Bill No. CS/HB 447 (2019)

Amendment No. 1.

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COMMITTEE/SUBCOMMITTEE	ACTION
ADOPTED	(Y/N)
ADOPTED AS AMENDED	(Y/N)
ADOPTED W/O OBJECTION	(Y/N)
FAILED TO ADOPT	(Y/N)
WITHDRAWN	(Y/N)
OTHER	

Committee/Subcommittee hearing bill: Commerce Committee Representative Diamond offered the following:

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4
         Amendment (with title amendment)
         Remove everything after the enacting clause and insert:
 5
 6
         Section 1. Paragraphs (c) and (d) are added to subsection
 7
    (4) of section 125.56, Florida Statutes, to read:
 8
         125.56 Enforcement and amendment of the Florida Building
 9
    Code and the Florida Fire Prevention Code; inspection fees;
10
    inspectors; etc.-
11
         (4)
12
         (c) A county that issues building permits may send a
13
    written notice of expiration, by e-mail or United States Postal
    Service, to the owner of the property and the contractor listed
14
15
    on the permit, no less than 30 days before a building permit is
    set to expire or will become null and void or invalid. The
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17 written notice must identify the permit that is set to expire or that will become null and void or invalid and the date the 18 19 permit will expire or become null and void or invalid. 20 (d) A county that issues building permits may charge a 21 person only one search fee for identifying building permits for 22 each unit or subunit assigned by the county to a particular tax parcel identification number, in an amount commensurate with 23 24 research and time costs incurred by the county. Section 2. Section 166.222, Florida Statutes, is amended 25 26 to read: 27 166.222 Building code inspection fees.-28 The governing body of a municipality may provide a (1) 29 schedule of reasonable inspection fees in order to defer the 30 costs of inspection and enforcement of the provisions of its 31 building code. 32 (2) The governing body of a municipality that issues 33 building permits may charge a person only one search fee for identifying building permits for each unit or subunit assigned 34 35 by the governing body to a particular tax parcel identification 36 number, in an amount commensurate with research and time costs incurred by the governing body. 37 Section 3. Paragraphs (a) and (c) of subsection (7) of 38 section 489.103, Florida Statutes, are amended to read: 39 489.103 Exemptions.-This part does not apply to: 40 799685 - h0447-strike.docx Published On: 4/9/2019 9:16:33 PM

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41 (7)(a) Owners of property when acting as their own
42 contractor and providing direct, onsite supervision themselves
43 of all work not performed by licensed contractors:

44 When building or improving farm outbuildings or one-1. 45 family or two-family residences on such property for the occupancy or use of such owners and not offered for sale or 46 47 lease, or building or improving commercial buildings, at a cost not to exceed \$75,000, on such property for the occupancy or use 48 of such owners and not offered for sale or lease. In an action 49 50 brought under this part, proof of the sale or lease, or offering for sale or lease, of any such structure by the owner-builder 51 52 within 1 year after completion of same creates a presumption 53 that the construction was undertaken for purposes of sale or 54 lease.

55 When repairing or replacing wood shakes or asphalt or 2. fiberglass shingles on one-family, two-family, or three-family 56 57 residences for the occupancy or use of such owner or tenant of the owner and not offered for sale within 1 year after 58 59 completion of the work and when the property has been damaged by 60 natural causes from an event recognized as an emergency 61 situation designated by executive order issued by the Governor declaring the existence of a state of emergency as a result and 62 consequence of a serious threat posed to the public health, 63 safety, and property in this state. 64

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65 When installing, uninstalling, or replacing solar 3. 66 panels on one-family, two-family, or three-family residences, 67 and the local permitting agency's county or municipal government 68 is participating in a "United States Department of Energy 69 SunShot Initiative: Rooftop Solar Challenge" grant. However, an 70 owner must utilize a licensed electrical contractor to effectuate the wiring of the solar panels, including any 71 interconnection to the customer's residential electrical wiring. 72 The limitations of this exemption shall be expressly stated in 73 74 the building permit approved and issued by the permitting agency 75 for such project.

