

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1021 Construction
SPONSOR(S): Appropriations Committee, Avila
TIED BILLS: IDEN./SIM. **BILLS:** SB 1312

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Careers & Competition Subcommittee	13 Y, 0 N	Brackett	Anstead
2) Appropriations Committee	23 Y, 0 N, As CS	Topp	Leznoff
3) Commerce Committee			

SUMMARY ANALYSIS

The bill defines "recognized certifying entity" as any entity that uses the standards set by the National Renewable Energy Laboratory and allows systems certified pursuant to the National Renewable Energy Laboratory standards to be accepted without further certification from the Florida Solar Energy Center.

The Construction Industry Workforce Taskforce (CIWT) was created in 2016 to address the construction industry labor force shortage in Florida. The bill incorporates findings and recommendations made by the CIWT, including:

- Requiring the Department of Education (DOE) and Department of Economic Opportunity (DEO) to create a study on how to implement the following CIWT recommendations:
 - Determining the appropriateness of transferring apprenticeship programs from DOE to DEO;
 - Expanding the definition of local education agency;
 - Providing clarity on how current apprenticeship programs are funded from the state to the local educational agencies and how they spend apprenticeship funding;
 - Requiring the State Board of Education to accept the curriculum developed by the National Center for Construction Education and Research, as credit for scholarships;
 - Providing additional support to K-12 programs to ensure construction-related education programs are offered through existing career and technical education programs; and
 - Authorizing an alternative instructor certification process through DOE which does not require certification through local educational agencies.
- Requiring CareerSource Florida, Inc.(CSF) to fund construction training programs using existing federal funds awarded to CSF for training purposes.

The bill also provides that:

- A political subdivision is prohibited from adopting or enforcing certain building permits or other development order requirements; providing for preemption of certain local laws and regulations; and providing for retroactive applicability.
- The Florida Building Commission (FBC) eliminate duplicate reporting requirements for HVAC and electrical systems, and authorize electrical or mechanical engineers to provide reports in addition to licensed design professionals.
- The FBC may not adopt national energy conservation standards related to automatic lights.
- Local jurisdictions may not require payment of any additional permit fees, charges, or expenses, if proof of licensure and insurance coverage has been previously provided and recorded.
- Local jurisdictions may not require painting permits for homeowners.
- Local governments are prohibited from requiring a separate water connection for a residential fire sprinkler system for a dwelling if the dwelling's original water connection is adequate and prohibits a local government from charging certain fees for larger water meters.

The bill has an insignificant negative fiscal impact on state government. The impact on local governments is also likely to be insignificant. See Fiscal Comments.

The bill provides an effective date of July 1, 2017.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1021c.APC

DATE: 3/31/2017

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Solar Energy Systems

Florida Solar Energy Center

In order to develop a sound energy policy relating to incident solar energy¹ in Florida and ensure that solar energy systems manufactured or sold within the state are effective and represent a high level of quality, the Legislature formed the Florida Solar Energy Center (FSEC)² in 1976 to serve as the state's energy research institute.³

A solar energy system is equipment which provides for the collection and use of solar energy for water heating, space heating or cooling, or other applications which would otherwise require a conventional source of energy, but perform primarily with solar energy. In systems in which solar energy is used in a supplemental way, only those components which collect and transfer solar energy are considered to be a solar energy system.⁴

FSEC has been tasked with:

- Developing and promulgating standards for solar energy systems manufactured or sold in Florida based on the best currently available information and consulting with scientists, engineers, or persons in research centers who are engaged in the construction of, experimentation with, and research of solar energy systems to properly identify the most reliable designs and types of solar energy systems; and
- Establishing criteria for testing performance of solar energy systems and maintaining the necessary capability for testing or evaluating performance of solar energy systems. The center may accept results of tests on solar energy systems made by other organizations, companies, or persons when such tests are conducted according to the criteria established by the center and when the testing entity has no vested interest in the manufacture, distribution or sale of solar energy systems. FSEC may receive a testing fee sufficient to cover the costs of such testing.⁵

