The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepared	By: The Pr	ofessional Staff	of the Committee o	n Regulated Industries	
BILL:	SB 1298					
INTRODUCER:	Senator Simon					
SUBJECT:	Building Construction					
DATE:	March 18, 2	2025	REVISED:			
ANALYST		STAF	DIRECTOR	REFERENCE	ACTION	
1. Baird		Imhof		RI	Pre-meeting	
2				AEG		
3				RC		

I. Summary:

SB 1298 makes numerous changes to the statutes regulating **building code administrators and building code inspectors**. The bill:

- Reinstates the continuing education requirements for building code administrators and building code inspectors that are regulated pursuant to ch. 468, F.S.
- Expands the qualifying jurisdictions that are able to enter into an interagency service agreement for building code administrators/officials.
- Clarifies the scope of what a residential inspector can cover to align with current code interpretation, limiting a residential inspector to licensing for one- and two-family residences.
- Creates three new internship programs: a residential inspector, a residential plans inspector, and a roofing inspector internship program.
- Provides statutory requirements for those newly created internship programs and authority to create proper paperwork and application processes.

The bill also makes changes to several statutes regarding **contractors**, the method of signing building permits, designating new qualifying agents, and the scope of newly designated qualifying agent's liability. The bill provides that:

- Owners, or for owners that are a corporate entity, the owner's agent, can personally or virtually appear and sign the building permit application.
- The owner or owner's agent must sign a disclosure statement, personally or virtually.
- A property owner is required to sign off on permit applications when the owner is:
 - Responsible for the construction and is not hiring a licensed contractor to assume responsibility; or
 - o Hiring a contractor under a direct contract of greater than \$7,500; or
 - Hiring a contractor to repair or replace an existing heating or air-conditioning system under a direct contract of \$15,000.

• A new responsibility for the contractor business organization if they are designating a new qualifying agent: the new qualifying agent must apply to the department for a "change of contractor" within 90 days after a new designation is made in each jurisdiction in which an active permit is held by the business organization's previous qualifying agent.

- The ability for a city or county building department official to request a business organization to sign a change of contractor form and establishes a method for serving notice if the business organization does not sign a change of contractor form.
- Upon receipt of the hold harmless affidavit, the building department official shall process the change of contractor to designate a new qualifying agent without requiring a notification or waiting period.
- The newly designated qualifying agent, done through the change of contractor process, is not responsible for his or her predecessor's work but is responsible for any corrective work performed on his or her predecessor's work.
- That a notice of commencement must be filed if the direct contract is greater than \$7,000.
- A requirement that a "general description of the improvement" must be included in the notice of commencement that a building permit applicant must complete and notice.
- That a permit application must be signed by the owner of the real property when the contract between the contractor and the owner is greater than \$7,500 or if repairing or replacing and existing heating or air-conditioning system, when the contract is greater than \$15,000.

The bill provides an effective date of July 1, 2025.

II. Present Situation:

The DBPR Licensing

Sections 455.203 and 455.213, F.S., establish general licensing authority for the Department of Business and Professional Regulation (DBPR), including the authority to charge license fees and license renewal fees. When a person is authorized to engage in a profession or occupation in Florida, the DBPR issues a "license," which may be referred to as either a permit, registration, certificate, or license.¹ Those who are granted licenses are referred to as licensees.²

Florida Building Code

The Florida Building Codes Act (building code) is found in Part IV of ch. 553, F.S. The purpose and intent of the building code is to provide 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 (commission), housed within the DBPR, implements the building code. The commission reviews several International Codes published by the International Code Council, the National Electric Code, and other nationally adopted model

¹ Section 455.01(4), F.S.

² Section 455.01(5), F.S.

³ Section 553.72(1), F.S.

codes to determine if the building code needs to be updated. The commission adopts an updated building code every three years.

