

By Senator DiCeglie

18-01233-26

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A bill to be entitled
An act relating to transportation; amending s. 337.11,
F.S.; authorizing the Department of Transportation to
make direct payments to a first-tier subcontractor
under certain circumstances; requiring that amounts
paid to such subcontractor be deducted from amounts
due the contractor; amending s. 337.18, F.S.;
requiring the department and a surety to enter into a
takeover agreement that requires the surety's
completion contractor to meet certain requirements and
that requires the surety to follow certain contract
procedures when the surety is engaged by the
department under certain circumstances; providing an
effective date.

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

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

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

(11)

(d)1. The department may make direct payments to a first-
tier subcontractor if the following conditions are met:

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

b. There is a binding, written subcontract between the

18-01233-26

20261080__

30 contractor and the subcontractor, and the department is in
31 possession of a complete copy of the subcontract.

32 c. The subcontractor has performed work that is unpaid by
33 the contractor, and the department has sufficient documentation
34 of such unpaid work.

35 d. There is no bona fide, documented dispute between the
36 contractor and the subcontractor.

37 2. Amounts paid by the department pursuant to this
38 paragraph must be deducted from amounts otherwise due the
39 contractor.

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

43 337.18 Surety bonds for construction or maintenance
44 contracts; requirement with respect to contract award; bond
45 requirements; defaults; damage assessments.—

46 (6) If the department declares a default on the part of a
47 contractor for cause attributable to the contractor and engages
48 the surety to perform pursuant to the terms of the bond, the
49 department and the surety must enter into a takeover agreement
50 requiring the surety's completion contractor to meet the
51 prequalification requirements of the original contract bid
52 solicitation and requiring the surety to follow the contract's
53 procedures regarding the completion contractor default and
54 certification of disbursement of payment to subcontractors.

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