

LEGISLATIVE ACTION

Senate		House
Comm: RCS		
03/03/2010	•	
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The Committee on Regulated Industries (Wise) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Subsection (1) and paragraph (a) of subsection (2) of section 255.05, Florida Statutes, are amended to read:

255.05 Bond of contractor constructing public buildings; form; action by materialmen.-

9 (1) (a) Any person entering into a formal contract with the 10 state or any county, <u>municipality</u> city, or political subdivision 11 thereof, or other public authority or private entity, for the 12 construction of a public building, for the prosecution and

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13 completion of a public work, or for repairs upon a public
14 building or public work shall be required, before commencing the
15 work or before recommencing the work after a default or
16 abandonment, to execute and, deliver to the public owner, and
17 record in the public records of the county where the improvement
18 is located, a payment and performance bond with a surety insurer
19 authorized to do business in this state as surety.

20 (a) A public entity may not require a contractor to secure 21 a surety bond under this section from a specific agent or 22 bonding company.

23 (b) The bond must state on its front page: the name, 24 principal business address, and phone number of the contractor, the surety, the owner of the property being improved, and, if 25 26 different from the owner, the contracting public entity; the contract number assigned by the contracting public entity; the 27 28 bond number assigned by the surety; and a description of the project sufficient to identify it, such as a legal description 29 or the street address of the property being improved, and a 30 31 general description of the improvement.

32 (c) Such bond shall be conditioned upon the contractor's 33 performance of the construction work in the time and manner 34 prescribed in the contract and promptly making payments to all 35 persons defined in s. 713.01 who furnish labor, services, or 36 materials for the prosecution of the work provided for in the 37 contract.

38 (d) The contractor shall record the payment bond upon 39 issuance in the public records of the county in which the 40 improvement will be located.

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(e)1. The issuing authority for the building permit, or a

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42 private provider performing inspection services, may not inspect 43 the property being improved until: a. The issuing authority has a copy of the contractor's 44 45 recorded payment bond on file; or b. The contracting public entity has filed with the issuing 46 47 authority a notarized statement stating that the contract is 48 exempt from the requirement for a payment bond as provided in 49 this section. 50 2. This paragraph does not apply to inspections for the 51 installation of temporary electrical service or other temporary 52 utility service, land clearing, or other preliminary site work. 53 (f) Any claimant may apply to the governmental entity having charge of the work for copies of the contract and bond 54 55 and shall thereupon be furnished with a certified copy of the contract and bond. The claimant has shall have a right of action 56 against the contractor and surety for the amount due him or her, 57 58 including unpaid finance charges due under the claimant's 59 contract. Such action shall not involve the public authority in 60 any expense. 61 (g)1. A payment and performance bond is not required for a 62 contract with the state for \$100,000 or less. When such work is 63 done for the state and the contract is for \$100,000 or less, no payment and performance bond shall be required. 64 65 2. At the discretion of The official or board awarding a 66 such contract when such work is done for a any county, 67 municipality city, political subdivision, or public authority 68 may exempt a contract, any person entering into such a contract which is for \$200,000 or less from the requirement for a may be 69 70 exempted from executing the payment and performance bond. Page 3 of 55



71 3. When such work is done for the state, The Secretary of 72 Management Services may delegate to a state agency agencies the 73 authority to exempt any person entering into such a contract for 74 amounting to more than \$100,000 but less than \$200,000 from the requirement for a executing the payment and performance bond. If 75 76 In the event such exemption is granted, the officer or officials 77 are shall not be personally liable to persons suffering loss 78 because of granting such exemption. The Department of Management 79 Services shall maintain information on the number of requests by 80 state agencies for delegation of authority to waive the bond 81 requirements by agency and project number and whether any 82 request for delegation was denied and the justification for the 83 denial.

84 (h) Any provision in a payment bond furnished for public 85 work contracts as provided by this subsection which restricts 86 the classes of persons as defined in s. 713.01 protected by the 87 bond or the venue of any proceeding relating to such bond is 88 unenforceable.

89 <u>(i) (b)</u> The Department of Management Services shall adopt 90 rules with respect to all contracts for \$200,000 or less, to 91 provide:

92 1. Procedures for retaining up to 10 percent of each 93 request for payment submitted by a contractor and procedures for 94 determining disbursements from the amount retained on a pro rata 95 basis to laborers, materialmen, and subcontractors, as defined 96 in s. 713.01.

97 2. Procedures for requiring certification from laborers,
98 materialmen, and subcontractors, as defined in s. 713.01, prior
99 to final payment to the contractor, that such laborers,

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100 materialmen, and subcontractors have no claims against the 101 contractor resulting from the completion of the work provided 102 for in the contract.

104 The state <u>is</u> shall not be held liable to any laborer, 105 materialman, or subcontractor for any amounts greater than the 106 pro rata share as determined under this section.

107 <u>(j)(c)</u>1. The amount of the bond shall equal the contract 108 price, except that for a contract in excess of \$250 million, if 109 the state, county, municipality, political subdivision, or other 110 public entity finds that a bond in the amount of the contract 111 price is not reasonably available, the public owner shall set 112 the amount of the bond at the largest amount reasonably 113 available, but not less than \$250 million.

114 2. For construction-management or design-build contracts, 115 if the public owner does not include in the bond amount the cost 116 of design or other nonconstruction services, the bond may not be 117 conditioned on performance of such services or payment to 118 persons furnishing such services. Notwithstanding paragraph (h) 119 (a), such a bond may exclude persons furnishing such services 120 from the classes of persons protected by the bond.

121 (2) (a)1. If a claimant is no longer furnishing labor, services, or materials on a project, a contractor or the 122 123 contractor's agent or attorney may elect to shorten the 124 prescribed time in this paragraph within which an action to 125 enforce any claim against a payment bond must provided pursuant 126 to this section may be commenced by recording in the clerk's 127 office a notice in substantially the following form: NOTICE OF CONTEST OF CLAIM 128

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129	AGAINST PAYMENT BOND
130	
131	To: (Name and address of claimant)
132	
133	You are notified that the undersigned contests your notice
134	of nonpayment, dated,, and served on the
135	undersigned on,, and that the time within
136	which you may file suit to enforce your claim is limited to 60
137	days after the date of service of this notice.
138	
139	DATED on,
140	
141	Signed:(Contractor or Attorney)
142	
143	The claim of any claimant upon whom such notice is served and
144	who fails to institute a suit to enforce his or her claim
145	against the payment bond within 60 days after service of such
146	notice shall be extinguished automatically. The clerk shall
147	serve mail a copy of the notice of contest to the claimant at
148	the address shown in the notice of nonpayment or most recent
149	amendment thereto and shall certify to such service on the face
150	of such notice and record the notice. Service is complete upon
151	mailing.
152	2. A claimant, except a laborer, who is not in privity with
153	the contractor shall, before commencing or not later than 45
154	days after commencing to furnish labor, services, or materials
155	for the prosecution of the work, furnish the contractor with a
156	written notice that he or she intends to look to the bond for
157	protection. A claimant who is not in privity with the contractor



158 and who has not received payment for his or her labor, services, 159 or materials shall deliver to the contractor and to the surety written notice of the performance of the labor or delivery of 160 161 the materials or supplies and of the nonpayment. The notice of 162 nonpayment may be served at any time during the progress of the 163 work or thereafter but not before 45 days after the first furnishing of labor, services, or materials, and not later than 164 165 90 days after the final furnishing of the labor, services, or 166 materials by the claimant or, with respect to rental equipment, 167 not later than 90 days after the date that the rental equipment 168 was last on the job site available for use. Any notice of 169 nonpayment served by a claimant who is not in privity with the 170 contractor which includes sums for retainage must specify the 171 portion of the amount claimed for retainage. An No action for the labor, materials, or supplies may not be instituted against 172 173 the contractor or the surety unless both notices have been 174 given. Notices required or permitted under this section may be 175 served in accordance with s. 713.18. A claimant may not waive in 176 advance his or her right to bring an action under the bond 177 against the surety. In any action brought to enforce a claim against a payment bond under this section, the prevailing party 178 179 is entitled to recover a reasonable fee for the services of his 180 or her attorney for trial and appeal or for arbitration, in an 181 amount to be determined by the court, and the which fee must be 182 taxed as part of the prevailing party's costs, as allowed in 183 equitable actions. The time periods for service of a notice of 184 nonpayment or for bringing an action against a contractor or a surety shall be measured from the last day of furnishing labor, 185 186 services, or materials by the claimant and shall not be measured

