1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18 19

20

21

22

23

2425

2020

A bill to be entitled An act relating to liens and bonds; amending s. 255.05, F.S.; requiring that a copy of a notice of nonpayment be served on the surety; prohibiting a person from requiring a claimant to furnish a certain waiver in exchange for or to induce certain payments; providing that specified provisions in certain waivers are unenforceable; providing an exception; revising the process for notarizing a notice of nonpayment; requiring service of documents to be made in a specified manner; amending s. 337.18, F.S.; providing that certain waivers apply to certain contracts; requiring service of documents to be made in a specified manner; amending s. 713.01, F.S.; revising definitions; amending s. 713.09, F.S.; authorizing a lienor to record one claim of lien for multiple direct contracts; amending s. 713.10, F.S.; revising the extent of certain liens; amending s. 713.13, F.S.; revising information to be included in a notice of commencement; revising the process for notarizing a notice of commencement; amending s. 713.132, F.S.; revising requirements for a notice of termination; amending s. 713.18, F.S.; requiring service of documents relating to construction bonds to be made in a specified manner; making technical changes; amending

Page 1 of 27

ss. 713.20 and 713.235, F.S.; prohibiting a person from requiring a lienor to furnish a certain waiver or release in exchange for or to induce certain payments; providing that specified provisions in certain waivers or releases are unenforceable; providing an exception; amending s. 713.23, F.S.; requiring that a copy of a notice of nonpayment be served on the surety; revising the process for notarizing a notice of nonpayment under a payment bond; amending s. 713.29, F.S.; authorizing attorney fees in actions to enforce a lien that has been transferred to security; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraphs (a), (d), and (f) of subsection (2) of section 255.05, Florida Statutes, are amended, and subsection (12) is added to that section, to read:

255.05 Bond of contractor constructing public buildings; form; action by claimants.—

(2)(a)1. If a claimant is no longer furnishing labor,

services, or materials on a project, a contractor or the contractor's agent or attorney may elect to shorten the time within which an action to enforce any claim against a payment bond must be commenced by recording in the clerk's office a

Page 2 of 27

2020

51 notice in substantially the following form: 52 NOTICE OF CONTEST OF CLAIM 53 AGAINST PAYMENT BOND 54 To: ... (Name and address of claimant) ... 55 You are notified that the undersigned contests your notice 56 of nonpayment, dated, and served on the 57 undersigned on,, and that the time within 58 which you may file suit to enforce your claim is limited to 60 days after the date of service of this notice. 59 60 DATED on , 61 Signed: ... (Contractor or Attorney) ... 62 The claim of a claimant upon whom such notice is served and who fails to institute a suit to enforce his or her claim against 63 64 the payment bond within 60 days after service of such notice is extinguished automatically. The contractor or the contractor's 65 attorney shall serve a copy of the notice of contest on to the 66 67 claimant at the address shown in the notice of nonpayment or 68 most recent amendment thereto and shall certify to such service 69 on the face of the notice and record the notice. 70 A claimant, except a laborer, who is not in privity 71 with the contractor shall, before commencing or not later than 72 45 days after commencing to furnish labor, services, or materials for the prosecution of the work, serve the contractor 73 with a written notice that he or she intends to look to the bond 74

Page 3 of 27

for protection. A claimant who is not in privity with the

CODING: Words stricken are deletions; words underlined are additions.

75

76

77

78

79

80

81

82

83

84

85

86

87

88

89

90

91

92

93

94

95

96

97

98

99

100

2020

contractor and who has not received payment for furnishing his or her labor, services, or materials shall serve a written notice of nonpayment on the contractor and a copy of the notice on the surety. The notice of nonpayment shall be under oath and served during the progress of the work or thereafter but may not be served earlier than 45 days after the first furnishing of labor, services, or materials by the claimant or later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, later than 90 days after the date that the rental equipment was last on the job site available for use. Any notice of nonpayment served by a claimant who is not in privity with the contractor which includes sums for retainage must specify the portion of the amount claimed for retainage. An action for the labor, services, or materials may not be instituted against the contractor or the surety unless the notice to the contractor and notice of nonpayment have been served, if required by this section. Notices required or permitted under this section must be served in accordance with s. 713.18. A claimant may not waive in advance his or her right to bring an action under the bond against the surety. In any action brought to enforce a claim against a payment bond under this section, the prevailing party is entitled to recover a reasonable fee for the services of his or her attorney for trial and appeal or for arbitration, in an amount to be determined by the court, which fee must be taxed as