All solar energy systems manufactured or sold in Florida must meet the standards set by FSEC.⁶ FSEC also accepts standards and certifications for solar thermal products from the Solar Rating & Certification Corporation (SRCC)⁷ and the International Association of Plumbing and Mechanical Officials⁸ (IAPMO).⁹

In 2009, the Office of Program Policy Analysis & Government Accountability (OPPAGA) reported that FSEC had a 2 year backlog for testing and certifying solar energy systems, adversely affecting both

¹ "Incident" in the study of physics means "the striking of a ray of light, beam of electrons, etc., on a surface;" therefore, in this instance, "incident solar energy" means solar energy from solar rays striking a building, etc. Dictionary.com, LLC, *Incidence*, <http://www.dictionary.com/browse/incidence> (last visited March 16, 2017).

² s. 377.705(2)(a)-(b), F.S.

³ Florida Solar Energy Center, *About Us*, <http://www.fsec.ucf.edu/en/about/index.htm> (last visited March 16, 2016).

⁴ s. 377.705(3)(b), F.S.

⁵ s. 377.705(4)(a)-(c), F.S.

⁶ s. 377.705(4)(d), F.S.

⁷ SRCC produces solar thermal standards and certifications which are widely used globally. Solar Rating & Certification Corporation, *About Us – General*, <http://www.solar-rating.org/about/general.html> (last visited March 17, 2017).

⁸ IAPMO certifies solar thermal products for use in North America. International Association of Plumbing and Mechanical Officials, *Solar Product Certification*, <http://www.iapmort.org/Pages/SolarCertification.aspx> (last visited March 17, 2017).

⁹ Florida Solar Energy Center, *Testing and Certification*, <http://www.fsec.ucf.edu/En/certification-testing/index.htm> (last visited March 17, 2017).

manufacturers and citizens.¹⁰ However, in 2011, OPPAGA reported that the backlog had been eliminated and testing times were down to 129 days due to streamlined testing procedures.¹¹

National Renewable Energy Laboratory and Incident Solar Energy

The National Renewable Energy Laboratory (NREL) was established in 1974 by the Solar Energy Research Development and Demonstration Act of the United States Congress. It was designated a national laboratory of the United States Department of Energy in 1991.¹²

NREL conducts solar energy research, including photovoltaics, concentrating solar power, solar grid and systems integration, and market acceleration and soft costs,¹³ and gives industry an opportunity to commercialize NREL-developed energy technologies and products through licensing options.¹⁴ However, the NREL does not publish or set national standards.

Effect of the Bill

The bill defines “recognized certifying entity” to mean any entity that certifies equipment which collects and uses incident solar energy pursuant to standards established by the NREL.

The bill states that the FSEC manufacturing and sales standards and testing requirements are not applicable to solar energy systems certified pursuant to NREL standards. However, NREL does not set such standards.

The bill allows solar energy systems certified by a “recognized certifying entity” to be sold or manufactured in Florida.

The bill also removes the legislative findings related to a sound alternative energy policy.

Implementation of Construction Industry Workforce Taskforce Recommendations

Construction Industry Workforce Taskforce

In 2016, the Legislature created the “Construction Industry Workforce Taskforce” (CIWT) to address the construction industry labor force shortage in the state.¹⁵ The CIWT proposed a list of recommendations to remediate the shortage of construction industry workers. The CIWT recommended that the Legislature:

- Expand the definition of a Local Educational Agency (LEA), as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from the Department of Education (DOE) to the Department of Economic Opportunity (DEO);
- Provide clarity regarding how current apprenticeships are funded from the state to the LEAs and what options the LEAs have in how they spend apprenticeship funding;

¹⁰ OPPAGA, Report No. 09-17, Florida Solar Energy Center Conducts Research and Development; Legislature Could Direct Fee Increases and Drop Certification Requirement, p. 1 (March 2009).

