

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Community Affairs Committee

BILL: SB 396

INTRODUCER: Senator Bennett

SUBJECT: Building Construction and Inspection

DATE: February 14, 2011

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Gizzi	Yeatman	CA	Pre-meeting
2.	_____	_____	RI	_____
3.	_____	_____	BC	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

This bill redefines the term “sustainable building rating” to include the International Green Construction Code (IGCC) and makes conforming changes thereto. The bill also expands the categories of persons who may be certified as qualified for licensure by endorsement as a home inspector and amends the membership composition requirements for the Florida Building Commission.

This bill substantially amends the following sections of the Florida Statutes: 255.252, 255.253, 255.257, 255.2575, 468.8314, and 553.74.

II. Present Situation:

The Florida Building Code

The purpose and intent of the Florida Building Codes Act located in part IV, of ch. 553, F.S., is “to provide a mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of a single unified state building code,” known as the Florida Building Code.¹ Section 553.72, F.S., defines the Florida Building Code as a “single set of documents that apply to the design, construction, erection, alteration, modification, repair, or demolition of public or private buildings, structures, or facilities in this state” of which establish minimum standards that shall be enforced by authorized state and local government enforcement agencies.

¹ Section 553.72(1), F.S.

Florida Building Commission

The Florida Building Commission is established in ch. 553, F.S., within the Department of Community Affairs (DCA) and consists of 25 members that are appointed by the Governor and confirmed by the Senate.² The Commission is responsible for adopting and enforcing the Florida Building Code as a single, unified state building code used to provide effective and reasonable protection for the public safety, health and welfare.³ The Commission is required to update the Florida Building Code triennially based upon the “code development cycle of the national model building codes, . . .”⁴ Pursuant to s. 553.73, F.S., the Commission is authorized to adopt internal administrative rules, impose fees for binding code interpretations and use the rule adoption procedures listed under ch. 120, F.S., to approve amendments to the building code.⁵

Section 553.79(9), F.S., allows state agencies whose enabling legislation authorizes the enforcement of the Florida Building Code, to enter into agreements with other governmental units in order to delegate their code enforcement powers, and to utilize public funds for permit and inspection fees so long as the fees are not greater than the fees charged to others.

Home Inspector License

In 2007, the Legislature created the home inspection services licensing program under part XV, ch. 468, F.S.,⁶ to provide, in part, for the licensure and regulation of private home inspectors by the Department of Business and Professional Regulation (Department). The program provides licensing and continuing education requirements, including certificates of authorizations for corporations offering home inspection services to the public.

Section 468.8311(4), F.S., defines the term "home inspection services" to mean:

a limited visual examination of one or more of the following readily accessible installed systems and components of a home: the structure, electrical system, HVAC system, roof covering, plumbing system, interior components, exterior components, and site conditions that affect the structure, for the purposes of providing a written professional opinion of the condition of the home.⁷

Any person who wishes to be licensed as a home inspector must apply to the Department for certification after he or she satisfies the statutory examination requirements provided in s. 468.8313, F.S.

Prior to practicing as a home inspector in Florida, s. 468.8313, F.S., requires an applicant to:

- Pass the required examination,
- Be of good moral character, and

² See s. 553.74(1)(a)-(w), F.S.

³ Sections 553.73 and 553.74, F.S.

⁴ Florida Building Commission, *Report to the 2009 Legislature*, at 2 (January 2009) (on file with the Florida Senate Committee on Regulated Industries).

⁵ See ss. 553.76, 553.775, and 553.73(7), F.S., respectively.

⁶ Section 2, ch. 2007-235, L.O.F.

⁷ Section 468.8311(4), F.S.