Building Code Administrators, Inspectors, and Plans Examiners

Building officials, inspectors, and plans examiners are regulated by the Building Code Administrators and Inspectors Board (the board) within the DBPR. A building code administrator, otherwise known as a building official, is a local government employee, or a person contracted by a local government, who supervises building code activities, including plans review, enforcement, and inspection.⁴ A building code inspector (inspector) is a local or state government employee, or a person contracted by a local government, who inspects construction that requires permits to determine compliance with building codes and state accessibility laws.⁵

Residential Plans Inspector

A residential plans inspector (sometimes referred to as residential plans examiner) is "a person who is qualified to inspect and determine that one-family, two-family, or three-family residences not exceeding two habitable stories above no more than one uninhabitable story and accessory use structures in connection therewith are constructed in accordance with the provisions of the governing building, plumbing, mechanical, accessibility, and electrical codes."

Building Inspections

Any construction work that requires a building permit also requires plans and inspections to ensure the work complies with the building code. The building code requires certain building, electrical, plumbing, mechanical, and gas inspections. Construction work may not be done beyond a certain point until it passes an inspection.

In addition to the inspections required by the building code, a building official may require other inspections of any construction work to ascertain compliance with the provisions of the building code and other laws that are enforced by the government entity.⁷

Building Code Enforcement

Local governments have the power to inspect all buildings, structures, and facilities within their jurisdiction in protection of the public's health, safety, and welfare. Every local government must enforce the building code and issue building permits. State agencies may also enforce the building code if current law specifically authorizes them to do so, unless they have delegated responsibility to another public entity. 10

⁴ Section 468.603(2), F.S.

⁵ Section 468.603(4), F.S.

⁶ Section 468.603(5)(h), F.S.

⁷ Section 110.3, Florida Building Code, Eighth Edition.

⁸ Section 553.72(2), F.S.

⁹ Sections 125.01(1)(bb), 125.56(4)(a), and 553.80(1), F.S.

¹⁰ Section 553.80(1), F.S.

Building Permit

A building permit is an official document or certificate issued by the local building official that authorizes performance of a specific activity.¹¹

It is unlawful for a person, firm, or corporation to construct, erect, alter, repair, secure, or demolish any building without first obtaining a permit from the local government or from such persons as may, by resolution or regulation, be directed to issue such permit, upon the payment of reasonable fees as set forth in a schedule of fees adopted by the enforcing agency.¹²

To obtain a permit, an applicant must complete an application for the proposed work on the form furnished by the government entity. A local enforcement agency must allow applicants to submit permit applications electronically to the local enforcement agency, which must provide accepted methods of electronic submission. Accepted methods of electronic submission include, but are not limited to, email, fill-in forms available online, or third-party submission software. 15

If a building official or plans reviewer denies a permit application or revokes a building permit, the building official or plans reviewer must give the permit applicant a reason for denying or revoking the permit. The reason must be based on compliance with the building code or a local ordinance. Failing to provide a reason for denying or revoking a building permit, which is based on compliance with the building code or a local ordinance, is grounds for discipline against the building official or plans reviewer's license. ¹⁶

Interagency Service Agreements with Building Code Officials

In order to keep down costs for low-population jurisdictions, Florida allows building code administrators/officials to be authorized to perform any plan review or inspection for another jurisdiction under an interagency service agreement.¹⁷

Continuing Education Requirements

In 2024, the Florida Legislature passed SB 382 (ch. 2024-189, Laws of Fla.) into law that exempted certain DBPR license holders from continuing education requirements. Among those exempted from continuing education requirements were building code administrators and building code inspectors.

¹¹ Section 202, Florida Building Code, Seventh Edition.

¹² Sections 125.56(4)(a) and 553.79(1), F.S.

¹³ Section 713.135, F.S.

¹⁴ A local enforcement agency is an agency of local government, a local school board, a community college board of trustees, or a university board of trustees in the State University System with jurisdiction to make inspections of buildings and to enforce the building code. Section 553.71(5), F.S.