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187 by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial 188 189 completion. 190 Section 2. Section 713.015, Florida Statutes, is amended to 191 read: 192 713.015 General statement of owner's rights and 193 responsibilities Mandatory provisions for direct contracts.-194 (1) For any direct contract greater than \$2,500 between an 195 owner and a contractor, related to improvements to real property 196 consisting of single or multiple family dwellings up to and 197 including four units, the contractor must provide the owner with 198 a copy of the general statement of owner's rights and 199 responsibilities under Florida's Construction Lien Law as set 200 forth in subsection (2), which must be contain the following 201 notice provision printed in no less than 12-point, capitalized, 202 boldfaced type on the front page of the contract or on a 203 separate page, signed by the owner and dated, and submitted with 204 the original building permit application pursuant to s. 205 713.135.÷ 206 207 ACCORDING TO FLORIDA'S CONSTRUCTION LIEN LAW (SECTIONS 713.001-208 713.37, FLORIDA STATUTES), THOSE WHO WORK ON YOUR PROPERTY OR 209 PROVIDE MATERIALS AND SERVICES AND ARE NOT PAID IN FULL HAVE A 210 RICHT TO ENFORCE THEIR CLAIM FOR PAYMENT AGAINST YOUR PROPERTY. 211 THIS CLAIM IS KNOWN AS A CONSTRUCTION LIEN. IF YOUR CONTRACTOR 212 OR A SUBCONTRACTOR FAILS TO PAY SUBCONTRACTORS, SUB-213 SUBCONTRACTORS, OR MATERIAL SUPPLIERS, THOSE PEOPLE WHO ARE OWED 214 MONEY MAY LOOK TO YOUR PROPERTY FOR PAYMENT, EVEN IF YOU HAVE 215 ALREADY PAID YOUR CONTRACTOR IN FULL. IF YOU FAIL TO PAY YOUR

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216	CONTRACTOR, YOUR CONTRACTOR MAY ALSO HAVE A LIEN ON YOUR
217	PROPERTY. THIS MEANS IF A LIEN IS FILED YOUR PROPERTY COULD BE
218	SOLD AGAINST YOUR WILL TO PAY FOR LABOR, MATERIALS, OR OTHER
219	SERVICES THAT YOUR CONTRACTOR OR A SUBCONTRACTOR MAY HAVE FAILED
220	TO PAY. TO PROTECT YOURSELF, YOU SHOULD STIPULATE IN THIS
221	CONTRACT THAT BEFORE ANY PAYMENT IS MADE, YOUR CONTRACTOR IS
222	REQUIRED TO PROVIDE YOU WITH A WRITTEN RELEASE OF LIEN FROM ANY
223	PERSON OR COMPANY THAT HAS PROVIDED TO YOU A "NOTICE TO OWNER."
224	FLORIDA'S CONSTRUCTION LIEN LAW IS COMPLEX, AND IT IS
225	RECOMMENDED THAT YOU CONSULT AN ATTORNEY.
226	(2) The general statement of an owner's rights and
227	responsibilities under Florida's Construction Lien Law must be
228	in substantially the following form, must include the
229	information contained in the following form, and must include a
230	copy of a notice of commencement as provided in s. 713.13(1), a
231	waiver and release of lien upon progress payment as provided in
232	s. 713.20(4), a waiver and release of lien upon final payment as
233	provided in s. 713.20(5), a request for sworn statement of
234	account as provided in s. 713.16, and a contractor's final
235	payment affidavit as provided in s. 713.06(3):
236	
237	GENERAL STATEMENT OF
238	OWNER'S RIGHTS AND RESPONSIBILITIES
239	UNDER FLORIDA'S CONSTRUCTION LIEN LAW
240	
241	ABOUT THIS DOCUMENTFlorida law requires your contractor
242	to provide you with this document and the attached statutory
243	forms when you are contracting to make improvements to real
244	property. Therefore, it is critical that you have some

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246and take appropriate steps to protect your investment and fulfill your obligations to those who provide labor and materials for your project.249250You must acknowledge that you have received and read thi document by signing on the signature page. The signed origina document must be delivered to the building permit authority, along with the building permit application for your project.254Your building permit application for your project.255this signed document is in the file. You need to retain a cop of the filed document and the attached statutory forms so tha you can follow the procedures described in the document and identify the proper statutory forms as you proceed with your construction project.260THE FLORIDA CONSTRUCTION LIEN LAWPart I of chapter 713 Florida Statutes (F.S.), governs private construction project in this state. The complete text of this law can be found at www.leg.state.fl.us. This general statement is intended as a guide and does not take precedence over the language of	-
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266 <u>Florida's Construction Lien Law.</u>	
267	
268 Under this law, those who work on your property or provide	e
269 materials and services and who are not paid in full have a right	ht
270 to enforce their claim for payment against your property. Thi	-
271 <u>claim is known as a construction lien. If your contractor or </u>	
272 <u>subcontractor fails to pay subcontractors</u> , sub-subcontractors	
273 or material suppliers, those people who are owed money may lo	

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274	to your property for payment even if you have already paid your
275	contractor in full. If you fail to pay your contractor, your
276	contractor may also have a lien on your property. This means
277	that if a lien is filed, your property could be sold against
278	your will to pay for labor, materials, or other services that
279	your contractor or a subcontractor may have failed to pay.
280	
281	The law also provides procedures to protect owners and
282	guarantee that you will never have to pay more than the amount
283	of your contract if you make proper payments. Although the
284	construction lien law has many complexities, the steps owners
285	can take to protect themselves and establish a "proper payment
286	defense" are simple, but very important.
287	
288	IF YOU FOLLOW THESE FOUR SIMPLE STEPS, FLORIDA LAW WILL
289	PROTECT YOU AND YOU SHOULD NEVER HAVE TO PAY TWICE FOR THE SAME
290	LABOR OR MATERIALS.
291	
292	STEP 1 - THE NOTICE OF COMMENCEMENTAn owner is required
293	by law to complete, sign, and record in the public records an
294	accurate Notice of Commencement for all direct contracts that
295	exceed \$2,500, and must provide certain specified information.
296	The information provided in the recorded Notice of Commencement
297	is relied upon by all parties who provide labor and materials to
298	your project. A copy of the statutory Notice of Commencement
299	form, s. 713.13, F.S., is attached to this document.
300	
301	If a lender is financing your project, the lender will
302	assist you in completing the Notice of Commencement and is

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303	responsible for recording it in the public records. It is
304	critical that your Notice of Commencement be recorded after any
305	construction loan or mortgage documents are recorded. If you do
306	not have a lender, preparing and recording the Notice of
307	Commencement is your responsibility. The Notice of Commencement
308	must be recorded before commencing construction and posted on
309	your jobsite. For most projects, a copy of the recorded Notice
310	of Commencement must be submitted to the building permit
311	authority before the first building inspection.
312	
313	STEP 2 - MONITOR THE DOCUMENTS AND NOTICES YOU RECEIVE
314	Pick up your certified mail. Most lien notices are served by
315	certified mail and you need to know who is providing labor and
316	materials to your project. Section 713.18, F.S., provides that
317	any properly addressed notices that are returned to the sender
318	through no fault of the sender are considered served on the date
319	sent, so failing to claim certified mail only hurts you.
320	
321	If you expect to be absent for periods of time during your
322	project, you should have an attorney or other agent in a
323	position of trust who understands the law handle these details
324	for you. Make sure someone is receiving your mail and taking
325	steps to obtain the necessary lien releases before making
326	payments to your contractor. If you receive anything that you do
327	not understand, seek the assistance of an experienced
328	construction law attorney.
329	
330	<u>step 3 — obtain signed lien waivers each time you make a</u>
331	PAYMENT TO YOUR CONTRACTOREach time you pay your contractor
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COMMITTEE AMENDMENT

Florida Senate - 2010 Bill No. SB 1048

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1	
332	you should obtain a Waiver and Release of Lien form from the
333	contractor and from anyone who serves you with a Notice to
334	Owner. Make sure that each release waives lien rights against
335	your project for work or materials furnished through the date of
336	the work or materials that your payment covers. This date is
337	probably not the date you are making the payment, but a date
338	before the payment date through which labor and materials have
339	been billed.
340	
341	UNDER FLORIDA LAW, YOU HAVE THE RIGHT TO WITHHOLD PAYMENTS
342	DUE TO THE CONTRACTOR UNTIL YOU HAVE BEEN PROVIDED WITH A
343	WRITTEN WAIVER AND RELEASE OF LIEN UPON PROGRESS PAYMENT FORM OR
344	A WRITTEN WAIVER AND RELEASE OF LIEN UPON FINAL PAYMENT FORM
345	SHOWING THAT THE LIENOR'S CLAIM FOR PAYMENT HAS BEEN PAID.
346	
347	There are two statutory Waiver and Release of Lien forms.
348	The signed Waiver and Release of Lien Upon Progress Payment
349	should be submitted by a contractor, subcontractor, or material
350	supplier each time you make a payment to your contractor. The
351	signed Waiver and Release of Lien Upon Final Payment should be
352	submitted by your contractor, a subcontractor, or material
353	supplier when they are finished furnishing all work or materials
354	for your project and have received final payment. For example,
355	when the plumber finishes all plumbing on your project and
356	receives final payment from the contractor, you should obtain a
357	Waiver and Release of Lien Upon Final Payment. Once you receive
358	a final waiver from a contractor, subcontractor, or material
359	supplier, you should not need another waiver unless they are
360	hired to do additional work. A copy of both statutory Waiver and

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361 <u>Release of Lien forms, s. 713.20, F.S., are attached to this</u> 362 <u>document.</u>

364 STEP 4 - OBTAIN A CONTRACTOR'S FINAL PAYMENT AFFIDAVIT 365 BEFORE YOU MAKE FINAL PAYMENT TO YOUR CONTRACTOR. - In addition to 366 obtaining Final Waiver and Release of Lien forms from the 367 contractor and anyone who has served you with a Notice to Owner, 368 you should obtain a Contractor's Final Payment Affidavit before 369 you make final payment to your contractor. This sworn affidavit 370 should reflect that everyone who supplied labor and materials on 371 your project has been paid in full or should list those 372 subcontractors and suppliers who are still owed money. Make sure 373 that anyone listed as not being paid in full is paid before 374 making final payment to your contractor. You have a right to 375 rely on the information contained in the sworn affidavit when 376 you make final payment to your contractor with respect to any 377 lienor who has not served a Notice to Owner. A copy of the 378 statutory Contractor's Final Payment Affidavit form, s. 713.06, 379 F.S., is attached to this document.

