1	A bill to be entitled
2	An act relating to liens and bonds; amending s.
3	255.05, F.S.; revising when a notice of contest of
4	claim against a payment bond must be served; requiring
5	that a copy of a notice of nonpayment be served on the
6	surety; revising the process for notarizing a notice
7	of nonpayment; requiring service of documents to be
8	made in a specified manner; conforming provisions to
9	changes made by the act; making technical changes;
10	amending s. 337.18, F.S.; requiring service of
11	documents to be made in a specified manner; conforming
12	provisions to changes made by the act; amending s.
13	713.01, F.S.; revising and providing definitions;
14	creating s. 713.011, F.S.; providing for the
15	computation of time when certain time periods fall on
16	specified days or during a declared state of
17	emergency; specifying when a clerk's office is
18	considered open; amending s. 713.10, F.S.; revising
19	the extent of certain liens; amending s. 713.13, F.S.;
20	conforming a cross-reference; revising the process for
21	notarizing a notice of commencement; amending s.
22	713.132, F.S.; revising requirements for a notice of
23	termination; revising when an owner may record a
24	notice of termination; specifying when a notice of
25	termination terminates the notice of commencement;
	Dega 1 of 20

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26 amending s. 713.135, F.S.; providing a definition; 27 providing applicability; making technical changes; 28 providing that an issuing authority is not liable for 29 failing to verify that specified information has been filed; amending s. 713.18, F.S.; requiring service of 30 31 documents relating to construction bonds to be made in 32 a specified manner; making technical changes; amending 33 s. 713.21, F.S.; authorizing the full or partial 34 release of a lien under specified conditions; amending s. 713.22, F.S.; requiring the clerk to serve a copy 35 36 of a notice of contest of lien on certain persons 37 after it has been recorded; amending s. 713.23, F.S.; 38 requiring that a copy of a notice of nonpayment be 39 served on the surety; revising the process for 40 notarizing a notice of nonpayment under a payment 41 bond; amending s. 713.24, F.S.; revising the amount 42 required in addition to the deposit or bond that 43 applies toward attorney fees and costs; requiring the 44 clerk to make a copy of the deposit or bond used to transfer a lien to other security and mail it to the 45 46 lienor; repealing s. 713.25, F.S., relating to 47 applicability of ch. 65-456; amending s. 713.29, F.S.; 48 authorizing attorney fees in actions to enforce a lien 49 that has been transferred to security; providing an effective date. 50

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51	
52	Be It Enacted by the Legislature of the State of Florida:
53	
54	Section 1. Paragraph (a) of subsection (2) of section
55	255.05, Florida Statutes, is amended, and a new subsection (11)
56	is added to that section, to read:
57	255.05 Bond of contractor constructing public buildings;
58	form; action by claimants
59	(2)(a)1. If a claimant is no longer furnishing labor,
60	services, or materials on a project, a contractor or the
61	contractor's agent or attorney may elect to shorten the time
62	within which an action to enforce any claim against a payment
63	bond must be commenced by recording in the clerk's office a
64	notice in substantially the following form:
65	
66	NOTICE OF CONTEST OF CLAIM
67	AGAINST PAYMENT BOND
68	
69	To: (Name and address of claimant)
70	
71	You are notified that the undersigned contests your notice
72	of nonpayment, dated,, and served on the
73	undersigned on,, and that the time within
74	which you may file suit to enforce your claim is limited to 60
75	days after the date of service of this notice.

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76 77 DATED on ....., . . . . . . . . . 78 79 Signed: ... (Contractor or Attorney) ... 80 The claim of a claimant upon whom such notice is served and who 81 fails to institute a suit to enforce his or her claim against 82 the payment bond within 60 days after service of such notice is 83 84 extinguished automatically. The contractor or the contractor's 85 attorney shall serve a copy of the notice of contest on to the 86 claimant at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service 87 on the face of the notice and record the notice. 88 89 2. A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 90 91 45 days after commencing to furnish labor, services, or 92 materials for the prosecution of the work, serve the contractor 93 with a written notice that he or she intends to look to the bond 94 for protection. If the payment bond is not recorded before the 95 commencement of work or before the recommencement of work after 96 a default or abandonment, if applicable, as required by s. 97 255.05(1), then the claimant may serve the contractor with such 98 written notice up to 45 days after the date that the claimant is 99 served with a copy of the bond. A claimant who is not in privity 100 with the contractor and who has not received payment for

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101 furnishing his or her labor, services, or materials shall serve 102 a written notice of nonpayment on the contractor and a copy of 103 the notice on the surety. The notice of nonpayment must shall be under oath and served during the progress of the work or 104 105 thereafter but may not be served earlier than 45 days after the first furnishing of labor, services, or materials by the 106 107 claimant or later than 90 days after the final furnishing of the 108 labor, services, or materials by the claimant or, with respect 109 to rental equipment, later than 90 days after the date that the rental equipment was last on the job site of the improvement 110 111 available for use. Any notice of nonpayment served by a claimant who is not in privity with the contractor which includes sums 112 113 for retainage must specify the portion of the amount claimed for 114 retainage. An action for the labor, services, or materials may 115 not be instituted against the contractor or the surety unless 116 the notice to the contractor and notice of nonpayment have been 117 served, if required by this section. Notices required or 118 permitted under this section must be served in accordance with s. 713.18. A claimant may not waive in advance his or her right 119 120 to bring an action under the bond against the surety. In any 121 action brought to enforce a claim against a payment bond under 122 this section, the prevailing party is entitled to recover a 123 reasonable fee for the services of his or her attorney for trial 124 and appeal or for arbitration, in an amount to be determined by the court or arbitrator, which fee must be taxed as part of the 125

