

CHAPTER 2019-75

Committee Substitute for Committee Substitute for House Bill No. 447

An act relating to construction; amending s. 125.56, F.S.; authorizing counties to provide notice to certain persons under certain circumstances; authorizing counties that issue building permits to charge a person a single search fee for a certain amount under certain circumstances; amending s. 166.222, F.S.; authorizing the governing bodies of municipalities to charge a person a single search fee for a certain amount under certain circumstances; amending ss. 489.103 and 489.503, F.S.; providing exemptions to certain contracting requirements; revising forms for disclosure statements; amending s. 553.79, F.S.; authorizing a local government to provide notice to certain persons under certain circumstances within a specified timeframe; authorizing a property owner to close a permit under certain circumstances; providing that a contractor is not liable for work performed in certain circumstances; defining the term “close”; authorizing a local enforcement agency to close a permit under certain circumstances; prohibiting a local enforcement agency from taking certain actions relating to building permits that were applied for but not closed by a previous owner; providing that local enforcement agencies retain all rights and remedies against the property owner and contractor listed on such a permit; amending s. 553.73, F.S.; authorizing the Florida Building Commission to approve updates to the Florida Building Code without certain findings under certain circumstances; amending s. 553.80, F.S.; prohibiting a local government from carrying forward more than a specified amount of unexpended revenue; defining the term “operating budget”; providing an exception; revising requirements for the expenditure of certain unexpended revenue; prohibiting certain entities from requiring any additional fees, charges, or expenses associated with certain surcharges and fees; authorizing the governing body of a local government to charge a person a single search fee for a certain amount under certain circumstances; amending s. 558.004, F.S.; specifying that certain notices of claim do not toll any statute of repose periods under ch. 95, F.S.; amending s. 440.103, F.S.; conforming a cross-reference; providing effective dates.

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

Section 1. Paragraphs (c) and (d) are added to subsection (4) of section 125.56, Florida Statutes, to read:

125.56 Enforcement and amendment of the Florida Building Code and the Florida Fire Prevention Code; inspection fees; inspectors; etc.—

(4)

(c) A county that issues building permits may send a written notice of expiration, by e-mail or United States Postal Service, to the owner of the property and the contractor listed on the permit, no less than 30 days before a building permit is set to expire. The written notice must identify the permit that is set to expire and the date the permit will expire.

(d) A county that issues building permits may charge a person only one search fee, in an amount commensurate with the research and time costs incurred by the county, for identifying building permits for each unit or subunit assigned by the county to a particular tax parcel identification number.

Section 2. Section 166.222, Florida Statutes, is amended to read:

166.222 Building code inspection fees.—

(1) The governing body of a municipality may provide a schedule of reasonable inspection fees in order to defer the costs of inspection and enforcement of the provisions of its building code.

(2) The governing body of a municipality that issues building permits may charge a person only one search fee, in an amount commensurate with the research and time costs incurred by the governing body, for identifying building permits for each unit or subunit assigned by the governing body to a particular tax parcel identification number.

Section 3. Paragraphs (a) and (c) of subsection (7) of section 489.103, Florida Statutes, are amended to read:

489.103 Exemptions.—This part does not apply to:

(7)(a) Owners of property when acting as their own contractor and providing direct, onsite supervision themselves of all work not performed by licensed contractors:

1. When building or improving farm outbuildings or one-family or two-family residences on such property for the occupancy or use of such owners and not offered for sale or lease, or building or improving commercial buildings, at a cost not to exceed \$75,000, on such property for the occupancy or use of such owners and not offered for sale or lease. In an action brought under this part, proof of the sale or lease, or offering for sale or lease, of any such structure by the owner-builder within 1 year after completion of same creates a presumption that the construction was undertaken for purposes of sale or lease.

2. When repairing or replacing wood shakes or asphalt or fiberglass shingles on one-family, two-family, or three-family residences for the occupancy or use of such owner or tenant of the owner and not offered for sale within 1 year after completion of the work and when the property has been damaged by natural causes from an event recognized as an emergency situation designated by executive order issued by the Governor declaring the

existence of a state of emergency as a result and consequence of a serious threat posed to the public health, safety, and property in this state.

3. When installing, uninstalling, or replacing solar panels on one-family, two-family, or three-family residences, and the local permitting agency's county or municipal government is participating in a "United States Department of Energy SunShot Initiative: Rooftop Solar Challenge" grant. However, an owner must utilize a licensed electrical contractor to effectuate the wiring of the solar panels, including any interconnection to the customer's residential electrical wiring. The limitations of this exemption shall be expressly stated in the building permit approved and issued by the permitting agency for such project.

