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## CHAMBER ACTION

1 The Commerce Council recommends the following: 2 3 Council/Committee Substitute Remove the entire bill and insert: 4 5 A bill to be entitled 6 An act relating to alternative plans review and 7 inspection; amending s. 553.791, F.S.; clarifying a 8 definition; expanding authorization to use private 9 providers to provide building code inspection services; 10 including fee owner contractors within such authorization; 11 revising notice requirements for using private providers; 12 revising procedures for issuing permits; providing requirements for representatives of private providers; 13 14 providing for waiver of certain inspection records requirements under certain circumstances; requiring 15 16 issuance of stop-work orders to be pursuant to law; 17 providing for establishment of a registration system for 18 private providers and authorized representatives of 19 private providers for licensure compliance purposes; 20 preserving authority to issue emergency stop-work orders; 21 revising insurance requirements for private providers; 22 providing a definition; authorizing performance audits by 23 local building code enforcement agencies of private Page 1 of 11

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CS 24 providers; specifying conditions for proceeding with 25 building work; amending s. 468.621, F.S.; revising a 26 ground for taking certain disciplinary actions and 27 providing an additional ground; providing an effective 28 date. 29 Be It Enacted by the Legislature of the State of Florida: 30 31 Section 1. Paragraph (f) of subsection (1), subsections 32 33 (2) and (4), paragraph (a) of subsection (6), and subsections 34 (7), (9), (11), (12), (14), (15), and (17) of section 553.791, Florida Statutes, are amended to read: 35 553.791 Alternative plans review and inspection.--36 37 As used in this section, the term: (1) "Permit application" means a properly completed and 38 (f) 39 submitted application for+ 40 1. the requested building or construction permit, 41 including:-42 1.2. The plans reviewed by the private provider. 43 2.3. The affidavit from the private provider required pursuant to subsection (5). 44 45 3.4. Any applicable fees. 4.5. Any documents required by the local building official 46 47 to determine that the fee owner has secured all other government 48 approvals required by law. 49 (2) Notwithstanding any other provision of law or local 50 government ordinance or local policy, the fee owner of a 51 building or structure, or the fee owner's contractor upon Page 2 of 11

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52 written authorization from the fee owner, may choose to use a 53 private provider to provide building code inspection services 54 with regard to such building or structure and may make payment 55 directly to the private provider for the provision of such 56 services. All such services shall be the subject of a written 57 contract between the private provider, or the private provider's firm, and the fee owner. The fee owner may elect to use a 58 59 private provider to provide either plans review or required building inspections, or both. However, if the fee owner or the 60 61 fee owner's contractor uses a private provider to provide plans 62 review, the local building official, in his or her discretion 63 and pursuant to duly adopted policies of the local enforcement 64 agency, may require the fee owner or the fee owner's contractor who desires to use a private provider to use the private 65 66 provider to also provide both plans review and required building 67 inspections inspection services.

68 (4) A fee owner or the fee owner's contractor using a private provider to provide building code inspection services 69 70 shall notify the local building official at the time of permit 71 application, or no less than 7 business days prior to the first scheduled inspection by the local building official or building 72 73 code enforcement agency for a private provider performing required inspections of construction under this section, on a 74 75 form to be adopted by the commission. This notice shall include the following information: 76

(a) The services to be performed by the private provider.
(b) The name, firm, address, telephone number, and
facsimile number of each private provider who is performing or Page 3 of 11

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80 will perform such services, his or her professional license or 81 certification number, qualification statements or resumes, and, 82 if required by the local building official, a certificate of 83 insurance demonstrating that professional liability insurance 84 coverage is in place for the private provider's firm, the 85 private provider, and any duly authorized representative in the 86 amounts required by this section.