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126 prevailing party's costs, as allowed in equitable actions. The 127 time periods for service of a notice of nonpayment or for 128 bringing an action against a contractor or a surety are shall be 129 measured from the last day of furnishing labor, services, or 130 materials by the claimant and may not be measured by other 131 standards, such as the issuance of a certificate of occupancy or 132 the issuance of a certificate of substantial completion. The negligent inclusion or omission of any information in the notice 133 134 of nonpayment that has not prejudiced the contractor or surety 135 does not constitute a default that operates to defeat an otherwise valid bond claim. A claimant who serves a fraudulent 136 137 notice of nonpayment forfeits his or her rights under the bond. 138 A notice of nonpayment is fraudulent if the claimant has 139 willfully exaggerated the amount unpaid, willfully included a 140 claim for work not performed or materials not furnished for the 141 subject improvement, or prepared the notice with such willful 142 and gross negligence as to amount to a willful exaggeration. 143 However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not 144 145 constitute a willful exaggeration that operates to defeat an 146 otherwise valid claim against the bond. The service of a 147 fraudulent notice of nonpayment is a complete defense to the 148 claimant's claim against the bond. The notice of nonpayment 149 under this subparagraph must include the following information, current as of the date of the notice, and must be in 150

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151	substantially the following form:
152	
153	NOTICE OF NONPAYMENT
154	
155	To: (name of contractor and address)
156	
157	(name of surety and address)
158	
159	The undersigned claimant notifies you that:
160	1. Claimant has furnished(describe labor, services, or
161	materials) for the improvement of the real property
162	identified as (property description) The corresponding
163	amount unpaid to date is \$, of which \$ is unpaid
164	retainage.
165	2. Claimant has been paid to date the amount of $\$$ for
166	previously furnishing (describe labor, services, or
167	materials) for this improvement.
168	3. Claimant expects to furnish (describe labor,
169	services, or materials) for this improvement in the future
170	(if known), and the corresponding amount expected to become due
171	is \$ (if known).
172	
173	I declare that I have read the foregoing Notice of Nonpayment
174	and that the facts stated in it are true to the best of my
175	knowledge and belief.

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FLORIDA HOUSE OF REPRESENTATI	VES
-------------------------------	-----

176	
177	DATED on,
178	
179	(signature and address of claimant)
180	
181	STATE OF FLORIDA
182	COUNTY OF
183	
184	The foregoing instrument was sworn to (or affirmed) and
185	subscribed before me by means of $\Box$ physical presence or sworn to
186	(or affirmed) by $\Box$ online notarization this day of,
187	(year), by(name of signatory)
188	
189	(Signature of Notary Public - State of Florida)
190	(Print, Type, or Stamp Commissioned Name of Notary
191	Public)
192	
193	Personally Known OR Produced Identification
194	
195	Type of Identification Produced
196	(11) Unless otherwise provided in this section, service of
197	any document must be made in accordance with s. 713.18.
198	Section 2. Paragraph (c) of subsection (1) of section
199	337.18, Florida Statutes, is amended, and subsection (6) is
200	added to that section, to read:
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201 337.18 Surety bonds for construction or maintenance 202 contracts; requirement with respect to contract award; bond 203 requirements; defaults; damage assessments.-

(1)

204

205 A claimant, except a laborer, who is not in privity (C) 206 with the contractor shall, before commencing or not later than 207 90 days after commencing to furnish labor, materials, or supplies for the prosecution of the work, furnish the contractor 208 209 with a notice that he or she intends to look to the bond for 210 protection. A claimant who is not in privity with the contractor 211 and who has not received payment for his or her labor, 212 materials, or supplies shall deliver to the contractor and to 213 the surety written notice of the performance of the labor or 214 delivery of the materials or supplies and of the nonpayment. The 215 notice of nonpayment may be served at any time during the 216 progress of the work or thereafter but not before 45 days after 217 the first furnishing of labor, services, or materials, and not 218 later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to 219 220 rental equipment, not later than 90 days after the date that the 221 rental equipment was last on the job site of the improvement 222 available for use. An action by a claimant, except a laborer, 223 who is not in privity with the contractor for the labor, 224 materials, or supplies may not be instituted against the contractor or the surety unless both notices have been given. 225

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226 Written notices required or permitted under this section must 227 may be served in accordance with any manner provided in s. 228 713.18. 229 (6) Unless otherwise provided in this section, service of 230 any document must be made in accordance with s. 713.18. 231 Section 3. Subsections (13) through (27) and subsections 232 (28) and (29) of section 713.01, Florida Statutes, are renumbered as subsections (14) through (28) and subsections (30) 233 234 and (31), respectively, subsections (4), (8), and (12) of that 235 section are amended, and new subsections (13) and (29) are added 236 to that section, to read: 237 713.01 Definitions.-As used in this part, the term: "Clerk's office" means the office of the clerk of the 238 (4) 239 circuit court of the county, or another office serving as the 240 county recorder as provided by law, in which the real property 241 is located. (8) "Contractor" means a person other than a materialman 242 243 or laborer who enters into a contract with the owner of real 244 property for improving it, or who takes over from a contractor 245 as so defined the entire remaining work under such contract. The 246 term "contractor" includes an architect, landscape architect, or 247 engineer who improves real property pursuant to a design-build 248 contract authorized by s. 489.103(16). The term also includes a 249 licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), respectively, who 250

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251 provides construction management services, which include 252 scheduling and coordinating both preconstruction and 253 construction phases for the construction project or who provides 254 program management services, which include schedule control, 255 cost control, and coordination in providing or procuring 256 planning, design, and construction.

