



LEGISLATIVE ACTION

Senate

House

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The Committee on Rules (DiCeglie) recommended the following:

1                   **Senate Amendment (with title amendment)**

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3                   Delete everything after the enacting clause  
4 and insert:

5                   Section 1. Paragraph (d) is added to subsection (11) of  
6 section 337.11, Florida Statutes, to read:

7                   337.11 Contracting authority of department; bids; emergency  
8 repairs, supplemental agreements, and change orders; combined  
9 design and construction contracts; progress payments; records;  
10 requirements of vehicle registration.—

11                   (11)



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12        (d)1. The department may make direct payments to a first-  
13        tier subcontractor. Such payments do not create any enforceable  
14        third-party beneficiary rights. The department shall adopt by  
15        rule procedures to implement this paragraph. Such procedures  
16        must establish the circumstances under which such payments may  
17        be made and must include, at a minimum, all of the following:

18        a. The contractor has not requested payment from the  
19        department for at least 6 months.

20        b. There is a binding, written subcontract between the  
21        contractor and the subcontractor, and the department is in  
22        possession of a complete copy of the subcontract.

23        c. The subcontractor has performed work that is unpaid by  
24        the contractor, and the department has sufficient documentation  
25        of such unpaid work.

26        d. There is no legitimate dispute between the contractor  
27        and the subcontractor.

28        e. The department has provided written notice to the  
29        payment and performance bond surety at least 30 days before  
30        releasing a payment under this paragraph, and the surety has not  
31        objected in writing within the 30-day period based on a  
32        documented dispute or claim regarding the unpaid work or  
33        payment.

34        2. Amounts paid by the department pursuant to rules adopted  
35        under this paragraph must be deducted from amounts otherwise due  
36        to the contractor.

37        Section 2. Present subsection (6) of section 337.18,  
38        Florida Statutes, is redesignated as subsection (7), and a new  
39        subsection (6) is added to that section, to read:

40        337.18 Surety bonds for construction or maintenance



41 contracts; requirement with respect to contract award; bond  
42 requirements; defaults; damage assessments.-

43 (6) If the department and the surety enter into a takeover  
44 agreement, such agreement must set forth procedures regarding  
45 the surety's certification of disbursement of payment to  
46 subcontractors.

47 Section 3. This act shall take effect July 1, 2026.

48 ===== T I T L E A M E N D M E N T =====  
49 And the title is amended as follows:

50 Delete everything before the enacting clause  
51 and insert:

52 A bill to be entitled  
53 An act relating to transportation; amending s. 337.11,  
54 F.S.; authorizing the Department of Transportation to  
55 make direct payments to a first-tier subcontractor;  
56 providing construction; requiring the department to  
57 adopt rules establishing certain procedures; providing  
58 requirements for such procedures; requiring that  
59 amounts paid to a first-tier subcontractor be deducted  
60 from amounts otherwise due to the contractor; amending  
61 s. 337.18, F.S.; requiring that a takeover agreement  
62 between the department and a surety set forth certain  
63 procedures; providing an effective date.