.S.; requiring that a contractor record in
4	the official records a payment bond for a public works
5	construction project; requiring that the bond number
6	be stated on the first page of the bond; prohibiting
7	the issuing authority for a building permit or a
8	private provider performing inspection services from
9	inspecting the property being improved until certain
10	documents are filed; providing that a payment and
11	performance bond is not required for certain
12	contracts; authorizing certain entities to exempt
13	certain contracts from the requirement for a payment
14	and performance bond; requiring the clerk of court to
15	mail a notice of contest of lien by certified or
16	registered mail; amending s. 713.015, F.S.; requiring
17	that a contractor provide an owner with a general
18	statement of an owner's rights and responsibilities
19	under Florida's Construction Lien Law; requiring that
20	a signed copy of the statement be filed with the
21	building permit application; specifying the form and
22	content of the statement; deleting the requirement
23	that notice be included in the direct contract between
24	the contractor and the owner; amending s. 713.06,
25	F.S.; revising the form of a notice for liens of
26	persons not in privity with the owner; amending s.
27	713.09, F.S.; including improvements to units in
28	provisions relating to a single claim of lien;
29	deleting certain requirements relating to direct

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590-03780-10 20101048c2 30 contracts; amending s. 713.13, F.S.; revising the form 31 of the notice of commencement; requiring the posting 32 of a payment bond on a job site; amending s. 713.135, 33 F.S.; revising the warning to the owner printed on 34 certain permit cards; deleting a requirement relating 35 to filing a notice of commencement before certain 36 inspections; revising the warning to the owner 37 provided on a building permit form; deleting 38 provisions requiring the authority issuing a building 39 permit to provide certain statements and information; 40 requiring the Department of Business and Professional 41 Regulation to include forms and information relating 42 to the construction lien laws on its website; creating 43 s. 713.137, F.S.; prohibiting the authority issuing a 44 building permit or a private provider performing 45 inspection services from inspecting an improvement 46 until certain documents have been filed and the 47 information in the notice of commencement meets 48 certain standards; providing exceptions; amending s. 49 713.16, F.S.; revising requirements for demands for a 50 copy of a construction contract and a statement of 51 account; authorizing a lienor who submits or mails a 52 claim of lien to the clerk for recording to make certain demands to an owner for certain written 53 54 statements; providing requirements for such written 55 demands; amending s. 713.18, F.S.; providing 56 additional methods by which certain items may be 57 served by mail; specifying the information required on 58 certain written instruments under certain

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59	circumstances; amending s. 713.22, F.S.; requiring
60	that the clerk of court serve a notice of contest of
61	lien; amending s. 713.23, F.S.; requiring that the
62	clerk of court mail a notice of contest of nonpayment
63	by certified or registered mail; conforming cross-
64	references; amending s. 713.24, F.S.; requiring that
65	the clerk of court mail, by certified or registered
66	mail, a copy of the certificate showing the transfer
67	of a lien and a copy of the security if the lien is
68	transferred to a security; authorizing a clerk to
69	collect certain service charges under certain
70	circumstances; providing an effective date.
71	
72	Be It Enacted by the Legislature of the State of Florida:
73	
74	Section 1. Subsection (1) and paragraph (a) of subsection
75	(2) of section 255.05, Florida Statutes, are amended to read:
76	255.05 Bond of contractor constructing public buildings;
77	form; action by materialmen
78	(1) (a) Any person entering into a formal contract with the
79	state or any county, <u>municipality</u> city, or political subdivision
80	thereof, or other public authority or private entity, for the
81	construction of a public building, for the prosecution and
82	completion of a public work, or for repairs upon a public
83	building or public work shall be required , before commencing the
84	work or before recommencing the work after a default or
85	abandonment, to execute <u>and</u> $_{ au}$ deliver to the public owner $_{ au}$ and
86	record in the public records of the county where the improvement
87	is located, a payment and performance bond with a surety insurer

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88	authorized to do business in this state as surety.
89	(a) A public entity may not require a contractor to secure
90	a surety bond under this section from a specific agent or
91	bonding company.
92	(b) The bond must state on its front page: the name,
93	principal business address, and phone number of the contractor,
94	the surety, the owner of the property being improved, and, if
95	different from the owner, the contracting public entity; the
96	contract number assigned by the contracting public entity; the
97	bond number assigned by the surety; and a description of the
98	project sufficient to identify it, such as a legal description
99	or the street address of the property being improved, and a
100	general description of the improvement.
101	(c) Such bond shall be conditioned upon the contractor's
102	performance of the construction work in the time and manner
103	prescribed in the contract and promptly making payments to all
104	persons defined in s. 713.01 who furnish labor, services, or
105	materials for the prosecution of the work provided for in the
106	contract.
107	(d) The contractor shall record the payment bond upon
108	issuance in the official records of the county in which the
109	improvement will be located.
110	(e)1. The issuing authority for the building permit, or a
111	private provider performing inspection services, may not inspect
112	the property being improved until:
113	a. The issuing authority has a copy of the contractor's
114	recorded payment bond on file; or
115	b. The contracting public entity has filed with the issuing
116	authority a notarized statement stating that the contract is

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117	exempt from the requirement for a payment bond as provided in
118	this section.
119	2. This paragraph does not apply to inspections for the
120	installation of temporary electrical service or other temporary
121	utility service, land clearing, or other preliminary site work.
122	(f) Any claimant may apply to the governmental entity
123	having charge of the work for copies of the contract and bond
124	and shall thereupon be furnished with a certified copy of the
125	contract and bond. The claimant <u>has</u> shall have a right of action
126	against the contractor and surety for the amount due him or her,
127	including unpaid finance charges due under the claimant's
128	contract. Such action shall not involve the public authority in
129	any expense.
130	(g)1. A payment and performance bond is not required for a
131	contract with the state for \$100,000 or less. When such work is
132	done for the state and the contract is for \$100,000 or less, no
133	payment and performance bond shall be required.
134	2. At the discretion of The official or board awarding <u>a</u>
135	such contract when such work is done for <u>a</u> any county,
136	municipality city , political subdivision, or public authority
137	may exempt a contract, any person entering into such a contract
138	which is for \$200,000 or less <u>from the requirement for a</u> may be

140 <u>3.</u> When such work is done for the state, The Secretary of 141 Management Services may delegate to <u>a</u> state <u>agency</u> agencies the 142 authority to exempt any person entering into such a contract <u>for</u> 143 amounting to more than \$100,000 but less than \$200,000 from <u>the</u> 144 <u>requirement for a</u> executing the payment and performance bond. <u>If</u> 145 In the event such exemption is granted, the officer or officials

exempted from executing the payment and performance bond.

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172

590-03780-10 20101048c2 146 are shall not be personally liable to persons suffering loss 147 because of granting such exemption. The Department of Management Services shall maintain information on the number of requests by 148 149 state agencies for delegation of authority to waive the bond 150 requirements by agency and project number and whether any 151 request for delegation was denied and the justification for the 152 denial.

(h) Any provision in a payment bond furnished for public work contracts as provided by this subsection which restricts the classes of persons as defined in s. 713.01 protected by the bond or the venue of any proceeding relating to such bond is unenforceable.

158 <u>(i) (b)</u> The Department of Management Services shall adopt 159 rules with respect to all contracts for \$200,000 or less, to 160 provide:

161 1. Procedures for retaining up to 10 percent of each 162 request for payment submitted by a contractor and procedures for 163 determining disbursements from the amount retained on a pro rata 164 basis to laborers, materialmen, and subcontractors, as defined 165 in s. 713.01.

166 2. Procedures for requiring certification from laborers, 167 materialmen, and subcontractors, as defined in s. 713.01, prior 168 to final payment to the contractor, that such laborers, 169 materialmen, and subcontractors have no claims against the 170 contractor resulting from the completion of the work provided 171 for in the contract.