ADDITIONAL INFORMATION FOR YOUR PROTECTION

<u>1. Always hire a Florida-licensed contractor. You can</u>
 <u>verify the license status of your contractor by accessing the</u>
 <u>website of the Department of Business and Professional</u>
 <u>Regulation at www.myflorida.com/dbpr and performing a licensee</u>
 <u>search. You can check under an individual name or, if your</u>
 <u>contractor is a company, under the business name and then check</u>
 <u>to see who the qualifying licensee is for that company.</u>

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390	
391	2. Make sure that your contractor has the proper workers'
392	compensation coverage, or an allowed workers' compensation
393	exemption, and carries sufficient public liability and property
394	damage insurance. The contractor should be able to provide you
395	with current, valid certificates of insurance from his or her
396	insurance agent.
397	
398	3. Use caution before accepting an obviously low bid. If it
399	seems too good to be true, it probably is, and your construction
400	project may be in trouble before you even begin.
401	
402	4. Some contractors require a reasonable deposit to cover
403	the cost of plans and permitting. This is an acceptable
404	practice. However, you should use caution before paying
405	substantial sums to a contractor in advance of the work being
406	performed.
407	
408	5. At any time during the construction process if you need
409	contract or payment information from anyone providing labor,
410	services, or materials to your project, you have the right to
411	make a written request to them for a Sworn Statement of Account
412	to ascertain the nature of the work performed or to be
413	performed, the materials furnished or to be furnished, the
414	amounts paid or to be paid, or the amounts due or to become due
415	to them. The form for this written Request for Sworn Statement
416	of Account is attached to this statement. If you received a
417	Notice to Owner from the person to whom you wish to send such a
418	request, make sure you address the request to the person,
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419	company, and address listed in the Notice to Owner. The request
420	must be served by you in accordance with lien law provisions
421	(usually by hand delivery, certified mail, or overnight
422	delivery) and you should make sure to request and keep the proof
423	of delivery.
424	
425	6. If you receive documents or information that you do not
426	understand, consult an experienced construction law attorney.
427	
428	7. Florida has a Homeowners' Construction Recovery Fund
429	that is funded through a portion of the building permit fees.
430	This fund helps consumers who have been harmed by a licensed
431	general contractor, building contractor, or residential
432	contractor. In order to be eligible to recover from this fund,
433	you must have complied with the proper payment procedures as
434	described in this document. For more information, contact the
435	Construction Industry Licensing Board at
436	www.myflorida.com/dbpr/pro/cilb.
437	
438	8. You have the right to require in your contract that the
439	contractor furnish a payment bond so that the owner is exempt
440	from the Construction Lien Law. If there is a payment bond, a
441	lienor must file a claim on the payment bond for payment rather
442	than file a lien on the property. However, if you require a
443	payment bond, understand that the payment bond will likely
444	increase the cost of your construction.
445	
446	OWNER'S ACKNOWLEDGMENT AND RECEIPT
447	

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448	The undersigned owner(s) of Florida real property hereby
449	acknowledge that they are preparing to enter into a contract
450	with for the
451	construction of real property improvements to the following-
452	described property (insert address or legal description):
453	
454	
455	
456	
457	(Signature of Property Owner)(Date)
458	
459	(Signature of Property Owner)(Date)
460	
461	Attached Statutory Forms:
462	Notice of Commencement
463	Waiver and Release of Lien Upon Progress Payment
464	Waiver and Release of Lien Upon Final Payment
465	Request for Sworn Statement of Account
466	Contractor's Final Payment Affidavit
467	(2)(a) If the contract is written, the notice must be in
468	the contract document. If the contract is oral or implied, the
469	notice must be provided in a document referencing the contract.
470	(3) (b) The failure to provide such written notice does not
471	bar the enforcement of a lien against a person who has not been
472	adversely affected.
473	(4) (c) This section may not be construed to adversely
474	affect the lien and bond rights of lienors who are not in
475	privity with the owner. This section does not apply when the
476	owner is a contractor licensed under chapter 489 or is a person



477	who created parcels or offers parcels for sale or lease in the
478	ordinary course of business.
479	Section 3. Paragraph (c) of subsection (2) of section
480	713.06, Florida Statutes, is amended to read:
481	713.06 Liens of persons not in privity; proper payments
482	(2)
483	(c) The notice may be in substantially the following form
484	and must include the information and the warning contained in
485	the following form:
486	
487	WARNING! FLORIDA'S CONSTRUCTION LIEN LAW ALLOWS SOME
488	UNPAID CONTRACTORS, SUBCONTRACTORS, AND MATERIAL
489	SUPPLIERS TO FILE LIENS AGAINST YOUR PROPERTY EVEN IF
490	YOU HAVE MADE PAYMENT IN FULL.
491	
492	UNDER FLORIDA LAW, YOUR FAILURE TO MAKE SURE THAT WE ARE PAID
493	MAY RESULT IN A LIEN AGAINST YOUR PROPERTY AND YOUR PAYING
494	TWICE.
495	TO PROTECT YOURSELF, EACH TIME YOU MAKE A PAYMENT TO THE
496	CONTRACTOR ASK YOUR CONTRACTOR TO PROVIDE YOU WITH A WRITTEN
497	WAIVER AND RELEASE OF LIEN FROM US. FOR ADDITIONAL INFORMATION,
498	REFER TO THE GENERAL STATEMENT OF OWNER'S RIGHTS AND
499	RESPONSIBILITIES WHICH WAS PROVIDED TO YOU BY OUR CONTRACTOR AT
500	THE BEGINNING OF YOUR CONSTRUCTION PROJECT. AVOID A LIEN AND
501	PAYING TWICE, YOU MUST OBTAIN A WRITTEN RELEASE FROM US EVERY
502	TIME YOU PAY YOUR CONTRACTOR.
503	NOTICE TO OWNER
504	
505	To(Owner's name and address)



506	
507	The undersigned hereby informs you that he or she has furnished
508	or is furnishing services or materials as follows:
509	(General description of services or materials) for the
510	improvement of the real property identified as \dots (property
511	description) under an order given by
512	
513	Florida law prescribes the serving of this notice and restricts
514	your right to make payments under your contract in accordance
515	with Section 713.06, Florida Statutes.
516	IMPORTANT INFORMATION FOR
517	YOUR PROTECTION
518	
519	Under Florida's laws, those who work on your property or
520	provide materials and are not paid have a right to enforce their
521	claim for payment against your property. This claim is known as
522	a construction lien.
523	If your contractor fails to pay subcontractors or material
524	suppliers or neglects to make other legally required payments,
525	the people who are owed money may look to your property for
526	payment, EVEN IF YOU HAVE PAID YOUR CONTRACTOR IN FULL.
527	
528	PROTECT YOURSELF:
529	-RECOGNIZE that this Notice to Owner may result in a lien
530	against your property unless all those supplying a Notice to
531	Owner have been paid.
532	-LEARN more about the Construction Lien Law, Chapter 713,
533	Part I, Florida Statutes, and the meaning of this notice by
534	contacting an attorney or the Florida Department of Business and

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Professional Regulation.
(Lienor's Signature)
(Lienor's Name)
(Lienor's Address)
Copies to: (Those persons listed in Section 713.06(2)(a) and
(b), Florida Statutes)
The form may be combined with a notice to contractor given under
s. 255.05 or s. 713.23 and, if so, may be entitled "NOTICE TO
OWNER/NOTICE TO CONTRACTOR."
Section 4. Section 713.09, Florida Statutes, is amended to
read:
713.09 Single claim of lien.—A lienor <u>may</u> is required to
record only one claim of lien covering his or her entire demand
against the real property when the amount demanded is for labor
or services or material furnished for more than one improvement
under the same direct contract. The single claim of lien is
sufficient even though the improvement is for one or more
improvements located on separate lots, parcels, <u>units,</u> or tracts
of land. If materials to be used on one or more improvements on
separate lots, parcels, <u>units,</u> or tracts of land under one
direct contract are delivered by a lienor to a place designated
by the person with whom the materialman contracted, other than
the site of the improvement, the delivery to the place
designated is prima facie evidence of delivery to the site of
the improvement and incorporation in the improvement. The single
claim of lien may be limited to a part of multiple lots,
parcels, or tracts of land and their improvements or may cover
all of the lots, parcels, <u>units,</u> or tracts of land and

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564 improvements. In each claim of lien under this section, the 565 owner under the direct contract must be the same person for all 566 lots, parcels, or tracts of land against which a single claim of 567 lien is recorded.