76 4. When completing the requirements of a building permit 77 for a one-family or two family residence, townhome, accessory 78 structure of a one-family or two-family residence or townhome, 79 individual residential condominium unit, or individual 80 residential cooperative unit. The contractor listed on the 81 permit must have substantially completed the project as 82 determined by the local permitting agency prior to the owner 83 qualifying for the exemption. The owner must also receive 84 approval from the local permitting agency prior to qualifying 85 for the exemption. An owner who qualifies for the exemption under this subparagraph is not required to occupy the dwelling 86 or unit for at least 1 year after the completion of the project. 87 To qualify for exemption under this subsection, an 88 (C) 89 owner must personally appear and sign the building permit 799685 - h0447-strike.docx

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90 application and must satisfy local permitting agency 91 requirements, if any, proving that the owner has a complete 92 understanding of the owner's obligations under the law as 93 specified in the disclosure statement in this section. However, 94 for purposes of implementing a "United States Department of 95 Energy SunShot Initiative: Rooftop Solar Challenge" grant and 96 the participation of county and municipal governments, including 97 local permitting agencies under the jurisdiction of such county and municipal governments, an owner's notarized signature or 98 personal appearance to sign the permit application is not 99 required for a solar project, as described in subparagraph 100 101 (a)3., if the building permit application is submitted electronically to the permitting agency and the owner certifies 102 103 the application and disclosure statement using the permitting 104 agency's electronic confirmation system. If any person violates 105 the requirements of this subsection, the local permitting agency 106 shall withhold final approval, revoke the permit, or pursue any action or remedy for unlicensed activity against the owner and 107 108 any person performing work that requires licensure under the 109 permit issued. The local permitting agency shall provide the 110 person with a disclosure statement in substantially the 111 following form:

112

DISCLOSURE STATEMENT

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113 1. I understand that state law requires construction to be done 114 by a licensed contractor and have applied for an owner-builder 115 permit under an exemption from the law. The exemption specifies 116 that I, as the owner of the property listed, may act as my own 117 contractor with certain restrictions even though I do not have a 118 license.

119 2. I understand that building permits are not required to be 120 signed by a property owner unless he or she is responsible for 121 the construction and is not hiring a licensed contractor to 122 assume responsibility.

123 3. I understand that, as an owner-builder, I am the responsible 124 party of record on a permit. I understand that I may protect 125 myself from potential financial risk by hiring a licensed 126 contractor and having the permit filed in his or her name 127 instead of my own name. I also understand that a contractor is 128 required by law to be licensed in Florida and to list his or her 129 license numbers on permits and contracts.

4. I understand that I may build or improve a one-family or two-family residence or a farm outbuilding. I may also build or improve a commercial building if the costs do not exceed \$75,000. The building or residence must be for my own use or occupancy. It may not be built or substantially improved for sale or lease, unless I am completing the requirements of a

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136 building permit and the contractor listed on the permit

137 <u>substantially completed the project</u>. If a building or residence 138 that I have built or substantially improved myself is sold or 139 leased within 1 year after the construction is complete, the law 140 will presume that I built or substantially improved it for sale 141 or lease, which violates the exemption.

142 5. I understand that, as the owner-builder, I must provide143 direct, onsite supervision of the construction.

144 6. I understand that I may not hire an unlicensed person to act 145 as my contractor or to supervise persons working on my building 146 or residence. It is my responsibility to ensure that the persons 147 whom I employ have the licenses required by law and by county or 148 municipal ordinance.

7. I understand that it is a frequent practice of unlicensed 149 150 persons to have the property owner obtain an owner-builder permit that erroneously implies that the property owner is 151 152 providing his or her own labor and materials. I, as an ownerbuilder, may be held liable and subjected to serious financial 153 154 risk for any injuries sustained by an unlicensed person or his 155 or her employees while working on my property. My homeowner's 156 insurance may not provide coverage for those injuries. I am 157 willfully acting as an owner-builder and am aware of the limits 158 of my insurance coverage for injuries to workers on my property.

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159 I understand that I may not delegate the responsibility for 8. 160 supervising work to a licensed contractor who is not licensed to 161 perform the work being done. Any person working on my building 162 who is not licensed must work under my direct supervision and 163 must be employed by me, which means that I must comply with laws 164 requiring the withholding of federal income tax and social security contributions under the Federal Insurance Contributions 165 Act (FICA) and must provide workers' compensation for the 166 employee. I understand that my failure to follow these laws may 167 subject me to serious financial risk. 168

9. I agree that, as the party legally and financially responsible for this proposed construction activity, I will abide by all applicable laws and requirements that govern ownerbuilders as well as employers. I also understand that the construction must comply with all applicable laws, ordinances, building codes, and zoning regulations.

