

LEGISLATIVE ACTION

| Senate     | • | House |
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| Comm: RCS  |   |       |
| 01/30/2012 | • |       |
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The Committee on Regulated Industries (Rich) recommended the following:

## Senate Amendment (with title amendment)

Between lines 25 and 26

insert:

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Section 2. Subsection (7) of section 489.103, Florida Statutes, is amended to read:

489.103 Exemptions.-This part does not apply to:

8 (7) (a) Owners of property when acting as their own
9 contractor and providing direct, onsite supervision themselves
10 of all work not performed by licensed contractors:

11 <u>1.(a)</u> When building or improving farm outbuildings or one-12 family or two-family residences on such property for the



13 occupancy or use of such owners and not offered for sale or 14 lease, or building or improving commercial buildings, at a cost 15 not to exceed \$75,000, on such property for the occupancy or use of such owners and not offered for sale or lease. In an action 16 17 brought under this part, proof of the sale or lease, or offering for sale or lease, of any such structure by the owner-builder 18 19 within 1 year after completion of same creates a presumption 20 that the construction was undertaken for purposes of sale or 21 lease.

22 2.(b) When repairing or replacing wood shakes or asphalt or 23 fiberglass shingles on one-family, two-family, or three-family 24 residences for the occupancy or use of such owner or tenant of the owner and not offered for sale within 1 year after 25 26 completion of the work and when the property has been damaged by 27 natural causes from an event recognized as an emergency 28 situation designated by executive order issued by the Governor 29 declaring the existence of a state of emergency as a result and 30 consequence of a serious threat posed to the public health, safety, and property in this state. 31

32 <u>3. When installing, uninstalling, or replacing solar panels</u> 33 <u>on one-family, two-family, or three-family residences for the</u> 34 <u>occupancy or use of such owner or tenant of the owner.</u>

35 (b) This subsection does not exempt any person who is 36 employed by or has a contract with such owner and who acts in 37 the capacity of a contractor. The owner may not delegate the 38 owner's responsibility to directly supervise all work to any 39 other person unless that person is registered or certified under 40 this part and the work being performed is within the scope of 41 that person's license. For the purposes of this subsection, the

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42 term "owners of property" includes the owner of a mobile home 43 situated on a leased lot.

44 (c) To qualify for exemption under this subsection, an 45 owner must personally appear and sign the building permit 46 application and must satisfy local permitting agency 47 requirements, if any, proving that the owner has a complete 48 understanding of the owner's obligations under the law as specified in the disclosure statement in this section. An 49 50 owner's notarized signature or personal appearance to sign the permit application is not required for a solar project, as 51 52 described in subparagraph (a)3., if the building permit 53 application is submitted electronically to the permitting 54 authority and the owner certifies the application and disclosure 55 statement using the permitting authority's electronic 56 confirmation system. If any person violates the requirements of 57 this subsection, the local permitting agency shall withhold 58 final approval, revoke the permit, or pursue any action or remedy for unlicensed activity against the owner and any person 59 performing work that requires licensure under the permit issued. 60 61 The local permitting agency shall provide the person with a 62 disclosure statement in substantially the following form: 63

## DISCLOSURE STATEMENT

1. I understand that state law requires construction to be done by a licensed contractor and have applied for an owner-builder permit under an exemption from the law. The exemption specifies that I, as the owner of the property listed, may act as my own contractor

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71 with certain restrictions even though I do not have a 72 license.

2. I understand that building permits are not required to be signed by a property owner unless he or she is responsible for the construction and is not hiring a licensed contractor to assume responsibility.

3. I understand that, as an owner-builder, I am the responsible party of record on a permit. I understand that I may protect myself from potential financial risk by hiring a licensed contractor and having the permit filed in his or her name instead of my own name. I also understand that a contractor is required by law to be licensed in Florida and to list his or her license numbers on permits and contracts.

4. I understand that I may build or improve a one-88 89 family or two-family residence or a farm outbuilding. 90 I may also build or improve a commercial building if the costs do not exceed \$75,000. The building or 91 92 residence must be for my own use or occupancy. It may not be built or substantially improved for sale or 93 94 lease. If a building or residence that I have built or 95 substantially improved myself is sold or leased within 96 1 year after the construction is complete, the law 97 will presume that I built or substantially improved it 98 for sale or lease, which violates the exemption.