Page 4 of 27

101

102

103

104

105

106

107

108

109

110

111

112

113114

115

116

117

118

119

120

121

122

123

124125

2020

part of the prevailing party's costs, as allowed in equitable actions. The time periods for service of a notice of nonpayment or for bringing an action against a contractor or a surety are shall be measured from the last day of furnishing labor, services, or materials by the claimant 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 negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A claimant who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the claimant has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration. However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the claimant's claim against the bond. The notice of nonpayment under this subparagraph must include the following information, current as of the date of the notice, and must be in

Page 5 of 27

2020

126	substantially the following form:
127	NOTICE OF NONPAYMENT
128	To:(name of contractor and address)
129	(name of surety and address)
130	The undersigned claimant notifies you that:
131	1. Claimant has furnished (describe labor, services, or
132	materials) for the improvement of the real property
133	identified as(property description) The corresponding
134	amount unpaid to date is \dots , of which \dots is unpaid
135	retainage.
136	2. Claimant has been paid to date the amount of $\$$ for
137	previously furnishing (describe labor, services, or
138	materials) for this improvement.
139	3. Claimant expects to furnish (describe labor,
140	services, or materials) for this improvement in the future
141	(if known), and the corresponding amount expected to become due
142	is \$ (if known).
143	I declare that I have read the foregoing Notice of Nonpayment
144	and that the facts stated in it are true to the best of my
145	knowledge and belief.
146	DATED on,
147	(signature and address of claimant)
148	STATE OF FLORIDA
149	COUNTY OF
150	The foregoing instrument was sworn to (or affirmed) and
	Dago 6 of 27

Page 6 of 27

151	subscribed before me by means of physical presence or sworn
152	to (or affirmed) by online notarization thisday of
153	,(year), by(name of signatory)
154	(Signature of Notary Public - State of Florida)
155	(Print, Type, or Stamp Commissioned Name of Notary
156	Public)
157	Personally Known OR Produced Identification
158	Type of Identification Produced
159	(d) A person may not require a claimant to furnish a
160	waiver that is different from the forms in paragraphs (b) and
161	(c) in exchange for, or to induce payment of, a progress payment
162	or final payment, unless the claimant has entered into a direct
163	contract that requires the claimant to furnish a waiver that is
164	different from the forms in paragraphs (b) and (c).
165	(f) Any provisions in a waiver that are $\pm s$ not related to
166	the waiver of right to claim against a payment bond as provided
167	in this subsection are unenforceable, unless the claimant has
168	otherwise agreed to those provisions in the claimant's direct
169	contract substantially similar to the forms in this subsection
170	is enforceable in accordance with its terms.
171	(12) Unless otherwise provided in this section, service of
172	any document must be made in accordance with s. 713.18.
173	Section 2. Paragraph (c) of subsection (1) of section
174	337.18, Florida Statutes, is amended, and subsection (6) is
175	added to that section, to read:

Page 7 of 27

2020

337.18 Surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.—

(1)

176

177

178

179

180

181

182

183

184

185

186187

188

189

190

191

192

193

194

195

196

197

198

199200

A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 90 days after commencing to furnish labor, materials, or supplies for the prosecution of the work, furnish the contractor with a notice that he or she intends to look to the bond for protection. A claimant who is not in privity with the contractor and who has not received payment for his or her labor, materials, or supplies shall deliver to the contractor and to the surety written notice of the performance of the labor or delivery of the materials or supplies and of the nonpayment. The notice of nonpayment may be served at any time during the progress of the work or thereafter but not before 45 days after the first furnishing of labor, services, or materials, and not later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, not later than 90 days after the date that the rental equipment was last on the job site available for use. An action by a claimant, except a laborer, who is not in privity with the contractor for the labor, materials, or supplies may not be instituted against the contractor or the surety unless both notices have been given. Notices required or permitted

Page 8 of 27

201

202

203

204

205

206

207

208

209

210211

212

213

214

215

216

217

218

219

220

221

222

223

224

225

2020

under this section may be served in any manner provided in s. 713.18, and provisions for the waiver of right to claim against a payment bond contained in s. 713.235 apply to all contracts under this section.

