Bill No. <u>SB 594</u>

Amendment No. ____ Barcode 060518

CHAMBER ACTION Senate House 1 2 3 4 5 б 7 8 9 10 Senator Bennett moved the following amendment: 11 12 Senate Amendment (with title amendment) 13 On page 1, between lines 26 and 27, 14 15 16 insert: Section 2. Subsections (2) and (3) are added to 17 18 section 725.06, Florida Statutes, to read: 725.06 Construction contracts; limitation on 19 20 indemnification.--(2) If, as part of any agreement or contract for or in 21 connection with, or any guarantee of or in connection with, 22 any construction, alteration, repair, or demolition of a 23 24 building, structure, appurtenance, or appliance, including moving and excavating associated with such activities, between 25 26 or among an architect, engineer, general contractor, 27 subcontractor, sub-subcontractor, or materialman or any 28 combination of such persons, a policy of insurance extends 29 certain coverage rights to an additional insured for liability arising out of the acts, errors, or omissions of the named 30 31 insured, such additional insured coverage shall provide 1 2:16 PM 04/30/03 s0594c-21m8x

Bill No. SB 594

Amendment No. Barcode 060518 liability protection only to the additional insured for the 1 imputed or vicarious liability imposed on the additional 2 insured as a direct consequence of the negligent acts or 3 omissions of the named insured. 4 5 (3) If a written contract requires a subcontractor, sub-subcontractor, or materialman to provide a policy of 6 7 insurance or a certificate of insurance to a general 8 contractor or subcontractor, extending specific coverage rights to an additional insured: 9 10 (a) The general contractor or subcontractor may at any 11 point prior to the date the subcontractor, sub-subcontractor, 12 or materialman commences work or delivers material to the 13 project accept or reject the policy as being nonconforming; (b) If the policy is not rejected, the general 14 15 contractor or subcontractor shall be deemed to have accepted 16 the policy; and (c) The general contractor or subcontractor may not 17 use the lack of conforming insurance as a reason to reject 18 19 work already completed by a subcontractor or 20 sub-subcontractor, or material already supplied by the 21 materialman, or withhold payment to the subcontractor, 2.2 sub-subcontractor, or materialman for work already completed or material already supplied. 23 24 25 (Redesignate subsequent sections.) 26 27 28 29 And the title is amended as follows: 30 On page 1, line 6, after the semicolon, 31

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 1 | insert:
 2
          amending s. 725.06, F.S.; extending certain
          coverage rights in a policy of insurance
 3
 4
          relative to construction contracts;
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