173 The state <u>is shall</u> not <u>be held</u> liable to any laborer, 174 materialman, or subcontractor for any amounts greater than the

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590-03780-10 20101048c2 175 pro rata share as determined under this section. 176 (j) (c) 1. The amount of the bond shall equal the contract 177 price, except that for a contract in excess of \$250 million, if 178 the state, county, municipality, political subdivision, or other 179 public entity finds that a bond in the amount of the contract 180 price is not reasonably available, the public owner shall set 181 the amount of the bond at the largest amount reasonably 182 available, but not less than \$250 million. 2. For construction-management or design-build contracts, 183 184 if the public owner does not include in the bond amount the cost 185 of design or other nonconstruction services, the bond may not be 186 conditioned on performance of such services or payment to persons furnishing such services. Notwithstanding paragraph (h) 187 188 (a), such a bond may exclude persons furnishing such services 189 from the classes of persons protected by the bond. 190 (2) (a)1. If a claimant is no longer furnishing labor, 191 services, or materials on a project, a contractor or the 192 contractor's agent or attorney may elect to shorten the prescribed time in this paragraph within which an action to 193 194 enforce any claim against a payment bond must provided pursuant to this section may be commenced by recording in the clerk's 195 196 office a notice in substantially the following form: 197 NOTICE OF CONTEST OF CLAIM 198 AGAINST PAYMENT BOND 199 200 To: ... (Name and address of claimant) ... 201 202 You are notified that the undersigned contests your notice 203 of nonpayment, dated, and served on the

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590-03780-10 20101048c2 204 undersigned on,, and that the time within 205 which you may file suit to enforce your claim is limited to 60 206 days after the date of service of this notice. 207 208 DATED on, 209 210 Signed:... (Contractor or Attorney) ... 211 The claim of any claimant upon whom such notice is served and 212 213 who fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of such 214 215 notice shall be extinguished automatically. The clerk shall mail 216 a copy of the notice of contest to the claimant at the address 217 shown in the notice of nonpayment or most recent amendment 218 thereto by certified or registered mail, return receipt 219 requested, and shall certify to such service on the face of such 220 notice and record the notice. Service is complete upon mailing. 221 2. A claimant, except a laborer, who is not in privity with 222 the contractor shall, before commencing or not later than 45 223 days after commencing to furnish labor, services, or materials 224 for the prosecution of the work, furnish the contractor with a 225 written notice that he or she intends to look to the bond for 226 protection. A claimant who is not in privity with the contractor 227 and who has not received payment for his or her labor, services, 228 or materials shall deliver to the contractor and to the surety 229 written notice of the performance of the labor or delivery of 230 the materials or supplies and of the nonpayment. The notice of 231 nonpayment may be served at any time during the progress of the 232 work or thereafter but not before 45 days after the first

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590-03780-10 20101048c2 furnishing of labor, services, or materials, and not later than 233 234 90 days after the final furnishing of the labor, services, or 235 materials by the claimant or, with respect to rental equipment, 236 not later than 90 days after the date that the rental equipment 237 was last on the job site available for use. Any notice of 238 nonpayment served by a claimant who is not in privity with the 239 contractor which includes sums for retainage must specify the 240 portion of the amount claimed for retainage. An No action for the labor, materials, or supplies may not be instituted against 241 242 the contractor or the surety unless both notices have been given. Notices required or permitted under this section may be 243 244 served in accordance with s. 713.18. A claimant may not waive in 245 advance his or her right to bring an action under the bond 246 against the surety. In any action brought to enforce a claim 247 against a payment bond under this section, the prevailing party 248 is entitled to recover a reasonable fee for the services of his 249 or her attorney for trial and appeal or for arbitration, in an 250 amount to be determined by the court, and the which fee must be 251 taxed as part of the prevailing party's costs, as allowed in 252 equitable actions. The time periods for service of a notice of 253 nonpayment or for bringing an action against a contractor or a 254 surety shall be measured from the last day of furnishing labor, 255 services, or materials by the claimant and shall not be measured 256 by other standards, such as the issuance of a certificate of 257 occupancy or the issuance of a certificate of substantial 258 completion.

259 Section 2. Section 713.015, Florida Statutes, is amended to 260 read:

261

713.015 General statement of owner's rights and

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262	responsibilities Mandatory provisions for direct contracts
263	(1) For any direct contract greater than \$2,500 between an
264	owner and a contractor, related to improvements to real property
265	consisting of single or multiple family dwellings up to and
266	including four units, the contractor must provide the owner with
267	a copy of the general statement of owner's rights and
268	responsibilities under Florida's Construction Lien Law as set
269	forth in subsection (2), which must be contain the following
270	notice provision printed in no less than 12-point, capitalized,
271	boldfaced type on the front page of the contract or on a
272	separate page, signed by the owner and dated, and submitted with
273	the original building permit application pursuant to s.
274	<u>713.135.</u> ÷
275	
276	ACCORDING TO FLORIDA'S CONSTRUCTION LIEN LAW (SECTIONS 713.001-
277	713.37, FLORIDA STATUTES), THOSE WHO WORK ON YOUR PROPERTY OR
278	PROVIDE MATERIALS AND SERVICES AND ARE NOT PAID IN FULL HAVE A
279	RIGHT TO ENFORCE THEIR CLAIM FOR PAYMENT AGAINST YOUR PROPERTY.
280	THIS CLAIM IS KNOWN AS A CONSTRUCTION LIEN. IF YOUR CONTRACTOR
281	OR A SUBCONTRACTOR FAILS TO PAY SUBCONTRACTORS, SUB-
282	SUBCONTRACTORS, OR MATERIAL SUPPLIERS, THOSE PEOPLE WHO ARE OWED
283	MONEY MAY LOOK TO YOUR PROPERTY FOR PAYMENT, EVEN IF YOU HAVE
284	ALREADY PAID YOUR CONTRACTOR IN FULL. IF YOU FAIL TO PAY YOUR
285	CONTRACTOR, YOUR CONTRACTOR MAY ALSO HAVE A LIEN ON YOUR
286	PROPERTY. THIS MEANS IF A LIEN IS FILED YOUR PROPERTY COULD BE
287	SOLD AGAINST YOUR WILL TO PAY FOR LABOR, MATERIALS, OR OTHER
288	SERVICES THAT YOUR CONTRACTOR OR A SUBCONTRACTOR MAY HAVE FAILED
289	TO PAY. TO PROTECT YOURSELF, YOU SHOULD STIPULATE IN THIS
290	CONTRACT THAT BEFORE ANY PAYMENT IS MADE, YOUR CONTRACTOR IS

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291	REQUIRED TO PROVIDE YOU WITH A WRITTEN RELEASE OF LIEN FROM ANY
292	PERSON OR COMPANY THAT HAS PROVIDED TO YOU A "NOTICE TO OWNER."
293	FLORIDA'S CONSTRUCTION LIEN LAW IS COMPLEX, AND IT IS
294	RECOMMENDED THAT YOU CONSULT AN ATTORNEY.
295	(2) The general statement of an owner's rights and
296	responsibilities under Florida's Construction Lien Law must be
297	in substantially the following form, must include the
298	information contained in the following form, and must include a
299	copy of a notice of commencement as provided in s. 713.13(1).
300	
301	GENERAL STATEMENT OF OWNER'S RIGHTS AND RESPONSIBILITIES
302	UNDER FLORIDA'S CONSTRUCTION LIEN LAW
303	(Required by Section 713.015, Florida Statutes)
304	
305	ABOUT THIS DOCUMENTFlorida law requires your contractor
306	to provide you with this document when you are contracting to
307	make improvements to real property. It is critical that you have
308	some understanding of Florida's construction lien and payment
309	laws and take appropriate steps to protect your investment and
310	fulfill your obligations to those who provide labor, services or
311	materials for your project.
312	
313	You must acknowledge that you have received and read this
314	document by signing on the signature page. The original signed
315	document must be delivered to the building permit authority,
316	along with the building permit application for your project.
317	Your building permit application will not be processed unless
318	this signed document is in the file. You need to retain a copy
319	of this document so that you can follow the procedures described

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320	in the document and identify the proper statutory forms as you
321	proceed with your construction project.
322	
323	IT IS ALWAYS RECOMMENDED THAT YOU CONSULT LEGAL ADVICE
324	BEFORE UNDERTAKING REAL PROPERTY IMPROVEMENTS. IF YOU HAVE
325	QUESTIONS REGARDING THE INFORMATION CONTAINED IN THIS DOCUMENT,
326	SEEK THE ADVICE OF A FLORIDA CONSTRUCTION LAW ATTORNEY.
327	
328	THE FLORIDA CONSTRUCTION LIEN LAWPart I of chapter 713,
329	Florida Statutes (F.S.), governs private construction projects
330	in this state. The complete text of this law can be found at
331	www.leg.state.fl.us. This statement is a guide and does not take
332	precedence over the language of Florida's Construction Lien Law.
333	
334	Under this law, those who work on your property or provide
335	materials and services and who are not paid in full have a right
336	to enforce their claim for payment against your property. This
337	claim is known as a construction lien. If your contractor or a
338	subcontractor fails to pay subcontractors, sub-subcontractors,
339	or material suppliers, those people who are owed money may look
340	to your property for payment even if you have already paid your
341	contractor in full. If you fail to pay your contractor, your
342	contractor may also have a lien on your property. This means
343	that if a valid lien is filed, your property could be sold
344	against your will to pay for labor, services, or materials that
345	your contractor or a subcontractor may have failed to pay.
346	
347	FLORIDA LAW ALSO PROVIDES PROCEDURES TO PROTECT OWNERS FROM
348	PAYING MORE THAN THE AMOUNT OF THEIR CONTRACT. IF YOU FOLLOW THE

