

By Senator Peaden

2-1423A-06

See HB 1367

1 A bill to be entitled

2 An act relating to contracting exemptions;

3 amending ss. 489.103 and 489.503, F.S.;

4 revising exemptions for certain owners of

5 property from certain contracting provisions;

6 increasing maximum construction costs allowed

7 for exemption; requiring owners of property to

8 satisfy certain local permitting agency

9 requirements; providing for penalties;

10 providing an exemption for owners of property

11 damaged by certain natural causes; providing an

12 effective date.

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

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16 Section 1. Subsection (7) of section 489.103, Florida

17 Statutes, is amended to read:

18 489.103 Exemptions.--This part does not apply to:

19 (7) Owners of property when acting as their own

20 contractor and providing direct, onsite supervision themselves

21 of all work not performed by licensed contractors;~~7~~

22 (a) When building or improving farm outbuildings or

23 one-family or two-family residences on such property for the

24 occupancy or use of such owners and not offered for sale or

25 lease, or building or improving commercial buildings, at a

26 cost not to exceed ~~\$75,000~~\$25,000, on such property for the

27 occupancy or use of such owners and not offered for sale or

28 lease. In an action brought under this part, proof of the sale

29 or lease, or offering for sale or lease, of any such structure

30 by the owner-builder within 1 year after completion of same

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1 creates a presumption that the construction was undertaken for
2 purposes of sale or lease.

3 (b) When repairing or replacing wood shakes or asphalt
4 or fiberglass shingles on one-family, two-family, or
5 three-family residences for the occupancy or use of such owner
6 or tenant of the owner and not offered for sale within 1 year
7 after completion of the work and when the property has been
8 damaged by natural causes from an event recognized as an
9 emergency situation designated by executive order issued by
10 the Governor declaring the existence of a state of emergency
11 as a result and consequence of a serious threat posed to the
12 public health, safety, and property in this state.

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14 This subsection does not exempt any person who is employed by
15 or has a contract with such owner and who acts in the capacity
16 of a contractor. The owner may not delegate the owner's
17 responsibility to directly supervise all work to any other
18 person unless that person is registered or certified under
19 this part and the work being performed is within the scope of
20 that person's license. For the purposes of this subsection,
21 the term "owners of property" includes the owner of a mobile
22 home situated on a leased lot. To qualify for exemption under
23 this subsection, an owner must personally appear and sign the
24 building permit application and must satisfy local permitting
25 agency requirements, if any, proving that the owner has a
26 complete understanding of the owner's obligations under the
27 law as specified in the disclosure statement in this section.
28 If any person violates the requirements of this subsection,
29 the local permitting agency shall withhold final approval,
30 revoke the permit, or pursue any action or remedy for
31 unlicensed activity against the owner and any person

1 performing work that requires licensure under the permit
2 issued. The local permitting agency shall provide the person
3 with a disclosure statement in substantially the following
4 form:
5 Disclosure Statement
6 State law requires construction to be done by licensed
7 contractors. You have applied for a permit under an exemption
8 to that law. The exemption allows you, as the owner of your
9 property, to act as your own contractor with certain
10 restrictions even though you do not have a license. You must
11 provide direct, onsite supervision of the construction
12 yourself. You may build or improve a one-family or two-family
13 residence or a farm outbuilding. You may also build or improve
14 a commercial building, provided your costs do not exceed
15 ~~\$75,000~~\$25,000. The building or residence must be for your
16 own use or occupancy. It may not be built or substantially
17 improved for sale or lease. If you sell or lease a building
18 you have built or substantially improved yourself within 1
19 year after the construction is complete, the law will presume
20 that you built or substantially improved it for sale or lease,
21 which is a violation of this exemption. You may not hire an
22 unlicensed person to act as your contractor or to supervise
23 people working on your building. It is your responsibility to
24 make sure that people employed by you have licenses required
25 by state law and by county or municipal licensing ordinances.
26 You may not delegate the responsibility for supervising work
27 to a licensed contractor who is not licensed to perform the
28 work being done. Any person working on your building who is
29 not licensed must work under your direct supervision and must
30 be employed by you, which means that you must deduct F.I.C.A.
31 and withholding tax and provide workers' compensation for that

1 employee, all as prescribed by law. Your construction must
2 comply with all applicable laws, ordinances, building codes,
3 and zoning regulations.

4 Section 2. Subsection (6) of section 489.503, Florida
5 Statutes, is amended to read:

6 489.503 Exemptions.--This part does not apply to:

7 (6) An owner of property making application for
8 permit, supervising, and doing the work in connection with the
9 construction, maintenance, repair, and alteration of and
10 addition to a single-family or duplex residence for his or her
11 own use and occupancy and not intended for sale or an owner of
12 property when acting as his or her own electrical contractor
13 and providing all material supervision himself or herself,
14 when building or improving a farm outbuilding or a
15 single-family or duplex residence on such property for the
16 occupancy or use of such owner and not offered for sale or
17 lease, or building or improving a commercial building with
18 aggregate construction costs of under ~~\$75,000~~\$25,000 on such
19 property for the occupancy or use of such owner and not
20 offered for sale or lease. In an action brought under this
21 subsection, proof of the sale or lease, or offering for sale
22 or lease, of more than one such structure by the owner-builder
23 within 1 year after completion of same is prima facie evidence
24 that the construction was undertaken for purposes of sale or
25 lease. This subsection does not exempt any person who is
26 employed by such owner and who acts in the capacity of a
27 contractor. For the purpose of this subsection, the term
28 "owner of property" includes the owner of a mobile home
29 situated on a leased lot. To qualify for exemption under this
30 subsection, an owner shall personally appear and sign the
31 building permit application and must satisfy local permitting

1 agency requirements, if any, proving that the owner has a
2 complete understanding of the owner's obligations under the
3 law as specified in the disclosure statement in this section.
4 If any person violates the requirements of this subsection,
5 the local permitting agency shall withhold final approval,
6 revoke the permit, or pursue any action or remedy for
7 unlicensed activity against the owner and any person
8 performing work that requires licensure under the permit
9 issued. The local permitting agency shall provide the owner
10 with a disclosure statement in substantially the following
11 form:

12 Disclosure Statement

13 State law requires electrical contracting to be done by
14 licensed electrical contractors. You have applied for a permit
15 under an exemption to that law. The exemption allows you, as
16 the owner of your property, to act as your own electrical
17 contractor even though you do not have a license. You may
18 install electrical wiring for a farm outbuilding or a
19 single-family or duplex residence. You may install electrical
20 wiring in a commercial building the aggregate construction
21 costs of which are under ~~\$75,000~~ \$25,000. The home or building
22 must be for your own use and occupancy. It may not be built
23 for sale or lease. If you sell or lease more than one building
24 you have wired yourself within 1 year after the construction
25 is complete, the law will presume that you built it for sale
26 or lease, which is a violation of this exemption. You may not
27 hire an unlicensed person as your electrical contractor. Your
28 construction shall be done according to building codes and
29 zoning regulations. It is your responsibility to make sure
30 that people employed by you have licenses required by state
31 law and by county or municipal licensing ordinances.

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