257 (12)"Final furnishing" means the last date that the 258 lienor furnishes labor, services, or materials. Such date may 259 not be measured by other standards, such as the issuance of a 260 certificate of occupancy or the issuance of a certificate of 261 final completion, and does not include the correction of 262 deficiencies in the lienor's previously performed work or 263 materials supplied. With respect to rental equipment, the term 264 means the date that the rental equipment was last on the job 265 site of the improvement and available for use. With respect to 266 specially fabricated materials, the term means the date that the 267 last portion of the specially fabricated materials is delivered 268 to the site of the improvement, or if any portion of the 269 specially fabricated materials is not delivered to the site of 270 the improvement by no fault of the lienor, the term means 90 days after the date the lienor completes the fabrication or 90 271 272 days before the expiration of the notice of commencement, 273 whichever is earlier. 274 (13) "Finance charge" means a contractually specified 275 additional amount to be paid by the obligor on any balance that

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276	remains unpaid by the due date set forth in the credit agreement
277	or other contract.
278	(29) "Specially fabricated materials" means materials
279	designed and fabricated for use in a particular improvement that
280	are not generally suited for or readily adaptable for use in a
281	similar improvement.
282	Section 4. Section 713.011, Florida Statutes, is created
283	to read:
284	713.011 Computation of time
285	(1) In computing any time period for recording a document
286	or filing an action under this part, if the last day of the time
287	period is a Saturday, Sunday, legal holiday, or any day observed
288	as a holiday by the clerk's office, the time period is extended
289	to the end of the next business day. In computing any other time
290	period under this part, if the last day of the time period is a
291	Saturday, Sunday, or legal holiday, the time period is extended
292	to the end of the next business day.
293	(2) If a clerk's office is directed to close by a federal,
294	state, or local governmental order in response to a state of
295	emergency declared under chapter 252, the time periods for
296	recording a document or filing an action with that clerk's
297	office under this part are tolled until the first business day
298	after the clerk's office reopens. For purposes of this
299	subsection, a clerk's office is considered open if it is
300	recording or filing documents submitted electronically.

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301 Section 5. Paragraph (b) of subsection (2) of section 302 713.10, Florida Statutes, is amended, and subsection (4) is 303 added to that section, to read: 304 713.10 Extent of liens.-305 (2) 306 (b) The interest of the lessor is not subject to liens for 307 improvements made by the lessee when: 308 The lease, or a short form or a memorandum of the lease 1. 309 that contains the specific language in the lease prohibiting 310 such liability, is recorded in the official records of the county where the premises are located before the recording of a 311 312 notice of commencement for improvements to the premises and the 313 terms of the lease expressly prohibit such liability; or 314 2. The terms of the lease expressly prohibit such 315 liability, and a notice advising that leases for the rental of 316 premises on a parcel of land prohibit such liability has been 317 recorded in the official records of the county in which the 318 parcel of land is located before the recording of a notice of 319 commencement for improvements to the premises, and the notice 320 includes the following: 321 a. The name of the lessor. 322 The legal description of the parcel of land to which b. 323 the notice applies. 324 The specific language contained in the various leases с. 325 prohibiting such liability. Page 13 of 39

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326 A statement that all or a majority of the leases d. 327 entered into for premises on the parcel of land expressly 328 prohibit such liability. 329 3. The lessee is a mobile home owner who is leasing a 330 mobile home lot in a mobile home park from the lessor. 331 332 A notice that is consistent with subparagraph 2. effectively prohibits liens for improvements made by a lessee even if other 333 334 leases for premises on the parcel do not expressly prohibit 335 liens or if provisions of each lease restricting the application 336 of liens are not identical. 337 (4) The interest of the lessor is not subject to liens for improvements made by the lessee when the lessee is a mobile home 338 339 owner who is leasing a mobile home lot in a mobile home park 340 from the lessor. 341 Section 6. Paragraphs (a) and (d) of subsection (1) of 342 section 713.13, Florida Statutes, are amended to read: 343 713.13 Notice of commencement.-344 (1) (a) Except for an improvement that is exempt under 345 pursuant to s. 713.02(5), an owner or the owner's authorized 346 agent before actually commencing to improve any real property, 347 or recommencing completion of any improvement after default or 348 abandonment, whether or not a project has a payment bond 349 complying with s. 713.23, shall record a notice of commencement in the clerk's office and forthwith post either a certified copy 350

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351 thereof or a notarized statement that the notice of commencement 352 has been filed for recording along with a copy thereof. The 353 notice of commencement shall contain <u>all of</u> the following 354 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.

362

2. A general description of the improvement.

363 3. The name and address of the owner, the owner's interest 364 in the site of the improvement, and the name and address of the 365 fee simple titleholder, if other than such owner. A lessee who 366 contracts for the improvements is an owner as defined under <u>s.</u> 367  $\frac{713.01}{\text{s.}713.01(23)}$  and must be listed as the owner together 368 with a statement that the ownership interest is a leasehold 369 interest.

370

4. The name and address of the contractor.

371 5. The name and address of the surety on the payment bond372 under s. 713.23, if any, and the amount of such bond.

373 6. The name and address of any person making a loan for374 the construction of the improvements.