4. When completing the requirements of a building permit, where the contractor listed on the permit substantially completed the project as determined by the local permitting agency, for a one-family or two-family residence, townhome, or an accessory structure of a one-family or two-family residence or townhome or an individual residential condominium unit or cooperative unit. Prior to qualifying for the exemption, the owner must receive approval from the local permitting agency, and the local permitting agency must determine that the contractor listed on the permit substantially completed the project. An owner who qualifies for the exemption under this subparagraph is not required to occupy the dwelling or unit for at least 1 year after the completion of the project.

(c) To qualify for exemption under this subsection, an owner must personally appear and sign the building permit application and must satisfy local permitting agency requirements, if any, proving that the owner has a complete understanding of the owner's obligations under the law as specified in the disclosure statement in this section. However, for purposes of implementing a "United States Department of Energy SunShot Initiative: Rooftop Solar Challenge" grant and the participation of county and municipal governments, including local permitting agencies under the jurisdiction of such county and municipal governments, an owner's notarized signature or personal appearance to sign the permit application is not required for a solar project, as described in subparagraph (a)3., if the building permit application is submitted electronically to the permitting agency and the owner certifies the application and disclosure statement using the permitting agency's electronic confirmation system. If any person violates the requirements of this subsection, the local permitting agency shall withhold final approval, revoke the permit, or pursue any action or remedy for unlicensed activity against the owner and any person performing work that requires licensure under the permit issued. The local permitting agency shall provide the person with a disclosure statement in substantially the following form:

DISCLOSURE STATEMENT

1. I understand that state law requires construction to be done by a licensed contractor and have applied for an owner-builder permit under an exemption from the law. The exemption specifies that I, as the owner of the property listed, may act as my own contractor with certain restrictions even though I do not have a license.
2. I understand that building permits are not required to be signed by a property owner unless he or she is responsible for the construction and is not hiring a licensed contractor to assume responsibility.
3. I understand that, as an owner-builder, I am the responsible party of record on a permit. I understand that I may protect myself from potential financial risk by hiring a licensed contractor and having the permit filed in his or her name instead of my own name. I also understand that a contractor is required by law to be licensed in Florida and to list his or her license numbers on permits and contracts.
4. I understand that I may build or improve a one-family or two-family residence or a farm outbuilding. I may also build or improve a commercial building if the costs do not exceed \$75,000. The building or residence must be for my own use or occupancy. It may not be built or substantially improved for sale or lease, unless I am completing the requirements of a building permit where the contractor listed on the permit substantially completed the project. If a building or residence that I have built or substantially improved myself is sold or leased within 1 year after the construction is complete, the law will presume that I built or substantially improved it for sale or lease, which violates the exemption.
5. I understand that, as the owner-builder, I must provide direct, onsite supervision of the construction.
6. I understand that I may not hire an unlicensed person to act as my contractor or to supervise persons working on my building or residence. It is my responsibility to ensure that the persons whom I employ have the licenses required by law and by county or municipal ordinance.
7. I understand that it is a frequent practice of unlicensed persons to have the property owner obtain an owner-builder permit that erroneously implies that the property owner is providing his or her own labor and materials. I, as an owner-builder, may be held liable and subjected to serious financial risk for any injuries sustained by an unlicensed person or his or her employees while working on my property. My homeowner's insurance may not provide coverage for those injuries. I am willfully acting as an owner-builder and am aware of the limits of my insurance coverage for injuries to workers on my property.

8. I understand that I may not delegate the responsibility for supervising work to a licensed contractor who is not licensed to perform the work being done. Any person working on my building who is not licensed must work under my direct supervision and must be employed by me, which means that I must comply with laws requiring the withholding of federal income tax and social security contributions under the Federal Insurance Contributions Act (FICA) and must provide workers' compensation for the employee. I understand that my failure to follow these laws may subject me to serious financial risk.

9. I agree that, as the party legally and financially responsible for this proposed construction activity, I will abide by all applicable laws and requirements that govern owner-builders as well as employers. I also understand that the construction must comply with all applicable laws, ordinances, building codes, and zoning regulations.