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349	FOUR STEPS SET FORTH BELOW, YOU WILL PROTECT YOURSELF FROM VALID
350	LIENS AGAINST YOUR PROPERTY, AND FROM PAYING TWICE FOR LABOR,
351	SERVICES, OR MATERIALS FURNISHED FOR YOUR PROJECT.
352	
353	STEP 1 - THE NOTICE OF COMMENCEMENTAn owner is required
354	by law to complete, sign, and record in the public records a
355	Notice of Commencement for all direct contracts that exceed
356	\$2,500. The information provided in the recorded Notice of
357	Commencement is relied upon by all parties who provide labor,
358	services or materials for your project. A copy of the statutory
359	Notice of Commencement form required by s. 713.13, Florida
360	Statutes, is attached to this document.
361	
362	If a lender is financing your project, the lender will
363	assist you in completing the Notice of Commencement and is
364	responsible for recording it in the public records. It is
365	critical that your Notice of Commencement be recorded after any
366	construction loan or mortgage documents are recorded. If you are
367	not using a lender, preparing and recording the Notice of
368	Commencement is your responsibility. The Notice of Commencement
369	must be recorded before commencing construction and posted on
370	your jobsite. For most projects, a copy of the recorded Notice
371	of Commencement must be submitted to the building permit
372	authority prior to the first building inspection.
373	
374	STEP 2 - MONITOR THE DOCUMENTS AND NOTICES YOU RECEIVE
375	Pick up your certified mail. Most lien notices are served by
376	certified mail and you need to know who is providing labor,
377	services, or materials for your project. The law provides that

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378	any properly addressed notices that are returned to the sender
379	through no fault of the sender are considered served on the date
380	sent, so failing to claim certified mail only hurts you.
381	
382	If you expect to be absent for periods of time during your
383	project, you should have an attorney or other agent in a
384	position of trust who understands the law handle these details
385	for you. Make sure someone is receiving your mail and taking
386	steps to obtain the necessary lien releases before making
387	payments to your contractor. If you receive anything that you do
388	not understand, seek the assistance of an experienced
389	construction law attorney.
390	
391	<u> STEP 3 — OBTAIN SIGNED LIEN WAIVERS EACH TIME YOU MAKE A</u>
392	PAYMENT TO YOUR CONTRACTOREach time you pay your contractor
393	you should obtain a Waiver and Release of Lien form from the
394	contractor AND from anyone who has served you with a Notice to
395	Owner. Make sure that each release waives lien rights against
396	your project for work or materials furnished through the date of
397	the work or materials that your payment covers. This date is
398	probably not the date you are making the payment, but a date
399	prior to the payment date through which labor, services, or
400	materials have been billed.
401	
402	UNDER FLORIDA LAW, YOU HAVE THE RIGHT TO WITHHOLD PAYMENTS
403	OWED TO THE CONTRACTOR UNTIL YOU HAVE BEEN PROVIDED WITH A
404	WRITTEN WAIVER AND RELEASE OF LIEN UPON PROGRESS PAYMENT OR A
405	WRITTEN WAIVER AND RELEASE OF LIEN UPON FINAL PAYMENT SHOWING
406	THAT THE LIENOR'S CLAIM FOR PAYMENT HAS BEEN PAID.

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407	
408	There are two statutory Waiver and Release of Lien forms.
409	The signed Waiver and Release of Lien Upon Progress Payment
410	should be provided to you by a contractor, subcontractor, or
411	material supplier each time you make a progress payment to your
412	contractor. The signed Waiver and Release of Lien Upon Final
413	Payment should be submitted by your contractor, a subcontractor,
414	or material supplier when they are finished furnishing all work
415	or materials for your project and have received final payment.
416	Once you receive a final waiver from a contractor,
417	subcontractor, or material supplier, you should not need another
418	waiver unless they are hired to do additional work.
419	
420	<u>STEP 4 - OBTAIN A CONTRACTOR'S FINAL PAYMENT AFFIDAVIT</u>
421	BEFORE YOU MAKE FINAL PAYMENT TO YOUR CONTRACTORIn addition to
422	obtaining Final Waiver and Release of Lien forms from the
423	contractor and anyone who has served you with a Notice to Owner,
424	you should obtain a Contractor's Final Payment Affidavit before
425	you make final payment to your contractor. This sworn affidavit
426	should reflect that everyone who supplied labor, services, or
427	materials on your project has been paid in full or should list
428	those subcontractors and suppliers who are still owed money.
429	Make sure that anyone listed as not being paid in full is paid
430	before making final payment to your contractor. You have a right
431	to rely on the information contained in the sworn affidavit when
432	you make final payment to your contractor with respect to any
433	lienor who has not served a Notice to Owner. If a lienor has
434	served you with a Notice to Owner, you should obtain a Waiver
435	and Release of Lien Upon Final Payment from that lienor.

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436	
437	OWNER'S ACKNOWLEDGMENT AND RECEIPT
438	
439	The undersigned owner(s) of Florida real property hereby
440	acknowledge that they are preparing to enter into a contract
441	with for the
442	construction of real property improvements to the following-
443	described property (insert address or legal description):
444	
445	
446	(Signature of Property Owner) (Date)
447	(Signature of Property Owner) (Date)
448	
449	Attached Statutory Form: Notice of Commencement
450	Additional information regarding license and insurance
451	requirements for contractors and copies of the statutory forms
452	discussed in this document can be obtained online at
453	www.myflorida.com/dbpr/pro/cilb.
454	(2)(a) If the contract is written, the notice must be in
455	the contract document. If the contract is oral or implied, the
456	notice must be provided in a document referencing the contract.
457	(3)(b) The failure to provide such written notice does not
458	bar the enforcement of a lien against a person who has not been
459	adversely affected.
460	(4)(c) This section may not be construed to adversely
461	affect the lien and bond rights of lienors who are not in
462	privity with the owner. This section does not apply when the
463	owner is a contractor licensed under chapter 489 or is a person
464	who created parcels or offers parcels for sale or lease in the

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465	ordinary course of business.
466	Section 3. Paragraph (c) of subsection (2) of section
467	713.06, Florida Statutes, is amended to read:
468	713.06 Liens of persons not in privity; proper payments
469	(2)
470	(c) The notice may be in substantially the following form
471	and must include the information and the warning contained in
472	the following form:
473	
474	WARNING! FLORIDA'S CONSTRUCTION LIEN LAW ALLOWS SOME
475	UNPAID CONTRACTORS, SUBCONTRACTORS, AND MATERIAL
476	SUPPLIERS TO FILE LIENS AGAINST YOUR PROPERTY EVEN IF
477	YOU HAVE MADE PAYMENT IN FULL.
478	
479	UNDER FLORIDA LAW, YOUR FAILURE TO MAKE SURE THAT WE ARE PAID
480	MAY RESULT IN A LIEN AGAINST YOUR PROPERTY AND YOUR PAYING
481	TWICE.
482	TO PROTECT YOURSELF, EACH TIME YOU MAKE A PAYMENT TO THE
483	CONTRACTOR ASK YOUR CONTRACTOR TO PROVIDE YOU WITH A WRITTEN
484	WAIVER AND RELEASE OF LIEN FROM US. FOR ADDITIONAL INFORMATION,
485	REFER TO THE GENERAL STATEMENT OF OWNER'S RIGHTS AND
486	RESPONSIBILITIES WHICH WAS PROVIDED TO YOU BY OUR CONTRACTOR AT
487	THE BEGINNING OF YOUR CONSTRUCTION PROJECT. AVOID A LIEN AND
488	PAYING TWICE, YOU MUST OBTAIN A WRITTEN RELEASE FROM US EVERY
489	TIME YOU PAY YOUR CONTRACTOR.
490	NOTICE TO OWNER
491	
492	To (Owner's name and address)
493	

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494	The undersigned hereby informs you that he or she has furnished
495	or is furnishing services or materials as follows:
496	(General description of services or materials) for the
497	improvement of the real property identified as(property
498	description) under an order given by
499	
500	Florida law prescribes the serving of this notice and restricts
501	your right to make payments under your contract in accordance
502	with Section 713.06, Florida Statutes.
503	IMPORTANT INFORMATION FOR
504	YOUR PROTECTION
505	
506	Under Florida's laws, those who work on your property or
507	provide materials and are not paid have a right to enforce their
508	claim for payment against your property. This claim is known as
509	a construction lien.
510	If your contractor fails to pay subcontractors or material
511	suppliers or neglects to make other legally required payments,
512	the people who are owed money may look to your property for
513	payment, EVEN IF YOU HAVE PAID YOUR CONTRACTOR IN FULL.
514	
515	PROTECT YOURSELF:
516	-RECOGNIZE that this Notice to Owner may result in a lien
517	against your property unless all those supplying a Notice to
518	Owner have been paid.
519	-LEARN more about the Construction Lien Law, Chapter 713,
520	Part I, Florida Statutes, and the meaning of this notice by
521	contacting an attorney or the Florida Department of Business and
522	Professional Regulation.