375

7. The name and address within the state of a person other

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376	than himself or herself who may be designated by the owner as
377	the person upon whom notices or other documents may be served
378	under this part; and service upon the person so designated
379	constitutes service upon the owner.
380	(d) A notice of commencement must be in substantially the
381	following form:
382	
383	Permit No Tax Folio No
384	NOTICE OF COMMENCEMENT
385	State of
386	County of
387	
388	The undersigned hereby gives notice that improvement will be
389	made to certain real property, and in accordance with Chapter
390	713, Florida Statutes, the following information is provided in
391	this Notice of Commencement.
392	1. Description of property:(legal description of the
393	property, and street address if available)
394	2. General description of improvement:
395	3. Owner information or Lessee information if the Lessee
396	contracted for the improvement:
397	a. Name and address:
398	b. Interest in property:
399	c. Name and address of fee simple titleholder (if
400	different from Owner listed above):

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401	4.a. Contractor:(name and address)
402	b. Contractor's phone number:
403	5. Surety (if applicable, a copy of the payment bond is
404	attached):
405	a. Name and address:
406	b. Phone number:
407	c. Amount of bond: \$
408	6.a. Lender: (name and address)
409	b. Lender's phone number:
410	7. Persons within the State of Florida designated by Owner
411	upon whom notices or other documents may be served as provided
412	by Section 713.13(1)(a)7., Florida Statutes:
413	a. Name and address:
414	b. Phone numbers of designated persons:
415	8.a. In addition to himself or herself, Owner designates
416	of to receive a copy of the Lienor's
417	Notice as provided in Section 713.13(1)(b), Florida Statutes.
418	b. Phone number of person or entity designated by
419	owner:
420	9. Expiration date of notice of commencement (the
421	expiration date will be 1 year <u>after</u> from the date of recording
422	unless a different date is specified)
423	
424	WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE
425	EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER
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426 PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA 427 STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS 428 TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND 429 POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU 430 INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN 431 ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF 432 COMMENCEMENT. 433 434 ... (Signature of Owner or Lessee, or Owner's or Lessee's 435 Authorized Officer/Director/Partner/Manager)... 436 437 ... (Signatory's Title/Office)... 438 439 The foregoing instrument was acknowledged before me by means of 440  $\Box$  physical presence or acknowledged before me by means of  $\Box$ 441 online notarization, this .... day of ...., ... (year) ..., by 442 ... (name of person)... as ... (type of authority, . . . e.g. 443 officer, trustee, attorney in fact) ... for ... (name of party on 444 behalf of whom instrument was executed) .... 445 446 ... (Signature of Notary Public - State of Florida) ... 447 448 ... (Print, Type, or Stamp Commissioned Name of Notary Public)... 449 450 Personally Known .... OR Produced Identification ....

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451	
452	Type of Identification Produced
453	Section 7. Subsections (1), (3), and (4) of section
454	713.132, Florida Statutes, are amended to read:
455	713.132 Notice of termination
456	(1) An owner may terminate the period of effectiveness of
457	a notice of commencement by executing, swearing to, and
458	recording a notice of termination that contains <u>all of the</u>
459	following:
460	(a) The same information as the notice of commencement $\underline{.}  au$
461	(b) The <u>official records'</u> <del>recording office document book</del>
462	and page reference numbers and recording date affixed by the
463	recording office on $rac{d}{dr}$ the recorded notice of commencement. $\cdot$
464	(c) A statement of the date as of which the notice of
465	commencement is terminated, which date may not be earlier than
466	30 days after the notice of termination is recorded $\underline{\cdot} \dot{\boldsymbol{\cdot}}$
467	(d) A statement specifying that the notice applies to all
468	the real property subject to the notice of commencement or
469	specifying the portion of such real property to which it
470	applies <u>.</u> +
471	(e) A statement that all lienors have been paid in full $\underline{\cdot} \dot{\boldsymbol{\cdot}}$
472	and
473	(f) A statement that the owner has, before recording the
474	notice of termination, served a copy of the notice of
475	termination <del>on the contractor and</del> on each lienor who has a
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476 direct contract with the owner or who has timely served a notice 477 to owner, and a statement that the owner will serve a copy of 478 the notice of termination on each lienor who timely serves a 479 notice to owner after the notice of termination has been 480 recorded. The owner is not required to serve a copy of the 481 notice of termination on any lienor who has executed a waiver 482 and release of lien upon final payment in accordance with s. 483 713.20.

484 (3) An owner may not record a notice of termination <u>at any</u>
485 <u>time after</u> except after completion of construction, or after
486 construction ceases before completion and all lienors have been
487 paid in full or pro rata in accordance with s. 713.06(4).

488 (4) If an owner or a contractor, by fraud or collusion, 489 knowingly makes any fraudulent statement or affidavit in a 490 notice of termination or any accompanying affidavit, the owner 491 and the contractor, or either of them, as the case may be, is 492 liable to any lienor who suffers damages as a result of the 493 filing of the fraudulent notice of termination,; and any such 494 lienor has a right of action for damages occasioned thereby.