568 Section 5. Section 713.13, Florida Statutes, is amended to 569 read:

570

713.13 Notice of commencement.-

571 (1) (a) Except for an improvement that is exempt pursuant to 572 s. 713.02(5), an owner or the owner's authorized agent before 573 actually commencing to improve any real property, or 574 recommencing completion of any improvement after default or 575 abandonment, whether or not a project has a payment bond 576 complying with s. 713.23, shall record a notice of commencement 577 in the clerk's office and forthwith post either a certified copy 578 thereof or a notarized statement that the notice of commencement 579 has been filed for recording along with a copy thereof. The 580 notice of commencement shall contain the following information:

1. A description sufficient for identification of the real property to be improved. The description should include the legal description of the property and also should include the street address and tax folio number of the property if available or, if there is no street address available, such additional information as will describe the physical location of the real property to be improved.

588

2. A general description of the improvement.

589 3. The name and address of the owner, the owner's interest 590 in the site of the improvement, and the name and address of the 591 fee simple titleholder, if other than such owner.

592

4. The name and address of the contractor.

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593 5. The name and address of the surety on the payment bond 594 under s. 713.23, if any, and the amount of such bond.

595 6. The name and address of any person making a loan for the 596 construction of the improvements.

597 7. The name and address within the state of a person other 598 than himself or herself who may be designated by the owner as 599 the person upon whom notices or other documents may be served 600 under this part; and service upon the person so designated 601 constitutes service upon the owner.

(b) The owner, at his or her option, may designate a person in addition to himself or herself to receive a copy of the lienor's notice as provided in s. 713.06(2)(b), and if he or she does so, the name and address of such person must be included in the notice of commencement.

607

(c) A notice of commencement expires:

608 <u>1. Ninety days after the day of the final furnishing of all</u> 609 <u>labor, services, and materials required by the direct contract,</u> 610 <u>including any change orders; or</u>

611 2. On the effective date of a notice of termination that 612 has been served and recorded. If the contract between the owner 613 and a contractor named in the notice of commencement expresses a 614 period of time for completion for the construction of the 615 improvement greater than 1 year, the notice of commencement must 616 state that it is effective for a period of 1 year plus any 617 additional period of time. Any payments made by the owner after 618 the expiration of the notice of commencement are considered 619 improper payments.

620 (d) A notice of commencement must be in substantially the621 following form:

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622	
623	Permit No Tax Folio No
624	NOTICE OF COMMENCEMENT
625	State of
626	County of
627	
628	The undersigned hereby gives notice that improvement will be
629	made to certain real property, and in accordance with Chapter
630	713, Florida Statutes, the following information is provided in
631	this Notice of Commencement.
632	1. Description of property:(legal description of the
633	property, and street address if available)
634	2. General description of improvement:
635	3. Owner information:
636	a. Name and address:
637	b. Interest in property:
638	c. Name and address of fee simple titleholder (if other
639	than Owner):
640	4.a. Contractor: (name and address)
641	b. Contractor's phone number:
642	5. Surety <u>(a copy of the payment bond is attached, if the</u>
643	project is bonded)
644	a. Name and address:
645	b. Phone number:
646	c. Amount of bond: \$
647	6.a. Lender:(name and address)
648	b. Lender's phone number:
649	7.a. Persons within the State of Florida designated by
650	Owner upon whom notices or other documents may be served as



651 provided by Section 713.13(1)(a)7., Florida Statutes: ...(name 652 and address).... 653 b. Phone numbers of designated persons:.... 654 8.a. In addition to himself or herself, Owner designates 655 of to receive a copy of the Lienor's 656 Notice as provided in Section 713.13(1)(b), Florida Statutes. 657 b. Phone number of person or entity designated by 658 owner:.... 659 9. This notice of commencement expires 90 days after the 660 day of the final furnishing of all labor, services, and 661 materials required by the direct contract, including any change 662 orders, or on the effective date of a notice of termination. Expiration date of notice of commencement (the expiration date 663 664 is 1 year from the date of recording unless a different date is 665 specified).... 666 667 WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE 668 EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER 669 PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA 670 STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS 671 TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU 672 673 INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN 674 ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF 675 COMMENCEMENT. 676 677 Under penalty of perjury, I declare that I have read the

678 <u>foregoing notice of commencement and that the facts stated</u> 679 therein are true to the best of my knowledge and belief.

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680	
681	(Signature of Owner or Owner's Authorized
682	Officer/Director/Partner/Manager)
683	
684	(Signatory's Title/Office)
685	
686	The foregoing instrument was acknowledged before me this
687	day of,(year), by(name of person) as(type
688	of authority,e.g. officer, trustee, attorney in fact) for
689	(name of party on behalf of whom instrument was executed)
690	
691	(Signature of Notary Public - State of Florida)
692	
693	(Print, Type, or Stamp Commissioned Name of Notary Public)
694	
695	Personally Known OR Produced Identification
696	
697	Type of Identification Produced
698	
699	Verification pursuant to Section 92.525, Florida Statutes.
700	
701	Under penalties of perjury, I declare that I have read the
702	foregoing and that the facts stated in it are true to the best
703	of my knowledge and belief.
704	
705	(Signature of Natural Person Signing Above)
706	(e) A copy of any payment bond must be attached at the time
707	of recordation of the notice of commencement. The failure to
708	attach a copy of the bond to the notice of commencement when the

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709 notice is recorded negates the exemption provided in s. 710 713.02(6). However, if a payment bond under s. 713.23 exists but 711 was not attached at the time of recordation of the notice of 712 commencement, the bond may be used to transfer any recorded lien 713 of a lienor except that of the contractor by the recordation and 714 service of a notice of bond pursuant to s. 713.23(2). The notice 715 requirements of s. 713.23 apply to any claim against the bond; 716 however, the time limits for serving any required notices shall 717 begin running from the later of the time specified in s. 713.23 718 or the date the notice of bond is served on the lienor.

(f) The giving of a notice of commencement is effectiveupon the filing of the notice in the clerk's office.

(g) The owner must sign the notice of commencement and noone else may be permitted to sign in his or her stead.

723 (2) If the improvement described in the notice of 724 commencement is not actually commenced within 90 days after the 725 recording thereof, such notice is void and of no further effect.

726 (2)(3) The recording of a notice of commencement does not 727 constitute a lien, cloud, or encumbrance on real property, but 728 gives constructive notice that claims of lien under this part 729 may be recorded and may take priority as provided in s. 713.07. 730 The posting of a copy does not constitute a lien, cloud, or 731 encumbrance on real property, nor actual or constructive notice 732 of any of them.

733 <u>(3)(4)</u> This section does not apply to an owner who is 734 constructing improvements described in s. 713.04.

735 (4)(5) (a) A notice of commencement that is recorded within 736 the effective period may be amended to extend the effective 737 period, change erroneous information in the original notice, or

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738 add information that was omitted from the original notice.
739 However, in order to change contractors, a new notice of
740 commencement or notice of recommencement must be executed and
741 recorded.

(b) The amended notice must identify the official records book and page where the original notice of commencement is recorded, and a copy of the amended notice must be served by the owner upon the contractor and each lienor who serves notice before or within 30 days after the date the amended notice is recorded.

748 (5) (6) Unless otherwise provided in the notice of 749 commencement or a new or amended notice of commencement, A 750 notice of commencement is not effectual in law or equity against 751 a conveyance, transfer, or mortgage of or lien on the real 752 property described in the notice, or against creditors or 753 subsequent purchasers for a valuable consideration, after the 754 expiration of 1 year after the date of recording the notice of 755 commencement.

756 (6) (7) A lender must, prior to the disbursement of any 757 construction funds to the contractor, record the notice of 758 commencement in the clerk's office as required by this section; 759 however, the lender is not required to post a certified copy of 760 the notice at the construction site. The posting of the notice 761 at the construction site remains the owner's obligation. The 762 failure of a lender to record the notice of commencement as 763 required by this subsection renders the lender liable to the 764 owner for all damages sustained by the owner as a result of the 765 failure. Whenever a lender is required to record a notice of 766 commencement, the lender shall designate the lender, in addition

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767 to others, to receive copies of notices to owner. This 768 subsection does not give any person other than the owner a claim 769 or right of action against a lender for failure to record a 770 notice of commencement.

771 Section 6. Section 713.135, Florida Statutes, is amended to 772 read:

773

713.135 Notice of commencement and applicability of lien.-

(1) When any person applies for a building permit, theauthority issuing such permit shall:

(a) Require the applicant to submit the signed and dated general statement of an owner's rights and responsibilities under Florida's Construction Lien Law provided in s. 713.015 for any single-family or multifamily dwelling up to and including four units. A building permit application may not be processed unless the signed document is in the file.