¹¹ OPPAGA, Report No. 11-19, The Florida Solar Energy Center Eliminated the Backlog for Testing and Certification and Reduced its Reliance on State Funds, p. 1 (September 2011).

¹² United States Department of Energy, NATIONAL RENEWABLE ENERGY LABORATORY 2 (July 2002), *available at* <http://www.nrel.gov/docs/gen/fy02/30845.pdf>.

¹³ National Research Energy Laboratory, *Solar Research*, <https://www.nrel.gov/solar/> (last visited March 16, 2017).

¹⁴ National Research Energy Laboratory, *Negotiable Technology Licensing*, <https://www.nrel.gov/workingwithus/licensing.html> (last visited March 16, 2017).

¹⁵ ch. 2016-129, Laws of Fla.

- Require DOE to recognize the National Center for Construction Education and Research (NCCER) curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state Career and Technical Education (CTE) support to be directed towards K-12 programs so that “shop” or other construction related programs are added back into CTE programs;
- Extend the “sunset” timeframe for CIWT 4 additional years and provide funding of \$100,000 per year, and a mechanism to obtain matching funds to continue to coordinate CIWT. Funding will be used to continue data collection and analysis, ongoing economic impact studies, and subsequent strategies, implementation planning, and follow up;
- Direct CareerSource Florida, Inc. (CSF) to set aside existing federal training dollars for construction training programs using the previous state-wide Florida reBuilds Initiative (FRI) as an implementation model.
- Provide funding from the existing Department of Business & Professional Regulation (DBPR) “Building Permit Surcharge” trust fund dedicated to better code compliance through the recruitment and training of a qualified workforce.
- Allow for an alternative instructor certification process through the DOE that does not require certification through a LEA;
- Create a joint legislative audit committee to review compliance regarding use of building permit fees beyond the scope of supporting the building department activities; and
- Support The Building Officials Association of America, Inc. in the development of initiatives to further opportunities for potential building code enforcement professionals.¹⁶

CareerSource Florida, Inc.

CSF is a not-for-profit corporation administratively housed within DEO and is the principal workforce policy organization for the state. CSF designs and implements strategies that help Floridians enter, remain in, and advance in the workplace. CSF procures and disburses funds for workforce development.¹⁷

Florida reBuilds Initiative

FRI was a program formed in 2005, in part, to counter the growing shortage of construction workers. The former Florida Agency for Workforce Innovation (AWI) performed a survey of 50,000 employers, which identified 13,712 construction job vacancies. In order to tackle the issue, AWI sought to provide individuals with short-term, entry-level training to enable them to enter into the construction trades.¹⁸

FRI’s targeted areas for training programs were:

- Air Conditioning, Refrigeration, and Heating Technology (maximum of 240 class hours);
- Carpentry (maximum of 120 class hours);
- Dry wall (maximum of 120 class hours);
- Electricity (maximum of 240 class hours);
- Masonry (maximum of 80 class hours);
- Plumbing (maximum of 180 class hours); and
- Roofing (maximum of 120 class hours).

Participants were eligible for FRI programs if they were 18 years of age, a United States citizen, and willing to commit to attend the full program. If an eligible participant registered for the program, they

¹⁶ University of Florida, FLORIDA CONSTRUCTION WORKFORCE TASKFORCE 9-10 (January 27, 2017), available at <http://www.cce.ufl.edu/projects/current-projects/construction-workforce-taskforce/reports/>.

¹⁷ s. 445.004, F.S.

¹⁸ Florida Division of Emergency Management, *Lt. Governor Jennings Unveils Florida Rebuilds Initiative to Assist with Labor Shortage and Hurricane Recovery* (December 13, 2005), available at http://www.floridadisaster.org/eoc/eoc_Activations/Wilma05/Reports/FLRebuilds.pdf.

were entered into database run by a regional workforce made available to educational providers. Once the educational provider recruited enough eligible participants and was authorized by AWI to begin the program, the participants were enrolled in classes lasting up to 8 weeks.