- (6) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.
- Section 3. Subsections (8) and (26) of section 713.01, Florida Statutes, are amended to read:
 - 713.01 Definitions.—As used in this part, the term:
- "Contractor" means a person other than a materialman or laborer who enters into a contract with the owner of real property for improving it, or who takes over from a contractor as so defined the entire remaining work under such contract. The term "contractor" includes an architect, landscape architect, or engineer who improves real property pursuant to a design-build contract authorized by s. 489.103(16). The term "contractor" also includes a licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), who provides construction management services, which include responsibility for scheduling and coordination in both preconstruction and construction phases and for the successful, timely, and economical completion of the construction project, or who provides program management services, which include responsibility for schedule control, cost control, and coordination in providing or procuring planning, design, and

Page 9 of 27

construction.

(26) "Real property" means the land that is improved and the improvements thereon, including fixtures, except any such property owned by the state or any county, municipality, school board, or governmental agency, commission, or political subdivision. The term includes a private leasehold interest that is improved, and the improvements thereon, on land that is owned by the state or any county, municipality, school board, or governmental agency, commission, or political subdivision.

Section 4. Section 713.09, Florida Statutes, is amended to read:

record only one 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 <u>or multiple direct contracts</u>. The single claim of lien is sufficient even though the improvement is for one or more improvements located on separate lots, parcels, or tracts of land. If materials to be used on one or more improvements on separate lots, parcels, 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

Page 10 of 27

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

Section 5. Paragraph (b) of subsection (2) of section 713.10, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

713.10 Extent of liens.-

(2)

- (b) The interest of the lessor is not subject to liens for improvements made by the lessee when:
- 1. The lease, or a short form or a memorandum of the lease that contains the specific language in the lease prohibiting such liability, is recorded in the official records of the county where the premises are located before the recording of a notice of commencement for improvements to the premises and the terms of the lease expressly prohibit such liability; or
- 2. The terms of the lease expressly prohibit such liability, and a notice advising that leases for the rental of premises on a parcel of land prohibit such liability has been recorded in the official records of the county in which the parcel of land is located before the recording of a notice of

Page 11 of 27

commencement for improvements to the premises, and the notice includes the following:

- a. The name of the lessor.
- b. The legal description of the parcel of land to which the notice applies.
 - c. The specific language contained in the various leases prohibiting such liability.
 - d. A statement that all or a majority of the leases entered into for premises on the parcel of land expressly prohibit such liability.
 - 3. The lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.

A notice that is consistent with subparagraph 2. effectively prohibits liens for improvements made by a lessee even if other leases for premises on the parcel do not expressly prohibit liens or if provisions of each lease restricting the application of liens are not identical.

- (4) The interest of the lessor is not subject to liens for improvements made by the lessee when the lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.
- Section 6. Paragraphs (a) and (d) of subsection (1) of section 713.13, Florida Statutes, are amended to read:
 - 713.13 Notice of commencement.

Page 12 of 27

- (1) (a) Except for an improvement that is exempt <u>under</u> pursuant to s. 713.02(5), an owner or the owner's authorized agent before actually commencing to improve any real property, or recommencing completion of any improvement after default or abandonment, whether or not a project has a payment bond complying with s. 713.23, shall record a notice of commencement in the clerk's office and forthwith post either a certified copy thereof or a notarized statement that the notice of commencement has been filed for recording along with a copy thereof. The 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.
 - 2. A general description of the improvement.
- 3. The name and address of the owner, the owner's interest in the site of the improvement, and the name and address of the fee simple titleholder, if other than such owner.
- 4. The name and address of the lessee, if the A lessee who contracts for the improvements <u>as</u> is an owner as defined <u>in s.</u>

 713.01 under s. 713.01(23) and must be listed as the owner together with a statement that the ownership interest is a

Page 13 of 27

leasehold interest.

