

ENROLLED
HB 1367, Engrossed 1

2006 Legislature

1 A bill to be entitled
2 An act relating to contracting exemptions; amending ss.
3 489.103 and 489.503, F.S.; revising exemptions for certain
4 owners of property from certain contracting provisions;
5 increasing maximum construction costs allowed for
6 exemption; requiring owners of property to satisfy certain
7 local permitting agency requirements; providing for
8 penalties; providing an exemption for owners of property
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
15 Statutes, is amended to read:

16 489.103 Exemptions.--This part does not apply to:

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

20 (a) When building or improving farm outbuildings or one-
21 family or two-family residences on such property for the
22 occupancy or use of such owners and not offered for sale or
23 lease, or building or improving commercial buildings, at a cost
24 not to exceed \$75,000 ~~\$25,000~~, on such property for the
25 occupancy or use of such owners and not offered for sale or
26 lease. In an action brought under this part, proof of the sale
27 or lease, or offering for sale or lease, of any such structure

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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
30 | purposes of sale or lease.

31 | (b) When repairing or replacing wood shakes or asphalt or
32 | fiberglass shingles on one-family, two-family, or three-family
33 | residences for the occupancy or use of such owner or tenant of
34 | the owner and not offered for sale within 1 year after
35 | completion of the work and when the property has been damaged by
36 | natural causes from an event recognized as an emergency
37 | situation designated by executive order issued by the Governor
38 | declaring the existence of a state of emergency as a result and
39 | consequence of a serious threat posed to the public health,
40 | safety, and property in this state.

41 |
42 | This subsection does not exempt any person who is employed by or
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
45 | responsibility to directly supervise all work to any other
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
49 | "owners of property" includes the owner of a mobile home
50 | situated on a leased lot. To qualify for exemption under this
51 | subsection, an owner must personally appear and sign the
52 | building permit application and must satisfy local permitting
53 | agency requirements, if any, proving that the owner has a
54 | complete understanding of the owner's obligations under the law

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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:

Disclosure Statement

63
64
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
84 have licenses required by state law and by county or municipal
85 licensing ordinances. You may not delegate the responsibility
86 for supervising work to a licensed contractor who is not
87 licensed to perform the work being done. Any person working on
88 your building who is not licensed must work under your direct
89 supervision and must be employed by you, which means that you
90 must deduct F.I.C.A. and withholding tax and provide workers'
91 compensation for that employee, all as prescribed by law. Your
92 construction must comply with all applicable laws, ordinances,
93 building codes, and zoning regulations.

94 Section 2. Subsection (6) of section 489.503, Florida
95 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,
98 supervising, and doing the work in connection with the
99 construction, maintenance, repair, and alteration of and
100 addition to a single-family or duplex residence for his or her
101 own use and occupancy and not intended for sale or an owner of
102 property when acting as his or her own electrical contractor and
103 providing all material supervision himself or herself, when
104 building or improving a farm outbuilding or a single-family or
105 duplex residence on such property for the occupancy or use of
106 such owner and not offered for sale or lease, or building or
107 improving a commercial building with aggregate construction
108 costs of under \$75,000 ~~\$25,000~~ on such property for the

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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
111 sale or lease, or offering for sale or lease, of more than one
112 such structure by the owner-builder within 1 year after
113 completion of same is prima facie evidence that the construction
114 was undertaken for purposes of sale or lease. This subsection
115 does not exempt any person who is employed by such owner and who
116 acts in the capacity of a contractor. For the purpose of this
117 subsection, the term "owner of property" includes the owner of a
118 mobile home situated on a leased lot. To qualify for exemption
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
124 section. If any person violates the requirements of this
125 subsection, the local permitting agency shall withhold final
126 approval, revoke the permit, or pursue any action or remedy for
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
130 statement in substantially the following form:

131
132 Disclosure Statement
133

134 State law requires electrical contracting to be done by
135 licensed 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
139 | electrical wiring for a farm outbuilding or a single-family or
140 | duplex residence. You may install electrical wiring in a
141 | commercial building the aggregate construction costs of which
142 | are under \$75,000 ~~\$25,000~~. The home or building must be for your
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
145 | within 1 year after the construction is complete, the law will
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.

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