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523	(Lienor's Signature)
524	(Lienor's Name)
525	(Lienor's Address)
526	
527	Copies to:(Those persons listed in Section 713.06(2)(a) and
528	(b), Florida Statutes)
529	The form may be combined with a notice to contractor given under
530	s. 255.05 or s. 713.23 and, if so, may be entitled "NOTICE TO
531	OWNER/NOTICE TO CONTRACTOR."
532	Section 4. Section 713.09, Florida Statutes, is amended to
533	read:
534	713.09 Single claim of lien.—A lienor <u>may</u> is required to
535	record only one claim of lien covering his or her entire demand
536	against the real property when the amount demanded is for labor
537	or services or material furnished for more than one improvement
538	under the same direct contract. The single claim of lien is
539	sufficient even though the improvement is for one or more
540	improvements located on separate lots, parcels, <u>units,</u> or tracts
541	of land. If materials to be used on one or more improvements on
542	separate lots, parcels, <u>units,</u> or tracts of land under one
543	direct contract are delivered by a lienor to a place designated
544	by the person with whom the materialman contracted, other than
545	the site of the improvement, the delivery to the place
546	designated is prima facie evidence of delivery to the site of
547	the improvement and incorporation in the improvement. The single
548	claim of lien may be limited to a part of multiple lots,
549	parcels, or tracts of land and their improvements or may cover
550	all of the lots, parcels, <u>units,</u> or tracts of land and
551	improvements. In each claim of lien under this section, the

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590-03780-1020101048c2552owner under the direct contract must be the same person for all553lots, parcels, or tracts of land against which a single claim of554lien is recorded.555Section 5. Section 713.13, Florida Statutes, is amended to556read:

557

713.13 Notice of commencement.-

558 (1) (a) Except for an improvement that is exempt pursuant to 559 s. 713.02(5), an owner or the owner's authorized agent before 560 actually commencing to improve any real property, or 561 recommencing completion of any improvement after default or 562 abandonment, whether or not a project has a payment bond 563 complying with s. 713.23, shall record a notice of commencement 564 in the clerk's office and forthwith post either a certified copy 565 thereof or a notarized statement that the notice of commencement 566 has been filed for recording along with a copy thereof. The 567 notice of commencement shall contain the following information:

1. A description sufficient for identification of the real property to be improved. The description should include the legal description of the property and also should include the street address and tax folio number of the property if available or, if there is no street address available, such additional information as will describe the physical location of the real property to be improved.

575

2. A general description of the improvement.

576 3. The name and address of the owner, the owner's interest 577 in the site of the improvement, and the name and address of the 578 fee simple titleholder, if other than such owner.

579 580 4. The name and address of the contractor.

5. The name and address of the surety on the payment bond

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590-03780-10 20101048c2 581 under s. 713.23, if any, and the amount of such bond. 6. The name and address of any person making a loan for the 582 583 construction of the improvements. 584 7. The name and address within the state of a person other 585 than himself or herself who may be designated by the owner as 586 the person upon whom notices or other documents may be served 587 under this part; and service upon the person so designated 588 constitutes service upon the owner. 589 (b) The owner, at his or her option, may designate a person 590 in addition to himself or herself to receive a copy of the 591 lienor's notice as provided in s. 713.06(2)(b), and if he or she 592 does so, the name and address of such person must be included in 593 the notice of commencement. 594 (c) If the contract between the owner and a contractor 595 named in the notice of commencement expresses a period of time 596 for completion for the construction of the improvement greater 597 than 1 year, the notice of commencement must state that it is 598 effective for a period of 1 year plus any additional period of 599 time. Any payments made by the owner after the expiration of the 600 notice of commencement are considered improper payments. 601 (d) A notice of commencement must be in substantially the 602 following form: 603 604 Permit No.... Tax Folio No..... 605 NOTICE OF COMMENCEMENT 606 State of.... 607 County of.... 608 609 The undersigned hereby gives notice that improvement will be

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610	made to certain real property, and in accordance with Chapter
611	713, Florida Statutes, the following information is provided in
612	this Notice of Commencement.
613	1. Description of property:(legal description of the
614	property, and street address if available)
615	2. General description of improvement:
616	3. Owner information:
617	a. Name and address:
618	b. Interest in property:
619	c. Name and address of fee simple titleholder (if other
620	than Owner):
621	4.a. Contractor:(name and address)
622	b. Contractor's phone number:
623	5. Surety(a copy of the payment bond is attached, if the
624	project is bonded)
625	a. Name and address:
626	b. Phone number:
627	c. Amount of bond: \$
628	6.a. Lender:(name and address)
629	b. Lender's phone number:
630	7.a. Persons within the State of Florida designated by
631	Owner upon whom notices or other documents may be served as
632	provided by Section 713.13(1)(a)7., Florida Statutes:
633	(name and address)
634	b. Phone numbers of designated persons:
635	8.a. In addition to himself or herself, Owner designates
636	of to receive a copy of the Lienor's
637	Notice as provided in Section 713.13(1)(b), Florida Statutes.
638	b. Phone number of person or entity designated by

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639	owner:
640	9. Expiration date of notice of commencement (the
641	expiration date is 1 year from the date of recording unless a
642	<u>later</u> different date is specified)
643	
644	WARNING TO OWNER: IF THIS NOTICE OF COMMENCEMENT WILL EXPIRE
645	BEFORE ALL WORK IS COMPLETED AND FINAL PAYMENT IS MADE, THE
646	EXPIRATION DATE MUST BE EXTENDED. ANY PAYMENTS MADE BY THE OWNER
647	AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE
648	CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION
649	713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE
650	FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST
651	BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST
652	INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR
653	LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR
654	NOTICE OF COMMENCEMENT.
655	
656	Under penalty of perjury, I declare that I have read the
657	foregoing notice of commencement and that the facts stated
658	therein are true to the best of my knowledge and belief.
659	
660	(Signature of Owner or Owner's Authorized
661	Officer/Director/Partner/Manager)
662	
663	(Signatory's Title/Office)
664	
665	The foregoing instrument was acknowledged before me this
666	day of,(year), by(name of person) as(type
667	of authority,e.g. officer, trustee, attorney in fact) for

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668	(name of party on behalf of whom instrument was executed)
669	
670	(Signature of Notary Public - State of Florida)
671	
672	(Print, Type, or Stamp Commissioned Name of Notary
673	Public)
674	
675	Personally Known OR Produced Identification
676	
677	Type of Identification Produced
678	
679	Verification pursuant to Section 92.525, Florida Statutes.
680	
681	Under penalties of perjury, I declare that I have read the
682	foregoing and that the facts stated in it are true to the best
683	of my knowledge and belief.
684	
685	(Signature of Natural Person Signing Above)
686	(e) A copy of any payment bond must be attached at the time
687	of recordation of the notice of commencement. The failure to
688	attach a copy of the bond to the notice of commencement when the
689	notice is recorded negates the exemption provided in s.
690	713.02(6). However, if a payment bond under s. 713.23 exists but
691	was not attached at the time of recordation of the notice of
692	commencement, the bond may be used to transfer any recorded lien
693	of a lienor except that of the contractor by the recordation and
694	service of a notice of bond pursuant to s. 713.23(2). The notice
695	requirements of s. 713.23 apply to any claim against the bond;
696	however, the time limits for serving any required notices shall

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590-03780-10 20101048c2 697 begin running from the later of the time specified in s. 713.23 698 or the date the notice of bond is served on the lienor. 699 (f) The giving of a notice of commencement is effective 700 upon the filing of the notice in the clerk's office. 701 (q) The owner must sign the notice of commencement and no 702 one else may be permitted to sign in his or her stead. 703 (2) If the improvement described in the notice of 704 commencement is not actually commenced within 90 days after the 705 recording thereof, such notice is void and of no further effect. 706 (3) The recording of a notice of commencement does not 707 constitute a lien, cloud, or encumbrance on real property, but 708 gives constructive notice that claims of lien under this part 709 may be recorded and may take priority as provided in s. 713.07. 710 The posting of a copy does not constitute a lien, cloud, or 711 encumbrance on real property, nor actual or constructive notice 712 of any of them. 713 (4) This section does not apply to an owner who is 714 constructing improvements described in s. 713.04. 715 (5) (a) A notice of commencement that is recorded within the 716 effective period may be amended to extend the effective period, 717 change erroneous information in the original notice τ or add 718 information that was omitted from the original notice. However, 719 in order to change contractors, a new notice of commencement or 720 notice of recommencement must be executed and recorded.

(b) The amended notice must identify the official records book and page where the original notice of commencement is recorded, and a copy of the amended notice must be served by the owner upon the contractor and each lienor who serves notice before or within 30 days after the date the amended notice is

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recorded.

72.6

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(6) Unless otherwise provided in the notice of commencement or a new or amended notice of commencement, a notice of commencement is not effectual in law or equity against a conveyance, transfer, or mortgage of or lien on the real property described in the notice, or against creditors or subsequent purchasers for a valuable consideration, after 1 year after the date of recording the notice of commencement.