- Complete a course study of at least 120 hours that covers all of the following components of the home:
 - Structure, electrical system, HVAC system, roof covering, plumbing system, interior components, exterior components, and site conditions that affect the structure.⁸

An applicant for licensure must also submit to a criminal background check and maintain a commercial general liability insurance policy in an amount of not less than \$300,000.⁹ Section 468.8314, F.S., provides that the Department shall certify any applicant for licensure who satisfies the examination requirements of s. 468.8313, F.S., and who passes the licensing exam, unless he or she has engaged in disciplinary actions as prescribed in s. 468.832, F.S.¹⁰ This section also allows the Department to certify an applicant by endorsement if he or she:

- Is of good moral character;
- Holds a valid home inspector license in another state or territory of the United States, whose educational requirements are substantially equivalent to those required herein; and
- Has passed a substantially similar national, regional, state, or territorial licensing examination.¹¹

Florida home inspector licensees are required to complete at least 14 hours of continuing education every two years prior to his or her application for license renewal.¹²

Energy Efficiency

The Florida Energy Conservation and Sustainable Buildings Act, located in ch. 255, F.S., declares an important state interest in promoting the construction of energy-efficient and sustainable buildings.¹³ To further this notion, s. 255.252, F.S., provides that it shall be the policy of the state, that buildings constructed and financed by the state and the renovation of existing state facilities be designed and constructed to comply with:

- The United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) rating system,
- The Green Building Initiative's Green Globes rating system,
- The Florida Green Building Coalition standards, or
- A nationally recognized, high-performance green building rating system as approved by the Department of Management Services.¹⁴

These rating systems have been defined in s. 255.253(7), F.S., to mean “sustainable building rating”.

As pertains to buildings occupied by state agencies, section 255.257, F.S., requires all state agencies to adopt the United States Green Building Council (USGBC) Leadership in Energy and

⁸ See s. 468.8313(2), F.S.

⁹ Sections 468.8313(6) and 468.8322, F.S.

¹⁰ Section 468.8314(2), F.S.

¹¹ Section 468.8314(3), F.S.

¹² Section 468.8316(1), F.S.

¹³ Section 255.2575(1), F.S.

¹⁴ Section 255.252(3)-(4), F.S.

Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating system as approved by the Department of Management Services for all new buildings and renovations to existing buildings.

Section 255.2575, F.S., further provides that:

“all county, municipal, school district, water management district, state university, community college, and Florida state court buildings shall be constructed to meet the United States Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) rating system, the Green Building Initiative's Green Globes rating system, the Florida Green Building Coalition standards, or a nationally recognized, high-performance green building rating system as approved by the Department of Management Services.”

International Green Construction Code (IGCC)

The International Green Construction Code (IGCC) establishes baseline green and sustainability “regulations for new and existing traditional and high-performance buildings related to energy conservation, water efficiency, building owner responsibilities, site impacts, building waste, and materials and other considerations.”¹⁵ The IGCC is sponsored and endorsed by the International Code Council (ICC), the American Institute of Architects, ASTM International, the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE), the U.S. Green Building Council (USGBC), and the Illuminating Engineering Society (IES).¹⁶

The ICC recently revealed the latest version of the IGCC, Public Version 2.0, in December of 2010.¹⁷ The ICC provides that the new code complements existing rating systems and guidelines by providing minimum baseline requirements along with a “jurisdictional electives” section of the code that allows jurisdictions to customize the codes beyond its baseline provisions.¹⁸ The IGCC acts as a model code that becomes law after it is adopted by the state or local government entity that governs construction standards. To date, Rhode Island is the only state to adopt the ICGG as part of their Rhode Island Green Buildings Act in 2010.¹⁹ The new Act “applies to any public project that is owned, leased or controlled by the State of Rhode Island.”²⁰

¹⁵ The International Code Council (ICC), The International Green Construction Code (ICGG) Brochure, *IGCC: A New Approach for Safe & Sustainable Construction*, available online at http://www.iccsafe.org/cs/IGCC/Documents/Media/IGCC_Flyer.pdf (last visited on Feb. 15, 2011).

¹⁶ *Id.*

¹⁷ News Release, The International Code Council (ICC), *Code Council Releases New IGCC Public Version 2.0* (Dec. 8, 2010) (on file with the Senate Committee on Community Affairs). Note that the initial public version of the code was released on March 15, 2010, after an eight month drafting period.

