

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1483 Pinellas County Construction Licensing Board, Pinellas County

**SPONSOR(S):** Chaney

**TIED BILLS:** **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	15 Y, 0 N	Burgess	Darden
2) Regulatory Reform & Economic Development Subcommittee	13 Y, 0 N	Larkin	Anstead
3) State Affairs Committee			

### SUMMARY ANALYSIS

Contractors are regulated by ch. 489, F.S., which outlines the law pertaining to contractors in the state of Florida, with construction contracting regulated by the Construction Industry Licensing Board (CILB). Counties and municipalities may not require a license for a person whose job scope does not substantially correspond to a contractor category licensed by the CILB after July 1, 2024.

The Pinellas County Construction Licensing Board (Board) was created in 1975 as a dependent agency of the Pinellas County Board of County Commissioners (PCBC). The Board regulates certain construction and home improvement contractors practicing in all Pinellas County jurisdictions. The Board also provides countywide certification and registration of contractors and countywide certification of journeymen.

The Board consists of 15 members appointed by the PCBC serving four-year terms. Board members may not serve more than two consecutive terms, but may be reappointed after a two-year hiatus. However, the limitation does not apply to the governmental building official or fire official appointees. All Board members, except any governmental building official, must be residents of Pinellas County.

This bill recodifies prior special acts relating to the Board and updates the Board's charter by:

- Updating definitions concerning types of contracting to those found in general law;
- Providing a list of certain types of contractors that may be defined by rules adopted by the Board;
- Removing registration requirements for contractors, consistent with the prohibition of local contractor licensing that takes effect July 1, 2024;
- Providing for examination for certification for specialty contractors;
- Clarifying the causes for which disciplinary action against a certificate can be brought;
- Reducing the period the Board must retain examinations from five years to two years; and
- Making conforming changes.

The Economic Impact Statement (EIS) estimates the bill will result in a revenue decrease of \$449,835 and a cost of \$30,000 for external software developers and other changes impacting staff and operations for Fiscal Year (FY) 2024-2025 and a revenue decrease of \$449,835 and a cost of \$35,000 for FY 2025-2026. The EIS also states other estimated n costs will reduce by \$220,000 per year.

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

**STORAGE NAME:** h1483c.RRS

**DATE:** 2/2/2024

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present Situation

##### Construction Professional Licenses

Contractors are regulated by ch. 489, F.S., which outlines the law pertaining to contractors in the state of Florida. Part I of ch. 489, F.S., covers construction contracting regulated by the Construction Industry Licensing Board (CILB) and pt. II of ch. 489, F.S., covers electrical/alarm system contracting regulated by the Electrical Contractors' Licensing Board. Both boards are housed in the Department of Business and Professional Regulation (DBPR).<sup>1</sup>

Construction contractors are either certified or registered by the CILB.<sup>2</sup> The CILB consists of 18 members who are appointed by the Governor and confirmed by the Senate.<sup>3</sup> The CILB meets to approve or deny applications for licensure, review disciplinary cases, and conduct informal hearings relating to discipline.<sup>4</sup>

An individual is considered a "certified contractor" if they pass the state competency examination and obtain a certificate of competency issued by DBPR.<sup>5</sup> Certified contractors are able to obtain a certificate of competency for a specific license category and are permitted to practice in that category in any jurisdiction in the state. Additionally, a contractor may be considered a "certified specialty contractor" if their scope of work is limited to a particular phase of construction, such as drywall or demolition.<sup>6</sup> Certified specialty contractor licenses are created by the CILB through rulemaking. Certified specialty contractors are permitted to practice in any jurisdiction in the state.

The CILB licenses the following types of contractors:<sup>7</sup>

Statutory Licenses	Specialty Licenses
<ul style="list-style-type: none"><li>• Air Conditioning- Classes A, B, and C</li><li>• Building</li><li>• General</li><li>• Internal Pollutant Storage Tank Lining Applicator</li><li>• Mechanical</li><li>• Plumbing</li><li>• Pollutant Storage Systems</li><li>• Pool/Spa- Commercial, Residential, and Service</li><li>• Precision Tank Tester</li><li>• Residential</li><li>• Roofing</li><li>• Sheet Metal</li><li>• Solar</li><li>• Underground Excavation</li></ul>	<ul style="list-style-type: none"><li>• Drywall</li><li>• Demolition</li><li>• Gas Line</li><li>• Glass and Glazing</li><li>• Industrial Facilities</li><li>• Irrigation</li><li>• Marine</li><li>• Residential Pool/Spa Servicing</li><li>• Solar Water Heating</li><li>• Structure</li><li>• Swimming Pool Decking</li><li>• Swimming Pool Excavation</li><li>• Swimming Pool Finishes</li><li>• Swimming Pool Layout</li><li>• Swimming Pool Piping</li><li>• Swimming Pool Structural</li><li>• Swimming Pool Trim</li></ul>

<sup>1</sup> Ch. 489, Parts I and II, F.S.

