

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Transportation

BILL: SB 1080

INTRODUCER: Senator DiCeglie

SUBJECT: Transportation

DATE: January 16, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Vickers	TR	Pre-meeting
2.			CM	
3.			RC	

I. Summary:

SB 1080 authorizes the Florida Department of Transportation (FDOT) to make direct payments to a first-tier subcontractor if specified conditions are met, with the amount paid to the subcontractor deducted from the amount paid to the contractor.

The bill also provides that, if in the event of a contract default, FDOT engages the surety to complete the contracted work, the surety's completion contractor must meet the same prequalification requirements as in the original contract and that the surety must follow specified procedures regarding the payment of subcontractors.

This bill does not appear to have a fiscal impact on state or local government entities.

This bill takes effect July 1, 2026.

II. Present Situation:

Florida Department of Transportation Contracting Authority

Section 337.11, F.S., authorizes the Florida Department of Transportation (FDOT) to enter into contracts for the construction and maintenance of roads and related facilities under its jurisdiction.¹

Every contract let by FDOT for the performance of work must require the prime contractor, before receiving any progress payment under such contract, to certify that the prime contractor has disbursed to all of its subcontractors and suppliers their pro rata shares of the payment out of previous progress payments received by the prime contractor for all work completed and

¹ Section 337.11(1), F.S.

materials furnished in the previous period,² as FDOT approved payment. FDOT may not make any such progress payment before receiving such certification, unless the contractor demonstrates good cause for not making any such required payment and furnishes written notification of any such good cause to both FDOT and the affected subcontractors and suppliers.³

Every contract let by FDOT for the performance of work must require the prime contractor, within 30 days of receipt of the final progress payment or any other payments received thereafter except the final payment, to pay all of its subcontractors and suppliers their pro rata shares of the payment for all work completed and materials furnished, unless the contractor demonstrates good cause for not making any such required payment and furnishes written notification of any such good cause to both FDOT and the affected subcontractors or suppliers within such 30-day period.⁴

Surety Bonds for FDOT's Construction and Maintenance Contracts

Section 337.18, F.S., requires a surety bond of the successful bidder in an amount equal to the awarded contract price for a FDOT contract. However, in limited circumstances, FDOT has the discretion to authorize phased bonding or waive all or a portion of the bond requirement.⁵

FDOT's contracts must provide for the determination of default on the part of any contractor for cause attributable to such contractor. FDOT is not liable for anticipated profits for unfinished work on a contract which it has determined to be in default.⁶

III. Effect of Proposed Changes:

Section 1 amends s. 337.11, F.S. to authorize FDOT to make direct payments to first-tier subcontractors if the following conditions are met:

- The contractor has not requested payment from FDOT for at least six months.
- There is a binding, written subcontract between the contractor and the subcontractor, and FDOT is in possession of a complete copy of the contract.
- The subcontractor has performed work that is unpaid by the subcontractor, and FDOT has sufficient documentation of such unpaid work.
- There is no bona fide, documented dispute between the contractor and the subcontractor.

The amounts FDOT pays to the subcontractor must be deducted from amounts otherwise due to the contractor.

Section 2 amends s. 337.18(6), F.S., to provide that if FDOT declares a default on the part of a contractor for cause attributable to the contractor and engages the surety to perform pursuant to the surety bond, FDOT and the surety must enter into a takeover agreement requiring the surety's completion contractor to meet the prequalification requirements in the original contract's bid

² This is less any retainage withheld by the prime contractor pursuant to an agreement with a subcontractor.

³ Section 337.11(11)(a), F.S.

⁴ Section 337.11(11)(b), F.S.

⁵ Section 337.18(1)(a), F.S.

⁶ Section 337.18(2), F.S.

solicitation. The bill also requires the surety to follow the contract's procedures regarding the completion contractor default and certification of disbursement of payment to the subcontractors.

Section 3 provides that this bill takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The provision authorizing FDOT to pay subcontractors under specified circumstances may have a positive fiscal impact on such subcontractors. However, the fiscal impact is indeterminate.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

Section 1 of the bill may need to be clarified regarding whether or not FDOT's payments to the contractor and any dispute between the contractor and the subcontractor apply for all projects or for the specific project in which the subcontractor is requesting payment.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 337.11 and 337.18.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