326

2020

327	5.4. The name and address of the contractor.
328	6.5. The name and address of the surety on the payment
329	bond under s. 713.23, if any, and the amount of such bond.
330	7.6. The name and address of any person making a loan for
331	the construction of the improvements.
332	8.7. The name and address within the state of a person
333	other than himself or herself who may be designated by the owner
334	as the person upon whom notices or other documents may be served
335	under this part; and service upon the person so designated
336	constitutes service upon the owner.
337	(d) A notice of commencement must be in substantially the
338	following form:
339	Permit No Tax Folio No
340	NOTICE OF COMMENCEMENT
340	NOTICE OF COMMENCEMENT
340 341	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of
340 341 342	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of
340 341 342 343	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be
340 341 342 343 344	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter
340 341 342 343 344 345	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in
340 341 342 343 344 345 346	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement.
340 341 342 343 344 345 346 347	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement. 1. Description of property:(legal description of the
340 341 342 343 344 345 346 347 348	NOTICE OF COMMENCEMENT STATE OF FLORIDA State of COUNTY OF County of The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement. 1. Description of property:(legal description of the property, and street address if available)

Page 14 of 27

```
351
          b. Owner's phone number:....
352
              Name and address of fee simple titleholder (if
353
     different from Owner listed above):....
354
          4.a. Lessee, if the lessee contracted for the
355
     improvements: ...(name and address)....
356
          b. Lessee's phone number:.... owner information or Lessee
357
     information if the Lessee contracted for the improvement:
358
          a. Name and address:....
359
              Interest in property:....
360
             Name and address of fee simple titleholder (if
     different from Owner listed above):....
361
          5.a.4.a. Contractor: ...(name and address)....
362
363
          b. Contractor's phone number:....
364
          6.5. Surety (if applicable, a copy of the payment bond is
365
     attached):
366
          a. Name and address:....
367
          b. Phone number:....
          c. Amount of bond: $.....
368
369
          7.a.<del>6.a.</del> Lender: ...(name and address)....
370
          b. Lender's phone number:....
371
          8.7. Persons within the State of Florida designated by
372
     Owner upon whom notices or other documents may be served as
     provided in \frac{by}{a} Section 713.13(1)(a)8. \frac{713.13(1)(a)7.}{a}, Florida
373
374
     Statutes:
          a. Name and address:....
375
```

Page 15 of 27

2020

376	b. Phone numbers of designated persons:
377	9.a.8.a. In addition to himself or herself, Owner
378	designates of to receive a copy of the
379	Lienor's Notice as provided in Section 713.13(1)(b), Florida
380	Statutes.
381	b. Phone number of person or entity designated by
382	owner:
383	10.9. Expiration date of notice of commencement (the
384	expiration date will be 1 year $\underline{ ext{after}}$ $\underline{ ext{from}}$ the date of recording
385	unless a different date is specified)
386	
387	WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE
388	EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER
389	PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA
390	STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS
391	TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND
392	POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU
393	INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN
394	ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF
395	COMMENCEMENT.
396	
397	(Signature of Owner or Lessee, or Owner's or Lessee's
398	Authorized Officer/Director/Partner/Manager)
399	(Signatory's Title/Office)
400	

Page 16 of 27

401 The foregoing instrument was acknowledged before me by means of 402 physical presence or sworn to (or affirmed) by online 403 notarization this day of, ... (year)..., by ... (name of 404 person) ... as ... (type of authority, . . . e.g. officer, 405 trustee, attorney in fact) ... for ... (name of party on behalf of 406 whom instrument was executed) 407 ... (Signature of Notary Public - State of Florida) ... 408 ... (Print, Type, or Stamp Commissioned Name of Notary Public)... Personally Known OR Produced Identification 409 410 Type of Identification Produced..... Section 7. Paragraphs (b) and (f) of subsection (1) and 411 412 subsections (3) and (4) of section 713.132, Florida Statutes, 413 are amended to read: 713.132 Notice of termination. 414 415 (1) An owner may terminate the period of effectiveness of a notice of commencement by executing, swearing to, and 416 417 recording a notice of termination that contains: 418 The official records' recording office document book 419 and page reference numbers and recording date affixed by the 420 recording office on of the recorded notice of commencement; 421 A statement that the owner has, before recording the 422 notice of termination, served a copy of the notice of termination on the contractor and on each lienor who has a 423 424 direct contract with the owner or who has timely served a notice 425 to owner, and a statement that the owner will serve a copy of