<sup>2</sup> S. 489.115, F.S.

<sup>3</sup> S. 489.107(1), F.S.

<sup>4</sup> Ss. 489.115 and 489.129, F.S.

<sup>5</sup> S. 489.105(8), F.S.

<sup>6</sup> S. 489.105(3)(q), F.S.

<sup>7</sup> S. 489.105(3)(a)-(q), F.S.; R. 61G4-15.015-.040, F.A.C.

Current law provides that local jurisdictions may approve or deny applications for licensure as a registered contractor, review disciplinary cases, and conduct informal hearings relating to discipline of registered contractors licensed in their jurisdiction.<sup>8</sup> Local governments may only collect licensing fees that cover the cost of regulation.<sup>9</sup>

Locally registered contractors that are required to hold a contracting license to practice their profession in accordance with state law must register with DBPR after obtaining a local license. However, persons holding a local construction license whose job scope does not substantially correspond to the job scope of a certified contractor or a certified specialty contractor are not required to register with DBPR.<sup>10</sup>

Electrical contractors, alarm system contractors, and electrical specialty contractors are certified or registered under the Electrical Contractors' Licensing Board (ECLB). Certified contractors can practice statewide and are licensed and regulated by the ECLB. Registered contractors are licensed and regulated by a local jurisdiction and may only practice within that locality.<sup>11</sup>

Electrical certified specialty contractors are contractors whose scope of work is limited to a particular phase of electrical contracting, such as electrical signs. The ECLB creates electrical certified specialty contractor licenses through rulemaking. Certified electrical specialty contractors can practice statewide. The ECLB has created the following certified specialty contractor licenses:

- Lighting maintenance specialty contractor;
- Sign specialty electrical contractor;
- Residential electrical contractor;
- Limited energy systems specialty contractor; and
- Utility line electrical contractor.<sup>12</sup>

A county or municipality may not require a license for a person whose job scope does not substantially correspond to a contractor category licensed by the CILB after July 1, 2024.<sup>13</sup> Counties and municipalities are precluded from requiring a license for certain job scopes, including, but not limited to, painting, flooring, cabinetry, interior remodeling, handyman services, driveway or tennis court installation, decorative stone, tile, marble, granite, or terrazzo installation, plastering, stuccoing, caulking, canvas awning installation, and ornamental iron installation.

Counties and municipalities may continue to issue journeyman licenses in the plumbing, pipe fitting, mechanical and HVAC trades, as well as, the electrical and alarm system trades, which is the current practice by counties and municipalities.<sup>14</sup> The licensing of those specific local journeyman licenses is exempt from preemption.

### Pinellas County Construction Licensing Board

The Pinellas County Construction Licensing Board (Board) was created by special act in 1975.<sup>15</sup> The Board is a dependent agency of the Pinellas County Board of Commissioners (PCBC). The function of the Board is to regulate certain construction and home improvement contractors practicing in all Pinellas County jurisdictions. The Board also provides countywide certification and registration of contractors and certification of journeymen.

<sup>8</sup> Ss. 489.117 and 489.131, F.S.

<sup>9</sup> See Office of Economic and Demographic Research, *2022 Local Government Financial Information Handbook*, 9, <http://edr.state.fl.us/Content/local-government/reports/lgfih22.pdf> (last visited Jan. 22, 2024).

<sup>10</sup> Ss. 489.105 and 489.117(4), F.S.

<sup>11</sup> See *generally* s. 489.505, F.S.

<sup>12</sup> Ss. 489.505(19) and 489.511(4), F.S.; Rule 61G6-7.001, F.A.C.

<sup>13</sup> S. 163.211(2)(a), F.S.

<sup>14</sup> Ss. 489.1455 and 489.5335, F.S.

<sup>15</sup> Ch. 75-489, Laws of Fla.

The Board consists of 15 members appointed by the PCBC for four-year terms.<sup>16</sup> Board members may not serve more than two consecutive terms, but may be reappointed after a two-year hiatus.<sup>17</sup> However, the limitation does not apply to the governmental building official or fire official appointees.<sup>18</sup> All Board members must be residents of Pinellas County with the exception of any governmental building officials.<sup>19</sup> The membership of the Board consists of:<sup>20</sup>

- A general contractor;
- An architect;
- A residential contractor;
- An electrical contractor;
- A plumbing contractor;
- A mechanical contractor or Class A air-conditioning contractor;
- A roofing contractor or sheet metal contractor;
- A swimming pool contractor, aluminum specialty contractor, or veneer specialty contractor;
- A Pinellas County building official;
- Two consumer representatives not affiliated with the construction industry;
- A fire official;
- Three building officials, one each from the northern,<sup>21</sup> southern,<sup>22</sup> and beach community<sup>23</sup> portions of the county.