¹⁸ The International Code Council (ICC) website, *see supra* fn. 14. *See also* News Release, The International Code Council (ICC), *New Construction Code Unveiled* (March. 15, 2010) (on file with the Senate Committee on Community Affairs).

¹⁹ News Release, The International Code Council (ICC), *Rhode Island Recognized by International Code Council as First State to Adopt Green Construction Code* (Oct. 19, 2010) (on file with the Senate Committee on Community Affairs).

²⁰ *Id.*

III. Effect of Proposed Changes:

Section 1 amends s. 255.252, F.S., to conform subsections (3) and (4) to changes made by the bill. Specifically, this section substitutes the term “sustainable building rating” for the individually listed rating systems that are defined to mean “sustainable building rating” in section 2 of the bill.

Section 2 amends s. 255.253(7), F.S., to redefine the term “sustainable building rating” to include the International Green Construction Code (IGCC).

Section 3 amends s. 255.257, F.S., to conform subsection (4) to changes made by the bill. Specifically, this section substitutes the term “sustainable building rating” for the individually listed rating systems that are defined to mean “sustainable building rating” in section 2 of the bill.

Section 4 amends s. 255.2575, F.S., to conform subsection (2) to changes made by the bill. Specifically, this section substitutes the term “sustainable building rating” for the individually listed rating systems that are defined to mean “sustainable building rating” in section 2 of the bill.

Section 5 amends s. 468.8314(3), F.S., to allow individuals with the following certifications and/or licenses to meet Florida home inspector licensure requirements by endorsement:

- Possesses a one and two family dwelling inspector certification issued by the International Code Council or the Southern Building Code Congress International;
- Has been certified as a one and two family dwelling inspector by the Florida Building Code Administrators and Inspectors Board under part XII, of ch. 468, F.S.; or
- Possesses a Division I contractor license under part I, of ch. 489, F.S.

Section 6 amends s. 553.74(1)(v), F.S., to revise the membership requirements of the Florida Building Commission for the participating member who is a representative of the green building industry, to include “a professional who is accredited under the International Green Construction Code (IGCC), or a professional who is accredited under Leadership in Energy and Environmental Design (LEED).”

Section 7 provides that this act shall take effect on July 1, 2011.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Division I Contractors and one and two family dwelling inspectors will be permitted to be licensed as home inspectors by endorsement. The Florida Department of Business and Professional Regulation estimates that there are currently over 40,000 Division I Contractors and over 1,000 one and two family dwelling inspectors certified and licensed in the state of Florida.²¹

C. Government Sector Impact:

State agencies will be required to adopt the International Green Construction Code (IGCC) as a sustainable building rating system for all new buildings and renovations to existing buildings. In addition, all county, municipal, school district, water management district, state university, community college, and state court buildings will be required to comply with the International Green Construction Code (IGCC) as part of the sustainable building rating system.

The Florida Department of Business and Professional Regulation estimated that there will be between 8,000 and 10,000 new licenses as a result of this bill, generating an increase in licensing revenue. Based on the projection of 8,000 additional biennial licenses, the Department estimates that this bill will generate \$2,640,000 in revenue for FY 2011-12 and \$1,640,000 in revenue for FY 2013-14.²²

The Department also states that this bill will cause a projected 13,513 additional calls to the Call Center per year, resulting in the need for an additional FTE, Regulatory Specialist II. The FTE, Regulatory Specialist II is estimated to cost the Department \$51,202 per year.²³

VI. Technical Deficiencies:

None.

²¹ Florida Department of Revenue, *SB 396 Legislative Analysis*, at 2 (Jan. 28, 2011)(on file with the Senate Committee on Community Affairs).

²² *Id.* at 3. (The Department states that applications cost \$125, new licenses cost \$200, and renewal licenses cost \$200 each.)

²³ *Id.*

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