734 (7) A lender must, prior to the disbursement of any 735 construction funds to the contractor, record the notice of 736 commencement in the clerk's office as required by this section; 737 however, the lender is not required to post a certified copy of 738 the notice at the construction site. The posting of the notice 739 at the construction site remains the owner's obligation. The 740 failure of a lender to record the notice of commencement as 741 required by this subsection renders the lender liable to the 742 owner for all damages sustained by the owner as a result of the 743 failure. Whenever a lender is required to record a notice of 744 commencement, the lender shall designate the lender, in addition 745 to others, to receive copies of notices to owner. This 746 subsection does not give any person other than the owner a claim 747 or right of action against a lender for failure to record a 748 notice of commencement.

749 Section 6. Section 713.135, Florida Statutes, is amended to 750 read:

751 713.135 Notice of commencement and applicability of lien.752 (1) When any person applies for a building permit, the
753 authority issuing such permit shall:

754

(a) Require the applicant to submit the signed and dated

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755	general statement of an owner's rights and responsibilities
756	under Florida's Construction Lien Law provided in s. 713.015 for
757	any single-family or multifamily dwelling up to and including
758	four units. A building permit application may not be processed
759	unless the signed document is in the file.
760	<u>(b)</u> Print on the face of each permit card in no less
761	than 14-point, capitalized, boldfaced type: "WARNING TO OWNER:
762	<u>if you fail</u> your failure to record a notice of commencement, you
763	MAY <u>PAY</u> RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR
764	PROPERTY. A NOTICE OF COMMENCEMENT, AND THE CONTRACTOR'S PAYMENT
765	BOND IF THE PROJECT IS BONDED, MUST BE RECORDED AND POSTED ON
766	THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO
767	OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE
768	RECORDING YOUR NOTICE OF COMMENCEMENT."
769	<u>(c)</u> (b) Make available to Provide the applicant and the
770	owner of the real property upon which improvements are to be
771	constructed copies of the general statement of an owner's rights
772	and responsibilities under Florida's with a printed statement
773	stating that the right, title, and interest of the person who
774	has contracted for the improvement may be subject to attachment
775	under the Construction Lien Law, as described in s. 713.015,
776	along with the attached statutory form. The issuing authority
777	may make the general statement and form available in printed
778	form or on the Internet or both. The Department of Business and
779	Professional Regulation shall furnish, for distribution, the
780	statement described in this paragraph, and the statement must be
781	a summary of the Construction Lien Law and must include an
782	explanation of the provisions of the Construction Lien Law
783	relating to the recording, and the posting of copies, of notices

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590-03780-10 20101048c2 of commencement and a statement encouraging the owner to record 784 785 a notice of commencement and post a copy of the notice of 786 commencement in accordance with s. 713.13. The statement must 787 also contain an explanation of the owner's rights if a lienor 788 fails to furnish the owner with a notice as provided in s. 789 713.06(2) and an explanation of the owner's rights as provided 790 in s. 713.22. The authority that issues the building permit must 791 obtain from the Department of Business and Professional 792 Regulation the statement required by this paragraph and must 793 mail, deliver by electronic mail or other electronic format or 794 facsimile, or personally deliver that statement to the owner or, 795 in a case in which the owner is required to personally appear to 796 obtain the permit, provide that statement to any owner making 797 improvements to real property consisting of a single or multiple 798 family dwelling up to and including four units. However, the 799 failure by the authorities to provide the summary does not 800 subject the issuing authority to liability.

801 (c) In addition to providing the owner with the statement 802 as required by paragraph (b), inform each applicant who is not 803 the person whose right, title, and interest is subject to 804 attachment that, as a condition to the issuance of a building 805 permit, the applicant must promise in good faith that the 806 statement will be delivered to the person whose property is 807 subject to attachment.

808 (d) Furnish to the applicant two or more copies of a form 809 of notice of commencement conforming with s. 713.13. If the 810 direct contract is greater than \$2,500, the applicant shall file 811 with the issuing authority prior to the first inspection either 812 a certified copy of the recorded notice of commencement or a

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590-03780-10 20101048c2 81.3 notarized statement that the notice of commencement has been 814 filed for recording, along with a copy thereof. In the absence 815 of the filing of a certified copy of the recorded notice of 816 commencement, the issuing authority or a private provider 817 performing inspection services may not perform or approve 818 subsequent inspections until the applicant files by mail, 819 facsimile, hand delivery, or any other means such certified copy with the issuing authority. The certified copy of the notice of 820 821 commencement must contain the name and address of the owner, the 822 name and address of the contractor, and the location or address 823 of the property being improved. The issuing authority shall 824 (d) Verify that the name and address of the owner, the name of the contractor, and the location or address of the property 825 being improved which is contained in the certified copy of the 826 notice of commencement is consistent with the information in the 827 828 building permit application. 829 (e) Provide the recording information from the official 830 public records in which the notice of commencement and payment 831 bond, if any, are recorded to any person upon request. The 832 issuing authority shall provide the recording information on the 833 certified copy of the recorded notice of commencement to any

834 person upon request. This subsection does not require the 835 recording of a notice of commencement prior to the issuance of a 836 building permit. If a local government requires a separate permit or inspection for installation of temporary electrical 837 838 service or other temporary utility service, land clearing, or 839 other preliminary site work, such permits may be issued and such inspections may be conducted without providing the issuing 840 authority with a certified copy of a recorded notice of 841

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864

590-03780-10 20101048c2 842 commencement or a notarized statement regarding a recorded 843 notice of commencement. This subsection does not apply to a 844 direct contract to repair or replace an existing heating or air-845 conditioning system in an amount less than \$7,500. (f) (e) Not require that a notice of commencement be 846 recorded as a condition of the application for, or processing or 847 848 issuance of, a building permit. However, this paragraph does not 849 modify or waive the inspection requirements set forth in this 850 subsection. 851 (g) Not require that a notice of commencement be recorded 852 or provided for those projects described in s. 713.137(2). 853 (2) An issuing authority under subsection (1) is not liable 854 in any civil action for the failure of the person whose property 855 is subject to attachment to receive or to be delivered the 856 general statement of an owner's rights and responsibilities 857 under Florida's a printed statement stating that the right, 858 title, and interest of the person who has contracted for the 859 improvement may be subject to attachment under the Construction 860 Lien Law as provided in s. 713.015. 861 (3) An issuing authority under subsection (1) is not liable 862 in any civil action for the failure to verify that a certified 863 copy of the recorded notice of commencement has been filed in

(4) The several boards of county commissioners, municipal
councils, or other similar bodies may by ordinance or resolution
establish reasonable fees for furnishing, upon request, copies
of the forms and the printed statement provided in paragraph
(1) (a) paragraphs (1) (b) and (d) in an amount not to exceed \$5
to be paid by the applicant for each permit in addition to all

accordance with this section.

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871	other costs of the permit; however, no forms or statement need
872	be furnished, mailed, or otherwise provided to, nor may such
873	additional fee be obtained from, applicants for permits in those
874	cases in which the owner of a legal or equitable interest
875	(including that of ownership of stock of a corporate landowner)
876	of the real property to be improved is engaged in the business
877	of construction of buildings for sale to others and intends to
878	make the improvements authorized by the permit on the property
879	and upon completion will offer the improved real property for
880	sale.
881	(5) In addition to any other information required by the
882	authority issuing the permit, each building permit application
883	must contain:
884	(a) The name and address of the owner of the real property;
885	(b) The name and address of the contractor;
886	(c) A description sufficient to identify the real property
887	to be improved; and
888	(d) The number or identifying symbol assigned to the
889	building permit by the issuing authority, which number or symbol
890	must be affixed to the application by the issuing authority.
891	(6)(a) In addition to any other information required by the
892	authority issuing the permit, the building permit application
893	must be in substantially the following form:
894	
895	Tax Folio No
896	BUILDING PERMIT APPLICATION
897	
898	Owner's Name
899	Owner's Address

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900	Fee Simple Titleholder's Name (If other than owner)
901	Fee Simple Titleholder's Address (If other than owner)
902	City
903	State Zip
904	Contractor's Name
905	Contractor's Address
906	City
907	State Zip
908	Job Name
909	Job Address
910	City County
911	Logal Decemintion
	Legal Description
912	Bonding Company
912 913	
_	Bonding Company
913	Bonding Company Bonding Company Address
913 914	Bonding Company Bonding Company Address City State
913 914 915	Bonding Company Bonding Company Address City State Architect/Engineer's Name
913 914 915 916	Bonding Company Bonding Company Address City State Architect/Engineer's Name Architect/Engineer's Address
913 914 915 916 917	Bonding Company Bonding Company Address City State Architect/Engineer's Name Architect/Engineer's Address Mortgage Lender's Name

920 Application is hereby made to obtain a permit to do the 921 work and installations as indicated. I certify that no work or 922 installation has commenced prior to the issuance of a permit and 923 that all work will be performed to meet the standards of all 924 laws regulating construction in this jurisdiction. I understand 925 that a separate permit must be secured for ELECTRICAL WORK, 926 PLUMBING, SIGNS, WELLS, POOLS, FURNACES, BOILERS, HEATERS, 927 TANKS, and AIR CONDITIONERS, etc.

