



2023 CONSTRUCTION LAW LEGISLATIVE YEAR-IN-REVIEW

In 2023, 18 different bills impacting the construction industry were introduced as prospective laws in Florida. Ultimately, nine of those were signed into law, with effective dates ranging from April 2023 to October 2023, including one of the most extensive overhauls of Florida's Construction Lien Law in several years. Below are short summaries of the key changes that will have an impact on the construction industry in Florida.

Prompt Payment on Public Projects

On July 1, 2023, a new law went into effect modifying Chapters 218 and 255, *Florida Statutes*, to create specific punch list processes and require faster payments of undisputed amounts on public projects, despite the existence of the punch list. This includes a requirement that the punch list have an estimated cost to complete the items on the punch list, and a requirement that payment be made of all but 150% of the estimated cost of completion of the punch list.

Statutes of Limitation and Repose

In April 2023, the Florida Legislature modified the statutes of limitation and repose applicable to claims based on defective construction. While the four year statute of limitations remained the same, the events triggering the start of it were altered to provide more concrete starting times for the running of the statute of limitations. Those same triggers now also apply to the statute of repose, but the statute of repose was shortened from 10 years to 7 years.

Immigration

In July 2023, Florida enacted broad legislation impacting immigration in the state. While the statute covered multiple topics, it directly addressed the construction industry by establishing a penalty for licensed contractors found to be knowingly employing, hiring, recruiting, or referring for employment an alien who is not authorized to work in the United States. Penalties range from a 30 days suspension of the relevant license to revocation of all licenses, depending on the severity of the penalty.

Licensing Fee Relief

For the next two renewal cycles, the renewal fees paid by licensed contractors in Florida have been reduced by 50%.

Civil Remedies

As part of the same package of litigation that altered the statutes of repose and limitation applicable to construction defects, Florida's legislature also clarified that an owner,

contractor, subcontractor, laborer, or material supplier who sues a surety under a performance bond is entitled to recovery attorneys' fees if it is the prevailing party.

Mold Assessors, Remediators, and Asbestos Consultants

In 2020, Florida made it easier for contractors licensed out of state for at least 10 years to obtain Florida contractor licenses. In 2023, this same accommodation was extended to mold assessors, mold remediators, and asbestos consultants licensed for at least 10 years out of state, who also meet other requirements for licensure in Florida.

Local Licensing

In July 2021, Florida enacted a law generally abolishing local construction licensing by cities and counties, and extinguishing existing local licensing by July 2023. In July 2023, this deadline was extended to July 2024, and the Construction Industry Licensing Board was directed to create 12 new voluntary, specialty licensing categories.

Construction Liens

In October 2023, changes to approximately 30% of Florida's Construction Lien Law went into effect. The change are wide-ranging, and include extensions of the lien law to construction management services, clarifying the impact of holidays and office closures on filing deadlines, updates to notices of commencement forms, and changes in the service requirements for many construction lien documents.

Plans Review and Inspections

In July 2023, a new law went into effect requiring building officials and fire marshals to provide reference to specific code sections when requiring changes to plans or completed work, and indicated that the failure to do so could subject the relevant and official to disciplinary action.

If you have any questions or would like additional information, please contact a member of our Construction & Design Practice Group.



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