10. I understand that I may obtain more information regarding my obligations as an employer from the Internal Revenue Service, the United States Small Business Administration, the Florida Department of Financial Services, and the Florida Department of Revenue. I also understand that I may contact the Florida Construction Industry Licensing Board at ...(telephone number)... or ...(Internet website address)... for more information about licensed contractors.

11. I am aware of, and consent to, an owner-builder building permit applied for in my name and understand that I am the party legally and financially responsible for the proposed construction activity at the following address: ...(address of property)....

12. I agree to notify ...(issuer of disclosure statements)... immediately of any additions, deletions, or changes to any of the information that I have provided on this disclosure.

Licensed contractors are regulated by laws designed to protect the public. If you contract with a person who does not have a license, the Construction Industry Licensing Board and Department of Business and Professional Regulation may be unable to assist you with any financial loss that you sustain as a result of a complaint. Your only remedy against an unlicensed contractor may be in civil court. It is also important for you to understand that, if an unlicensed contractor or employee of an individual or firm is injured while working on your property, you may be held liable for damages. If you obtain an owner-builder permit and wish to hire a licensed contractor, you will be responsible for verifying whether the contractor is properly licensed and the status of the contractor's workers' compensation coverage.

Before a building permit can be issued, this disclosure statement must be completed and signed by the property owner and returned to the local permitting agency responsible for issuing the permit. A copy of the property owner's driver license, the notarized signature of the property

owner, or other type of verification acceptable to the local permitting agency is required when the permit is issued.

Signature: ...(signature of property owner)....

Date: ...(date)....

Section 4. Subsection (6) of section 489.503, Florida Statutes, is amended to read:

489.503 Exemptions.—This part does not apply to:

(6)(a) An owner of property making application for permit, supervising, and doing the work in connection with the construction, maintenance, repair, and alteration of and addition to a single-family or duplex residence for his or her own use and occupancy and not intended for sale or an owner of property when acting as his or her own electrical contractor and providing all material supervision himself or herself, when building or improving a farm outbuilding or a single-family or duplex residence on such property for the occupancy or use of such owner and not offered for sale or lease, or building or improving a commercial building with aggregate construction costs of under \$75,000 on such property for the occupancy or use of such owner and not offered for sale or lease. In an action brought under this subsection, proof of the sale or lease, or offering for sale or lease, of more than one such structure by the owner-builder within 1 year after completion of same is prima facie evidence that the construction was undertaken for purposes of sale or lease.

(b) An owner of property completing the requirements of a building permit, where the contractor listed on the permit substantially completed the project as determined by the local permitting agency, for a one-family or two family residence, townhome, accessory structure of a one-family or two-family residence or townhome or individual residential condominium unit or cooperative unit. Prior to the owner qualifying for the exemption, the owner must receive approval from the local permitting agency, and the local permitting agency must determine that the contractor substantially completed the project. An owner who qualifies for the exemption under this paragraph is not required to occupy the dwelling or unit for at least 1 year after the completion of the project.

(c) This subsection does not exempt any person who is employed by such owner and who acts in the capacity of a contractor. For the purpose of this subsection, the term “owner of property” includes the owner of a mobile home situated on a leased lot. To qualify for exemption under this subsection, an owner shall personally appear and sign the building permit application and must satisfy local permitting agency requirements, if any, proving that the owner has a complete understanding of the owner’s obligations under the law as specified in the disclosure statement in this section. If any person violates the requirements of this subsection, the local

permitting agency shall withhold final approval, revoke the permit, or pursue any action or remedy for unlicensed activity against the owner and any person performing work that requires licensure under the permit issued. The local permitting agency shall provide the owner with a disclosure statement in substantially the following form:

Disclosure Statement

State law requires electrical contracting to be done by licensed electrical contractors. You have applied for a permit under an exemption to that law. The exemption allows you, as the owner of your property, to act as your own electrical contractor even though you do not have a license. You may install electrical wiring for a farm outbuilding or a single-family or duplex residence. You may install electrical wiring in a commercial building the aggregate construction costs of which are under \$75,000. The home or building must be for your own use and occupancy. It may not be built for sale or lease, unless you are completing the requirements of a building permit where the contractor listed on the permit substantially completed the project. If you sell or lease more than one building you have wired yourself within 1 year after the construction is complete, the law will presume that you built it for sale or lease, which is a violation of this exemption. You may not hire an unlicensed person as your electrical contractor. Your construction shall be done according to building codes and zoning regulations. It is your responsibility to make sure that people employed by you have licenses required by state law and by county or municipal licensing ordinances.