928

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OWNER'S AFFIDAVIT: I certify that all the foregoing information
is accurate and that all work will be done in compliance with
all applicable laws regulating construction and zoning.
WARNING TO OWNER: IF YOU FAIL YOUR FAILURE TO RECORD A
NOTICE OF COMMENCEMENT, YOU MAY PAY RESULT IN YOUR
PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A
NOTICE OF COMMENCEMENT, AND THE CONTRACTOR'S PAYMENT
BOND IF THE PROJECT IS BONDED, MUST BE RECORDED AND
POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION.
IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR
LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR
RECORDING YOUR NOTICE OF COMMENCEMENT.
(Signature of Owner or Agent)
(including contractor)
STATE OF FLORIDA
COUNTY OF
Sworn to (or affirmed) and subscribed before me this
day of,(year), by(name of person making
statement)
(Signature of Notary Public - State of Florida)
(Print, Type, or Stamp Commissioned Name of Notary Public)
Personally Known OR Produced Identification

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958
959
          Type of Identification Produced.....
960
                                        ... (Signature of Contractor) ...
961
962
     STATE OF FLORIDA
963
     COUNTY OF ....
964
965
          Sworn to (or affirmed) and subscribed before me this ....
966
     day of ...., ... (year)..., by ..... (name of person making
     statement) .....
967
968
                 ... (Signature of Notary Public - State of Florida) ...
969
      ... (Print, Type, or Stamp Commissioned Name of Notary Public)...
970
971
          Personally Known .... OR Produced Identification ....
972
973
          Type of Identification Produced.....
974
                     (Certificate of Competency Holder)
975
976
     Contractor's State Certification or Registration No.....
977
978
     Contractor's Certificate of Competency No.....
979
980
     APPLICATION APPROVED BY
981
     .....Permit Officer
982
          (b) Consistent with the requirements of paragraph (a), an
983
     authority responsible for issuing building permits under this
984
     section may accept a building permit application in an
985
     electronic format, as prescribed by the authority. Building
986
     permit applications submitted to the authority electronically
```

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590-03780-10 20101048c2 987 must contain the following additional statement in lieu of the 988 requirement in paragraph (a) that a signed, sworn, and notarized 989 signature of the owner or agent and the contractor be part of 990 the owner's affidavit: 991 992 OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty of 993 perjury, I declare that all the information contained in this 994 building permit application is true and correct. 995 (c) An authority responsible for issuing building permit 996 applications which accepts building permit applications in an 997 electronic format shall provide public Internet access to the 998 electronic building permit applications in a searchable format. 999 (7) This section applies to every municipality and county 1000 in the state which now has or hereafter may have a system of 1001 issuing building permits for the construction of improvements or 1002 for the alteration or repair of improvements on or to real 1003 property located within the geographic limits of the issuing 1004 authority. 1005 (8) The Department of Business and Professional Regulation 1006 shall furnish, in a consumer-friendly location on its website, 1007 the general statement of an owner's rights and responsibilities 1008 under Florida's Construction Lien Law, as described in s. 1009 713.015, and the statutory forms for a notice of commencement, 1010 waiver and release of lien upon progress payment, waiver and 1011 release of lien upon final payment, request for sworn statement of account, and contractor's final payment affidavit, in 1012 1013 addition to any other consumer information relating to 1014 construction that the department believes is beneficial to 1015 consumers relating to licensing, insurance requirements, and

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1016	unlicensed activity.
1017	Section 7. Section 713.137, Florida Statutes, is created to
1018	read:
1019	713.137 Prerequisites to inspection of improvements;
1020	exceptions
1021	(1) The authority issuing a building permit or a private
1022	provider performing inspection services may not inspect the real
1023	property being improved unless:
1024	(a) The following documents have been filed with the
1025	issuing authority:
1026	1.a. A certified copy of the recorded notice of
1027	commencement; or
1028	b. A notarized statement that the notice of commencement
1029	has been filed for recording, along with a copy of the notice.
1030	2. If the permit is for a commercial project:
1031	a. A copy of the contractor's recorded payment bond; or
1032	b. A notarized statement of the contractor or owner stating
1033	that a payment bond was not required.
1034	3. A signed copy of the general statement of owner's rights
1035	and responsibilities under Florida's Construction Lien Law, if
1036	required by s. 713.015.
1037	(b) The information in the notice of commencement filed
1038	with the issuing authority is consistent with the building
1039	permit application, complete, and legible.
1040	(2) This section does not apply to inspections of the
1041	following improvements:
1042	(a) The installation of temporary electrical service or
1043	other temporary utility service, land clearing, or other
1044	preliminary site work.

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1045	(b) Improvements pursuant to a direct contract in an amount
1046	<u>of \$5,000 or less.</u>
1047	(c) The repair or replacement of a heating or air-
1048	conditioning system pursuant to a direct contract in an amount
1049	<u>of \$7,500 or less.</u>
1050	Section 8. Section 713.16, Florida Statutes, is amended to
1051	read:
1052	713.16 Demand for copy of contract and statements of
1053	account; form
1054	(1) A copy of the contract of a lienor or owner and a
1055	statement of the amount due or to become due if fixed or
1056	ascertainable thereon must be furnished by any party thereto,
1057	upon written demand of an owner or a lienor contracting with or
1058	employed by the other party to such contract. If the owner or
1059	lienor refuses or neglects to furnish such copy of the contract
1060	or such statement, or willfully and falsely states the amount
1061	due or to become due if fixed or ascertainable under such
1062	contract, any person who suffers any detriment thereby has a
1063	cause of action against the person refusing or neglecting to
1064	furnish the same or willfully and falsely stating the amount due
1065	or to become due for his or her damages sustained thereby. The
1066	information contained in such copy or statement furnished
1067	pursuant to such written demand is binding upon the owner or
1068	lienor furnishing it unless actual notice of any modification is
1069	given to the person demanding the copy or statement before such
1070	person acts in good faith in reliance on it. The person
1071	demanding such documents must pay for the reproduction thereof;
1072	and, if such person fails or refuses to do so, he or she is
1073	entitled only to inspect such documents at reasonable times and

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places.

1074

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1075 (2) The owner may serve in writing a demand of any lienor 1076 for a written statement under oath of his or her account showing 1077 the nature of the labor or services performed and to be 1078 performed, if any, the materials furnished, the materials to be 1079 furnished, if known, the amount paid on account to date, the 1080 amount due, and the amount to become due, if known, as of the 1081 date of the statement by the lienor. Any such demand to a lienor 1082 must be served on the lienor at the address and to the attention 1083 of any person who is designated to receive the demand in the 1084 notice to owner served by such lienor and must include a 1085 description of the project, including the names of the owner, 1086 the contractor, and the lienor's customer, sufficient for the 1087 lienor to properly identify the account in question. The failure 1088 or refusal to furnish the statement does not deprive the lienor 1089 of his or her lien if the demand is not served at the address of 1090 the lienor or directed to the attention of the person designated 1091 to receive the demand in the notice to owner. The failure or 1092 refusal to furnish the statement under oath within 30 days after 1093 the demand, or the furnishing of a false or fraudulent 1094 statement, deprives the person so failing or refusing to furnish 1095 such statement of his or her lien. If the owner serves more than 1096 one demand for statement of account on a lienor and none of the 1097 information regarding the account has changed since the lienor's 1098 last response to a demand, the failure or refusal to furnish 1099 such statement does not deprive the lienor of his or her lien. 1100 The negligent inclusion or omission of any information deprives 1101 the person of his or her lien to the extent the owner can 1102 demonstrate prejudice from such act or omission by the lienor.

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1103	The failure to furnish a response to a demand for statement of
1104	account does not affect the validity of any claim of lien being
1105	enforced through a foreclosure case filed prior to the date the
1106	demand for statement is received by the lienor.
1107	(3) A request for sworn statement of account must be in
1108	substantially the following form:
1109	REQUEST FOR SWORN STATEMENT OF ACCOUNT
1110	
1111	WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT, SIGNED
1112	UNDER OATH, WITHIN 30 DAYS OR THE FURNISHING OF A FALSE
1113	STATEMENT WILL RESULT IN THE LOSS OF YOUR LIEN.
1114	
1115	To:(Lienor's name and address)
1116	
1117	The undersigned hereby demands a written statement under oath of
1118	his or her account showing the nature of the labor or services
1119	performed and to be performed, if any, the materials furnished,
1120	the materials to be furnished, if known, the amount paid on
1121	account to date, the amount due, and the amount to become due,
1122	if known, as of the date of the statement for the improvement of
1123	real property identified as(property description)
1124	Name of contractor:
1125	Name of the lienor's customer (as specified in the lienor's
1126	Notice to Owner, if such notice has been served):
1127	(signature and address of owner)
1128	(date of request for sworn statement of account)