782 (b) (a) Print on the face of each permit card in no less 783 than 14-point, capitalized, boldfaced type: "WARNING TO OWNER: 784 IF YOU FAIL YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT, YOU 785 MAY PAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR 786 PROPERTY. A NOTICE OF COMMENCEMENT, AND THE CONTRACTOR'S PAYMENT 787 BOND IF THE PROJECT IS BONDED, MUST BE RECORDED AND POSTED ON 788 THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO 789 OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE 790 RECORDING YOUR NOTICE OF COMMENCEMENT."

791 (c) (b) Make available to Provide the applicant and the 792 owner of the real property upon which improvements are to be 793 constructed copies of the general statement of an owner's rights 794 and responsibilities under Florida's with a printed statement 795 stating that the right, title, and interest of the person who



796 has contracted for the improvement may be subject to attachment under the Construction Lien Law, as described in s. 713.015, 797 along with the attached statutory forms. The issuing authority 798 may make the general statement and forms available in printed 799 800 form or on the Internet or both. The Department of Business and Professional Regulation shall furnish, for distribution, the 801 statement described in this paragraph, and the statement must be 802 a summary of the Construction Lien Law and must include an 803 804 explanation of the provisions of the Construction Lien Law 805 relating to the recording, and the posting of copies, of notices 806 of commencement and a statement encouraging the owner to record 807 a notice of commencement and post a copy of the notice of commencement in accordance with s. 713.13. The statement must 808 809 also contain an explanation of the owner's rights if a lienor 810 fails to furnish the owner with a notice as provided in s. 811 713.06(2) and an explanation of the owner's rights as provided in s. 713.22. The authority that issues the building permit must 812 obtain from the Department of Business and Professional 813 814 Regulation the statement required by this paragraph and must 815 mail, deliver by electronic mail or other electronic format or 816 facsimile, or personally deliver that statement to the owner or, 817 in a case in which the owner is required to personally appear to 818 obtain the permit, provide that statement to any owner making 819 improvements to real property consisting of a single or multiple 820 family dwelling up to and including four units. However, the 821 failure by the authorities to provide the summary does not 822 subject the issuing authority to liability. 823 (c) In addition to providing the owner with the statement

as required by paragraph (b), inform each applicant who is not

824

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825 the person whose right, title, and interest is subject to 826 attachment that, as a condition to the issuance of a building 827 permit, the applicant must promise in good faith that the 828 statement will be delivered to the person whose property is 829 subject to attachment. 830 (d) Furnish to the applicant two or more copies of a form of notice of commencement conforming with s. 713.13. If the 831 direct contract is greater than \$2,500, the applicant shall file 832 833 with the issuing authority prior to the first inspection either 834 a certified copy of the recorded notice of commencement or a 835 notarized statement that the notice of commencement has been 836 filed for recording, along with a copy thereof. In the absence 837 of the filing of a certified copy of the recorded notice of 838 commencement, the issuing authority or a private provider 839 performing inspection services may not perform or approve 840 subsequent inspections until the applicant files by mail, 841 facsimile, hand delivery, or any other means such certified copy with the issuing authority. The certified copy of the notice of 842 843 commencement must contain the name and address of the owner, the 844 name and address of the contractor, and the location or address 845 of the property being improved. The issuing authority shall 846 (d) Verify that the name and address of the owner, the name

of the contractor, and the location or address of the property being improved which is contained in the certified copy of the notice of commencement is consistent with the information in the building permit application.

(e) Provide the recording information from the official
 public records in which the notice of commencement and payment
 bond, if any, are recorded to any person upon request. The

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854 issuing authority shall provide the recording information on the 855 certified copy of the recorded notice of commencement to any person upon request. This subsection does not require the 856 857 recording of a notice of commencement prior to the issuance of a building permit. If a local government requires a separate 858 859 permit or inspection for installation of temporary electrical service or other temporary utility service, land clearing, or 860 other preliminary site work, such permits may be issued and such 861 inspections may be conducted without providing the issuing 862 863 authority with a certified copy of a recorded notice of 864 commencement or a notarized statement regarding a recorded 865 notice of commencement. This subsection does not apply to a 866 direct contract to repair or replace an existing heating or air-867 conditioning system in an amount less than \$7,500.

868 <u>(f) (e)</u> Not require that a notice of commencement be 869 recorded as a condition of the application for, or processing or 870 issuance of, a building permit. However, this paragraph does not 871 modify or waive the inspection requirements set forth in this 872 subsection.

873 (2) An issuing authority under subsection (1) is not liable 874 in any civil action for the failure of the person whose property 875 is subject to attachment to receive or to be delivered the 876 general statement of an owner's rights and responsibilities 877 under Florida's a printed statement stating that the right, 878 title, and interest of the person who has contracted for the 879 improvement may be subject to attachment under the Construction 880 Lien Law as provided in s. 713.015.

(3) An issuing authority under subsection (1) is not liablein any civil action for the failure to verify that a certified

COMMITTEE AMENDMENT

Florida Senate - 2010 Bill No. SB 1048



883 copy of the recorded notice of commencement has been filed in 884 accordance with this section.

(4) The several boards of county commissioners, municipal 885 886 councils, or other similar bodies may by ordinance or resolution 887 establish reasonable fees for furnishing, upon request, copies 888 of the forms and the printed statement provided in paragraph 889 (1) (a) paragraphs (1) (b) and (d) in an amount not to exceed \$5 890 to be paid by the applicant for each permit in addition to all 891 other costs of the permit; however, no forms or statement need 892 be furnished, mailed, or otherwise provided to, nor may such additional fee be obtained from, applicants for permits in those 893 894 cases in which the owner of a legal or equitable interest 895 (including that of ownership of stock of a corporate landowner) 896 of the real property to be improved is engaged in the business 897 of construction of buildings for sale to others and intends to 898 make the improvements authorized by the permit on the property 899 and upon completion will offer the improved real property for 900 sale.

901 (5) In addition to any other information required by the 902 authority issuing the permit, each building permit application 903 must contain:

- 904
- 905

(a) The name and address of the owner of the real property;

(b) The name and address of the contractor;

906 (c) A description sufficient to identify the real property 907 to be improved; and

908 (d) The number or identifying symbol assigned to the
909 building permit by the issuing authority, which number or symbol
910 must be affixed to the application by the issuing authority.
911 (6) (a) In addition to any other information required by the

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1	
912	authority issuing the permit, the building permit application
913	must be in substantially the following form:
914	
915	Tax Folio No
916	BUILDING PERMIT APPLICATION
917	
918	Owner's Name
919	Owner's Address
920	Fee Simple Titleholder's Name (If other than owner)
921	Fee Simple Titleholder's Address (If other than owner)
922	City
923	State Zip
924	Contractor's Name
925	Contractor's Address
926	City
927	State Zip
928	Job Name
929	Job Address
930	City County
931	Legal Description
932	Bonding Company
933	Bonding Company Address
934	City State
935	Architect/Engineer's Name
936	Architect/Engineer's Address
937	Mortgage Lender's Name
938	Mortgage Lender's Address
939	
940	Application is hereby made to obtain a permit to do the



941 work and installations as indicated. I certify that no work or 942 installation has commenced prior to the issuance of a permit and 943 that all work will be performed to meet the standards of all 944 laws regulating construction in this jurisdiction. I understand 945 that a separate permit must be secured for ELECTRICAL WORK, 946 PLUMBING, SIGNS, WELLS, POOLS, FURNACES, BOILERS, HEATERS, 947 TANKS, and AIR CONDITIONERS, etc. 948 949 OWNER'S AFFIDAVIT: I certify that all the foregoing information 950 is accurate and that all work will be done in compliance with 951 all applicable laws regulating construction and zoning. 952 953 WARNING TO OWNER: IF YOU FAIL YOUR FAILURE TO RECORD A 954 NOTICE OF COMMENCEMENT, YOU MAY PAY RESULT IN YOUR PAYING TWICE 955 FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT, AND 956 THE CONTRACTOR'S PAYMENT BOND IF THE PROJECT IS BONDED, MUST BE 957 RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. 958 959 IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR 960 LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR 961 RECORDING YOUR NOTICE OF COMMENCEMENT. 962 963 ... (Signature of Owner or Agent) ... 964 965 ... (including contractor)... 966 STATE OF FLORIDA 967 COUNTY OF 968 969 Sworn to (or affirmed) and subscribed before me this