¹⁵ Sections 125.56(4)(b) and 553.79(1)(b), F.S.

¹⁶ Section 553.79(1)(a), F.S.

¹⁷ Section 468.603(2), F.S. *See* example of a proposal for an interagency service agreement for building permitting and inspection services for a jurisdiction with a population of less than 50,000. City of Mexico Beach, *Request for Proposals Building Permitting and Inspection Services*, at https://mexicobeachfl.gov/uploads/2022/06/RFP-for-Building-Services-111218.pdf (last visited March 18, 2025).

¹⁸ Section 455.2124, F.S.

In order for a building administrator or code inspector to be exempted from the continuing education requirements the building administrator or building code inspector must:¹⁹

- Hold an active license issued by the board or department to practice the profession;
- Have continuously held the license for at least 10 years; and
- Have had no disciplinary action imposed on the individual's license.

Construction/Contractor's Professional Licenses

Chapter 489, F.S., relates to "contracting," with part I addressing the licensure and regulation of construction contracting, and part II addressing the licensure and regulation of electrical and alarm system contracting.

Construction Contractors

Contractor's are defined as a person who is qualified for, and is responsible for the project contracted for, for compensation, undertakes to, submits a bid to, or does himself or herself or by others construct, repair, alter, remodel, add to, demolish, subtract from, or improve any building or structure, including related improvements to real estate, for others or for resale to others.²⁰

Owners of property when they are acting as their own contractor and providing direct, onsite supervision themselves of all work not performed by licensed contractors have an exemption from the requirement to be licensed under part I of ch. 489, F.S., under certain circumstances.

Construction contractors are either certified or registered by the Construction Industry Licensing Board (CILB) housed within the DBPR.²¹ The CILB consists of 18 members who are appointed by the Governor and confirmed by the Senate.²² The CILB meets to approve or deny applications for licensure, review disciplinary cases, and conduct informal hearings relating to discipline.²³

Current law provides that local governments 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.²⁴

If an individual proposes to engage in contracting in the individual's own name, or a fictitious name where the individual is doing business as a sole proprietorship, registration or certification may be issued only to that individual.²⁵

Contractors Operating Through Business Organizations

If an individual proposes to engage in contracting as a business organization, including any partnership, corporation, business trust, or other legal entity, or in any name other than the applicant's legal name or a fictitious name where the applicant is doing business as a sole

¹⁹ Section 455.2124(2)(a), F.S.

²⁰ Section 489.105(3), F.S.

²¹ See ss. 489.105, 489.107, and 489.113, F.S.

²² Section 489.107(1), F.S.

²³ Section 489.107, F.S.

²⁴ Sections 489.117 and 489.131, F.S.

²⁵ Section 489.119(1), F.S.

proprietorship, the applicant must apply for registration or certification as the qualifying agent of the business organization.²⁶

These qualifying agents are required to be identified to help ensure that an actual person can be responsible for the statutory requirements or if contractual or tortious disputes arise. Florida law requires these qualifying agents to provide information such as:

- an affidavit on a form provided by the board attesting that the applicant has final approval authority for all construction work performed by the business organization and that the applicant has final approval authority on all business matters, including contracts, specifications, checks, drafts, or payments, regardless of the form of payment, made by the business organization, except where a financially responsible officer is approved.²⁷
- Written notice to the department when he or she proposes to engage in contracting in his or her own name or in affiliation with another business organization, and he or she or such new business organization shall supply the same information to the department as required of applicants under ch. 489, F.S.²⁸
- Make disclosures to the local tax collector if qualifying agent makes an application for a business tax receipt.²⁹
- Affixing the registration number to each application for a building permit.³⁰

Notice of Commencement

Before actually commencing to improve any real property, or recommencing or recommencing completion of any improvement after default or abandonment must record a notice of commencement in the clerk's office and post either a certified copy or a notarized statement that the notice of commencement has been filed for recording along with a copy of the notice.³¹