Section 5. Present subsections (15) through (20) of section 553.79, Florida Statutes, are redesignated as subsections (17) through (22), respectively, new subsections (15) and (16) are added to that section, and paragraph (c) is added to subsection (1) of that section, to read:

553.79 Permits; applications; issuance; inspections.—

(1)

(c) A local government that issues building permits may send a written notice of expiration, by e-mail or United States Postal Service, to the owner of the property and the contractor listed on the permit, no less than 30 days before a building permit is set to expire. The written notice must identify the permit that is set to expire and the date the permit will expire.

(15)(a) A property owner, regardless of whether the property owner is the one listed on the application for the building permit, may close a building permit by complying with the following requirements:

1. The property owner may retain the original contractor listed on the permit or hire a different contractor appropriately licensed in this state to perform the work necessary to satisfy the conditions of the permit and to

obtain any necessary inspections in order to close the permit. If a contractor other than the original contractor listed on the permit is hired by the property owner to close the permit, such contractor is not liable for any defects in the work performed by the original contractor and is only liable for the work that he or she performs.

2. The property owner may assume the role of an owner-builder, in accordance with ss. 489.103(7) and 489.503(6).

3. For purposes of this section, the term “close” means that the requirements of the permit have been satisfied.

(b) If a building permit is expired and its requirements have been substantially completed, as determined by the local enforcement agency, the permit may be closed without having to obtain a new building permit, and the work required to close the permit may be done pursuant to the building code in effect at the time the local enforcement agency received the application for the permit, unless the contractor has sought and received approval from the local enforcement agency for an alternative material, design, or method of construction.

(c) A local enforcement agency may close a building permit 6 years after the issuance of the permit, even in the absence of a final inspection, if the local enforcement agency determines that no apparent safety hazards exist.

(16)(a) A local enforcement agency may not deny issuance of a building permit to, issue a notice of violation to, or fine, penalize, sanction, or assess fees against an arms-length purchaser of a property for value solely because a building permit was applied for by a previous owner of the property was not closed. The local enforcement agency shall maintain all rights and remedies against the property owner and contractor listed on the permit.

(b) The local enforcement agency may not deny issuance of a building permit to a contractor solely because the contractor is listed on other building permits that were not closed.

Section 6. Effective July 1, 2020, paragraphs (a) and (c) of subsection (7) of section 553.73, Florida Statutes, are amended to read:

553.73 Florida Building Code.—

(7)(a) The commission shall adopt an updated Florida Building Code every 3 years through review of the most current updates of the International Building Code, the International Fuel Gas Code, International Existing Building Code, the International Mechanical Code, the International Plumbing Code, and the International Residential Code, all of which are copyrighted and published by the International Code Council, and the National Electrical Code, which is copyrighted and published by the National Fire Protection Association. At a minimum, the commission shall adopt any updates to such codes or any other code necessary to maintain eligibility for federal funding and discounts from the National

Flood Insurance Program, the Federal Emergency Management Agency, and the United States Department of Housing and Urban Development. The commission shall also review and adopt updates based on the International Energy Conservation Code (IECC); however, the commission shall maintain the efficiencies of the Florida Energy Efficiency Code for Building Construction adopted and amended pursuant to s. 553.901. Every 3 years, the commission may approve updates to the Florida Building Code without a finding that the updates are needed in order to accommodate the specific needs of this state. The commission shall adopt updated codes by rule.

(c) The commission may also adopt as a technical amendment to the Florida Building Code any portion of the codes identified in paragraph (a), but only as needed to accommodate the specific needs of this state. Standards or criteria adopted from these codes shall be incorporated by reference to the specific provisions adopted. If a referenced standard or criterion requires amplification or modification to be appropriate for use in this state, only the amplification or modification shall be set forth in the Florida Building Code. The commission may approve technical amendments to the updated Florida Building Code after the amendments have been subject to the conditions set forth in paragraphs (3)(a)-(d). Amendments that are adopted in accordance with this subsection shall be clearly marked in printed versions of the Florida Building Code so that the fact that the provisions are amendments is readily apparent.

