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By the Committee on Regulated Industries; and Senator Burgess

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A bill to be entitled An act relating to construction contracting; amending s. 489.115, F.S.; requiring that a portion of the 14 classroom hours required for the contractor certificateholder's or registrant's continuing education relate to financial literacy and basic consumer protection principles; creating s. 489.1285, F.S.; requiring the Department of Business and Professional Regulation to create and adopt by a date certain a standardized disciplinary form for a certain purpose; requiring local construction regulation boards to use such standardized disciplinary form when reporting any disciplinary action to the department; requiring the department to record each submitted form in a specified automated information system; requiring each local construction regulation board to search the automated information system for recorded disciplinary forms before issuing a license or registration under part I of ch. 489, F.S.; requiring each local construction regulation board to submit a specified report by a date certain; amending s. 489.126, F.S.; requiring a contractor who has received money for the repair, restoration, addition, improvement, or construction of residential real property in excess of the value of the work to work without unreasonable delay to complete the project after a specified timeframe and to provide a schedule for completion of the project within a specified timeframe upon request; authorizing a contractor to collect additional

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compensation under certain circumstances; requiring a contractor to return a consumer's deposit within a specified timeframe under certain circumstances; authorizing the contractor to retain a portion of such deposit under certain circumstances; providing for disciplinary action against a contractor under certain circumstances; amending s. 489.127, F.S.; providing penalties; amending s. 489.129, F.S.; requiring the local construction regulation board to submit a standardized disciplinary form under certain circumstances; amending ss. 489.119 and 489.131, F.S.; conforming cross-references; reenacting ss. 489.517(4)(a) and 553.79(18), F.S., relating to continuing education for renewal of certificate or registration and permits, respectively, to incorporate the amendment made to s. 489.115, F.S., in references thereto; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (b) of subsection (4) of section 489.115, Florida Statutes, is amended to read:

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489.115 Certification and registration; endorsement; reciprocity; renewals; continuing education.—

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(4)

(b)1. Each certificateholder or registrant shall provide proof, in a form established by rule of the board, that the certificateholder or registrant has completed at least 14 classroom hours of at least 50 minutes each of continuing

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education courses during each biennium since the issuance or renewal of the certificate or registration. The board shall establish by rule that a portion of the required 14 hours must deal with the subject of workers' compensation, business practices, workplace safety, financial literacy and basic consumer protection principles relating to construction fraud, construction contractual agreements, deposit and escrow requirements, homeowner rights, and, for applicable licensure categories, wind mitigation methodologies, and 1 hour of which must deal with laws and rules. The board shall by rule establish criteria for the approval of continuing education courses and providers, including requirements relating to the content of courses and standards for approval of providers, and may by rule establish criteria for accepting alternative nonclassroom continuing education on an hour-for-hour basis. The board shall prescribe by rule the continuing education, if any, which is required during the first biennium of initial licensure. A person who has been licensed for less than an entire biennium must not be required to complete the full 14 hours of continuing education.

2. In addition, the board may approve specialized continuing education courses on compliance with the wind resistance provisions for one and two family dwellings contained in the Florida Building Code and any alternate methodologies for providing such wind resistance which have been approved for use by the Florida Building Commission. Division I certificateholders or registrants who demonstrate proficiency upon completion of such specialized courses may certify plans and specifications for one and two family dwellings to be in

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compliance with the code or alternate methodologies, as appropriate, except for dwellings located in floodways or coastal hazard areas as defined in ss. 60.3D and E of the National Flood Insurance Program.

3. The board shall require, by rule adopted pursuant to ss. 120.536(1) and 120.54, a specified number of hours in specialized or advanced module courses, approved by the Florida Building Commission, on any portion of the Florida Building Code, adopted pursuant to part IV of chapter 553, relating to the contractor's respective discipline.