The notice of commencement must contain all of the following information:³²

- A description sufficient for identification of the real property to be improved. The description
 must include the legal description of the property and the street address and tax folio number
 of the property if available or, if the street address is not available, such additional
 information as will describe the physical location of the real property to be improved.
- A general description of the improvement.
- The name and address of the owner, the owner's interest in the site of the improvement, and the name and address of the fee simple titleholder, if other than such owner. A lessee who contracts for the improvements is an owner as defined in s. 713.01 and must be listed as the owner together with a statement that the ownership interest is a leasehold interest.
- The name and address of the contractor.
- The name and address of the surety on the payment bond under s. 713.23, if any, and the amount of such bond.
- The name and address of any person making a loan for the construction of the improvements.

²⁶ Section 489.119(2), F.S.

²⁷ Section 489.119(2)(b), F.S.

²⁸ Section 489.119(3)(b), F.S.

²⁹ Section 489.119(4), F.S.

³⁰ Section 489.119(5)(a), F.S.

³¹ Section 713.13(1)(a), F.S.

³² Section 713.13(1)(a)1.-7., F.S.

• The name and address within the state of a person other than himself or herself who may be designated by the owner as the person upon whom notices or other documents may be served under this part; and service upon the person so designated constitutes service upon the owner.

All notice of commencement forms must "be in substantially the following form" and goes on to provide a sample notice of commencement form.³³ These notice of commencement forms serve to facilitate the general legal premise of providing notice before work begins.

A notice of commencement is not required for any improvement for which the direct contract price is \$2,500 or less.³⁴

III. Effect of Proposed Changes:

Building Code Administrators/Officials

Section 1 of the bill reinstates the continuing education requirements for building code administrators and building code inspectors that are regulated pursuant to ch. 468, F.S.

Section 2 of the bill expands the qualifying jurisdictions that are able to enter into an interagency service agreement for building code administrators/officials to jurisdictions that have a state university, Florida College System institution, or school district with an enrollment of 50,000 or less.

Additionally, the bill clarifies the scope of what a residential inspector can cover, removing current ability for a residential inspector to cover three-family residences, limiting a residential inspector to licensing for one- and two-family residences.

The bill changes the definition of a residential inspector to mean a person who is qualified to inspect and determine whether detached one -family and two-family residences and townhomes not exceeding three stories above grade plane in height with a separate means of egress and in connection therewith, accessory use structures not exceeding three stories above grade plane.

It includes "residential plans examiner" in the definition of "plans examiner."

Residential Inspectors and Residential Plans Examiners

Section 3 of the bill requires the board to create a <u>residential inspector</u> internship, program with the following requirements:

- An enrollee must hold an International Code Council certification, or a legacy certification for one- and two-family dwelling inspectors issued by an industry-recognized equivalent organization, as a residential or commercial inspector in the building, electrical, plumbing, and mechanical categories before beginning the internship program, and must:
 - Complete 1 year of on-the-job training in each of the building, electrical, plumbing, and mechanical categories, under the supervision of a standard certified inspector. Previous verifiable experience that includes at least 6 months of on-the-job training in a single

³³ Section 713(1)(d), F.S.

³⁴ Section 713.02(5), F.S.

category under the supervision of a standard certified inspector may be counted toward the required training in that category; however, previously completed training may not substitute for more than 2 years of the total on-the-job training required under this subsub-subparagraph; or

- Hold a standard certification as an inspector in a category listed in s. 468.603(5) and complete at least 6 months of on-the-job training under the supervision of a standard certified inspector in each of the following categories in which the enrollee does not hold a standard certification:
- Building.
- Plumbing.
- Electrical.
- Mechanical.
- The completion of an 80-hour residential inspector code training course.