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```
970
     day of ...., ... (year) ..., by ... (name of person making
971
     statement) ....
972
973
                  ... (Signature of Notary Public - State of Florida) ...
974
      ... (Print, Type, or Stamp Commissioned Name of Notary Public)...
975
976
          Personally Known .... OR Produced Identification ....
977
978
          Type of Identification Produced.....
979
                                         ... (Signature of Contractor) ...
980
981
     STATE OF FLORIDA
982
     COUNTY OF ....
983
984
          Sworn to (or affirmed) and subscribed before me this ....
985
     day of ...., ... (year) ..., by ... (name of person making
986
     statement) ....
987
                  ... (Signature of Notary Public - State of Florida)...
988
      ... (Print, Type, or Stamp Commissioned Name of Notary Public)...
989
990
          Personally Known .... OR Produced Identification ....
991
992
          Type of Identification Produced.....
993
                      (Certificate of Competency Holder)
994
995
     Contractor's State Certification or Registration No....
996
997
     Contractor's Certificate of Competency No.....
998
```



999 APPLICATION APPROVED BY

1010

1000Permit Officer

1001 (b) Consistent with the requirements of paragraph (a), an 1002 authority responsible for issuing building permits under this 1003 section may accept a building permit application in an 1004 electronic format, as prescribed by the authority. Building 1005 permit applications submitted to the authority electronically 1006 must contain the following additional statement in lieu of the 1007 requirement in paragraph (a) that a signed, sworn, and notarized 1008 signature of the owner or agent and the contractor be part of 1009 the owner's affidavit:

1011 OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty of 1012 perjury, I declare that all the information contained in this 1013 building permit application is true and correct.

(c) An authority responsible for issuing building permit applications which accepts building permit applications in an electronic format shall provide public Internet access to the electronic building permit applications in a searchable format.

(7) This section applies to every municipality and county in the state which now has or hereafter may have a system of issuing building permits for the construction of improvements or for the alteration or repair of improvements on or to real property located within the geographic limits of the issuing authority.

1024 Section 7. Section 713.137, Florida Statutes, is created to 1025 read:

1026 713.137 Prerequisites to inspection of improvements; 1027 exceptions.-

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1028	(1) The authority issuing a building permit or a private
1029	provider performing inspection services may not inspect the real
1030	property being improved unless:
1031	(a) The following documents have been filed with the
1032	issuing authority:
1033	1.a. A certified copy of the recorded notice of
1034	commencement; or
1035	b. A notarized statement that the notice of commencement
1036	has been filed for recording, along with a copy of the notice.
1037	2. If the permit is for a commercial project:
1038	a. A copy of the contractor's recorded payment bond; or
1039	b. A notarized statement of the contractor or owner stating
1040	that a payment bond was not required.
1041	3. A signed copy of the general statement of owner's rights
1042	and responsibilities under Florida's Construction Lien Law, if
1043	required by s. 713.015.
1044	(b) The information in the notice of commencement filed
1045	with the issuing authority is consistent with the building
1046	permit application, complete, and legible.
1047	(2) This section does not apply to inspections of the
1048	following improvements:
1049	(a) The installation of temporary electrical service or
1050	other temporary utility service, land clearing, or other
1051	preliminary site work.
1052	(b) Improvements pursuant to a direct contract in an amount
1053	of \$5,000 or less.
1054	(c) The repair or replacement of a heating or air-
1055	conditioning system pursuant to a direct contract in an amount
1056	<u>of \$7,500 or less.</u>

account; form.-

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1057(d) The installation of a solar hot water system pursuant1058to a direct contract of \$7,500 or less.1059Section 8. Section 713.16, Florida Statutes, is amended to1060read:1061713.16Demand for copy of contract and statements of

1063 (1) A copy of the contract of a lienor or owner and a 1064 statement of the amount due or to become due if fixed or 1065 ascertainable thereon must be furnished by any party thereto, 1066 upon written demand of an owner or a lienor contracting with or 1067 employed by the other party to such contract. If the owner or 1068 lienor refuses or neglects to furnish such copy of the contract or such statement, or willfully and falsely states the amount 1069 1070 due or to become due if fixed or ascertainable under such 1071 contract, any person who suffers any detriment thereby has a 1072 cause of action against the person refusing or neglecting to 1073 furnish the same or willfully and falsely stating the amount due or to become due for his or her damages sustained thereby. The 1074 1075 information contained in such copy or statement furnished 1076 pursuant to such written demand is binding upon the owner or 1077 lienor furnishing it unless actual notice of any modification is 1078 given to the person demanding the copy or statement before such 1079 person acts in good faith in reliance on it. The person 1080 demanding such documents must pay for the reproduction thereof; 1081 and, if such person fails or refuses to do so, he or she is 1082 entitled only to inspect such documents at reasonable times and 1083 places.

1084 (2) The owner may serve in writing a demand of any lienor 1085 for a written statement under oath of his or her account showing



1086 the nature of the labor or services performed and to be 1087 performed, if any, the materials furnished, the materials to be 1088 furnished, if known, the amount paid on account to date, the 1089 amount due, and the amount to become due, if known, as of the 1090 date of the statement by the lienor. Any such demand to a lienor 1091 must be served on the lienor at the address and to the attention 1092 of any person who is designated to receive the demand in the 1093 notice to owner served by such lienor and must include a 1094 description of the project, including the names of the owner, the contractor, and the lienor's customer, sufficient for the 1095 1096 lienor to properly identify the account in question. The failure 1097 or refusal to furnish the statement does not deprive the lienor 1098 of his or her lien if the demand is not served at the address of 1099 the lienor or directed to the attention of the person designated to receive the demand in the notice to owner. The failure or 1100 1101 refusal to furnish the statement under oath within 30 days after 1102 the demand, or the furnishing of a false or fraudulent statement, deprives the person so failing or refusing to furnish 1103 1104 such statement of his or her lien. If the owner serves more than one demand for statement of account on a lienor and none of the 1105 1106 information regarding the account has changed since the lienor's 1107 last response to a demand, the failure or refusal to furnish such statement does not deprive the lienor of his or her lien. 1108 1109 The negligent inclusion or omission of any information deprives 1110 the person of his or her lien to the extent the owner can 1111 demonstrate prejudice from such act or omission by the lienor. 1112 The failure to furnish a response to a demand for statement of account does not affect the validity of any claim of lien being 1113 1114 enforced through a foreclosure case filed prior to the date the

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1115	demand for statement is received by the lienor.
1116	(3) A request for sworn statement of account must be in
1117	substantially the following form:
1118	REQUEST FOR SWORN STATEMENT OF ACCOUNT
1119	
1120	WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT, SIGNED
1121	UNDER OATH, WITHIN 30 DAYS OR THE FURNISHING OF A FALSE
1122	STATEMENT WILL RESULT IN THE LOSS OF YOUR LIEN.
1123	
1124	To: (Lienor's name and address)
1125	
1126	The undersigned hereby demands a written statement under oath of
1127	his or her account showing the nature of the labor or services
1128	performed and to be performed, if any, the materials furnished,
1129	the materials to be furnished, if known, the amount paid on
1130	account to date, the amount due, and the amount to become due,
1131	if known, as of the date of the statement for the improvement of
1132	real property identified as (property description)
1133	Name of contractor:
1134	Name of the lienor's customer (as specified in the lienor's
1135	Notice to Owner, if such notice has been served):
1136	(signature and address of owner)
1137	(date of request for sworn statement of account)
1138	(4) When a contractor has furnished a payment bond pursuant
1139	to s. 713.23, he or she may, when an owner makes any payment to
1140	the contractor or directly to a lienor, serve a written demand
1141	on any other lienor for a written statement under oath of his or
1142	her account showing the nature of the labor or services
1143	performed and to be performed, if any, the materials furnished,

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1144 the materials to be furnished, if known, the amount paid on account to date, the amount due, and the amount to become due, 1145 1146 if known, as of the date of the statement by the lienor. Any 1147 such demand to a lienor must be served on the lienor at the 1148 address and to the attention of any person who is designated to 1149 receive the demand in the notice to contractor served by such lienor. The failure or refusal to furnish the statement does not 1150 1151 deprive the lienor of his or her rights under the bond if the 1152 demand is not served at the address of the lienor or directed to 1153 the attention of the person designated to receive the demand in 1154 the notice to contractor or if the demand does not include a 1155 description of the project, including the names of the owner, 1156 the contractor, and the lienor's customer as set forth in the 1157 lienor's notice to contractor, sufficient for the lienor to 1158 properly identify the account in question. The failure to furnish the statement within 30 days after the demand, or the 1159 1160 furnishing of a false or fraudulent statement, deprives the 1161 person who fails to furnish the statement, or who furnishes the 1162 false or fraudulent statement, of his or her rights under the 1163 bond. If the contractor serves more than one demand for 1164 statement of account on a lienor and none of the information 1165 regarding the account has changed since the lienor's last response to a demand, the failure or refusal to furnish such 1166 1167 statement does not deprive the lienor of his or her rights under 1168 the bond. The negligent inclusion or omission of any information 1169 deprives the person of his or her rights under the bond to the 1170 extent the contractor can demonstrate prejudice from such act or 1171 omission by the lienor. The failure to furnish a response to a 1172 demand for statement of account does not affect the validity of

