

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1551 Wind-borne Debris Regions

SPONSOR(S): State Affairs Committee, Berfield

TIED BILLS: IDEN./SIM. BILLS: SB 1370

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	15 Y, 0 N	Burgess	Darden
2) State Affairs Committee	20 Y, 0 N, As CS	Burgess	Williamson

SUMMARY ANALYSIS

The Florida Building Codes Act provides a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Florida Building Code (Building Code) must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction. The Florida Building Commission implements the Building Code.

Wind-borne debris regions are defined in the Building Code by specific design wind speeds. For example, the 2020 Building Code defines wind-borne debris regions as areas:

- Within one mile of the coastal mean high-water line where the ultimate design wind speed is 130 mph or greater; or
- Where the ultimate design wind speed is 140 mph or greater.

The Florida Constitution requires that all property be assessed at its fair market value for ad valorem tax purposes, and it specifies assessment limits, property classifications, and exemptions. Each year, unless extended for good cause by the Department of Revenue, each property appraiser must complete an assessment of the value of all property within the appraiser's jurisdiction and certify to the taxing authorities the taxable value of such property. The taxable value of a residential parcel includes both the value of structures and other improvements on the parcel and the value of the land on which those structures and improvements sit. The property appraiser also ensures that all real property is listed on the real property assessment roll.

The bill requires the property appraiser for each county located within a wind-borne debris region to specify on its website the actual year built and the effective year built of an improvement and provide a link to the website of the building department or, if available, any building permit information for the improvement.

The bill does not appear to have a fiscal impact on the state but may have an insignificant fiscal impact on local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

The Florida Building Code

In 1974, Florida adopted legislation requiring all local governments to adopt and enforce a minimum building code. In 1992, Hurricane Andrew demonstrated that Florida's system of local codes did not work and a study was commissioned to make recommendations. In 1998, the Legislature adopted the recommendations for a single state building code and enhanced the oversight role of the state over local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Building Code), and that first edition replaced all local codes on March 1, 2002.¹ The current edition of the Building Code is the seventh edition, which is referred to as the 2020 Florida Building Code.²

Chapter 553, part IV, F.S., is known as the "Florida Building Codes Act" (Act). The Act provides a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Building Code must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction.³

The Florida Building Commission (Building Commission) implements the Building Code. The Building Commission, which is housed within the Department of Business and Professional Regulation, reviews several International Codes published by the International Code Council, the National Electric Code, and other nationally adopted model codes to determine if the Building Code needs to be updated and adopts an updated Building Code every three years.⁴

A local enforcement agency is an agency of local government with jurisdiction to make inspections of buildings and to enforce the Building Code.⁵

Property Taxes

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.⁶ The ad valorem tax is an annual tax levied by counties, cities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.⁷ The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,⁸ and provides for specified assessment limitations, property classifications, and exemptions.⁹ After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.¹⁰

¹ The Florida Building Commission Report to the 2006 Legislature, *Florida Department of Community Affairs*, p. 4, https://consensus.fsu.edu/FBC/FBC_Rpt_2006_Legislature_b.pdf (last visited Mar. 23, 2023).

² Florida Building Commission Homepage, https://floridabuilding.org/dca/dca_fbc_default.aspx (last visited Mar. 23, 2023).

³ See s. 553.72(1), F.S.

⁴ Ss. 553.73, and 553.74, F.S.

⁵ S. 553.71(5), F.S.

⁶ Art. VII, s. 1(a), Fla. Const.

⁷ Section 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. Section 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in article VII, section 1(b) of the Florida Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

⁸ Art. VII, s. 4, Fla. Const.

⁹ Art. VII, ss. 3, 4, and 6, Fla. Const.

¹⁰ S. 196.031, F.S.

Ad Valorem Process

Each property appraiser must complete an assessment of the value of all property¹¹ within the appraiser's jurisdiction and certify to the taxing authorities the taxable value of such property no later than July 1 of each year, unless extended for good cause by the Department of Revenue (DOR).¹² The taxable value of a residential parcel includes both the value of structures and other improvements on the parcel and the value of the land on which those structures and improvements sit.¹³ The property appraiser also ensures that all real property is listed on the real property assessment roll.¹⁴

Appraisers must submit their assessment rolls to DOR by July 1 of the assessment year to determine if the rolls meet all the appropriate requirements of law relating to form and just value.¹⁵ Assessment rolls include, in addition to taxable value, other information on the property located within the property appraiser's jurisdiction, such as just value, assessed value, and the amount of each exemption or discount.¹⁶

Wind-borne Debris Regions

Historically, wind-borne debris regions (WBDR) have been linked to specific design wind speeds; however, the adoption of wind speed maps as part of the Florida Building Code necessitated a need to recalibrate WBDR triggers. The 2020 Building Code defines WBDR as areas:

- Within one mile of the coastal mean high-water line where the ultimate design wind speed is 130 mph or greater; or
- Where the ultimate design wind speed is 140 mph or greater.¹⁷

Effect of Proposed Changes

The bill requires the property appraiser for each county located within a WBDR to specify on its website the actual year built and the effective year built of an improvement and provide a link to the website of the building department or, if available, the building permit information for the improvement.

B. SECTION DIRECTORY:

Section 1: Amends s. 193.085, F.S., revising requirements for property appraiser websites.

Section 2: Provides an effective date of January 1, 2024.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

¹¹ For purposes of clarity and administration of the tax abatement, the bill distinguishes between a "residential parcel" and "residential improvement," avoiding the broad term "property." For appraisal purposes, a "residential parcel" includes the land and improvements. For readability, this analysis will use the broader term "property" unless the context requires otherwise.

¹² S. 193.023(1), F.S.

¹³ See *The Appraisal Process and Your Taxes*, Hillsborough Cnty. Prop. Appraiser, <http://www.hcpafl.org/Property-Info/The-Appraisal-Process-Your-Taxes> (last visited Mar. 24, 2023) (process for calculating property tax values).

¹⁴ S. 193.085(1), F.S.

¹⁵ S. 193.1142(1)(a), F.S.

¹⁶ S. 193.114, F.S.

¹⁷ See *Wind Loads-Impacts From ASCE 7-16 June 2020*, Fla. Building Commission, https://www.floridabuilding.org/fbc/thecode/2020_7edition/ASCE_7-16_Fact_Sheet_final_2_column_format052820final.pdf (last visited Mar. 24, 2023).

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

Counties may see an indeterminate, but likely insignificant, increase in expenditures to the extent additional resources are required to add the required information to property appraiser websites.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of Art. VII, s. 18 of the Florida Constitution may apply because this bill requires the property appraiser for each county located within a WBDR to specify on its website the year of initial construction of each improvement on any parcel in the county, as well as the year of publication of the building code applicable to initial construction of such improvement; however, an exemption may apply if the bill has an insignificant fiscal impact.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill neither provides authority for nor requires rulemaking by executive branch agencies.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On April 19, 2023, the State Affairs Committee adopted an amendment and reported the bill favorably as a committee substitute. The amendment required the property appraiser for each county located within a WBDR to specify on its website the actual year built and the effective year built of an improvement and provide a link to the website of the building department or, if available, any building permit information for the improvement.

This analysis is drafted to the committee substitute as passed by the State Affairs Committee.