By the Committee on Regulated Industries and Senator Clary

315-1857-99

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1 A bill to be entitled 2 An act relating to contracting; amending ss. 489.117 and 489.513, F.S.; requiring the 3 4 Construction Industry Licensing Board and the 5 Electrical Contractors' Licensing Board to 6 establish the job scope for any licensure 7 category registered by the respective board, for purposes of local uniformity; creating ss. 8 9 489.118 and 489.514, F.S.; providing 10 requirements for certification of registered 11 contractors for grandfathering purposes; 12 requiring a study to determine the fiscal impact on local governments of a single-tier 13 regulatory system for construction and 14 electrical and alarm system contractors; 15 requiring a report; amending s. 205.065, F.S.; 16 17 providing for recovery of attorney's fees for a prevailing party in any action brought by a 18 19 contractor challenging an unlawful occupational 20 license levy; providing effective dates. 21 22 Be It Enacted by the Legislature of the State of Florida: 23 24 Section 1. Subsection (5) is added to section 489.117, 25 Florida Statutes, 1998 Supplement, to read: 26 489.117 Registration; specialty contractors.--27 (5) In order to establish uniformity among the job scopes established by local jurisdictions, the board shall 28 29 establish the job scope for any licensure category registered 30 by the board under this part. The board shall not arbitrarily

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30 31 489.105(3)(a)-(p).

the minimum extent necessary to ensure uniformity. 2 3 Section 2. Subsection (8) is added to section 489.513, Florida Statutes, 1998 Supplement, to read: 4 5 489.513 Registration; application; requirements.--6 (8) In order to establish uniformity among the job 7 scopes established by local jurisdictions, the board shall 8 establish the job scope for any licensure category registered by the board under this part. The board shall not arbitrarily 9 10 limit such scopes and shall restrict the job scopes only to 11 the minimum extent necessary to ensure uniformity. Section 3. Section 489.118, Florida Statutes, is 12 13 created to read: 489.118 Certification of registered contractors; 14 grandfathering provisions. -- The board shall, upon receipt of a 15 completed application and appropriate fee, issue a certificate 16 17 in the appropriate category to any contractor registered under this part who makes application to the board and can show that 18 19 he or she meets each of the following requirements: 20 (1) Currently holds a valid registered local license in one of the contractor categories defined in s. 21

limit such scopes and shall restrict the job scopes only to

(2) Has, for that category, passed a written examination that the board finds to be substantially similar to the examination required to be licensed as a certified contractor under this part. For purposes of this subsection, a written, proctored examination such as that produced by the National Assessment Institute, Block and Associates, or NAI/Block shall be considered to be substantially similar to the examination required to be licensed as a certified contractor.

- in that contracting category, or as an inspector or building administrator with oversight over that category, at the time of application. For contractors, only time periods in which the contractor license is active and the contractor is not on probation shall count toward the 5 years required by this subsection.
- (4) Has not had his or her contractor's license revoked at any time, had his or her contractor's license suspended within the last 5 years, or been assessed a fine in excess of \$500 within the last 5 years.
- (5) Is in compliance with the insurance and financial responsibility requirements in s. 489.115(5).

Section 4. Section 489.514, Florida Statutes, is created to read:

489.514 Certification for registered contractors; grandfathering provisions.—The board shall, upon receipt of a completed application and appropriate fee, issue a certification in the appropriate category to any contractor registered under this part who makes application to the board and can show that he or she meets each of the following requirements:

- (1) Currently holds a valid registered local license in the category of electrical or alarm system contractor.
- (2) Has, for that category, passed a written examination that the board finds to be substantially similar to the examination required to be licensed as a certified contractor under this part. For purposes of this subsection, a written, proctored examination such as that produced by the National Assessment Institute, Block and Associates, or NAI/Block shall be considered to be substantially similar to

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the examination required to be licensed as a certified contractor.

- (3) Has at least 5 years of experience as a contractor in that contracting category, or as a inspector or building administrator with oversight over that category, at the time of application. For contractors, only time periods in which the contractor license is active and the contractor is not on probation shall count toward the 5 years required under this subsection.
- (4) Has not had his or her contractor's license revoked at any time, had his or her contractor's license suspended in the last 5 years, or been assessed a fine in excess of \$500 in the last 5 years.
- (5) Is in compliance with the insurance and financial responsibility requirements in s. 489.515(1)(b).

Section 5. (1) The Legislative Committee on
Intergovernmental Relations, in consultation with the Office
of Program Policy Analysis and Government Accountability,
shall conduct a study to determine the fiscal impact on local
governments of instituting a single-tier regulatory system for
construction and electrical and alarm system contractors in
Florida. Such a system would be established by prohibiting, on
a date certain, issuance of new local licenses in any category
set forth in section 489.105(3)(a)-(p), Florida Statutes, 1998
Supplement, or in the category of electrical or alarm system
contracting, while allowing existing locally licensed
construction and electrical and alarm system contractors the
option of continuing and concluding their careers as locally
licensed, registered contractors.

(2)(a) The study required by this section shall

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- 1. A survey of local governments to identify the licensing revenues and associated expenditures by those jurisdictions that issue local construction and electrical and alarm system contractor licenses.
- 2. An analysis of the projected impact upon the licensure and disciplinary departments of such jurisdictions caused by ending local construction and electrical and alarm system contractor licensure.
- 3. An analysis of the extent to which revenues raised from licensees are being used to fund activities other than the discipline of such licensees.
- (b) After the revenue and expenditure information for all local jurisdictions that issue construction and electrical and alarm system contractor licenses has been gathered under subparagraph (a)1., the analysis portions of the study under subparagraphs (a)2. and 3. may be limited to the 10 most active jurisdictions.
- (3) A report on the findings of the study, including the results of the survey and analyses required, shall be presented to the chairs of the appropriate substantive committees of the Legislature by December 1, 1999.
- (4) This section shall take effect upon this act becoming a law.

Section 6. Section 205.065, Florida Statutes, is amended to read:

205.065 Exemption; nonresident persons regulated by the Department of Business and Professional Regulation .-- If any person engaging in or managing a business, profession, or occupation regulated by the Department of Business and Professional Regulation has paid an occupational license tax 31 | for the current year to the county or municipality in the

state where the person's permanent business location or branch 2 office is maintained, no other local governing authority may 3 levy an occupational license tax, or any registration or 4 regulatory fee equivalent to the occupational license tax, on 5 the person for performing work or services on a temporary or 6 transitory basis in another municipality or county. In no 7 event shall any work or services performed in a place other than the county or municipality where the permanent business 8 9 location or branch office is maintained be construed as 10 creating a separate business location or branch office of that person for the purposes of this chapter. Any properly licensed 11 contractor asserting an exemption under this section who is 12 unlawfully required by the local governing authority to pay an 13 14 occupational license tax, or any registration or regulatory 15 fee equivalent to the occupational license tax, shall have standing to challenge the propriety of the local government's 16 17 actions, and the prevailing party in such a challenge is 18 entitled to recover a reasonable attorney's fee. 19 Section 7. Except as otherwise provided in this act, this act shall take effect July 1, 1999. 20 21 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR $\underline{\text{SB } 2268}$ 22 23 24 Deletes the prohibition against issuing new local licenses to construction contractors and electrical contractors by local jurisdictions after July 1, 1999. 25 26 Provides standing to properly licensed contractors to legally challenge any local governing authority's unlawful levy of an occupational license tax, arising from an improper rejection of the contractor's claim of an exemption under s. 205.065, F.S., and provides that the prevailing party in such a challenge is awarded attorney's fees. 27 28 29