175 10. I understand that I may obtain more information regarding 176 my obligations as an employer from the Internal Revenue Service, 177 the United States Small Business Administration, the Florida 178 Department of Financial Services, and the Florida Department of 179 Revenue. I also understand that I may contact the Florida 180 Construction Industry Licensing Board at ... (telephone number)... or ... (Internet website address)... for more 181 information about licensed contractors. 182

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183 11. I am aware of, and consent to, an owner-builder building 184 permit applied for in my name and understand that I am the party 185 legally and financially responsible for the proposed 186 construction activity at the following address: ...(address of 187 property)....

188 12. I agree to notify ... (issuer of disclosure statements)... 189 immediately of any additions, deletions, or changes to any of 190 the information that I have provided on this disclosure.

191 Licensed contractors are regulated by laws designed to protect 192 the public. If you contract with a person who does not have a 193 license, the Construction Industry Licensing Board and Department of Business and Professional Regulation may be unable 194 195 to assist you with any financial loss that you sustain as a 196 result of a complaint. Your only remedy against an unlicensed 197 contractor may be in civil court. It is also important for you to understand that, if an unlicensed contractor or employee of 198 199 an individual or firm is injured while working on your property, 200 you may be held liable for damages. If you obtain an owner-201 builder permit and wish to hire a licensed contractor, you will 202 be responsible for verifying whether the contractor is properly 203 licensed and the status of the contractor's workers' 204 compensation coverage.

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Before a building permit can be issued, this disclosure statement must be completed and signed by the property owner and returned to the local permitting agency responsible for issuing the permit. A copy of the property owner's driver license, the notarized signature of the property owner, or other type of verification acceptable to the local permitting agency is required when the permit is issued.

212Signature: ... (signature of property owner)....213Date: ... (date)....214Section 4. Subsection (6) of section 489.503, Florida

215 Statutes, is amended to read:

216

489.503 Exemptions.-This part does not apply to:

An owner of property making application for 217 (6)(a) 218 permit, supervising, and doing the work in connection with the construction, maintenance, repair, and alteration of and 219 220 addition to a single-family or duplex residence for his or her 221 own use and occupancy and not intended for sale or an owner of 222 property when acting as his or her own electrical contractor and 223 providing all material supervision himself or herself, when building or improving a farm outbuilding or a single-family or 224 225 duplex residence on such property for the occupancy or use of 226 such owner and not offered for sale or lease, or building or 227 improving a commercial building with aggregate construction 228 costs of under \$75,000 on such property for the occupancy or use

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of such owner and not offered for sale or lease. In an action brought under this subsection, proof of the sale or lease, or offering for sale or lease, of more than one such structure by the owner-builder within 1 year after completion of same is prima facie evidence that the construction was undertaken for purposes of sale or lease.

235 (b) An owner of property completing the requirements of a building permit for a one-family or two family residence, 236 237 townhome, accessory structure of a one-family or two-family 238 residence or townhome, individual residential condominium unit, 239 or individual residential cooperative unit. The contractor 240 listed on the permit must have substantially completed the 241 project as determined by the local permitting agency prior to 242 the owner qualifying for the exemption. The owner must also 243 receive approval from the local permitting agency prior to 244 qualifying for the exemption. An owner who qualifies for the 245 exemption under this paragraph is not required to occupy the dwelling or unit for at least 1 year after the completion of the 246 247 project.

(c) This subsection does not exempt any person who is employed by such owner and who acts in the capacity of a contractor. For the purpose of this subsection, the term "owner of property" includes the owner of a mobile home situated on a leased lot. To qualify for exemption under this subsection, an owner shall personally appear and sign the building permit

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254 application and must satisfy local permitting agency 255 requirements, if any, proving that the owner has a complete 256 understanding of the owner's obligations under the law as 257 specified in the disclosure statement in this section. If any 258 person violates the requirements of this subsection, the local 259 permitting agency shall withhold final approval, revoke the permit, or pursue any action or remedy for unlicensed activity 260 261 against the owner and any person performing work that requires licensure under the permit issued. The local permitting agency 262 shall provide the owner with a disclosure statement in 263 264 substantially the following form:

265

# Disclosure Statement

266 State law requires electrical contracting to be done by 267 licensed electrical contractors. You have applied for a permit 268 under an exemption to that law. The exemption allows you, as the 269 owner of your property, to act as your own electrical contractor 270 even though you do not have a license. You may install 271 electrical wiring for a farm outbuilding or a single-family or duplex residence. You may install electrical wiring in a 272 273 commercial building the aggregate construction costs of which 274 are under \$75,000. The home or building must be for your own use and occupancy. It may not be built for sale or lease, unless you 275 276 are completing the requirements of a building permit and the 277 contractor listed on the permit substantially completed the 799685 - h0447-strike.docx Published On: 4/9/2019 9:16:33 PM

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278 project. If you sell or lease more than one building you have 279 wired yourself within 1 year after the construction is complete, 280 the law will presume that you built it for sale or lease, which 281 is a violation of this exemption. You may not hire an unlicensed 282 person as your electrical contractor. Your construction shall be 283 done according to building codes and zoning regulations. It is 284 your responsibility to make sure that people employed by you 285 have licenses required by state law and by county or municipal licensing ordinances. 286

Section 5. Paragraph (c) is added to subsection (1) of section 553.79, Florida Statutes, and subsections (15) through (20) are renumbered as subsections (17) through (22), respectively, and new subsections (15) and (16) are added to that section to read:

292

553.79 Permits; applications; issuance; inspections.-

293 (1) (a) After the effective date of the Florida Building 294 Code adopted as herein provided, it shall be unlawful for any 295 person, firm, corporation, or governmental entity to construct, 296 erect, alter, modify, repair, or demolish any building within 297 this state without first obtaining a permit therefor from the 298 appropriate enforcing agency or from such persons as may, by 299 appropriate resolution or regulation of the authorized state or 300 local enforcing agency, be delegated authority to issue such 301 permits, upon the payment of such reasonable fees adopted by the

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302 enforcing agency. The enforcing agency is empowered to revoke 303 any such permit upon a determination by the agency that the 304 construction, erection, alteration, modification, repair, or demolition of the building for which the permit was issued is in 305 306 violation of, or not in conformity with, the provisions of the 307 Florida Building Code. Whenever a permit required under this section is denied or revoked because the plan, or the 308 309 construction, erection, alteration, modification, repair, or demolition of a building, is found by the local enforcing agency 310 to be not in compliance with the Florida Building Code, the 311 312 local enforcing agency shall identify the specific plan or 313 project features that do not comply with the applicable codes, identify the specific code chapters and sections upon which the 314 315 finding is based, and provide this information to the permit 316 applicant. A plans reviewer or building code administrator who 317 is responsible for issuing a denial, revocation, or modification 318 request but fails to provide to the permit applicant a reason for denying, revoking, or requesting a modification, based on 319 320 compliance with the Florida Building Code or local ordinance, is 321 subject to disciplinary action against his or her license 322 pursuant to s. 468.621(1)(i). Installation, replacement, 323 removal, or metering of any load management control device is exempt from and shall not be subject to the permit process and 324 325 fees otherwise required by this section.

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326 A local enforcement agency shall post each type of (b) 327 building permit application on its website. Completed 328 applications must be able to be submitted electronically to the appropriate building department. Accepted methods of electronic 329 330 submission include, but are not limited to, e-mail submission of 331 applications in portable document format or submission of applications through an electronic fill-in form available on the 332 333 building department's website or through a third-party submission management software. Payments, attachments, or 334 335 drawings required as part of the permit application may be 336 submitted in person in a nonelectronic format, at the discretion 337 of the building official.