The educational providers were reimbursed \$9 per class hour, up to the maximum hours identified per program area. Regional workforce boards were paid \$25 per participant in an approved program and \$250 per participant who was placed on a job site within 90 days of the program completion.¹⁹

DBPR Building Permit Surcharge Trust Fund

Section 553.721, F.S., requires that all local building departments assess and collect a 1.5% surcharge on any building permit issued by their agency for the purpose of enforcing the Florida Building Code. The surcharge assessment is paid directly by the individual or construction professional pulling the permit and is generally passed on to consumers through increased costs for construction. The local jurisdictions collect the assessment and remit the surcharge fees to DBPR to fund the activities of the Florida Building Commission and DBPR's Office of Codes and Standards. Local building departments are permitted to retain 10% of the surcharge amount they collect to fund participation of their agencies in the national and state building code adoption processes and to provide education related to enforcement of the Florida Building Code.

Effect of the Bill - Taskforce Recommendations

The bill requires DOE and DEO to create a study on how to implement the recommendations of the CIWT, which must be provided to the Governor, President of the Senate, and Speaker of the House of Representatives before January 9, 2018. The study must address:

- Expanding the definition of "local education agency," as used in apprenticeship programs, to include nongovernmental entities, private training organizations, industry trade organizations, labor unions, or other community-based organizations;
- Determining the appropriateness of transferring apprenticeship programs from DOE to DEO;
- Providing clarity on how current apprenticeship programs are funded from the state to the local educational agencies and what options such agencies have in how they spend apprenticeship funding;
- Requiring the State Board of Education to accept the curriculum developed by the NCCER or other comparable national curriculum, as satisfactory courses for high school credit, college credit, or state-supported scholarships;
- Providing additional support to K-12 programs to ensure construction-related education programs are offered through existing career and technical education programs; and
- Authorizing an alternative instructor certification process through the DOE which does not require certification through local educational agencies.

The bill requires CSF to fund construction training programs using existing federal funds awarded to CSF for training purposes. CSF must use FRI as the implementation model.

The Florida Building Code and the Florida Building Commission

In 1974, Florida adopted a state minimum building code law requiring all local governments to adopt and enforce a building code that would ensure minimum standards for the public's health and safety. Four separate model codes were available that local governments could consider and adopt. In that system, the state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes as they desired.²⁰

¹⁹ Florida Agency for Workforce Innovation, *Florida Rebuilds Program Operations*, available at http://floridajobs.org/pdg/Memos/FIReBuildsProgOp_Atchmnt_121305.pdf.

²⁰ DBPR, http://www.floridabuilding.org/fbc/information/building_commission.htm (last visited on Mar. 17, 2017).

In 1996, a study commission was appointed to review the system of local codes created by the 1974 law and to make recommendations for modernizing the entire system. The 1998 Legislature adopted the study commission's recommendations for a single state building code and an enhanced oversight role for the state in local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Code), and that 1st edition replaced all local codes on March 1, 2002. In 2004, for the 2nd edition of the Code, the state adopted the International Code Council's I-Codes. All subsequent Codes have been adopted utilizing the International Code Council I-Codes as the foundation code.²¹ The most recent Code is the 5th edition which is referred to as the 2014 Code. The 2014 Code went into effect June 30, 2015.