Page 17 of 27

- the notice of termination on each lienor who timely serves a notice to owner after the notice of termination has been recorded. The owner is not required to serve a copy of the notice of termination on any lienor who has executed a waiver and release of lien upon final payment in accordance with s. 713.20.
- (3) An owner may not record a notice of termination at any time after except after completion of construction, or after construction ceases before completion and all lienors have been paid in full or pro rata in accordance with s. 713.06(4).
- (4) If an owner or a contractor, by fraud or collusion, knowingly makes any fraudulent statement or affidavit in a notice of termination or any accompanying affidavit, the owner and the contractor, or either of them, as the case may be, is liable to any lienor who suffers damages as a result of the filing of the fraudulent notice of termination, and any such lienor has a right of action for damages occasioned thereby.
- (5)(4) A notice of termination must be served before recording on each lienor who has a direct contract with the owner and on each lienor who has timely and properly served a notice to owner in accordance with this part before the recording of the notice of termination. A notice of termination must be recorded in the official records of the county in which the project is located. If properly served before recording in accordance with this subsection, the notice of termination

Page 18 of 27

terminates the period of effectiveness of the notice of		
commencement 30 days after the notice of termination is recorded		
in the official records is effective to terminate the notice of		
commencement at the later of 30 days after recording of the		
$\frac{\text{notice of termination}}{\text{or } \underline{\text{a later}}}$ the date stated in the notice		
of termination as the date on which the notice of commencement		
is terminated. However, if a lienor, who began work under the		
notice of commencement before its termination, lacks a direct		
contract with the owner, and timely serves his or her notice to		
owner after the notice of termination has been recorded, the		
owner must serve a copy of the notice of termination upon such		
lienor, and the termination of the notice of commencement as to		
that lienor is effective 30 days after service of the notice of		
termination if the notice of termination has been served		
pursuant to paragraph (1)(f) on the contractor and on each		
lienor who has a direct contract with the owner or who has		
served a notice to owner.		
Section 8. Section 713.18, Florida Statutes, is amended to		
read:		
713.18 Manner of serving documents notices and other		
instruments.—		
(1) Unless otherwise specifically provided by law, service		
of any document notices, claims of lien, affidavits,		
assignments, and other instruments permitted or required under		
this part, s. 255.05, or s. 337.18, or copies thereof when so		

Page 19 of 27

permitted or required, unless otherwise specifically provided in this part, must be made by one of the following methods:

- (a) By <u>hand</u> 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 common carrier delivery service or by registered, Global Express Guaranteed, or certified mail to the person to be served, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.
- (c) By posting on the site of the improvement if service as provided by paragraph (a) or paragraph (b) cannot be accomplished.
- (2) Notwithstanding subsection (1), service of a notice to owner or a preliminary notice to contractor under this part, s. 255.05, or s. 337.18, or s. 713.23 is effective as of the date of mailing and the requirements for service under this section have been satisfied if:
- (a) The notice is mailed by registered, Global Express Guaranteed, or certified mail, with postage prepaid, to the person to be served and addressed as prescribed 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
 - (c)1. The person who served the notice maintains a

Page 20 of 27

- registered or certified mail log that shows the registered or certified mail number issued by the United States Postal Service, the name and address of the person served, and the date stamp of the United States Postal Service confirming the date of mailing; or
- 2. The person who served the notice maintains electronic tracking records approved or generated by the United States Postal Service containing the postal tracking number, the name and address of the person served, and verification of the date of receipt by the United States Postal Service.
- (3) (a) Notwithstanding subsection (1), service of a document under an instrument pursuant to this section is effective on the date of mailing or shipping the instrument and the requirements for service under this section have been satisfied if it:
- 1. Is sent using one of the methods provided in paragraph (1)(b) 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, in the absence of a notice of commencement and building permit application, to the last known address of the person to be served, unless otherwise specifically provided in this part, s. 255.05, or s. 337.18; and
- 2. Is returned as being "refused," "moved, not forwardable," or "unclaimed," or is otherwise not delivered or

Page 21 of 27

deliverable through no fault of the person serving the <u>document</u> item.

- any amendment thereto to the notice of commencement, or, in the absence of a notice of commencement, in the building permit application, is incomplete for purposes of mailing or delivery, the person serving the document item may complete the address and properly format it according to United States Postal Service addressing standards using information obtained from the property appraiser or another public record without affecting the validity of service under this section.
- (4) A <u>document</u> notice served by a lienor on one owner or one partner of a partnership owning the real property is deemed <u>served on</u> notice to all owners and partners.
- Section 9. Subsections (6) and (8) of section 713.20, Florida Statutes, are amended to read:
 - 713.20 Waiver or release of liens.-
- (6) A person may not require a lienor to furnish a lien waiver or release of lien that is different from the forms in subsection (4) or subsection (5) in exchange for, or to induce payment of, a progress payment or final payment, unless the lienor has entered into a direct contract that requires the lienor to furnish a waiver or release that is different from the forms in subsection (4) or subsection (5).
 - (8) Any provisions in a lien waiver or lien release that

Page 22 of 27

2020

are is not related to the waiver or release of lien rights as provided in this section are unenforceable, unless the lienor has otherwise agreed to those provisions in the lienor's direct contract substantially similar to the forms in subsections (4) and (5) is enforceable in accordance with the terms of the lien waiver or lien release.