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1173 any claim on the bond being enforced in a lawsuit filed prior to the date the demand for statement of account is received by the 1174 1175 lienor. 1176 (5) (a) Any lienor who submits or mails has recorded a claim 1177 of lien to the clerk for recording may make written demand on 1178 the owner for a written statement under oath showing: 1179 1. The amount of the direct contract under which the lien 1180 was recorded; 1181 2. The dates and amounts paid or to be paid by or on behalf 1182 of the owner for all improvements described in the direct 1183 contract; 1184 3. The reasonable estimated costs of completing the direct 1185 contract under which the lien was claimed pursuant to the scope 1186 of the direct contract; and 1187 4. If known, the actual cost of completion. 1188 (b) Any owner who does not provide the statement within 30 1189 days after demand, or who provides a false or fraudulent 1190 statement, is not a prevailing party for purposes of an award of 1191 attorney's fees under s. 713.29. The written demand must include 1192 the following warning in conspicuous type in substantially the 1193 following form: 1194 WARNING: YOUR FAILURE TO FURNISH THE REQUESTED STATEMENT 1195 WITHIN 30 DAYS OR THE FURNISHING OF A FALSE STATEMENT WILL 1196 RESULT IN THE LOSS OF YOUR RIGHT TO RECOVER ATTORNEY FEES IN ANY 1197 ACTION TO ENFORCE THE CLAIM OF LIEN OF THE PERSON REQUESTING 1198 THIS STATEMENT. 1199 (6) Any written demand served on the owner shall include a description of the project, including the names of the 1200 1201 contractor and the lienor's customer as set forth in the Page 42 of 55 2/26/2010 4:32:27 PM 580-02275A-10

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1202 lienor's notice to owner, sufficient for the owner to properly
1203 identify the project in question.

1204 <u>(7) (6)</u> For purposes of this section, the term "information" 1205 means the nature and quantity of the labor, services, and 1206 materials furnished or to be furnished by a lienor and the 1207 amount paid, the amount due, and the amount to become due on the 1208 lienor's account.

1209 Section 9. Section 713.18, Florida Statutes, is amended to 1210 read:

1211

713.18 Manner of serving notices and other instruments.-

(1) Service of notices, claims of lien, affidavits, assignments, and other instruments permitted or required under this part, or copies thereof when so permitted or required, unless otherwise specifically provided in this part, must be made by one of the following methods:

(a) By actual delivery to the person to be served; if a partnership, to one of the partners; if a corporation, to an officer, director, managing agent, or business agent; or, if a limited liability company, to a member or manager.

(b) By sending the same by <u>common carrier delivery service</u> or registered, global express guaranteed, or certified mail, with postage prepaid, <u>and or by overnight or second-day delivery</u> with evidence of delivery, which may be in an electronic format.

(c) If the method specified in paragraph (a) or paragraph
(b) cannot be accomplished, By posting on the site of the
improvement if service as provided by paragraph (a) or paragraph
(b) cannot be accomplished premises.

1229 (2) Notwithstanding subsection (1), service of if a notice
1230 to owner, a notice to contractor under s. 713.23, or a

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1231 preliminary notice under s. 255.05 is mailed by registered or 1232 certified mail with postage prepaid to the person to be served 1233 at any of the addresses set forth in subsection (3) within 40 1234 days after the date the lienor first furnishes labor, services, 1235 or materials, service of that notice is effective as of the date 1236 of mailing if:

(a) The notice is mailed by registered, global express guaranteed, or certified mail, with postage prepaid, to the person to be served at any of the addresses set forth in subsection (3);

(b) The notice is mailed within 40 days after the date the lienor first furnishes labor, services, or materials; and

1243 (c)1. The person who served the notice maintains a 1244 registered or certified mail log that shows the registered or 1245 certified mail number issued by the United States Postal 1246 Service, the name and address of the person served, and the date 1247 stamp of the United States Postal Service confirming the date of 1248 mailing; or if

1249 <u>2.</u> The person who served the notice maintains electronic 1250 tracking records generated through use of the United States 1251 Postal Service Confirm service or a similar service containing 1252 the postal tracking number, the name and address of the person 1253 served, and verification of the date of receipt by the United 1254 States Postal Service.

1255 (3) (a) Service of If an instrument served pursuant to this 1256 section is effective on the date of mailing if the instrument:

1257 <u>1. Was sent</u> to the last address shown in the notice of 1258 commencement or any amendment thereto or, in the absence of a 1259 notice of commencement, to the last address shown in the

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1260 building permit application, or to the last known address of the 1261 person to be served; and, is not received, but

1262 <u>2.</u> Is returned as being "refused," "moved, not 1263 forwardable," or "unclaimed," or is otherwise not delivered or 1264 deliverable through no fault of the person serving the item₇ 1265 then service is effective on the date the instrument was sent.

1266 (b) If the address information shown in the notice of 1267 commencement or any amendment to the notice, or in the absence 1268 of a notice of commencement, in the building permit application, 1269 is incomplete for purposes of mailing or delivery, the person 1270 serving the item may complete the address and properly format it 1271 according to United States Postal Service addressing standards 1272 using information obtained from the property appraiser or 1273 another public record or directory without affecting the 1274 validity of service under this section.

(4) <u>A notice served by a lienor on one owner or one partner</u> of a partnership owning the real property If the real property is owned by more than one person or a partnership, a lienor may serve any notices or other papers under this part on any one of such owners or partners, and such notice is deemed notice to all owners and partners.

1281 Section 10. Section 713.22, Florida Statutes, is amended to 1282 read:

713.22 Duration of lien.-

(1) <u>A</u> No lien provided by this part <u>may not</u> shall continue for a longer period than 1 year after the claim of lien has been recorded or 1 year after the recording of an amended claim of lien that shows a later date of final furnishing of labor, services, or materials, unless within that time an action to

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1283



1289 enforce the lien is commenced in a court of competent 1290 jurisdiction. A lien that has been continued beyond the 1-year 1291 period The continuation of the lien effected by the commencement 1292 of an the action is shall not enforceable be good against 1293 creditors or subsequent purchasers for a valuable consideration 1294 and without notice, unless a notice of lis pendens is recorded. 1295 (2) An owner or the owner's agent or attorney may elect to 1296 shorten the time prescribed in subsection (1) within which to 1297 commence an action to enforce any claim of lien or claim against 1298 a bond or other security under s. 713.23 or s. 713.24 by 1299 recording in the clerk's office a notice in substantially the 1300 following form: NOTICE OF CONTEST OF LIEN 1301 1302 To: ... (Name and address of lienor) ... 1303 You are notified that the undersigned contests the claim of lien 1304 filed by you on, ... (year)..., and recorded in Book 1305, Page, of the public records of County, Florida, 1306 and that the time within which you may file suit to enforce your 1307 lien is limited to 60 days from the date of service of this 1308 notice. This day of, ... (year).... 1309 Signed: ... (Owner or Attorney) ... 1310 The lien of any lienor upon whom such notice is served and who 1311 fails to institute a suit to enforce his or her lien within 60 1312 1313 days after service of such notice shall be extinguished 1314 automatically. The clerk shall serve mail a copy of the notice 1315 of contest to the lien claimant at the address shown in the 1316 claim of lien or most recent amendment thereto and shall certify 1317 to such service on the face of such notice and record the



1318 notice. Service shall be deemed complete upon mailing.

Section 11. Paragraph (e) of subsection (1) and subsections (2) and (4) of section 713.23, Florida Statutes, are amended to read:

713.23 Payment bond.-

(1)

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1324 (e) An No action for the labor or materials or supplies may 1325 not be instituted or prosecuted against the contractor or surety 1326 unless both notices have been given. An No action may not shall 1327 be instituted or prosecuted against the contractor or against 1328 the surety on the bond under this section after 1 year from the 1329 performance of the labor or completion of delivery of the 1330 materials and supplies. The time period for bringing an action 1331 against the contractor or surety on the bond shall be measured 1332 from the last day of furnishing labor, services, or materials by 1333 the lienor. The time period may and shall not be measured by 1334 other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial 1335 1336 completion. A contractor or the contractor's agent or attorney 1337 may elect to shorten the prescribed time within which an action 1338 to enforce any claim against a payment bond provided under this 1339 section or s. 713.245 must may be commenced at any time after a 1340 notice of nonpayment, if required, has been served for the claim 1341 by recording in the clerk's office a notice in substantially the 1342 following form: 1343 NOTICE OF CONTEST OF CLAIM

AGAINST PAYMENT BOND

1346 To: ... (Name and address of lienor)...

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1347	You are notified that the undersigned contests your notice
1348	of nonpayment, dated,, and served on the undersigned
1349	on \ldots , \ldots , and that the time within which you may file suit
1350	to enforce your claim is limited to 60 days from the date of
1351	service of this notice.
1352	
1353	DATED on,
1354	
1355	Signed:(Contractor or Attorney)
1356	
1357	The claim of any lienor upon whom the notice is served and who
1358	fails to institute a suit to enforce his or her claim against
1359	the payment bond within 60 days after service of the notice
1360	shall be extinguished automatically. The clerk shall <u>serve</u> mail
1361	a copy of the notice of contest to the lienor at the address