1129	(4) When a contractor has furnished a payment bond pursuant
1130	to s. 713.23, he or she may, when an owner makes any payment to
1131	the contractor or directly to a lienor, serve a written demand

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590-03780-10 20101048c2 1132 on any other lienor for a written statement under oath of his or 1133 her account showing the nature of the labor or services performed and to be performed, if any, the materials furnished, 1134 1135 the materials to be furnished, if known, the amount paid on 1136 account to date, the amount due, and the amount to become due, 1137 if known, as of the date of the statement by the lienor. Any 1138 such demand to a lienor must be served on the lienor at the address and to the attention of any person who is designated to 1139 1140 receive the demand in the notice to contractor served by such 1141 lienor. The failure or refusal to furnish the statement does not deprive the lienor of his or her rights under the bond if the 1142 demand is not served at the address of the lienor or directed to 1143 1144 the attention of the person designated to receive the demand in 1145 the notice to contractor or if the demand does not include a 1146 description of the project, including the names of the owner, 1147 the contractor, and the lienor's customer as set forth in the 1148 lienor's notice to contractor, sufficient for the lienor to 1149 properly identify the account in question. The failure to 1150 furnish the statement within 30 days after the demand, or the 1151 furnishing of a false or fraudulent statement, deprives the 1152 person who fails to furnish the statement, or who furnishes the 1153 false or fraudulent statement, of his or her rights under the 1154 bond. If the contractor serves more than one demand for 1155 statement of account on a lienor and none of the information 1156 regarding the account has changed since the lienor's last 1157 response to a demand, the failure or refusal to furnish such 1158 statement does not deprive the lienor of his or her rights under 1159 the bond. The negligent inclusion or omission of any information 1160 deprives the person of his or her rights under the bond to the

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1161	extent the contractor can demonstrate prejudice from such act or
1162	omission by the lienor. The failure to furnish a response to a
1163	demand for statement of account does not affect the validity of
1164	any claim on the bond being enforced in a lawsuit filed prior to
1165	the date the demand for statement of account is received by the
1166	lienor.
1167	(5)(a) Any lienor who <u>submits or mails</u> has recorded a claim
1168	of lien to the clerk for recording may make written demand on
1169	the owner for a written statement under oath showing:
1170	1. The amount of the direct contract under which the lien
1171	was recorded;
1172	2. The dates and amounts paid or to be paid by or on behalf
1173	of the owner for all improvements described in the direct
1174	contract;
1175	3. The reasonable estimated costs of completing the direct
1176	contract under which the lien was claimed pursuant to the scope
1177	of the direct contract; and
1178	4. If known, the actual cost of completion.
1179	(b) Any owner who does not provide the statement within 30
1180	days after demand, or who provides a false or fraudulent
1181	statement, is not a prevailing party for purposes of an award of
1182	attorney's fees under s. 713.29. The written demand must include
1183	the following warning in conspicuous type in substantially the
1184	following form:
1185	WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT
1186	WITHIN 30 DAYS OR THE FURNISHING OF A FALSE STATEMENT WILL
1187	RESULT IN THE LOSS OF YOUR RIGHT TO RECOVER ATTORNEY FEES IN ANY
1188	ACTION TO ENFORCE THE CLAIM OF LIEN OF THE PERSON REQUESTING
1189	THIS STATEMENT.

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1190	(6) Any written demand served on the owner shall include a
1191	description of the project, including the names of the
1192	contractor and the lienor's customer as set forth in the
1193	lienor's notice to owner, sufficient for the owner to properly
1194	identify the project in question.
1195	(7) (6) For purposes of this section, the term "information"
1196	means the nature and quantity of the labor, services, and
1197	materials furnished or to be furnished by a lienor and the
1198	amount paid, the amount due, and the amount to become due on the
1199	lienor's account.
1200	Section 9. Section 713.18, Florida Statutes, is amended to
1201	read:
1202	713.18 Manner of serving notices and other instruments
1203	(1) Service of notices, claims of lien, affidavits,
1204	assignments, and other instruments permitted or required under
1205	this part, or copies thereof when so permitted or required,
1206	unless otherwise specifically provided in this part, must be
1207	made by one of the following methods:
1208	(a) By actual delivery to the person to be served; if a
1209	partnership, to one of the partners; if a corporation, to an
1210	officer, director, managing agent, or business agent; or, if a
1211	limited liability company, to a member or manager.
1212	(b) By sending the same by <u>common carrier delivery service</u>
1213	or registered, global express guaranteed, or certified mail,
1214	with postage prepaid, <u>and</u> or by overnight or second-day delivery
1215	with evidence of delivery, which may be in an electronic format.
1216	(c) If the method specified in paragraph (a) or paragraph
1217	(b) cannot be accomplished, By posting on the site of the
1218	improvement if service as provided by paragraph (a) or paragraph

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1219	(b) cannot be accomplished premises.
1220	(2) Notwithstanding subsection (1), <u>service of</u> if a notice
1221	to owner, a notice to contractor under s. 713.23, or a
1222	preliminary notice under s. 255.05 is mailed by registered or
1223	certified mail with postage prepaid to the person to be served
1224	at any of the addresses set forth in subsection (3) within 40
1225	days after the date the lienor first furnishes labor, services,
1226	or materials, service of that notice is effective as of the date
1227	of mailing if <u>:</u>
1228	(a) The notice is mailed by registered, global express
1229	guaranteed, or certified mail, with postage prepaid, to the
1230	person to be served at any of the addresses set forth in
1231	subsection (3);
1232	(b) The notice is mailed within 40 days after the date the
1233	lienor first furnishes labor, services, or materials; and
1234	(c)1. The person who served the notice maintains a
1235	registered or certified mail log that shows the registered or
1236	certified mail number issued by the United States Postal
1237	Service, the name and address of the person served, and the date
1238	stamp of the United States Postal Service confirming the date of
1239	mailing <u>;</u> or if
1240	2. The person who served the notice maintains electronic
1241	tracking records generated through use of the United States
1242	Postal Service Confirm service or a similar service containing
1243	the postal tracking number, the name and address of the person
1244	served, and verification of the date of receipt by the United
1245	States Postal Service.
1246	(3) <u>(a)</u> <u>Service of</u> If an instrument served pursuant to this
1247	section is effective on the date of mailing if the instrument:

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                                                              20101048c2
1248
           1. Was sent to the last address shown in the notice of
1249
      commencement or any amendment thereto or, in the absence of a
1250
      notice of commencement, to the last address shown in the
1251
      building permit application, or to the last known address of the
1252
      person to be served; and, is not received, but
           2. Is returned as being "refused," "moved, not
1253
1254
      forwardable," or "unclaimed," or is otherwise not delivered or
1255
      deliverable through no fault of the person serving the item,
1256
      then service is effective on the date the instrument was sent.
1257
           (b) If the address information shown in the notice of
1258
      commencement or any amendment to the notice, or in the absence
1259
      of a notice of commencement, in the building permit application,
1260
      is incomplete for purposes of mailing or delivery, the person
1261
      serving the item may complete the address and properly format it
1262
      according to United States Postal Service addressing standards
1263
      using information obtained from the property appraiser or
1264
      another public record or directory without affecting the
1265
      validity of service under this section.
1266
            (4) A notice served by a lienor on one owner or one partner
1267
      of a partnership owning the real property If the real property
1268
      is owned by more than one person or a partnership, a lienor may
1269
      serve any notices or other papers under this part on any one of
1270
      such owners or partners, and such notice is deemed notice to all
1271
      owners and partners.
1272
           Section 10. Section 713.22, Florida Statutes, is amended to
1273
      read:
1274
           713.22 Duration of lien.-
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1275 (1) <u>A No lien provided by this part may not shall continue</u> 1276 for a longer period than 1 year after the claim of lien has been

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1277	recorded or 1 year after the recording of an amended claim of
1278	lien that shows a later date of final furnishing of labor,
1279	services, or materials, unless within that time an action to
1280	enforce the lien is commenced in a court of competent
1281	jurisdiction. A lien that has been continued beyond the 1-year
1282	period The continuation of the lien effected by the commencement
1283	of <u>an</u> the action <u>is</u> shall not <u>enforceable</u> be good against
1284	creditors or subsequent purchasers for a valuable consideration
1285	and without notice, unless a notice of lis pendens is recorded.
1286	(2) An owner or the owner's agent or attorney may elect to
1287	shorten the time prescribed in subsection (1) within which to
1288	commence an action to enforce any claim of lien or claim against
1289	a bond or other security under s. 713.23 or s. 713.24 by
1290	recording in the clerk's office a notice in substantially the
1291	following form:
1292	NOTICE OF CONTEST OF LIEN
1293	To:(Name and address of lienor)
1294	You are notified that the undersigned contests the claim of lien
1295	filed by you on,(year), and recorded in Book
1296	, Page, of the public records of County, Florida,
