## Florida Senate - 2007

By Senator Saunders

37-477-07

1	A bill to be entitled
2	An act relating to the Construction Lien Law;
3	amending s. 713.135, F.S.; clarifying
4	provisions requiring that an applicant for a
5	building permit record a notice of commencement
б	before the permit is issued if the contract
7	involves greater than a specified amount of
8	money; revising requirements for the notice
9	that appears on the permit card and on the
10	application for a building permit; authorizing
11	an authority that issues building permits to
12	accept notices of commencement in an electronic
13	format; requiring that the authority provide
14	access to electronic notices of commencement in
15	a searchable format by means of the Internet;
16	providing an effective date.
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18	Be It Enacted by the Legislature of the State of Florida:
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20	Section 1. Section 713.135, Florida Statutes, is
21	amended to read:
22	713.135 Notice of commencement and applicability of
23	lien
24	(1) An authority that issues building permits may not
25	issue a permit for a direct contract in an amount greater than
26	\$2,500 unless the applicant files, along with the application,
27	a certified copy of the recorded notice of commencement or a
28	notarized statement that the notice of commencement has been
29	filed for recording. When any person applies for a building
30	permit, The authority issuing such permit shall:
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1 (a) Print on the face of each permit card in no less 2 than 18-point, capitalized, boldfaced type in substantially the following form: 3 4 5 "WARNING TO OWNER: б 7 YOU MUST OBTAIN A RELEASE OF LIEN BEFORE YOU 8 PAY ANY INSTALLMENTS ON A CONTRACT. 9 10 DO NOT PAY THE CONTRACT IN FULL BEFORE THE CONTRACT HAS BEEN COMPLETED. 11 12 YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT 13 MAY RESULT IN YOUR PAYING TWICE FOR 14 IMPROVEMENTS TO YOUR PROPERTY. IF YOU INTEND 15 TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER 16 17 OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT." 18 19 (b) Provide the applicant and the owner of the real property upon which improvements are to be constructed with a 20 21 printed statement stating that the right, title, and interest 22 of the person who has contracted for the improvement may be 23 subject to attachment under the Construction Lien Law. The Department of Business and Professional Regulation shall 2.4 furnish, for distribution, the statement described in this 25 paragraph, and the statement must be a summary of the 26 27 Construction Lien Law and must include an explanation of the 2.8 provisions of the Construction Lien Law relating to the 29 recording, and the posting of copies, of notices of commencement and a statement indicating that encouraging the 30 owner <u>must</u> to record a notice of commencement and post a copy 31

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of the notice of commencement in accordance with s. 713.13. The statement must also contain an explanation of the owner's rights if a lienor fails to furnish the owner with a notice as provided in s. 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 obtain from the Department of Business and Professional Regulation the statement required by this paragraph and must mail, deliver by electronic mail or other electronic format or facsimile, or personally deliver that statement to the owner or, in a case in which the owner is required to personally appear to obtain the permit, provide that statement to any owner making improvements to real property consisting of a single or multiple family dwelling up to and including four units. However, the failure by the authorities to provide the summary does not subject the issuing authority to liability.

(c) In addition to providing the owner with the statement as required by paragraph (b), inform each applicant who is not the person whose right, title, and interest is subject to attachment that, as a condition to the issuance of a building permit, the applicant must promise in good faith that the statement will be delivered to the person whose property is subject to attachment.