338 (c) A local government that issues building permits may 339 send a written notice of expiration, by e-mail or United States 340 Postal Service, to the owner of the property and the contractor 341 listed on the permit, no less than 30 days before a building 342 permit is set to expire or will become null and void or invalid. 343 The written notice must identify the permit that is set to 344 expire or that will become null and void or invalid and the date 345 the permit will expire or become null and void or invalid. (15) (a) A property owner, regardless of whether the 346 347 property owner is the one listed on the application for the

348 building permit, may close a building permit by complying with

349 the following requirements:

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350	1. The property owner may retain the original contractor
351	listed on the permit or hire a different contractor
352	appropriately licensed in this state to perform the work
353	necessary to satisfy the conditions of the permit and obtain any
354	necessary inspections in order to close the permit. If a
355	contractor other than the original contractor listed on the
356	permit is hired by the owner to close the permit, the contractor
357	shall not be liable for any defects in the work performed by the
358	original contractor and shall only be liable for the work the
359	contractor performs.
360	2. Alternatively, the owner may assume the role of an
361	owner-builder, in accordance with s. 489.103(7) and s.
362	<u>489.503(6).</u>
363	3. For the purposes of this section, the term "close" means
364	that the requirements of the permit have been satisfied.
365	(b) The requirements to close a permit pursuant to this
366	subsection shall be based on the building code in effect at the
367	time the local enforcement agency received the application for
368	the permit, unless the contractor has sought and received
369	approval from the local enforcement agency for an alternative
370	material, design, or method of construction.
371	(c) A local enforcement agency may close a building permit
372	6 years after the issuance of the permit, even in the absence of
373	a final inspection, if the local enforcement agency determines
374	that no apparent safety hazards exist.
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375	(16)(a) A local enforcement agency may not deny issuance of
376	a building permit to, issue a notice of violation to, fine,
377	penalize, sanction, or assess fees against an arms-length
378	purchaser of a property for value solely because a building
379	permit applied for by a previous owner of the property was not
380	closed. The local enforcement agency shall maintain all rights
381	and remedies against the property owner and contractor listed on
382	the permit.
383	(b) The local enforcement agency may not deny issuance of a
384	building permit to a contractor solely because the contractor is
385	listed on other building permits that were not closed.
386	Section 6. Paragraph (e) is added to subsection (7)
387	of section 553.80, Florida Statutes, to read:
388	553.80 Enforcement
389	(7) The governing bodies of local governments may provide
390	a schedule of reasonable fees, as authorized by s. 125.56(2) or
391	s. 166.222 and this section, for enforcing this part. These
392	fees, and any fines or investment earnings related to the fees,
393	shall be used solely for carrying out the local government's
394	responsibilities in enforcing the Florida Building Code. When
395	providing a schedule of reasonable fees, the total estimated
396	annual revenue derived from fees, and the fines and investment
397	earnings related to the fees, may not exceed the total estimated
398	annual costs of allowable activities. Any unexpended balances
399	shall be carried forward to future years for allowable
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400 activities or shall be refunded at the discretion of the local 401 government. The basis for a fee structure for allowable 402 activities shall relate to the level of service provided by the 403 local government and shall include consideration for refunding 404 fees due to reduced services based on services provided as 405 prescribed by s. 553.791, but not provided by the local 406 government. Fees charged shall be consistently applied.

407 (e) The governing body of a local government that issues
408 building permits may charge a person only one search fee for
409 identifying building permits for each unit or subunit assigned
410 by the governing body to a particular tax parcel identification
411 number, in an amount commensurate with research and time costs
412 incurred by the governing body.

413 Section 7. The effective date of the bill is October 414 1, 2019.

#### TITLE AMENDMENT

418 Remove everything before the enacting clause and insert: 419 An act relating to building permits; amending s. 420 125.56, F.S.; allowing counties to provide notice in 421 certain circumstances; prohibiting counties from charging a person an additional search fee under 422 423 certain circumstances; amending s. 166.222, F.S.; 424 prohibiting the governing body of a municipality from 799685 - h0447-strike.docx Published On: 4/9/2019 9:16:33 PM

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425 charging a person an additional search fee under 426 certain circumstances; amending s. 489.103, F.S.; 427 creating an exemption; amending s. 489.503, F.S.; 428 creating an exemption; amending s. 553.79, F.S.; 429 allowing local governments to provide notice in certain circumstances; prohibiting a local enforcement 430 agency from penalizing a subsequent arms-length 431 432 purchaser under certain circumstances; authorizing a local enforcement agency to close a permit under 433 434 certain circumstances; providing that a contractor is 435 not liable in certain circumstances; amending s. 436 553.80, F.S.; prohibiting the governing body of a 437 local government from charging a person an additional 438 search fee under certain circumstances; providing an effective date. 439

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