1 A bill to be entitled 2 An act relating to contracting exemptions; amending ss. 489.103 and 489.503, F.S.; revising exemptions for certain 3 owners of property from certain contracting provisions; 4 5 increasing maximum construction costs allowed for 6 exemption; requiring owners of property to satisfy certain local permitting agency requirements; providing for 7 penalties; providing an exemption for owners of property 8 9 damaged by certain natural causes; providing an effective 10 date. 11 12 Be It Enacted by the Legislature of the State of Florida: 13 14 Section 1. Subsection (7) of section 489.103, Florida Statutes, is amended to read: 15 Exemptions.--This part does not apply to: 16 489.103 17 Owners of property when acting as their own contractor (7)and providing direct, onsite supervision themselves of all work 18 19 not performed by licensed contractors: -When building or improving farm outbuildings or one-20 (a) 21 family or two-family residences on such property for the occupancy or use of such owners and not offered for sale or 22 lease, or building or improving commercial buildings, at a cost 23 not to exceed $$75,000 \frac{$25,000}{$000}$, on such property for the 24 occupancy or use of such owners and not offered for sale or 25 26 lease. In an action brought under this part, proof of the sale or lease, or offering for sale or lease, of any such structure 27

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28 by the owner-builder within 1 year after completion of same 29 creates a presumption that the construction was undertaken for purposes of sale or lease. 30 When repairing or replacing wood shakes or asphalt or 31 (b) fiberglass shingles on one-family, two-family, or three-family 32 33 residences for the occupancy or use of such owner or tenant of the owner and not offered for sale within 1 year after 34 completion of the work and when the property has been damaged by 35 natural causes from an event recognized as an emergency 36 situation designated by executive order issued by the Governor 37 declaring the existence of a state of emergency as a result and 38 consequence of a serious threat posed to the public health, 39 40 safety, and property in this state. 41 This subsection does not exempt any person who is employed by or 42 43 has a contract with such owner and who acts in the capacity of a 44 contractor. The owner may not delegate the owner's responsibility to directly supervise all work to any other 45 46 person unless that person is registered or certified under this 47 part and the work being performed is within the scope of that 48 person's license. For the purposes of this subsection, the term "owners of property" includes the owner of a mobile home 49 50 situated on a leased lot. To qualify for exemption under this subsection, an owner must personally appear and sign the 51 building permit application and must satisfy local permitting 52 53 agency requirements, if any, proving that the owner has a complete understanding of the owner's obligations under the law 54

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55	as specified in the disclosure statement in this section. If any
56	person violates the requirements of this subsection, the local
57	permitting agency shall withhold final approval, revoke the
58	permit, or pursue any action or remedy for unlicensed activity
59	against the owner and any person performing work that requires
60	licensure under the permit issued. The local permitting agency
61	shall provide the person with a disclosure statement in
62	substantially the following form:
63	
64	Disclosure Statement
65	
66	State law requires construction to be done by licensed
67	contractors. You have applied for a permit under an exemption to
68	that law. The exemption allows you, as the owner of your
69	property, to act as your own contractor with certain
70	restrictions even though you do not have a license. You must
71	provide direct, onsite supervision of the construction yourself.
72	You may build or improve a one-family or two-family residence or
73	a farm outbuilding. You may also build or improve a commercial
74	building, provided your costs do not exceed $\$75,000$ $\$25,000$. The
75	building or residence must be for your own use or occupancy. It
76	may not be built or substantially improved for sale or lease. If
77	you sell or lease a building you have built or substantially
78	improved yourself within 1 year after the construction is
79	complete, the law will presume that you built or substantially
80	improved it for sale or lease, which is a violation of this
81	exemption. You may not hire an unlicensed person to act as your

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82 contractor or to supervise people working on your building. It 83 is your responsibility to make sure that people employed by you have licenses required by state law and by county or municipal 84 85 licensing ordinances. You may not delegate the responsibility for supervising work to a licensed contractor who is not 86 87 licensed to perform the work being done. Any person working on your building who is not licensed must work under your direct 88 supervision and must be employed by you, which means that you 89 90 must deduct F.I.C.A. and withholding tax and provide workers' compensation for that employee, all as prescribed by law. Your 91 construction must comply with all applicable laws, ordinances, 92 building codes, and zoning regulations. 93

94 Section 2. Subsection (6) of section 489.503, Florida95 Statutes, is amended to read:

96

489.503 Exemptions. -- This part does not apply to:

97 (6) An owner of property making application for permit, supervising, and doing the work in connection with the 98 construction, maintenance, repair, and alteration of and 99 100 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 101 102 property when acting as his or her own electrical contractor and providing all material supervision himself or herself, when 103 104 building or improving a farm outbuilding or a single-family or 105 duplex residence on such property for the occupancy or use of such owner and not offered for sale or lease, or building or 106 107 improving a commercial building with aggregate construction costs of under $$75,000 \frac{$25,000}{$25,000}$ on such property for the 108

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109 occupancy or use of such owner and not offered for sale or 110 lease. In an action brought under this subsection, proof of the sale or lease, or offering for sale or lease, of more than one 111 such structure by the owner-builder within 1 year after 112 completion of same is prima facie evidence that the construction 113 114 was undertaken for purposes of sale or lease. This subsection does not exempt any person who is employed by such owner and who 115 acts in the capacity of a contractor. For the purpose of this 116 117 subsection, the term "owner of property" includes the owner of a mobile home situated on a leased lot. To qualify for exemption 118 119 under this subsection, an owner shall personally appear and sign 120 the building permit application and must satisfy local 121 permitting agency requirements, if any, proving that the owner 122 has a complete understanding of the owner's obligations under 123 the law as specified in the disclosure statement in this section. If any person violates the requirements of this 124 125 subsection, the local permitting agency shall withhold final approval, revoke the permit, or pursue any action or remedy for 126 127 unlicensed activity against the owner and any person performing 128 work that requires licensure under the permit issued. The local 129 permitting agency shall provide the owner with a disclosure statement in substantially the following form: 130 131

Disclosure Statement

134State law requires electrical contracting to be done by135licensed electrical contractors. You have applied for a permit

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136 under an exemption to that law. The exemption allows you, as the 137 owner of your property, to act as your own electrical contractor 138 even though you do not have a license. You may install electrical wiring for a farm outbuilding or a single-family or 139 duplex residence. You may install electrical wiring in a 140 141 commercial building the aggregate construction costs of which are under \$75,000 \$25,000. The home or building must be for your 142 143 own use and occupancy. It may not be built for sale or lease. If 144 you sell or lease more than one building you have wired yourself within 1 year after the construction is complete, the law will 145 146 presume that you built it for sale or lease, which is a 147 violation of this exemption. You may not hire an unlicensed 148 person as your electrical contractor. Your construction shall be 149 done according to building codes and zoning regulations. It is 150 your responsibility to make sure that people employed by you 151 have licenses required by state law and by county or municipal 152 licensing ordinances.

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Section 3. This act shall take effect July 1, 2006.

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