495 <u>(5)(4)</u> A notice of termination <u>must be served before</u> 496 <u>recording on each lienor who has a direct contract with the</u> 497 <u>owner and on each lienor who has timely and properly served a</u> 498 <u>notice to owner in accordance with this part before the</u> 499 <u>recording of the notice of termination. A notice of termination</u> 500 <u>must be recorded in the official records of the county in which</u>

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501	the improvement is located. If properly served before recording
502	in accordance with this subsection, the notice of termination
503	terminates the period of effectiveness of the notice of
504	commencement 30 days after the notice of termination is recorded
505	in the official records is effective to terminate the notice of
506	commencement at the later of 30 days after recording of the
507	notice of termination or <u>a later</u> the date stated in the notice
508	of termination as the date on which the notice of commencement
509	is terminated. However, if a lienor who began work under the
510	notice of commencement before its termination lacks a direct
511	contract with the owner and timely serves his or her notice to
512	owner after the notice of termination has been recorded, the
513	owner must serve a copy of the notice of termination upon such
514	lienor, and the termination of the notice of commencement as to
515	that lienor is effective 30 days after service of the notice of
516	termination, if the notice of termination has been served
517	pursuant to paragraph (1)(f) on the contractor and on each
518	lienor who has a direct contract with the owner or who has
519	served a notice to owner.
520	Section 8. Subsections (1) and (3) of section 713.135,
521	Florida Statutes, are amended to read:
522	713.135 Notice of commencement and applicability of lien
523	(1) When <u>a</u> any person applies for a building permit, the
524	authority issuing such permit shall:
525	(a) Print on the face of each permit card in no less than

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526 14-point, capitalized, boldfaced type: "WARNING TO OWNER: YOUR 527 FAILURE TO RECORD A NOTICE OF COMMENCEMENT MAY RESULT IN YOUR 528 PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF 529 COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE 530 THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT 531 WITH YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF 532 COMMENCEMENT."

533 (b) Provide the applicant and the owner of the real 534 property upon which improvements are to be constructed with a 535 printed statement stating that the right, title, and interest of 536 the person who has contracted for the improvement may be subject 537 to attachment under the Construction Lien Law. The Department of 538 Business and Professional Regulation shall furnish, for 539 distribution, the statement described in this paragraph, and the 540 statement must be a summary of the Construction Lien Law and 541 must include an explanation of the provisions of the 542 Construction Lien Law relating to the recording, and the posting 543 of copies, of notices of commencement and a statement 544 encouraging the owner to record a notice of commencement and 545 post a copy of the notice of commencement in accordance with s. 546 713.13. The statement must also contain an explanation of the 547 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 548 549 owner's rights as provided in s. 713.22. The authority that issues the building permit must obtain from the Department of 550

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551 Business and Professional Regulation the statement required by 552 this paragraph and must mail, deliver by electronic mail or 553 other electronic format or facsimile, or personally deliver that 554 statement to the owner or, in a case in which the owner is 555 required to personally appear to obtain the permit, provide that 556 statement to any owner making improvements to real property 557 consisting of a single or multiple family dwelling up to and 558 including four units. However, the failure by the authorities to 559 provide the summary does not subject the issuing authority to 560 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 formof notice of commencement conforming with s. 713.13.

570 (e) Require If the direct contract is greater than \$2,500, 571 the applicant to shall file with the issuing authority before 572 prior to the first inspection either a certified copy of the 573 recorded notice of commencement if the direct contract is 574 greater than \$2,500. For purposes of this paragraph, the term 575 "copy of the notice of commencement" means a certified copy of

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576 the recorded notice of commencement, or a notarized statement 577 that the notice of commencement has been filed for recording  $\tau$ 578 along with a copy thereof, or the clerk's office official 579 records identifying information that includes the instrument 580 number for the notice of commencement or the number and page of 581 book where the notice of commencement is recorded, as identified 582 by the clerk. 583 In the absence of the filing of a <del>certified</del> copy of the 1.

recorded notice of commencement, the issuing authority or a private provider performing inspection services may not perform or approve subsequent inspections until the applicant files by mail, facsimile, hand delivery, or any other means such certified copy with the issuing authority.

589 2. The <del>certified</del> copy of the notice of commencement must 590 contain the name and address of the owner, the name and address 591 of the contractor, and the location or address of the property 592 being improved. The issuing authority shall verify that the name 593 and address of the owner, the name of the contractor, and the 594 location or address of the property being improved which is 595 contained in the certified copy of the notice of commencement is 596 consistent with the information in the building permit 597 application.

598 <u>3.</u> The issuing authority shall provide the recording 599 information on the <del>certified</del> copy of the <del>recorded</del> notice of 600 commencement to any person upon request.

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601 This subsection does not require the recording of a 4. 602 notice of commencement before prior to the issuance of a 603 building permit. If a local government requires a separate 604 permit or inspection for installation of temporary electrical 605 service or other temporary utility service, land clearing, or 606 other preliminary site work, such permits may be issued and such 607 inspections may be conducted without providing the issuing 608 authority with a certified copy of the a recorded notice of 609 commencement or a notarized statement regarding a recorded notice of commencement. This subsection does not apply to a 610 611 direct contract to repair or replace an existing heating or air-612 conditioning system in an amount less than \$7,500.

613 <u>(f)(e)</u> Not require that a notice of commencement be 614 recorded as a condition of the application for, or processing or 615 issuance of, a building permit. However, this paragraph does not 616 modify or waive the inspection requirements set forth in this 617 subsection.

619 This subsection does not apply to a direct contract to repair or 620 replace an existing heating or air-conditioning system in an 621 amount less than \$7,500.