(d) Furnish to the applicant two or more copies of a 2.4 form of notice of commencement conforming with s. 713.13. If 25 26 the direct contract is greater than \$2,500, the applicant 27 shall file with the issuing authority prior to the first 2.8 inspection either a certified copy of the recorded notice of 29 commencement or a notarized statement that the notice of 30 ommencement has been filed for recording, along with a copy thereof. In the absence of the filing of a certified copy of 31

1 the recorded notice of commencement, the issuing authority or 2 private provider performing inspection services may not 3 perform or approve subsequent inspections until the applicant 4 files by mail, facsimile, hand delivery, or any other means 5 such certified copy with the issuing authority. The certified б copy of the notice of commencement must contain the name and 7 address of the owner, the name and address of the contractor, 8 and the location or address of the property being improved. The issuing authority shall verify that the name and address 9 of the owner, the name of the contractor, and the location or 10 address of the property being improved which is contained in 11 12 the certified copy of the notice of commencement is consistent 13 with the information in the building permit application. The issuing authority shall provide the recording information on 14 the certified copy of the recorded notice of commencement to 15 16 any person upon request. This subsection requires does not 17 require the recording of a notice of commencement prior to the 18 issuance of a building permit if the permit is for a direct contract in an amount greater than \$2,500. If a local 19 government requires a separate permit or inspection for 20 21 installation of temporary electrical service or other 22 temporary utility service, land clearing, or other preliminary 23 site work, such permits may be issued and such inspections may be conducted without providing the issuing authority with a 2.4 certified copy of a recorded notice of commencement or a 25 notarized statement regarding a recorded notice of 26 27 commencement. This subsection does not apply to a direct 2.8 contract to repair or replace an existing heating or 29 air-conditioning system in an amount less than \$7,500. 30 Not require that a notice of commencement be 31 recorded as a condition of the application for, or processing

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1 or issuance of, a building permit. However, this paragraph 2 does not modify or waive the inspection requirements set forth 3 in this subsection. 4 (2) An issuing authority under subsection (1) is not liable in any civil action for the failure of the person whose 5 6 property is subject to attachment to receive or to be 7 delivered a printed statement stating that the right, title, 8 and interest of the person who has contracted for the improvement may be subject to attachment under the 9 10 Construction Lien Law. (3) An issuing authority under subsection (1) is not 11 12 liable in any civil action for the failure to verify that a 13 certified copy of the recorded notice of commencement has been filed in accordance with this section. 14 (4) The several boards of county commissioners, 15 municipal councils, or other similar bodies may by ordinance 16 17 or resolution establish reasonable fees for furnishing copies 18 of the forms and the printed statement provided in paragraphs (1)(b) and (d) in an amount not to exceed \$5 to be paid by the 19 applicant for each permit in addition to all other costs of 20 21 the permit; however, no forms or statement need be furnished, 22 mailed, or otherwise provided to, nor may such additional fee 23 be obtained from, applicants for permits in those cases in which the owner of a legal or equitable interest (including 2.4 that of ownership of stock of a corporate landowner) of the 25 26 real property to be improved is engaged in the business of 27 construction of buildings for sale to others and intends to 2.8 make the improvements authorized by the permit on the property and upon completion will offer the improved real property for 29 30 sale. 31

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1 (5) In addition to any other information required by 2 the authority issuing the permit, each building permit application must contain: 3 (a) The name and address of the owner of the real 4 5 property; б (b) The name and address of the contractor; 7 (C) A description sufficient to identify the real 8 property to be improved; and 9 The number or identifying symbol assigned to the (d) 10 building permit by the issuing authority, which number or symbol must be affixed to the application by the issuing 11 12 authority. 13 (6)(a) In addition to any other information required by the authority issuing the permit, the building permit 14 application must be in substantially the following form: 15 16 17 Tax Folio No..... BUILDING PERMIT APPLICATION 18 19 Owner's Name..... 20 21 Owner's Address..... 22 Fee Simple Titleholder's Name (If other than owner)..... 23 Fee Simple Titleholder's Address (If other than owner)..... 2.4 City..... 25 State..... Zip..... 26 Contractor's Name..... 27 Contractor's Address..... 2.8 City..... 29 State..... Zip..... 30 Job Name..... Job Address..... 31