87 (c) An acknowledgment from the fee owner in substantially88 the following form:

90 I have elected to use one or more private providers to provide 91 building code plans review and/or inspection services on the 92 building or structure that is the subject of the enclosed permit 93 application, as authorized by s. 553.791, Florida Statutes. I understand that the local building official may not review the 94 95 plans submitted or perform the required building inspections to 96 determine compliance with the applicable codes, except to the extent specified in said law. Instead, plans review and/or 97 98 required building inspections will be performed by licensed or certified personnel identified in the application. The law 99 100 requires minimum insurance requirements for such personnel, but 101 I understand that I may require more insurance to protect my interests. By executing this form, I acknowledge that I have 102 103 made inquiry regarding the competence of the licensed or certified personnel and the level of their insurance and am 104 satisfied that my interests are adequately protected. I agree to 105 106 indemnify, defend, and hold harmless the local government, the 107 local building official, and their building code enforcement Page 4 of 11

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108 personnel from any and all claims arising from my use of these 109 licensed or certified personnel to perform building code 110 inspection services with respect to the building <u>or structure</u> 111 that is the subject of the enclosed permit application.

113 If the fee owner or the fee owner's contractor makes any changes 114 to the listed private providers or the services to be provided by those private providers, the fee owner or the fee owner's 115 116 contractor shall, within 1 business day after any change, update 117 the notice to reflect such changes. In addition, the fee owner 118 or the fee owner's contractor shall post at the project site, 119 prior to the commencement of construction and updated within 1 120 business day after any change, on a form to be adopted by the 121 commission, the name, firm, address, telephone number, and 122 facsimile number of each private provider who is performing or 123 will perform building code inspection services, the type of service being performed, and similar information for the primary 124 125 contact of the private provider on the project.

126 (6)(a) No more than Within 30 business days after receipt 127 of a permit application and the affidavit from the private 128 provider required pursuant to subsection (5), the local building 129 official shall issue the requested permit or provide a written notice to the permit applicant identifying the specific plan 130 131 features that do not comply with the applicable codes, as well as the specific code chapters and sections. If the local 132 building official does not provide a written notice of the plan 133 134 deficiencies within the prescribed 30-day period, the permit 135 application shall be deemed approved as a matter of law, and the Page 5 of 11

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136 permit shall be issued by the local building official on the 137 next business day.

(7) A private provider performing required inspections 138 139 under this section shall inspect each phase of construction as 140 required by the applicable codes. The private provider shall be 141 permitted to send a duly authorized representative to the building site to perform the required inspections, provided all 142 required reports and certifications are prepared by and bear the 143 144 signature of the private provider. The duly authorized 145 representative must be an employee of the private provider 146 entitled to receive unemployment compensation benefits under chapter 443. The contractor's contractual or legal obligations 147 148 are not relieved by any action of the private provider.

(9) Upon completing the required inspections at each 149 applicable phase of construction, the private provider shall 150 151 record such inspections on a form acceptable to the local building official. These inspection records shall reflect those 152 153 inspections required by the applicable codes of each phase of 154 construction for which permitting by a local enforcement agency 155 is required. The private provider, before leaving the project 156 site, shall post each completed inspection record, indicating 157 pass or fail, at the site and provide the record to the local 158 building official within 2 business days. The local building official may waive the requirement to provide a record of each 159 160 inspection within 2 business days if the record is posted at the 161 project site and all such inspection records are submitted with 162 the certificate of compliance. Records of all required and 163 completed inspections shall be maintained at the building site Page 6 of 11

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164 at all times and made available for review by the local building 165 official. The private provider shall report to the local 166 enforcement agency any condition that poses an immediate threat 167 to public safety and welfare.

168 No more than Within 2 business days after receipt of (11)169 a request for a certificate of occupancy or certificate of completion and the applicant's presentation of a certificate of 170 171 compliance and approval of all other government approvals required by law, the local building official shall issue the 172 173 certificate of occupancy or certificate of completion or provide 174 a notice to the applicant identifying the specific deficiencies, 175 as well as the specific code chapters and sections. If the local 176 building official does not provide notice of the deficiencies 177 within the prescribed 2-day period, the request for a 178 certificate of occupancy or certificate of completion shall be 179 deemed granted and the certificate of occupancy or certificate 180 of completion shall be issued by the local building official on the next business day. To resolve any identified deficiencies, 181 182 the applicant may elect to dispute the deficiencies pursuant to subsection (12) or to submit a corrected request for a 183 certificate of occupancy or certificate of completion. 184

(12) If the local building official determines that the building construction or plans do not comply with the applicable codes, the official may deny the permit or request for a certificate of occupancy or certificate of completion, as appropriate, or may issue a stop-work order for the project or any portion thereof as provided by law, if the official

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191 determines that such noncompliance poses a threat to public 192 safety and welfare, subject to the following:

(a) The local building official shall be available to meet with the private provider within 2 business days to resolve any dispute after issuing a stop-work order or providing notice to the applicant denying a permit or request for a certificate of occupancy or certificate of completion.