The Florida Building Commission (FBC) was statutorily created to implement the Code. The FBC, which is housed within DBPR, is a 27-member technical body responsible for the development, maintenance, and interpretation of the Code. The FBC also approves products for statewide acceptance. Members are appointed by the Governor and confirmed by the Senate and include design professionals, contractors, and government experts in the various disciplines covered by the Code.²²

The Code defines "building commissioning" to mean that selected building systems have been designed, installed, and function according to the owner's project requirements, construction documents, and the minimum requirements of the Code.²³ Commissioning reports are performed by registered design professionals. A registered design professional is anyone licensed in Florida as an architect, landscape architect, professional engineer, or a land surveyor and mapper.²⁴

Section C408 of the 5th edition of the Code (Energy Conservation) requires a commercial building to receive a commissioning report prior to receiving a passing mechanical final inspection. Heating, ventilation, air conditioning, and the lighting systems are tested in the report. The commissioning report includes:

- A commission plan which includes:
 - A description of the activities to accomplish in the report including the personnel intended to accomplish the activities;
 - A listing of the equipment, appliances, or systems to be tested, and a description of the tests to be performed;
 - The functions to be tested;
 - Conditions under which the test will be performed; and
 - Measurable criteria for performance.
- A preliminary report of tests and results which must identify:
 - Deficiencies found during testing that have not been corrected; and
 - Tests that cannot be performed because of climate conditions and the conditions required to perform the tests.
- A final report which includes:
 - Test results;
 - Disposition of deficiencies found during testing; and
 - A test procedure used for repeatable testing outcomes.²⁵

American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard

²¹ The International Code Council (ICC) is an association that develops model codes and standards used in the design, building, and compliance process to "construct safe, sustainable, affordable and resilient structures." The ICC publishes I-Codes: a complete set of model comprehensive, coordinated building safety and fire prevention codes, for all aspects of construction, that have been developed by ICC members. All fifty states have adopted the I-Codes.

²² DBPR, <http://www.myfloridalicense.com/dbpr/bcs/buildingcomm.html> (last visited on Mar. 17, 2017).

²³ Section C202 of the 5th edition of the Florida Building Code (Energy Conservation).

²⁴ s. 725.08(4), F.S.

²⁵ Section C408 of the 5th edition of the Florida Building Code (Energy Conservation).

The American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) is a society founded in 1894 that focuses on improving building systems, energy efficiency, indoor air quality, refrigeration through research publishing, continuing education and standards.²⁶

AHSRAE's energy conservation standard for buildings that are not low-rise residential buildings is Standard 90.1-2016 (Standard 90). Section 9.4.1.1(g) of Standard 90 provides that the general lighting power in an enclosed area of a building must automatically reduce by 50% within twenty minutes of all occupants leaving the area.²⁷

Effect of the Bill - The Florida Building Code and the Florida Building Commission

The bill provides that the FBC will eliminate duplicate commissioning reporting requirements for HVAC and electrical systems. The bill also authorizes electrical or mechanical engineers to provide commissioning reports in addition to a licensed design professional.

The bill prohibits the FBC from adopting Section 9.4.1.1(g) of Standard 90 of the ASHRAE.

Permits, Applications, Issuance, and Inspections

Section 553.70, F.S., known as the "Florida Building Codes Act", was established with the purpose and intent of providing a mechanism for the uniform adoption, updating, amendment, interpretation, and enforcement of a single, unified state building code, to be called the Florida Building Code, as provide in s. 553.72, F.S.²⁸ Section 553.79, F.S., as part of the Florida Building Codes Act, has provisions relating to permits, applications, issuance, and inspections pertaining to the Florida Building Code.

Effect of the Bill - Permits, Applications, Issuance, and Inspections

The bill amends s. 553.79, F.S., creating subsection 20, specifying that political subdivisions of the state may not adopt or enforce ordinances, or impose building permits or other development order requirements that:

- Contain any building, construction, or aesthetic requirement or condition that conflicts with or impairs activities conducted under chapter 526, Laws of Florida, or in carrying out business activities defined as a franchise by Federal Trade Commission regulations in 16 C.F.R. ss. 436.1, et. Seq.; or
- Imposes any requirement of the design, construction or location of signage advertising the retail price of gasoline in accordance with the requirements of ss. 526.111 and 526.121, F.S.