Section 2. Section 489.1285, Florida Statutes, is created to read:

## 489.1285 Disciplinary forms.—

- (1) The department shall create and adopt by rule a standardized disciplinary form to be used by each local construction regulation board to uniformly report a violation of this part to the department. The department shall create the standardized disciplinary form and publish a notice of proposed rule pursuant to s. 120.54(3)(a) by July 1, 2026.
- (2) (a) Upon adoption of the standardized disciplinary form by the department, each local construction regulation board shall use the form when reporting any disciplinary action to the department. The department shall record each submitted form in the automated information system created under s. 455.2286.
- (b) Each local construction regulation board shall search the automated information system for any recorded disciplinary forms before issuing a license or registration under this part.
- (3) By December 1, 2026, each local construction regulation board shall submit to the department a report regarding the

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board's implementation of this section.

Section 3. Present subsections (4), (5), and (6) of section 489.126, Florida Statutes, are redesignated as subsections (5), (6), and (7), respectively, a new subsection (4) is added to that section, and paragraph (a) of subsection (3) of that section is amended, to read:

489.126 Moneys received by contractors.-

(3) (a) A contractor who receives money for repair, restoration, addition, improvement, or construction of residential real property in excess of the value of the work performed may not fail or refuse to perform any work for any 90day period or for any period that is mutually agreed upon and specified in the contract. After such period, and except where the contract expressly allows the contractor to continue his or her temporary suspension or delay of work, or where the owner has materially breached the contract, the contractor must work without unreasonable delay to complete the project and must provide, within 10 days after receipt of a written request, a schedule for completion. Nothing herein shall prevent the contractor from collecting additional compensation for demobilization, remobilization, acceleration, cost of materials, or any other cost, damage, or fee caused by the temporary suspension or delay if the temporary suspension or delay was caused by the owner, an act of God, a declaration of a state of emergency issued by the Governor which impacts construction of the project, or a governmental order and if the contract entitles the contractor to such compensation.

(4) (a) If a consumer provides a deposit to a licensed contractor for a construction project and subsequently cancels

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the project, and the contract between the parties does not contain a provision relating to rescission of such contract, the contractor must return the deposit within 30 days after cancellation. The contractor may retain any portion of the deposit which has been spent on the project before the cancellation request, provided that a detailed statement of such expenditures is given to the consumer.

- (b) Failure by the contractor to return the balance of unused funds or to provide a statement of expenditures within the specified period will subject the contractor to disciplinary action, including such action described in s. 489.129(1).
- Section 4. Present subsections (3) through (6) of section 489.127, Florida Statutes, are redesignated as subsections (4) through (7), respectively, and a new subsection (3) is added to that section, and subsection (1) of that section is republished to read:
  - 489.127 Prohibitions; penalties.-
  - (1) No person shall:
- (a) Falsely hold himself or herself or a business organization out as a licensee, certificateholder, or registrant;
  - (b) Falsely impersonate a certificateholder or registrant;
- (c) Present as his or her own the certificate or registration of another;
- (d) Knowingly give false or forged evidence to the board or a member thereof;
- (e) Use or attempt to use a certificate or registration that has been suspended or revoked;
  - (f) Engage in the business or act in the capacity of a

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contractor or advertise himself or herself or a business organization as available to engage in the business or act in the capacity of a contractor without being duly registered or certified;

- (g) Operate a business organization engaged in contracting after 60 days following the termination of its only qualifying agent without designating another primary qualifying agent, except as provided in ss. 489.119 and 489.1195;
- (h) Commence or perform work for which a building permit is required pursuant to part IV of chapter 553 without such building permit being in effect; or
- (i) Willfully or deliberately disregard or violate any municipal or county ordinance relating to uncertified or unregistered contractors.

For purposes of this subsection, a person or business
organization operating on an inactive or suspended certificate
or registration is not duly certified or registered and is
considered unlicensed. A business tax receipt issued under the

considered unlicensed. A business tax receipt issued under the authority of chapter 205 is not a license for purposes of this part.