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1 City..... County..... 2 Legal Description..... 3 Bonding Company..... Bonding Company Address..... 4 5 City..... State..... Architect/Engineer's Name..... 6 7 Architect/Engineer's Address..... 8 Mortgage Lender's Name..... 9 Mortgage Lender's Address..... 10 11 Application is hereby made to obtain a permit to do the 12 work and installations as indicated. I certify that no work 13 or installation has commenced prior to the issuance of a permit and that all work will be performed to meet the 14 standards of all laws regulating construction in this 15 jurisdiction. I understand that a separate permit must be 16 17 secured for ELECTRICAL WORK, PLUMBING, SIGNS, WELLS, POOLS, FURNACES, BOILERS, HEATERS, TANKS, and AIR CONDITIONERS, etc. 18 19 OWNER'S AFFIDAVIT: I certify that all the foregoing 20 21 information is accurate and that all work will be done in 22 compliance with all applicable laws regulating construction 23 and zoning. 2.4 25 WARNING TO OWNER: 26 27 YOU MUST OBTAIN A RELEASE OF LIEN BEFORE YOU 28 PAY ANY INSTALLMENTS ON A CONTRACT. 29 DO NOT PAY THE CONTRACT IN FULL BEFORE THE 30 CONTRACT HAS BEEN COMPLETED. 31

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1 YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT 2 3 MAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. 4 5 6 IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH 7 YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT. 8 9 10 ...(Signature of Owner or Agent)... 11 12 ...(including contractor)... STATE OF FLORIDA 13 COUNTY OF .... 14 15 16 17 Sworn to (or affirmed) and subscribed before me this .... day of ...., ...(year)..., by ...(name of person making 18 19 statement).... 20 21 ... (Signature of Notary Public - State of Florida)... 22 ... (Print, Type, or Stamp Commissioned Name of Notary Public)... 23 2.4 25 Personally Known .... OR Produced Identification .... 26 Type of Identification Produced..... 27 28 ... (Signature of Contractor)... 29 30 STATE OF FLORIDA 31

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   COUNTY OF ....
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           Sworn to (or affirmed) and subscribed before me this
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    .... day of ...., ...(year)..., by ...(name of person making
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   statement)....
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             ... (Signature of Notary Public - State of Florida)...
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             ... (Print, Type, or Stamp Commissioned Name of Notary
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   Public)...
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           Personally Known .... OR Produced Identification ....
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           Type of Identification Produced.....
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                  (Certificate of Competency Holder)
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   Contractor's State Certification or Registration No....
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    Contractor's Certificate of Competency No.....
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   APPLICATION APPROVED BY
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    .....Permit Officer
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           (b) Consistent with the requirements of paragraph (a),
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   an authority responsible for issuing building permits under
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    this section may accept a building permit application and
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   notice of commencement in an electronic format, as prescribed
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   by the authority. Building permit applications and notices of
   commencement submitted to the authority electronically must
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    contain the following additional statement in lieu of the
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   requirement in paragraph (a) that a signed, sworn, and
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1 notarized signature of the owner or agent and the contractor 2 be part of the owner's affidavit: 3 4 OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty of perjury, I declare that all the information contained in this 5 6 building permit application and notice of commencement is true 7 and correct. 8 (c) An authority responsible for issuing building 9 permits permit applications which accepts building permit 10 applications and notices of commencement in an electronic format shall provide public Internet access to the electronic 11 12 building permit applications and notices of commencement in a 13 searchable format. (7) This section applies to every municipality and 14 county in the state which now has or hereafter may have a 15 16 system of issuing building permits for the construction of 17 improvements or for the alteration or repair of improvements 18 on or to real property located within the geographic limits of the issuing authority. 19 Section 2. This act shall take effect July 1, 2007. 20 21 22 23 SENATE SUMMARY 2.4 Requires an applicant for a building permit to record a notice of commencement before the permit is issued if the 25 permit authorizes a contract of more than \$2,500. Requires that the permit card and application for a building permit provide additional notices. Authorizes an 26 authority issuing building permits to accept notices of commencement in an electronic format. Requires that the 27 authority provide public access to such notices via the 28 Internet. 29 30 31

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