Current law governing the Board contains a detailed list of various types of contractors, including those who fall under the jurisdiction of the CILB and those only subject to local provisions.<sup>24</sup> Contractors are required to register and certify with the Board based on examinations conducted by the committees established by the Board.<sup>25</sup>

The Board may revoke or suspend a certificate if a contractor has been found to:

- Willfully or deliberately disregarded or violated the building code;
- Have aided or abetted any uncertified or unregistered person to evade the special act establishing the Board;
- Knowingly conspired with an uncertified or unregistered person to allow the contractor's certificate to be used by the uncertified or unregistered person with the intent to evade;
- Commit mismanagement or misconduct in the practice of contracting that causes financial harm to a customer;
- Been subject to discipline by a county or municipality;
- Abandon a construction project in which the contractor is engaged or under contract as a contractor;
- Guilty of fraud or deceit or of gross negligence, incompetency, or misconduct in the practice of contracting; and
- Proceed on any job without obtaining applicable local building department permits and inspections.<sup>26</sup>

## Effect of Proposed Changes

This bill recodifies all special acts relating to the Board and makes the following revisions:

- Updates definitions concerning types of contracting to those found in general law;

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<sup>16</sup> Ch. 75-489, s. 12(1), Laws of Fla., as amended by ch. 2019-184, s. 1, Laws of Fla.

<sup>17</sup> Ch. 75-489, s. 12(3)(a), Laws of Fla., as amended by ch. 2018-179, s. 1, Laws of Fla.

<sup>18</sup> *Id.*

<sup>19</sup> Ch. 75-489, s. 12(1), Laws of Fla., as amended by ch. 2019-184, s. 121, Laws of Fla.

<sup>20</sup> Ch. 75-489, s. 12(3)(a), Laws of Fla., as amended by ch. 2018-179, s. 1(3)(a) of s. 12, Laws of Fla.

<sup>21</sup> Clearwater, Tarpon Springs, Dunedin, Oldsmar, Safety Harbor, Belleair, Belleair Bluffs, or Largo.

<sup>22</sup> St. Petersburg, South Pasadena, Gulfport, Seminole, Kenneth City, or Pinellas Park.

<sup>23</sup> Belleair Beach, Belleair Shore, Redington Beach, North Redington Beach, Madeira Beach, Indian Rocks Beach, Indian Shores, Redington Shores, Treasure Island, or St. Pete Beach.

<sup>24</sup> Ch. 75-489, s. 11, Laws of Fla., as amended.

<sup>25</sup> Ch. 75-489, ss. 15-17, Laws of Fla., as amended.

<sup>26</sup> Ch. 75-489, s. 24, Laws of Fla.

- Provides a list of certain types of contractors that may be defined by rules adopted by the Board;
- Removes registration requirements, consistent with the provisions of s. 163.211, F.S.;
- Provides for examination for certification for specialty contractors;
- Clarifies the causes for which disciplinary action against a certificate can be brought;
- Reduces the period the Board must retain examinations from five years to two years; and
- Makes conforming changes.

The Economic Impact Statement (EIS) estimates the bill will have a \$449,835 revenue decrease and a cost of \$30,000 for external software developers and other changes impacting staff and operations for Fiscal Year (FY) 2024-2025 and a \$449,835 revenue decrease and a cost of \$35,000 for FY 2025-2026. The EIS also states other estimated costs will reduce by \$220,000 per year.

**B. SECTION DIRECTORY:**

- Section 1: Provides for codification of all special acts relating to the Board.
- Section 2: Provides special acts relating to the Board are amended, codified, reenacted, and repealed as provided by the bill.
- Section 3: Provides a charter for the Board.
- Section 4: Repeals 75-489, 78-594, 81-466, 85-490, 86-444, 89-504, 93-387, 99-441, 2002-350, 2003-319, 2004-403, 2018-179, and 2019-184, Laws of Florida.
- Section 5: Provides an effective date of upon becoming a law.

**II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS**

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? December 6, 2023

WHERE? The *Tampa Bay Times*, a daily newspaper of general circulation published in Pinellas County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes  No

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill neither requires nor provides authority for agency rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

None.