The bill specifies that s. 553.79(20), F.S., doesn't affect any requirement for design and construction in the Florida Building Code. Additionally, the bill specifies that all such ordinances and requirements as provided in s. 553.79(20), F.S., are preempted and superseded by general law. Finally, the bill specifies that s. 553.79(20), F.S., shall apply retroactively.

Local Government Fees

²⁶ ASHRAE, <https://www.ashrae.org/about-ashrae> (last visited on Mar. 16, 2017).

²⁷ ASHRAE, *Standard 90.1-2016: Energy Standards for Buildings Except Low-Rise Residential Buildings*, [https://ashrae.iwrapper.com/ViewOnline/Standard_90.1-2016_\(IP\)](https://ashrae.iwrapper.com/ViewOnline/Standard_90.1-2016_(IP)), (last visited Mar. 16, 2017).

²⁸ S. 553.72, F.S.

Section 553.80, F.S., provides that, except for construction regarding correctional and mental health facilities, elevators, storage facilities, educational institutions, and toll collection facilities, each local government and each legally constituted enforcement district with statutory authority shall regulate building construction. Section 553.80(7), F.S., authorizes local governments to provide a schedule of consistent reasonable fees to be used solely for carrying out the local government's responsibilities in enforcing the Code. The basis for the fee structure must relate to the level of service provided by the local government.

Local governments have created fee schedules to be submitted by contractors at the time of application for a building permit. These fees include inspection fees, plan examination fees, site examination fees, building permit fees (based on square footage of the building), and various administrative fees including re-permitting fees, time extension fees, re-inspection fees, and licensing fees.

Local governments may not require additional fees for:

- Providing proof of licensure pursuant to ch. 489, F.S.;
- Recording or filing a license issued;
- Providing, recording, or filing evidence of workers' compensation insurance coverage required by ch. 440, F.S.,²⁹

Effect of the Bill - Local Government Fees

The bill prohibits local jurisdictions from requiring payment of any additional fees for obtaining permits, if proof of licensure pursuant to ch. 489, F.S., and insurance coverage required by ch. 440, F.S., has been previously provided and recorded.

In addition, the bill prohibits a local jurisdiction from requiring an owner of a residence to obtain a permit to paint their residence regardless if the owner is a limited liability company.

Fire Prevention and Control

Florida's fire prevention and control law, ch. 633, F.S., designates the state's Chief Financial Officer (CFO) as the State Fire Marshal. The State Fire Marshal, through the Division of State Fire Marshal within the Department of Financial Services (DFS), is charged with enforcing the provisions of ch. 633, F.S., and all other applicable laws relating to fire safety and has the responsibility to minimize the loss of life and property in this state due to fire.³⁰

One of the duties of the State Fire Marshal is to adopt by rule the Florida Fire Prevention Code (FFPC), which contains all fire safety laws and rules that pertain to the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities and the enforcement of such fire safety laws and rules, at ch. 69A-60, F.A.C. The State Fire Marshal adopts a new edition of the FFPC every three years.³¹

State law requires all municipalities, counties, and special districts with firesafety responsibilities to enforce the FFPC as the minimum fire prevention code to operate uniformly among local governments and in conjunction with the Code. These local enforcing authorities may adopt more stringent fire safety

²⁹ s. 553.80(7), F.S.

³⁰ s. 633.104, F.S.

³¹ s. 633.202, F.S.

standards, subject to certain requirements in s. 633.208, F.S., but may not enact fire safety ordinances which conflict with ch. 633, F.S., or any other state law.³²

Effect of the Bill - Fire Prevention and Control

The bill amends ch. 633, F.S., by providing that local governments including utility providers may not require a separate water connection for a fire sprinkler system for a one or two family dwelling if the dwelling's original water connection can meet the needs of the sprinkler system.

The bill also amends ch. 633, F.S., by providing that a local government may not charge a water or sewer rate for a larger water meter for a one or two family dwelling because of the installation of a fire sprinkler system above that which is charged to a one-family and two-family dwelling with a base meter. However, if the installation of fire sprinklers in a one-family or two-family dwelling requires the installation of a larger water meter, only the difference in actual cost between the base water meter and the larger water meter may be charged by the water utility provider.