If the local building official and private provider 198 (b) 199 are unable to resolve the dispute, the matter shall be referred 200 to the local enforcement agency's board of appeals, if one 201 exists, which shall consider the matter at its next scheduled 202 meeting or sooner. Any decisions by the local enforcement 203 agency's board of appeals, or local building official if there 204 is no board of appeals, may be appealed to the commission as 205 provided by this chapter pursuant to s. 553.77(1)(h).

206 Notwithstanding any provision of this section, any (C) 207 decisions regarding the issuance of a building permit, certificate of occupancy, or certificate of completion may be 208 209 reviewed by the local enforcement agency's board of appeals, if one exists. Any decision by the local enforcement agency's board 210 of appeals, or local building official if there is no board of 211 212 appeals, may be appealed to the commission as provided by this chapter <del>pursuant to s. 553.77(1)(h)</del>, which shall consider the 213 matter at the commission's next scheduled meeting. 214

(14)(a) No local enforcement agency, local building official, or local government may adopt or enforce any laws, rules, procedures, <u>policies, qualifications</u>, or standards more stringent than those prescribed by this section. Page 8 of 11

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219 (b) A local enforcement agency, local building official, or local government may establish, for private providers and 220 duly authorized representatives working within that 221 222 jurisdiction, a system of registration to verify compliance with 223 the licensure requirements of paragraph (1)(g) and the insurance 224 requirements of subsection (15). 225 (c) Nothing in this section limits the authority of the 226 local building official to issue a stop-work order for a 227 building project or any portion of such order, as provided by 228 law, if the official determines that a condition on the building 229 site constitutes an immediate threat to public safety and 230 welfare. 231 A private provider may perform building code (15)232 inspection services on a building project under this section 233 only if the private provider maintains insurance for 234 professional and comprehensive general liability covering with 235 minimum policy limits of \$1 million per occurrence relating to 236 all services performed as a private provider. Such insurance 237 shall have minimum policy limits of \$1 million per occurrence and \$2 million in the aggregate for any project with a 238 239 construction cost of \$5 million or less and \$2 million per 240 occurrence and \$4 million in the aggregate for any project with a construction cost of over \$5 million. Nothing in this section 241 242 limits the ability of a fee owner to require additional 243 insurance or higher policy limits. For these purposes, the term 244 "construction cost" means the total cost of building 245 construction as stated in the building permit application. If 246 the private provider chooses to secure claims-made coverage to Page 9 of 11

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247 fulfill this requirement, the private provider must also 248 maintain, including tail coverage for a minimum of 5 years 249 subsequent to the performance of building code inspection 250 services. The insurance required under this subsection shall be 251 written only by insurers authorized to do business in this state with a minimum A.M. Best's rating of A. Before providing 252 253 building code inspection services within a local building official's jurisdiction, a private provider must provide to the 254 255 local building official a certificate of insurance evidencing 256 that the coverages required under this subsection are in force. 257 (17) Each local building code enforcement agency may shall 258 develop and maintain a process to audit the performance of 259 building code inspection services by private providers operating 260 within the local jurisdiction. Work on a building or structure may proceed after inspection and approval by a private provider 261 262 if the provider has given notice of the inspection pursuant to 263 subsection (8) and, subsequent to such inspection and approval, 264 the work may not be delayed for completion of an inspection 265 audit by the local building code enforcement agency. 266 Section 2. Paragraph (i) of subsection (1) of section 267 468.621, Florida Statutes, is amended, and paragraph (j) is 268 added to said subsection, to read: 269 468.621 Disciplinary proceedings.--270 (1)The following acts constitute grounds for which the 271 disciplinary actions in subsection (2) may be taken: 272 Failing to lawfully execute the duties and (i) 273 responsibilities specified in this part and ss. 553.73, 553.781, 274 and 553.79, and 553.791. Page 10 of 11

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275	(j) Violating or failing to comply with a valid rule or
276	lawful order of the Florida Building Commission adopted pursuant
277	to part IV of chapter 553.

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Section 3. This act shall take effect October 1, 2005.