The bill also creates a <u>residential plans examiner</u> internship program, with the following requirements:

- An enrollee must hold an International Code Council certification as a residential or commercial plans examiner in the building, electrical, plumbing, and mechanical categories before beginning the internship program, and must:
 - o Complete 1 year of on-the-job training in each of the building, electrical, plumbing, and mechanical categories, under the supervision of a standard certified plans examiner; or
 - O Hold a standard certification as a plans examiner in a category listed in s. 468.603(5) and complete at least 1 year of on-the-job training under the supervision of a standard certified plans examiner in each of the following categories in which the enrollee does not hold a standard certification:
 - o Building.
 - o Plumbing.
 - o Electrical.
 - o Mechanical.
- The completion of a 40-hour residential plans examiner code training course.

The bill also creates a <u>roofing inspector</u> internship program, with the following requirements:

- An enrollee must hold an International Code Council certification as a roofing inspector in this state before beginning the internship program, and must:
 - Complete 1 year of on-the-job training as a roofing inspector under the supervision of a standard certified commercial building inspector or roofing inspector; or
 - Hold a standard certification as a residential building inspector and complete at least 200 hours of on-the-job training under the supervision of a standard certified commercial building inspector or roofing inspector.
- The completion of a 40-hour roofing inspector code training course.

The bill provides that completion of a residential inspector internship program, or a residential plans examiner internship program will allow them to sit for the examination for certification as a building code inspector or plans examiner.

Further, the bill provides legislative authority for the board to be able to create appropriate forms for the application process for qualified candidates.

Contractors

Section 4 of the bill amends specifications of the current practices for owners of property, when acting as their own contractor, to sign off on required permits. The bill provides that these owners, or for owners that are a corporate entity, the owner's agent, can personally or *virtually* appear and sign the building permit application.

Additionally, the bill provides that the owner or agent must sign a disclosure statement, personally or virtually.

Further, the bill provides that a property owner is required to sign off on permit applications when the owner is:

- Responsible for the construction and is not hiring a licensed contractor to assume responsibility; or
- Hiring a contractor under a direct contract of greater than \$7,500; or
- Hiring a contractor to repair or replace an existing heating or air-conditioning system under a direct contract of \$15,000.

creates a threshold for when an owner is required to sign off on a permit application, to only instances when hiring a contractor under a direct contract of greater than \$7,500 or when repairing or replacing an existing heating or air-conditioning system under a direct contract of \$15,000.

Section 5 of the bill provides a new responsibility for the contractor business organization if they are designating a new qualifying agent. The new qualifying agent must apply to the department for a "change of contractor" within 90 days after a new designation is made in each jurisdiction in which an active permit is held by the business organization's previous qualifying agent.

The bill provides the ability for a city or county building department official to request a business organization to sign a change of contractor form. If the previous qualifying agent who obtained the permit declines to withdraw, is unavailable, or is deceased, the owner of the project for which the permit was issued may serve a notice of change of contractor to the previous qualifying agent at his or her last known mailing or e-mail address and, after providing such notice, must submit a change of contractor form to the building department official along with a hold harmless affidavit in the form specified by the board.

Upon receipt of the hold harmless affidavit, the building department official shall process the change of contractor to designate a new qualifying agent without requiring a notification or waiting period.

The newly designated qualifying agent, done through the change of contractor process, is not responsible for his or her predecessor's work but is responsible for any corrective work performed on his or her predecessor's work.

Section 6 of the bill adds the disclosure of a "general description of the improvement" to the requirements of the notice of commencement that a building permit applicant must complete.

Finally, the bill provides that a permit application must be signed by the owner of the real property when the direct contract between the contractor and such owner is greater than \$7,500 or, if repairing or replacing an existing heating or air-conditioning system, when the direct contract between the contractor and such owner is \$15,000 or greater.

Section 7 of the bill provides an effective date of July 1, 2025.

Municipality/County Mandates Restrictions:

IV. Constitutional Issues:

A.

	, , ,
	None.
B.	Public Records/Open Meetings Issues:

C. Trust Funds Restrictions:

None.

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 455.2124, 468.603, 468.609, 489.103, 489.1195, and 713.135

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.