1297	and that the time within which you may file suit to enforce your
1298	lien is limited to 60 days from the date of service of this
1299	notice. This day of,(year)
1300	Signed:(Owner or Attorney)
1301	
1302	The lien of any lienor upon whom such notice is served and who
1303	fails to institute a suit to enforce his or her lien within 60
1304	days after service of such notice shall be extinguished
1305	automatically. The clerk shall mail a copy of the notice of

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590-03780-10 20101048c2 1306 contest to the lien claimant at the address shown in the claim 1307 of lien or most recent amendment thereto, by certified or registered mail, return receipt requested, and shall certify to 1308 1309 such service on the face of such notice and record the notice. 1310 Service shall be deemed complete upon mailing. 1311 Section 11. Paragraph (e) of subsection (1) and subsections (2) and (4) of section 713.23, Florida Statutes, are amended to 1312 1313 read: 713.23 Payment bond.-1314 1315 (1)1316 (e) An No action for the labor or materials or supplies may 1317 not be instituted or prosecuted against the contractor or surety 1318 unless both notices have been given. An No action may not shall 1319 be instituted or prosecuted against the contractor or against 1320 the surety on the bond under this section after 1 year from the 1321 performance of the labor or completion of delivery of the materials and supplies. The time period for bringing an action 1322 1323 against the contractor or surety on the bond shall be measured from the last day of furnishing labor, services, or materials by 1324 1325 the lienor. The time period may and shall not be measured by 1326 other standards, such as the issuance of a certificate of 1327 occupancy or the issuance of a certificate of substantial 1328 completion. A contractor or the contractor's agent or attorney 1329 may elect to shorten the prescribed time within which an action 1330 to enforce any claim against a payment bond provided under this 1331 section or s. 713.245 must may be commenced at any time after a 1332 notice of nonpayment, if required, has been served for the claim 1333 by recording in the clerk's office a notice in substantially the 1334 following form:

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590-03780-10 20101048c2 1335 NOTICE OF CONTEST OF CLAIM 1336 AGAINST PAYMENT BOND 1337 To: ... (Name and address of lienor)... 1338 You are notified that the undersigned contests your notice of nonpayment, dated, and served on the undersigned 1339 1340 on, and that the time within which you may file suit 1341 to enforce your claim is limited to 60 days from the date of service of this notice. 1342 1343 1344 DATED on, 1345 1346 Signed: ... (Contractor or Attorney) ... 1347 1348 The claim of any lienor upon whom the notice is served and who 1349 fails to institute a suit to enforce his or her claim against 1350 the payment bond within 60 days after service of the notice 1351 shall be extinguished automatically. The clerk shall mail a copy 1352 of the notice of contest to the lienor at the address shown in 1353 the notice of nonpayment or most recent amendment thereto, by 1354 certified or registered mail, return receipt requested, and 1355 shall certify to such service on the face of the notice and 1356 record the notice. Service is complete upon mailing. 1357 (2) The bond shall secure every lien under the direct 1358 contract accruing subsequent to its execution and delivery, 1359 except that of the contractor. Every claim of lien, except that 1360 of the contractor, filed subsequent to execution and delivery of 1361 the bond shall be transferred to it with the same effect as

1362 liens transferred under s. 713.24. Record notice of the transfer 1363 shall be effected by the contractor, or any person having an

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1364	interest in the property against which the claim of lien has
1365	been asserted, by recording in the clerk's office a notice in
1366	substantially the following form:
1367	NOTICE OF BOND
1368	
1369	To (Name and Address of Lienor)
1370	
1371	You are notified that the claim of lien filed by you on \ldots ,
1372	, and recorded in Official Records Book at page of
1373	the public records of County, Florida, is secured by a
1374	bond, a copy being attached.
1375	
1376	Signed: (Name of person recording notice)
1377	
1378	The notice shall be verified. The clerk shall mail a copy of the
1379	notice to the lienor at the address shown in the claim of lien,
1380	or the most recent amendment to it; shall certify to the service
1381	on the face of the notice; and shall record the notice. The
1382	clerk shall receive the same fee as prescribed in <u>s. 713.24</u> s.
1383	713.24(1) for certifying to a transfer of lien.
1384	(4) The provisions of <u>s. 713.24(7)</u> s. 713.24(3) shall apply
1385	to bonds under this section.
1386	Section 12. Section 713.24, Florida Statutes, is amended to
1387	read:
1388	713.24 Transfer of liens to security
1389	(1) <u>A</u> Any lien claimed under this part may be transferred,
1390	by <u>a</u> any person having an interest in the real property upon
1391	which the lien is imposed or the contract under which the lien
1392	is claimed, from such real property to other security by either :

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590-03780-10 20101048c2 (a) Depositing in the clerk's office a sum of money; τ or 1393 1394 (b) Filing in the clerk's office a bond executed as surety by a surety insurer licensed to do business in this state. $_{\tau}$ 1395 1396 (2) The security must either to be in an amount equal: to 1397 (a) The amount demanded in the such claim of lien; τ plus 1398 (b) Interest on the claim thereon at the legal rate for 3 1399 years, plus \$1,000 or 25 percent of the amount demanded in the 1400 claim of lien, whichever is greater, to apply on any attorney's 1401 fees and court costs that may be taxed in any proceeding to 1402 enforce the said lien. 1403 (3) The security Such deposit or bond shall be conditioned 1404 to pay any judgment or decree that which may be rendered for the satisfaction of the lien for which such claim of lien was 1405 1406 recorded. 1407 (4) A Upon making such deposit or filing such bond, the 1408 clerk who receives other security for a lien: 1409 (a) Shall make and record a certificate showing the 1410 transfer of the lien from the real property to the security. The 1411 clerk and shall serve mail a copy of the certificate and a copy 1412 of the bond, if the lien was transferred to a bond, on thereof 1413 by registered or certified mail to the lienor named in the claim 1414 of lien so transferred, at the address stated in the claim 1415 therein. When Upon filing the certificate of transfer is recorded, the real property is shall thereupon be released from 1416 1417 the lien claimed, and the such lien is shall be transferred to 1418 the other said security. 1419 (b) May collect a service charge of no more than \$20 for 1420 making and serving the certificate. The clerk may collect an 1421 additional charge of no more than \$10 for each additional lien

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1422	transferred to the security. The clerk shall receive the
1423	statutory service charges as prescribed in s. 28.24 for
1424	recording the certificate and approving the bond.

1425 (5) In the absence of allegations of privity between the 1426 lienor and the owner, and subject to any order of the court 1427 increasing the amount required for the lien transfer deposit or 1428 bond, no other judgment or decree to pay money may be entered by the court against the owner. The clerk shall be entitled to a 1429 1430 service charge for making and serving the certificate, in the 1431 amount of up to \$20. If the transaction involves the transfer of multiple liens, an additional charge of up to \$10 for each 1432 1433 additional lien shall be charged. For recording the certificate and approving the bond, the clerk shall receive her or his usual 1434 1435 statutory service charges as prescribed in s. 28.24. Any number 1436 of liens may be transferred to one such security.

1437 <u>(6) (2)</u> Any excess of the security over the aggregate amount 1438 of any judgments or decrees rendered plus costs actually taxed 1439 shall be repaid to the party filing the same or her or his 1440 successor in interest. Any deposit of money shall be considered 1441 as paid into court and <u>is shall be</u> subject to the provisions of 1442 law relative to payments of money into court and the disposition 1443 of same.

1444 <u>(7) (3)</u> Any party having an interest in such security or the 1445 property from which the lien was transferred may at any time, 1446 and any number of times, file a complaint in chancery in the 1447 circuit court of the county where such security is deposited, or 1448 file a motion in a pending action to enforce a lien, for an 1449 order to require additional security, reduction of security, 1450 change or substitution of sureties, payment of discharge

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590-03780-10 20101048c2 1451 thereof, or any other matter affecting the said security. If the 1452 court finds that the amount of the deposit or bond in excess of 1453 the amount claimed in the claim of lien is insufficient to pay 1454 the lienor's attorney's fees and court costs incurred in the 1455 action to enforce the lien, the court must increase the amount 1456 of the cash deposit or lien transfer bond. Nothing in This 1457 section does not shall be construed to vest exclusive 1458 jurisdiction in the circuit courts over transfer bond claims for 1459 nonpayment of an amount within the monetary jurisdiction of the 1460 county courts.

1461 (8) (4) If a proceeding to enforce a transferred lien is not 1462 commenced within the time specified in s. 713.22 or if it 1463 appears that the transferred lien has been satisfied of record, 1464 the clerk shall return the said security upon request of the 1465 person depositing or filing the same, or the insurer. If a 1466 proceeding to enforce a lien is commenced in a court of 1467 competent jurisdiction within the time specified in s. 713.22 1468 and, during such proceeding, the lien is transferred pursuant to 1469 this section or s. 713.13(1)(e), an action commenced within 1 1470 year after the transfer, unless otherwise shortened by operation 1471 of law, in the same county or circuit court to recover against 1472 the security shall be deemed to have been brought as of the date 1473 of filing the action to enforce the lien, and the court has 1474 shall have jurisdiction over the action.

1475

Section 13. This act shall take effect October 1, 2010.

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