1362	shown in the notice of nonpayment or most recent amendment
1363	thereto and shall certify to such service on the face of the
1364	notice and record the notice. Service is complete upon mailing.
1365	(2) The bond shall secure every lien under the direct
1366	contract accruing subsequent to its execution and delivery,
1367	except that of the contractor. Every claim of lien, except that
1368	of the contractor, filed subsequent to execution and delivery of
1369	the bond shall be transferred to it with the same effect as
1370	liens transferred under s. 713.24. Record notice of the transfer
1371	shall be effected by the contractor, or any person having an
1372	interest in the property against which the claim of lien has
1373	been asserted, by recording in the clerk's office a notice in
1374	substantially the following form:
1375	NOTICE OF BOND

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1376	
1377	To (Name and Address of Lienor)
1378	
1379	You are notified that the claim of lien filed by you on \ldots ,
1380	, and recorded in Official Records Book at page of
1381	the public records of County, Florida, is secured by a
1382	bond, a copy being attached.
1383	
1384	Signed: (Name of person recording notice)
1385	
1386	The notice shall be verified. The clerk shall mail a copy of the
1387	notice to the lienor at the address shown in the claim of lien,
1388	or the most recent amendment to it; shall certify to the service
1389	on the face of the notice; and shall record the notice. The
1390	clerk shall receive the same fee as prescribed in <u>s. 713.24</u> s.
1391	713.24(1) for certifying to a transfer of lien.
1392	(4) The provisions of <u>s. 713.24(7)</u> s. 713.24(3) shall apply
1393	to bonds under this section.
1394	Section 12. Section 713.24, Florida Statutes, is amended to
1395	read:
1396	713.24 Transfer of liens to security
1397	(1) <u>A</u> Any lien claimed under this part may be transferred,
1398	by <u>a</u> any person having an interest in the real property upon
1399	which the lien is imposed or the contract under which the lien
1400	is claimed, from such real property to other security by either :
1401	(a) Depositing in the clerk's office a sum of money $;_{\mathcal{T}}$ or
1402	(b) Filing in the clerk's office a bond executed as surety
1403	by a surety insurer licensed to do business in this state $_{. au}$
1404	(2) The security must either to be in an amount equal <u>:</u> to
I	

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1405 (a) The amount demanded in the such claim of lien; $_{\overline{\tau}}$ plus (b) Interest on the claim thereon at the legal rate for 3 1406 1407 years, plus \$1,000 or 25 percent of the amount demanded in the 1408 claim of lien, whichever is greater, to apply on any attorney's 1409 fees and court costs that may be taxed in any proceeding to 1410 enforce the said lien. 1411 (3) The security Such deposit or bond shall be conditioned to pay any judgment or decree that which may be rendered for the 1412 1413 satisfaction of the lien for which such claim of lien was 1414 recorded. 1415 (4) A Upon making such deposit or filing such bond, the 1416 clerk who receives other security for a lien: 1417 (a) Shall make and record a certificate showing the 1418 transfer of the lien from the real property to the security. The clerk and shall serve mail a copy of the certificate and a copy 1419 1420 of the bond, if the lien was transferred to a bond, on thereof by registered or certified mail to the lienor named in the claim 1421 1422 of lien so transferred, at the address stated in the claim 1423 therein. When Upon filing the certificate of transfer is 1424 recorded, the real property is shall thereupon be released from 1425 the lien claimed, and the such lien is shall be transferred to 1426 the other said security. 1427 (b) May collect a service charge of no more than \$20 for 1428 making and serving the certificate. The clerk may collect an 1429 additional charge of no more than \$10 for each additional lien 1430 transferred to the security. The clerk shall receive the 1431

1431 statutory service charges as prescribed in s. 28.24 for 1432 recording the certificate and approving the bond.

(5) In the absence of allegations of privity between the

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1433



1434 lienor and the owner, and subject to any order of the court 1435 increasing the amount required for the lien transfer deposit or 1436 bond, no other judgment or decree to pay money may be entered by 1437 the court against the owner. The clerk shall be entitled to a 1438 service charge for making and serving the certificate, in the amount of up to \$20. If the transaction involves the transfer of 1439 1440 multiple liens, an additional charge of up to \$10 for each 1441 additional lien shall be charged. For recording the certificate 1442 and approving the bond, the clerk shall receive her or his -usual 1443 statutory service charges as prescribed in s. 28.24. Any number 1444 of liens may be transferred to one such security.

1445 <u>(6) (2)</u> Any excess of the security over the aggregate amount 1446 of any judgments or decrees rendered plus costs actually taxed 1447 shall be repaid to the party filing the same or her or his 1448 successor in interest. Any deposit of money shall be considered 1449 as paid into court and <u>is shall be</u> subject to the provisions of 1450 law relative to payments of money into court and the disposition 1451 of same.

1452 (7) (3) Any party having an interest in such security or the 1453 property from which the lien was transferred may at any time, 1454 and any number of times, file a complaint in chancery in the 1455 circuit court of the county where such security is deposited, or 1456 file a motion in a pending action to enforce a lien, for an 1457 order to require additional security, reduction of security, 1458 change or substitution of sureties, payment of discharge 1459 thereof, or any other matter affecting the said security. If the 1460 court finds that the amount of the deposit or bond in excess of 1461 the amount claimed in the claim of lien is insufficient to pay 1462 the lienor's attorney's fees and court costs incurred in the

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1463 action to enforce the lien, the court must increase the amount 1464 of the cash deposit or lien transfer bond. Nothing in This 1465 section <u>does not</u> shall be construed to vest exclusive 1466 jurisdiction in the circuit courts over transfer bond claims for 1467 nonpayment of an amount within the monetary jurisdiction of the 1468 county courts.

1469 (8) (4) If a proceeding to enforce a transferred lien is not 1470 commenced within the time specified in s. 713.22 or if it 1471 appears that the transferred lien has been satisfied of record, the clerk shall return the said security upon request of the 1472 1473 person depositing or filing the same, or the insurer. If a 1474 proceeding to enforce a lien is commenced in a court of 1475 competent jurisdiction within the time specified in s. 713.22 1476 and, during such proceeding, the lien is transferred pursuant to 1477 this section or s. 713.13(1)(e), an action commenced within 1 1478 year after the transfer, unless otherwise shortened by operation 1479 of law, in the same county or circuit court to recover against 1480 the security shall be deemed to have been brought as of the date 1481 of filing the action to enforce the lien, and the court has 1482 shall have jurisdiction over the action.

1488Delete everything before the enacting clause1489and insert:

A bill to be entitled An act relating to construction bonds; amending s.

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1490 1491



1492 255.05, F.S.; requiring that a contractor record in 1493 the public records a payment bond for a public works 1494 construction project; requiring that the bond number 1495 be stated on the first page of a bond; prohibiting the 1496 issuing authority for a building permit or a private 1497 provider performing inspection services from 1498 inspecting the property being improved until certain 1499 documents are filed; providing that a payment and 1500 performance bond is not required for certain 1501 contracts; authorizing certain entities to exempt 1502 certain contracts from the requirement for a payment 1503 and performance bond; requiring that the clerk of 1504 court serve a notice of contest of lien; amending s. 1505 713.015, F.S.; requiring that a contractor provide an 1506 owner with a general statement of an owner's rights 1507 and responsibilities under Florida's Construction Lien 1508 Law; requiring that a signed copy of the statement be 1509 filed with the building permit application; specifying 1510 the form and content of the statement; deleting the 1511 requirement that notice be included in the direct 1512 contract between the contractor and the owner; amending s. 713.06, F.S.; revising the form of a 1513 1514 notice for liens of persons not in privity with the 1515 owner; amending s. 713.09, F.S.; including units in 1516 provisions relating to a single claim of lien; 1517 deleting certain requirements relating to direct 1518 contracts; amending s. 713.13, F.S.; providing for the 1519 expiration of a notice of commencement; revising the 1520 form of the notice of commencement; requiring the



1521 posting of a payment bond on a job site; amending s. 1522 713.135, F.S.; revising the warning to the owner 1523 printed on certain permit cards; deleting a 1524 requirement relating to filing a notice of 1525 commencement before certain inspections; revising the 1526 warning to the owner provided on a building permit 1527 form; deleting provisions requiring the authority 1528 issuing a building permit to provide certain 1529 statements and information; creating s. 713.137, F.S.; 1530 prohibiting the authority issuing a building permit or 1531 a private provider performing inspection services from 1532 inspecting an improvement until certain documents have 1533 been filed and the information in the notice of 1534 commencement meets certain standards; providing 1535 exceptions; amending s. 713.16, F.S.; revising 1536 requirements for demands for a copy of a construction 1537 contract and a statement of account; authorizing a 1538 lienor who submits or mails a claim of lien to the 1539 clerk for recording to make certain demands to an 1540 owner for certain written statements; providing 1541 requirements for such written demands; amending s. 1542 713.18, F.S.; providing additional methods by which 1543 certain items may be served by mail; specifying 1544 information required on certain written instruments 1545 under certain circumstances; amending s. 713.22, F.S.; 1546 requiring that the clerk of court serve a notice of 1547 contest of lien; amending s. 713.23, F.S.; requiring that the clerk of court serve a notice of contest of 1548 1549 nonpayment; conforming cross-references; amending s.



1550 713.24, F.S.; requiring that the clerk of court serve 1551 a copy of the certificate showing the transfer of a 1552 lien and a copy of the security if the lien is 1553 transferred to a security; authorizing a clerk to 1554 collect certain service charges under certain 1555 circumstances; providing effective dates.