

**STATEMENT OF CONTRATOR'S RESPONSIBILITIES
UNDER SECTION 489.1425, F.S.**

Beginning on November 1, 1995, for every construction contract involving work on residential property, the contractor must give the property owner or consumer a copy of the Notice of Consumer Rights Under The Construction Industries Recovery Fund. The residential property owner or consumer must be given a copy of the Notice twice.

- **YOU MUST GIVE the first copy of this Notice no later than the date the initial payment on the construction contract is made.**
For convenience you might simply incorporate this notice in your contract.
- **YOU MUST GIVE second copy of Notice at the time final payment is made on the contract.**
- **A contractor who FAILS TO GIVE the required Notice, may be fined \$500 by the Construction Industry Licensing Board for the first offense, and must be fined \$1,000 for each additional offense.**
- **Fines are payable to the Recovery Fund.**

Chapter 489.1425 FS including the required notice is shown below

489.1425 Duty of contractor to notify residential property owner of recovery fund.--

(1) Any agreement or contract for repair, restoration, improvement, or construction to residential real property must contain a written statement explaining the consumer's rights under the Construction Industries Recovery Fund, except where the value of all labor and materials does not exceed \$2,500. The written statement must be substantially in the following form:

CONSTRUCTION INDUSTRIES RECOVERY FUND

PAYMENT MAY BE AVAILABLE FROM THE CONSTRUCTION INDUSTRIES RECOVERY FUND IF YOU LOSE MONEY ON A PROJECT PERFORMED UNDER CONTRACT, WHERE THE LOSS RESULTS FROM SPECIFIED VIOLATIONS OF FLORIDA LAW BY A STATE-LICENSED CONTRACTOR. FOR INFORMATION ABOUT THE RECOVERY FUND AND FILING A CLAIM, CONTACT THE FLORIDA CONSTRUCTION INDUSTRY LICENSING BOARD AT THE FOLLOWING TELEPHONE NUMBER AND ADDRESS:

The statement shall be immediately followed by the board's address and telephone number as established

by board rule.

(2)(a) Upon finding a first violation of subsection (1), the board may fine the contractor up to \$500, and the moneys must be deposited into the Construction Industries Recovery Fund.

(b) Upon finding a second or subsequent violation of subsection (1), the board shall fine the contractor \$1,000 per violation, and the moneys must be deposited into the Construction Industries Recovery Fund.

History.--s. 5, ch. 95-240; s. 11, ch. 96-298; s. 73, ch. 96-388.



If you have comments on this or any other business aid please let FHBA know.

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