Section 7. Subsection (7) of section 553.80, Florida Statutes, is amended to read:

553.80 Enforcement.—

(7) The governing bodies of local governments may provide a schedule of reasonable fees, as authorized by s. 125.56(2) or s. 166.222 and this section, for enforcing this part. These fees, and any fines or investment earnings related to the fees, shall be used solely for carrying out the local government's responsibilities in enforcing the Florida Building Code. When providing a schedule of reasonable fees, the total estimated annual revenue derived from fees, and the fines and investment earnings related to the fees, may not exceed the total estimated annual costs of allowable activities. Any unexpended balances shall be carried forward to future years for allowable activities or shall be refunded at the discretion of the local government. A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous 4 fiscal years. For purposes of this subsection, the term "operating budget" does not include reserve amounts. Any amount exceeding this limit must be used as authorized in subparagraph (a)2. However, a local government which established, as of January 1, 2019, a Building Inspections Fund Advisory Board consisting of five members from the construction stakeholder community and carries an unexpended balance in excess of the average of its operating budget for the previous 4 fiscal years may continue to carry such excess funds forward upon the recommendation of the advisory board. The basis for a fee structure for allowable activities

shall relate to the level of service provided by the local government and shall include consideration for refunding fees due to reduced services based on services provided as prescribed by s. 553.791, but not provided by the local government. Fees charged shall be consistently applied.

(a)1. As used in this subsection, the phrase “enforcing the Florida Building Code” includes the direct costs and reasonable indirect costs associated with review of building plans, building inspections, reinspections, and building permit processing; building code enforcement; and fire inspections associated with new construction. The phrase may also include training costs associated with the enforcement of the Florida Building Code and enforcement action pertaining to unlicensed contractor activity to the extent not funded by other user fees.

2. A local government must use any excess funds that it is prohibited from carrying forward to rebate and reduce fees.

(b) The following activities may not be funded with fees adopted for enforcing the Florida Building Code:

1. Planning and zoning or other general government activities.
2. Inspections of public buildings for a reduced fee or no fee.
3. Public information requests, community functions, boards, and any program not directly related to enforcement of the Florida Building Code.
4. Enforcement and implementation of any other local ordinance, excluding validly adopted local amendments to the Florida Building Code and excluding any local ordinance directly related to enforcing the Florida Building Code as defined in paragraph (a).

(c) A local government shall use recognized management, accounting, and oversight practices to ensure that fees, fines, and investment earnings generated under this subsection are maintained and allocated or used solely for the purposes described in paragraph (a).

(d) The local enforcement agency, independent district, or special district may not require at any time, including at the time of application for a permit, the payment of any additional fees, charges, or expenses associated with:

1. Providing proof of licensure pursuant to chapter 489;
2. Recording or filing a license issued pursuant to this chapter; ~~or~~
3. Providing, recording, or filing evidence of workers’ compensation insurance coverage as required by chapter 440; or
4. Charging surcharges or other similar fees not directly related to enforcing the Florida Building Code.

(e) The governing body of a local government that issues building permits may charge a person only one search fee, in an amount commensurate with the research and time costs incurred by the governing body, for identifying building permits for each unit or subunit assigned by the governing body to a particular tax parcel identification number.

Section 8. Paragraph (d) is added to subsection (1) of section 558.004, Florida Statutes, to read:

558.004 Notice and opportunity to repair.—

(1)

(d) A notice of claim served pursuant to this chapter shall not toll any statute of repose period under chapter 95.

Section 9. Section 440.103, Florida Statutes, is amended to read:

440.103 Building permits; identification of minimum premium policy. Every employer shall, as a condition to applying for and receiving a building permit, show proof and certify to the permit issuer that it has secured compensation for its employees under this chapter as provided in ss. 440.10 and 440.38. Such proof of compensation must be evidenced by a certificate of coverage issued by the carrier, a valid exemption certificate approved by the department, or a copy of the employer’s authority to self-insure and shall be presented, electronically or physically, each time the employer applies for a building permit. As provided in s. 553.79(20) ~~s. 553.79(19)~~, for the purpose of inspection and record retention, site plans or building permits may be maintained at the worksite in the original form or in the form of an electronic copy. These plans and permits must be open to inspection by the building official or a duly authorized representative, as required by the Florida Building Code. As provided in s. 627.413(5), each certificate of coverage must show, on its face, whether or not coverage is secured under the minimum premium provisions of rules adopted by rating organizations licensed pursuant to s. 627.221. The words “minimum premium policy” or equivalent language shall be typed, printed, stamped, or legibly handwritten.

Section 10. Except as otherwise expressly provided in this act, this act shall take effect July 1, 2019.

Approved by the Governor June 7, 2019.

Filed in Office Secretary of State June 7, 2019.