(3) An issuing authority under subsection (1) is not
liable in any civil action for the failure to verify that a
certified copy of the recorded notice of commencement, a
<u>notarized statement that the notice of commencement has been</u>

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626	filed for recording along with a copy thereof, or the clerk's
627	office official records identifying information that includes
628	the instrument number for the notice of commencement or the
629	number and page of book where the notice of commencement is
630	recorded, as identified by the clerk, has been filed in
631	accordance with this section.
632	Section 9. Section 713.18, Florida Statutes, is amended to
633	read:
634	713.18 Manner of serving <u>documents</u> notices and other
635	instruments
636	(1) <u>Unless otherwise specifically provided by law,</u> service
637	of any document notices, claims of lien, affidavits,
638	assignments, and other instruments permitted or required under
639	this part, <u>s. 255.05, or s. 337.18,</u> or copies thereof when so
640	permitted or required, unless otherwise specifically provided in
641	this part, must be made by one of the following methods:
642	(a) By <u>hand</u> <del>actual</del> delivery to the person to be served; if
643	a partnership, to one of the partners; if a corporation, to an
644	officer, director, managing agent, or business agent; or, if a
645	limited liability company, to a member or manager.
646	(b) By common carrier delivery service or by registered,
647	Global Express Guaranteed, or certified mail <u>to the person to be</u>
648	served, with postage or shipping paid by the sender and with
649	evidence of delivery, which may be in an electronic format.
650	(c) By posting on the site of the improvement if service
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651 as provided by paragraph (a) or paragraph (b) cannot be 652 accomplished. 653 Notwithstanding subsection (1), service of a notice to (2) 654 owner or a preliminary notice to contractor under this part, s. 655 255.05, or s. 337.18, or s. 713.23 is effective as of the date 656 of mailing and the requirements for service under this section 657 have been satisfied if all of the following requirements have 658 been met: 659 (a) The notice is mailed by registered, Global Express 660 Guaranteed, or certified mail, with postage prepaid, to the 661 person to be served and addressed as prescribed at any of the 662 addresses set forth in subsection (3).; 663 The notice is mailed within 40 days after the date the (b) 664 lienor first furnishes labor, services, or materials.; and 665 (c)1. The person who served the notice maintains a 666 registered or certified mail log that shows the registered or 667 certified mail number issued by the United States Postal 668 Service, the name and address of the person served, and the date 669 stamp of the United States Postal Service confirming the date of 670 mailing; or 671 2. The person who served the notice maintains electronic 672 tracking records approved or generated by the United States Postal Service containing the postal tracking number, the name 673 674 and address of the person served, and verification of the date 675 of receipt by the United States Postal Service.

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(3) (a) <u>Notwithstanding subsection (1)</u>, service of <u>a</u>
<u>document under an instrument pursuant to</u> this section is
effective on the date of mailing <u>or shipping</u>, and the
<u>requirements for service under this section have been satisfied</u>,
the instrument if the document it:

1. Is sent to the last address shown in the notice of commencement or any amendment thereto or, in the absence of a notice of commencement, to the last address shown in the building permit application, or to the last known address of the person to be served.; and

686 2. Is returned as being "refused," "moved, not 687 forwardable," or "unclaimed," or is otherwise not delivered or 688 deliverable through no fault of the person serving the <u>document</u> 689 <u>item</u>.

690 (b) If the address shown in the notice of commencement or 691 any amendment thereto to the notice of commencement, or, in the 692 absence of a notice of commencement, in the building permit 693 application, is incomplete for purposes of mailing or delivery, 694 the person serving the document item may complete the address 695 and properly format it according to United States Postal Service 696 addressing standards using information obtained from the 697 property appraiser or another public record without affecting 698 the validity of service under this section.

699 (4) A <u>document</u> notice served by a lienor on one owner or
 700 one partner of a partnership owning the real property is deemed

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701 <u>served on</u> notice to all owners and partners.
702 Section 10. Section 713.21, Florida Statutes, is amended
703 to read:

704 713.21 Discharge of lien.—A lien properly perfected under 705 this chapter may be discharged, or released in whole or in part, 706 by any of the following methods:

(1) By entering satisfaction of the lien upon the margin of the record thereof in the clerk's office when not otherwise prohibited by law. This satisfaction shall be signed by the lienor, the lienor's agent or attorney and attested by said clerk. Any person who executes a claim of lien <u>has</u> <del>shall have</del> authority to execute a satisfaction in the absence of actual notice of lack of authority to any person relying on the same.

714 By the satisfaction or release of the lienor, duly (2) 715 acknowledged and recorded in the clerk's office. The 716 satisfaction or release must include the lienor's notarized 717 signature and set forth the official records' reference numbers 718 and recording date affixed by the recording office on the 719 subject lien. Any person who executes a claim of lien has shall 720 have authority to execute a satisfaction or release in the 721 absence of actual notice of lack of authority to any person 722 relying on the same.

(3) By failure to begin an action to enforce the lienwithin the time prescribed in this part.

725

(4) By an order of the circuit court of the county where

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726 the property is located, as provided in this subsection. Upon 727 filing a complaint therefor by any interested party the clerk 728 shall issue a summons to the lienor to show cause within 20 days why his or her lien should not be enforced by action or vacated 729 730 and canceled of record. Upon failure of the lienor to show cause 731 why his or her lien should not be enforced or the lienor's 732 failure to commence such action before the return date of the 733 summons the court shall forthwith order cancellation of the 734 lien.

(5) By recording in the clerk's office the original or a
certified copy of a judgment or decree of a court of competent
jurisdiction showing a final determination of the action.