- (3) A person who violates paragraph (1)(a), paragraph (1)(b), or paragraph (1)(c) and takes money from a consumer who reasonably relied on such falsification commits:
- (a) A felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, if the total money exchanged is more than \$1,000 but less than \$20,000.
- (b) A felony of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084, if the total money

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204 exchanged is \$20,000 or more but less than \$200,000. 205 (c) A felony of the first degree, punishable as provided in 206 s. 775.082, s. 775.083, or s. 775.084, if the total money 207 exchanged is \$200,000 or more. 208 (d) A felony of the third degree, punishable as provided in 209 s. 775.082 or s. 775.083, if such person is unlicensed and 210 commits the violation during a state of emergency declared by 211 executive order of the Governor. Section 5. Subsection (13) is added to section 489.129, 212 213 Florida Statutes, to read: 214 489.129 Disciplinary proceedings.-215 (13) The local construction regulation board shall submit a standardized disciplinary form pursuant to s. 489.1285 for any 216 217 disciplinary action taken against any certificateholder or registrant, including, but not limited to, placement on 218 219 probation or reprimand of the licensee; revocation, suspension, 220 or denial of issuance or renewal of the certificate or 221 registration; an order of payment of financial restitution to a 222 consumer for financial harm directly related to a violation of a 223 provision of this part; imposition of an administrative fine; an 224 order to take continuing education courses; or assessment of 225 costs associated with investigation and prosecution. 226 Section 6. Paragraph (f) of subsection (5) of section 489.119, Florida Statutes, is amended to read: 227 228 489.119 Business organizations; qualifying agents.-229 (5) 230 (f) In addition to any other penalty prescribed by law, a 231 local government may impose a civil fine pursuant to s. 232 489.127(6) s. 489.127(5) against a person who is not certified

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or registered under this part if the person:

- 1. Claims to be licensed in any offer of services, business proposal, bid, contract, or advertisement, but does not possess a valid competency-based license issued by a local government in this state to perform the specified construction services; or
- 2. Claims to be insured in any offer of services, business proposal, bid, contract, or advertisement, but whose performance of the subject work is not covered by a general liability or workers' compensation insurance policy.

Section 7. Paragraph (c) of subsection (6) of section 489.131, Florida Statutes, is amended to read:

489.131 Applicability.-

(6)

- (c) Each local board or agency that licenses contractors must transmit quarterly to the board a report of any disciplinary action taken against contractors and of any administrative or disciplinary action taken against unlicensed persons for engaging in the business or acting in the capacity of a contractor including any cease and desist orders issued pursuant to s. 489.113(2) (b) and any fine issued pursuant to  $\underline{s.}$   $\underline{489.127(6)}$  s.  $\underline{489.127(5)}$ .
- Section 8. For the purpose of incorporating the amendment made by this act to section 489.115, Florida Statutes, in a reference thereto, paragraph (a) of subsection (4) of section 489.517, Florida Statutes, is reenacted to read:
- 489.517 Renewal of certificate or registration; continuing education.—
- (4)(a) If a certificateholder or registrant holds a license under both this part and part I and is required to have

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continuing education courses under s. 489.115(4)(b)1., the certificateholder or registrant may apply those course hours for workers' compensation, workplace safety, and business practices obtained under part I to the requirements under this part.

Section 9. For the purpose of incorporating the amendment made by this act to section 489.115, Florida Statutes, in a reference thereto, subsection (18) of section 553.79, Florida Statutes, is reenacted to read:

553.79 Permits; applications; issuance; inspections.-

(18) Certifications by contractors authorized under the provisions of s. 489.115(4)(b) shall be considered equivalent to sealed plans and specifications by a person licensed under chapter 471 or chapter 481 by local enforcement agencies for plans review for permitting purposes relating to compliance with the wind resistance provisions of the code or alternate methodologies approved by the commission for one and two family dwellings. Local enforcement agencies may rely upon such certification by contractors that the plans and specifications submitted conform to the requirements of the code for wind resistance. Upon good cause shown, local government code enforcement agencies may accept or reject plans sealed by persons licensed under chapter 471, chapter 481, or chapter 489. A truss-placement plan is not required to be signed and sealed by an engineer or architect unless prepared by an engineer or architect or specifically required by the Florida Building Code.

Section 10. This act shall take effect July 1, 2025.