

By the Committee on Transportation; and Senator DiCeglie

596-02021-26

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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

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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.