738 Section 11. Subsection (2) of section 713.22, Florida739 Statutes, is amended to read:

740

713.22 Duration of lien.-

741 (2) An owner or the owner's attorney may elect to shorten 742 the time prescribed in subsection (1) within which to commence 743 an action to enforce any claim of lien or claim against a bond 744 or other security under s. 713.23 or s. 713.24 by recording in 745 the clerk's office a notice in substantially the following form: 746 NOTICE OF CONTEST OF LIEN 747 To: ... (Name and address of lienor) ... 748 You are notified that the undersigned contests the claim of lien 749 filed by you on ...., ... (year)..., and recorded in .... Book ...., Page ...., of the public records of .... County, Florida, 750

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751 and that the time within which you may file suit to enforce your 752 lien is limited to 60 days from the date of service of this 753 notice. This .... day of ...., ... (year).... 754 Signed: ... (Owner or Attorney) ... 755 The lien of any lienor upon whom such notice is served and who 756 fails to institute a suit to enforce his or her lien within 60 757 days after service of such notice shall be extinguished 758 automatically. The clerk shall serve, in accordance with s. 759 713.18, a copy of the notice of contest to the lien claimant at 760 the address shown in the claim of lien or most recent amendment 761 thereto and shall certify to such service and the date of 762 service on the face of the notice and record the notice. After 763 the clerk records the notice with the certificate of service, 764 the clerk must serve a copy of such notice to the lienor and to 765 the owner or the owner's attorney in accordance with s. 713.18. 766 Section 12. Paragraphs (d) and (e) of subsection (1) of 767 section 713.23, Florida Statutes, are amended to read: 768 713.23 Payment bond.-769 (1)770 In addition, a lienor who has not received payment for (d) furnishing his or her labor, services, or materials must, as a 771 772 condition precedent to recovery under the bond, serve a written 773 notice of nonpayment on to the contractor and a copy of the 774 notice on the surety. The notice must be under oath and served 775 during the progress of the work or thereafter, but may not be

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776 served later than 90 days after the final furnishing of labor, services, or materials by the lienor, or, with respect to rental equipment, later than 90 days after the date the rental equipment was on the job site of the improvement and available for use. A notice of nonpayment that includes sums for retainage must specify the portion of the amount claimed for retainage. The required notice satisfies this condition precedent with respect to the payment described in the notice of nonpayment, including unpaid finance charges due under the lienor's contract, and with respect to any other payments which become due to the lienor after the date of the notice of nonpayment. The time period for serving a notice of nonpayment is shall be measured from the last day of furnishing labor, services, or materials by the lienor and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The failure of a lienor to receive retainage sums not in excess of 10 percent of the value of labor, services, or materials furnished by the lienor is not considered a nonpayment requiring the service of the notice provided under this paragraph. If the payment bond is not recorded before commencement of construction, the time period for the lienor to serve a notice of nonpayment may, at the option of the lienor, be calculated from the date specified in this section or the date the lienor is served a copy of the bond. However, the limitation period for

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801 commencement of an action on the payment bond as established in 802 paragraph (e) may not be expanded. The negligent inclusion or 803 omission of any information in the notice of nonpayment that has 804 not prejudiced the contractor or surety does not constitute a 805 default that operates to defeat an otherwise valid bond claim. A 806 lienor who serves a fraudulent notice of nonpayment forfeits his 807 or her rights under the bond. A notice of nonpayment is 808 fraudulent if the lienor has willfully exaggerated the amount 809 unpaid, willfully included a claim for work not performed or 810 materials not furnished for the subject improvement, or prepared 811 the notice with such willful and gross negligence as to amount 812 to a willful exaggeration. However, a minor mistake or error in 813 a notice of nonpayment, or a good faith dispute as to the amount 814 unpaid, does not constitute a willful exaggeration that operates 815 to defeat an otherwise valid claim against the bond. The service 816 of a fraudulent notice of nonpayment is a complete defense to 817 the lienor's claim against the bond. The notice under this 818 paragraph must include the following information, current as of 819 the date of the notice, and must be in substantially the 820 following form: 821 822 NOTICE OF NONPAYMENT 823 824 To ... (name of contractor and address) ...

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826
     ... (name of surety and address)...
827
828
     The undersigned lienor notifies you that:
829
          1.
              The lienor has furnished ... (describe labor, services,
830
     or materials)... for the improvement of the real property
831
     identified as ... (property description) .... The corresponding
832
     amount unpaid to date is $...., of which $.... is unpaid
833
     retainage.
834
          2.
              The lienor has been paid to date the amount of $....
835
     for previously furnishing ... (describe labor, services, or
836
     materials)... for this improvement.
837
          3. The lienor expects to furnish ... (describe labor,
838
     services, or materials)... for this improvement in the future
839
     (if known), and the corresponding amount expected to become due
840
     is $.... (if known).
841
842
     I declare that I have read the foregoing Notice of Nonpayment
843
     and that the facts stated in it are true to the best of my
844
     knowledge and belief.
845
     846
847
848
                               ... (signature and address of lienor)...
849
850
     STATE OF FLORIDA
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851	COUNTY OF
852	
853	The foregoing instrument was sworn to (or affirmed) and
854	subscribed before me by means of $\Box$ physical presence or sworn to
855	(or affirmed) by $\Box$ online notarization, this day of,
856	(year), by(name of signatory)
857	(Signature of Notary Public - State of Florida)
858	(Print, Type, or Stamp Commissioned Name of Notary
859	Public)
860	
861	Personally Known OR Produced Identification
862	
863	Type of Identification Produced
864	(e) An action for the labor <u>,</u> <del>or</del> materials <u>,</u> or supplies may
865	not be instituted or prosecuted against the contractor or surety
866	unless both notices have been given, if required by this
867	section. An action may not be instituted or prosecuted against
868	the contractor or against the surety on the bond under this
869	section after 1 year from the performance of the labor or
870	completion of delivery of the materials and supplies. The time
871	period for bringing an action against the contractor or surety
872	on the bond <u>is</u> <del>shall be</del> measured from the last day of furnishing
873	labor, services, or materials by the lienor. The time period may
874	not be measured by other standards, such as the issuance of a
875	certificate of occupancy or the issuance of a certificate of

