

By the Appropriations Committee on Agriculture, Environment, and General Government; the Committee on Community Affairs; and Senator Leek

601-02967-26

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1 A bill to be entitled  
2 An act relating to local government funding; amending  
3 s. 11.40, F.S.; providing that a local governmental  
4 entity is not eligible to receive state funds through  
5 a local funding initiative request if the local  
6 governmental entity was subject to an audit directed  
7 by the Legislative Auditing Committee within a  
8 specified timeframe; providing an exception; requiring  
9 the Legislative Auditing Committee to notify the  
10 chairs of each legislative appropriations committee  
11 upon voting to direct an audit of a local governmental  
12 entity; amending s. 553.80, F.S.; revising the manner  
13 in which a local government is required to spend  
14 excess funds; providing an effective date.

15  
16 Be It Enacted by the Legislature of the State of Florida:

17  
18 Section 1. Subsection (4) is added to section 11.40,  
19 Florida Statutes, to read:

20 11.40 Legislative Auditing Committee.—

21 (4) A local governmental entity is not eligible to receive  
22 state funds through a local funding initiative request if the  
23 local governmental entity was subject to an audit directed by  
24 the Legislative Auditing Committee within the 1-year period  
25 preceding the date of the submission of the local funding  
26 initiative request, as measured from the date on which the  
27 Legislative Auditing Committee votes to direct the audit.  
28 However, a local governmental entity that was subject to an  
29 audit pursuant to this subsection may be eligible to receive

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30 such funds if, at the time of submission of the local funding  
31 initiative request to its legislative delegation, the local  
32 governmental entity includes an affirmation stating that it is  
33 no longer the subject of such audit. The Legislative Auditing  
34 Committee shall notify the chairs of each legislative  
35 appropriations committee upon voting to direct an audit of a  
36 local governmental entity.

37 Section 2. Paragraph (a) of subsection (7) of section  
38 553.80, Florida Statutes, is amended to read:

39 553.80 Enforcement.—

40 (7) (a) The governing bodies of local governments may  
41 provide a schedule of reasonable fees, as authorized by s.  
42 125.56(2) or s. 166.222 and this section, for enforcing this  
43 part. These fees, and any fines or investment earnings related  
44 to the fees, may only be used for carrying out the local  
45 government's responsibilities in enforcing the Florida Building  
46 Code, including, but not limited to, any process or enforcement  
47 related to obtaining or finalizing a building permit. When  
48 providing a schedule of reasonable fees, the total estimated  
49 annual revenue derived from fees, and the fines and investment  
50 earnings related to the fees, may not exceed the total estimated  
51 annual costs of allowable activities. Any unexpended balances  
52 must be carried forward to future years for allowable activities  
53 or must be refunded at the discretion of the local government. A  
54 local government may not carry forward an amount exceeding the  
55 average of its operating budget for enforcing the Florida  
56 Building Code for the previous 4 fiscal years. For purposes of  
57 this subsection, the term "operating budget" does not include  
58 reserve amounts. Any amount exceeding this limit must be used as

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59 authorized in subparagraph 2. However, a local government that  
60 established, as of January 1, 2019, a Building Inspections Fund  
61 Advisory Board consisting of five members from the construction  
62 stakeholder community and carries an unexpended balance in  
63 excess of the average of its operating budget for the previous 4  
64 fiscal years may continue to carry such excess funds forward  
65 upon the recommendation of the advisory board. The basis for a  
66 fee structure for allowable activities must relate to the level  
67 of service provided by the local government and must include  
68 consideration for refunding fees due to reduced services based  
69 on services provided as prescribed by s. 553.791, but not  
70 provided by the local government. Fees charged must be  
71 consistently applied.

72 1. As used in this subsection, the phrase "enforcing the  
73 Florida Building Code" includes the direct costs and reasonable  
74 indirect costs associated with review of building plans,  
75 building inspections, reinspections, and building permit  
76 processing; building code enforcement; and fire inspections  
77 associated with new construction. The phrase may also include  
78 training costs associated with the enforcement of the Florida  
79 Building Code and enforcement action pertaining to unlicensed  
80 contractor activity to the extent not funded by other user fees.

81 2. A local government must use any excess funds that it is  
82 prohibited from carrying forward to rebate and reduce fees, to  
83 upgrade technology hardware and software systems to enhance  
84 service delivery, ~~to pay for the construction of a building or~~  
85 ~~structure that houses a local government's building code~~  
86 ~~enforcement agency,~~ or for training programs for building  
87 officials, inspectors, or plans examiners associated with the

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88 enforcement of the Florida Building Code. ~~Excess funds used to~~  
89 ~~construct such a building or structure must be designated for~~  
90 ~~such purpose by the local government and may not be carried~~  
91 ~~forward for more than 4 consecutive years.~~ An owner or a builder  
92 who has a valid building permit issued by a local government for  
93 a fee, or an association of owners or builders located in this  
94 ~~the~~ state that has members with valid building permits issued by  
95 a local government for a fee, may bring a civil action against  
96 the local government that issued the permit for a fee to enforce  
97 this subparagraph.

98 3. The following activities may not be funded with fees  
99 adopted for enforcing the Florida Building Code:

100 a. Planning and zoning or other general government  
101 activities not related to obtaining a building permit.

102 b. Inspections of public buildings for a reduced fee or no  
103 fee.

104 c. Public information requests, community functions,  
105 boards, and any program not directly related to enforcement of  
106 the Florida Building Code.

107 d. Enforcement and implementation of any other local  
108 ordinance, excluding validly adopted local amendments to the  
109 Florida Building Code and excluding any local ordinance directly  
110 related to enforcing the Florida Building Code as defined in  
111 subparagraph 1.

112 4. A local government must use recognized management,  
113 accounting, and oversight practices to ensure that fees, fines,  
114 and investment earnings generated under this subsection are  
115 maintained and allocated or used solely for the purposes  
116 described in subparagraph 1.

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117           5. The local enforcement agency, independent district, or  
118 special district may not require at any time, including at the  
119 time of application for a permit, the payment of any additional  
120 fees, charges, or expenses associated with:

- 121           a. Providing proof of licensure under chapter 489;  
122           b. Recording or filing a license issued under this chapter;  
123           c. Providing, recording, or filing evidence of workers'  
124 compensation insurance coverage as required by chapter 440; or  
125           d. Charging surcharges or other similar fees not directly  
126 related to enforcing the Florida Building Code.

127           Section 3. This act shall take effect July 1, 2026.