

**By** the Committee on Transportation; and Senator DiCeglie

596-02021-26

20261080c1

A bill to be entitled

An act relating to transportation; amending s. 337.11, F.S.; requiring the Department of Transportation to adopt rules establishing circumstances under which it may make direct payments to a first-tier subcontractor; requiring that amounts paid to such subcontractor be deducted from amounts otherwise due to the contractor; amending s. 337.18, F.S.; requiring that a takeover agreement between the department and a surety require the surety's completion contractor to meet certain requirements and follow certain contract procedures; 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 shall adopt rules establishing circumstances under which it may make direct payments to a first-tier subcontractor. Such circumstances must include all of the following:

a. The contractor has not requested payment from the department in the past 6 months.

b. There is a binding, written subcontract between the

596-02021-26

20261080c1

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 rules adopted  
38 under this paragraph must be deducted from amounts otherwise due  
39 to the 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, due to a default by the contractor, the department  
47 and the surety enter into a takeover agreement, such agreement  
48 must require the surety's completion contractor to meet the  
49 certification of qualification requirements of the original  
50 contract bid solicitation and follow the contract's procedures  
51 regarding certification of disbursement of payment to  
52 subcontractors.

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