Section 10. Paragraph (d) of subsection (1) of section 713.23, Florida Statutes, is amended to read:

713.23 Payment bond.

(1)

551

552

553

554

555

556

557

558

559

560

561

562

563

564

565

566

567

568

569

570

571

572

573

574

575

In addition, a lienor who has not received payment for (d) furnishing his or her labor, services, or materials must, as a condition precedent to recovery under the bond, serve a written notice of nonpayment on to the contractor and a copy of the notice on the surety. The notice must be under oath and served during the progress of the work or thereafter, but may not be 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 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

Page 23 of 27

576

577

578

579

580

581

582

583

584

585586

587

588

589

590

591

592

593

594

595

596

597

598

599600

2020

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 commencement of an action on the payment bond as established in paragraph (e) may not be expanded. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A lienor who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the lienor has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the

Page 24 of 27

620

621

622

623

624

625

2020

601 subject improvement, or prepared the notice with such willful 602 and gross negligence as to amount to a willful exaggeration. 603 However, a minor mistake or error in a notice of nonpayment, or 604 a good faith dispute as to the amount unpaid, does not 605 constitute a willful exaggeration that operates to defeat an 606 otherwise valid claim against the bond. The service of a 607 fraudulent notice of nonpayment is a complete defense to the 608 lienor's claim against the bond. The notice under this paragraph must include the following information, current as of the date 609 610 of the notice, and must be in substantially the following form: NOTICE OF NONPAYMENT 611 612 To ... (name of contractor and address) (name of surety and address) ... 613 614 The undersigned lienor notifies you that: 615 The lienor has furnished ... (describe labor, services, or materials)... for the improvement of the real property 616 617 identified as ... (property description) The corresponding 618 amount unpaid to date is \$...., of which \$.... is unpaid 619 retainage.

services, or materials)... for this improvement in the future

The lienor expects to furnish ... (describe labor,

The lienor has been paid to date the amount of \$....

(if known), and the corresponding amount expected to become due

for previously furnishing ... (describe labor, services, or

Page 25 of 27

materials) ... for this improvement.

2020

```
626
     is $.... (if known).
627
     I declare that I have read the foregoing Notice of Nonpayment
628
     and that the facts stated in it are true to the best of my
629
     knowledge and belief.
630
     DATED on ...., .....
631
                               ... (signature and address of lienor)...
632
     STATE OF FLORIDA
633
     COUNTY OF....
634
     The foregoing instrument was sworn to (or affirmed) and
635
     subscribed before me by means of .... physical presence or sworn
636
     to (or affirmed) by .... online notarization this .... day of
637
     ...., ... (year) ..., by ... (name of signatory) ....
638
          ... (Signature of Notary Public - State of Florida) ...
639
          ... (Print, Type, or Stamp Commissioned Name of Notary
640
     Public) ...
641
     Personally Known ...... OR Produced Identification ......
642
     Type of Identification Produced.....
          Section 11. Subsections (3) and (5) of section 713.235,
643
644
     Florida Statutes, are amended to read:
645
          713.235 Waivers of right to claim against payment bond;
646
     forms.-
647
               A person may not require a claimant to furnish a
     waiver that is different from the forms in subsections (1) and
648
     (2) in exchange for, or to induce payment of, a progress payment
649
650
     or final payment, unless the claimant has entered into a direct
```

Page 26 of 27

contract that requires the claimant to furnish a waiver that is different from the forms in subsections (1) and (2).

(5) Any provisions in a waiver that are is not related to the waiver of the right to claim against the payment bond as provided in this section are unenforceable, unless the claimant has otherwise agreed to those provisions in the claimant's direct contract substantially similar to the forms in this section is enforceable in accordance with its terms.

Section 12. Section 713.29, Florida Statutes, is amended to read:

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

Section 13. This act shall take effect July 1, 2020.

Page 27 of 27