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876	substantial completion. A contractor or the contractor's
877	attorney may elect to shorten the time within which an action to
878	enforce any claim against a payment bond provided under this
879	section or s. 713.245 must be commenced at any time after a
880	notice of nonpayment, if required, has been served for the claim
881	by recording in the clerk's office a notice in substantially the
882	following form:
883	NOTICE OF CONTEST OF CLAIM
884	AGAINST PAYMENT BOND
885	To:(Name and address of lienor)
886	You are notified that the undersigned contests your notice
887	of nonpayment, dated,, and served on the undersigned
888	on,, and that the time within which you may file suit
889	to enforce your claim is limited to 60 days <u>after</u> <del>from</del> the date
890	of service of this notice.
891	DATED on,
892	Signed:(Contractor or Attorney)
893	The claim of any lienor upon whom the notice is served and who
894	fails to institute a suit to enforce his or her claim against
895	the payment bond within 60 days after service of the notice
896	shall be extinguished automatically. The contractor or the
897	contractor's attorney shall serve a copy of the notice of
898	contest to the lienor at the address shown in the notice of
899	nonpayment or most recent amendment thereto and shall certify to
900	such service on the face of the notice and record the notice.

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901 Section 13. Subsections (1) and (3) of section 713.24, 902 Florida Statutes, are amended to read: 903 713.24 Transfer of liens to security.-904 (1)Any lien claimed under this part may be transferred, 905 by any person having an interest in the real property upon which 906 the lien is imposed or the contract under which the lien is 907 claimed, from such real property to other security by either: 908 Depositing in the clerk's office a sum of money, or (a) 909 (b) Filing in the clerk's office a bond executed as surety 910 by a surety insurer licensed to do business in this state, 911 912 either to be in an amount equal to the amount demanded in such 913 claim of lien, plus interest thereon at the legal rate for 3 914 years, plus \$5,000 <del>\$1,000</del> or 25 percent of the amount demanded 915 in the claim of lien, whichever is greater, to apply on any 916 attorney attorney's fees and court costs that may be taxed in 917 any proceeding to enforce said lien. Such deposit or bond shall 918 be conditioned to pay any judgment or decree which may be 919 rendered for the satisfaction of the lien for which such claim 920 of lien was recorded. Upon making such deposit or filing such bond, the clerk shall make and record a certificate which must 921 include a copy of the deposit or bond used to transfer, showing 922 923 the transfer of the lien from the real property to the security 924 and shall mail a copy thereof together with a copy of the 925 deposit or bond used to transfer by registered or certified mail

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926 to the lienor named in the claim of lien so transferred, at the 927 address stated therein. Upon filing the certificate of transfer, the real property shall thereupon be released from the lien 928 929 claimed, and such lien shall be transferred to said security. In 930 the absence of allegations of privity between the lienor and the 931 owner, and subject to any order of the court increasing the 932 amount required for the lien transfer deposit or bond, no other 933 judgment or decree to pay money may be entered by the court 934 against the owner. The clerk is shall be entitled to a service 935 charge for making and serving the certificate, in the amount of 936 up to \$20, from which the clerk shall remit \$5 to the Department 937 of Revenue for deposit into the General Revenue Fund. If the 938 transaction involves the transfer of multiple liens, an 939 additional charge of up to \$10 for each additional lien shall be 940 charged, from which the clerk shall remit \$2.50 to the 941 Department of Revenue for deposit into the General Revenue Fund. 942 For recording the certificate and approving the bond, the clerk 943 shall receive her or his usual statutory service charges as 944 prescribed in s. 28.24. Any number of liens may be transferred 945 to one such security.

(3) Any party having an interest in such security or the
property from which the lien was transferred may at any time,
and any number of times, file a complaint in chancery in the
circuit court of the county where such security is deposited, or
file a motion in a pending action to enforce a lien, for an

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951 order to require additional security, reduction of security, 952 change or substitution of sureties, payment of discharge 953 thereof, or any other matter affecting said security. If the 954 court finds that the amount of the deposit or bond in excess of 955 the amount claimed in the claim of lien is insufficient to pay 956 the lienor's attorney attorney's fees and court costs incurred 957 in the action to enforce the lien, the court must increase the 958 amount of the cash deposit or lien transfer bond. Nothing in 959 this section shall be construed to vest exclusive jurisdiction 960 in the circuit courts over transfer bond claims for nonpayment 961 of an amount within the monetary jurisdiction of the county 962 courts.

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Section 14. <u>Section 713.25</u>, Florida Statutes, is repealed. Section 15. Section 713.29, Florida Statutes, is amended to read:

966 713.29 Attorney Attorney's fees.-In any action brought to 967 enforce a lien, including a lien that has been transferred to 968 security, or to enforce a claim against a bond under this part, 969 the prevailing party is entitled to recover a reasonable fee for 970 the services of her or his attorney for trial and appeal or for 971 arbitration, in an amount to be determined by the court, which 972 fee must be taxed as part of the prevailing party's costs, as 973 allowed in equitable actions.

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Section 16. This act shall take effect July 1, 2022.

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