The bill provides an effective date of July 1, 2017.

B. SECTION DIRECTORY:

- Section 1.** Amends s. 377.705, F.S., exempting certain solar energy systems from the FSEC requirements.
- Section 2.** Amends s. 553.79, F.S., prohibiting a political subdivision from adopting or enforcing certain building permits or other development order requirements, providing construction, providing for preemption of certain local laws and regulations, and providing for retroactive applicability.
- Section 3.** Amends s. 553.80, F.S., prohibiting local enforcement agencies from charging certain building permit fees.
- Section 4.** Creates s. 553.9081, F.S., prohibiting the FBC to adopt certain standards and eliminate duplicate testing requirements.
- Section 5.** Amends s. 633.208, F.S., exempting residential fire sprinkler systems from certain connection fees.
- Section 6.** Prohibits local enforcement agencies from requiring certain permits.
- Section 7.** Provides that DEO and DOE will create a study to implement recommendations from the CIWT.
- Section 8.** Provides that CSF will fund certain construction training programs.
- Section 9.** Provides an effective date of July 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

- 1. Revenues:
Unknown.

³² ss. 633.108; 633.208; & 633.214(4), F.S.
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2. Expenditures:
See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
DBPR indicates that the amount of additional fees collected by local jurisdictions associated with applying for building permits may be reduced.³³ However, any reduction in fees is indeterminate and likely insignificant.
2. Expenditures:
None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may reduce certain permitting fees contractors pay to pull permits.

Homeowners may pay less for water meters and there may be an increase in the purchase of fire sprinkler systems for residential dwellings.

D. FISCAL COMMENTS:

The Department of Education, in conjunction with the Department of Economic Opportunity, is directed to create a study on how to implement the recommendations of the CIWT. It is anticipated that the study can be completed within existing resources.

The bill provides that CareerSource Florida, Inc., fund construction training programs from existing federal funds. CareerSource Florida receives \$3 million annually in federal training dollars through the Incumbent Worker Training Program. However, CareerSource Florida's federal funds are currently directed to meet shortfalls in career fields other than construction. Redirecting the federal funds for construction training purpose could leave Florida's current need for training programs in other career fields with deficiencies.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:
Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.
2. Other:
None.

B. RULE-MAKING AUTHORITY:

None.

³³ Department of Business and Professional Regulation Bill Analysis, dated March 28, 2017.
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C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill references NREL standards for certifying solar energy systems. NREL has not produced such standards. The bill may need to be amended to reflect another current standard or to remove the reference.

The bill may be unclear as to what “eliminate duplicate commissioning reporting requirements for HVAC and electrical systems” means. It is unclear if it means that either the HVAC or the electrical system must be tested, but not both, or if any test performed for one system does not have to be performed again for the other system.

The bill provides that a local jurisdiction may not require a contractor to pay additional fees for obtaining permits if the contractor’s proof of licensure and insurance has been provided and recorded. It is unclear if the bill intends to prohibit local jurisdictions from charging any permit fees to contractors who have provided and recorded their license and insurance or if it intends to prohibit local jurisdictions from charging fees in addition to regular permit fees to contractors who have previously recorded their license and insurance.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 29, 2017, the Appropriations Committee adopted two amendments and reported the bill favorably as a committee substitute. The amendments:

- Removed a requirement that DBPR provide \$150,000 to the University of Florida M.E. Rinker, Sr., School of Construction Management for the continuation of the Construction Industry Workforce Task Force; and
- Amends s. 553.79, F.S., prohibiting a political subdivision from adopting or enforcing certain building permits or other development order requirements, providing construction, providing for preemption of certain local laws and regulations, and providing for retroactive applicability.

This analysis is drafted to the committee substitute as approved by the Appropriations Committee.