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100 5. I understand that, as the owner-builder, I must 101 provide direct, onsite supervision of the 102 construction. 103 104 6. I understand that I may not hire an unlicensed 105 person to act as my contractor or to supervise persons 106 working on my building or residence. It is my 107 responsibility to ensure that the persons whom I 108 employ have the licenses required by law and by county 109 or municipal ordinance. 110 111 7. I understand that it is a frequent practice of

112 unlicensed persons to have the property owner obtain 113 an owner-builder permit that erroneously implies that 114 the property owner is providing his or her own labor 115 and materials. I, as an owner-builder, may be held 116 liable and subjected to serious financial risk for any 117 injuries sustained by an unlicensed person or his or her employees while working on my property. My 118 119 homeowner's insurance may not provide coverage for 120 those injuries. I am willfully acting as an owner-121 builder and am aware of the limits of my insurance 122 coverage for injuries to workers on my property.

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8. I understand that I may not delegate the responsibility for supervising work to a licensed contractor who is not licensed to perform the work being done. Any person working on my building who is not licensed must work under my direct supervision and

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129 must be employed by me, which means that I must comply 130 with laws requiring the withholding of federal income 131 tax and social security contributions under the 132 Federal Insurance Contributions Act (FICA) and must 133 provide workers' compensation for the employee. I 134 understand that my failure to follow these laws may 135 subject me to serious financial risk.

9. I agree that, as the party legally and financially
responsible for this proposed construction activity, I
will abide by all applicable laws and requirements
that govern owner-builders as well as employers. I
also understand that the construction must comply with
all applicable laws, ordinances, building codes, and
zoning regulations.

145 10. I understand that I may obtain more information 146 regarding my obligations as an employer from the 147 Internal Revenue Service, the United States Small 148 Business Administration, the Florida Department of 149 Financial Services, and the Florida Department of 150 Revenue. I also understand that I may contact the 151 Florida Construction Industry Licensing Board at 152 ... (telephone number) ... or ... (Internet website 153 address)... for more information about licensed 154 contractors.

11. I am aware of, and consent to, an owner-builder building permit applied for in my name and understand



158 that I am the party legally and financially 159 responsible for the proposed construction activity at 160 the following address: ... (address of property) .... 161 162 12. I agree to notify ... (issuer of disclosure 163 statements)... immediately of any additions, 164 deletions, or changes to any of the information that I 165 have provided on this disclosure. 166 167 Licensed contractors are regulated by laws designed to 168 protect the public. If you contract with a person who 169 does not have a license, the Construction Industry 170 Licensing Board and Department of Business and 171 Professional Regulation may be unable to assist you 172with any financial loss that you sustain as a result 173 of a complaint. Your only remedy against an unlicensed 174 contractor may be in civil court. It is also important 175 for you to understand that, if an unlicensed 176 contractor or employee of an individual or firm is 177 injured while working on your property, you may be 178 held liable for damages. If you obtain an owner-179 builder permit and wish to hire a licensed contractor, 180 you will be responsible for verifying whether the 181 contractor is properly licensed and the status of the 182 contractor's workers' compensation coverage. 183 184 Before a building permit can be issued, this 185 disclosure statement must be completed and signed by 186 the property owner and returned to the local

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| 187 | permitting agency responsible for issuing the permit.           |
| 188 | A copy of the property owner's driver license, the              |
| 189 | notarized signature of the property owner, or other             |
| 190 | type of verification acceptable to the local                    |
| 191 | permitting agency is required when the permit is                |
| 192 | issued.   |
| 193 |   |
| 194 | Signature:(signature of property owner)                         |
| 195 | Date:(date)   |
| 196 |   |
| 197 | (d) A building permit application and disclosure statement      |
| 198 | electronically submitted by an owner to the authority for a     |
| 199 | solar project, as described in subparagraph (a)3., must also    |
| 200 | contain the following additional statement:                     |
| 201 |   |
| 202 | OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty          |
| 203 | of perjury, I declare that all the information                  |
| 204 | contained in this building permit application and the           |
| 205 | representations made in the required disclosure                 |
| 206 | statement are true and correct.                                 |
| 207 |   |
| 208 | (e) A permitting authority that accepts a building permit       |
| 209 | application and disclosure statement in an electronic format    |
| 210 | from an owner who is exempt pursuant to this subsection and who |
| 211 | applies for a permit relating to a solar project, as described  |
| 212 | in subparagraph (a)3., is not liable in any civil action for    |
| 213 | inaccurate information submitted by the owner using the         |
| 214 | authority's electronic confirmation system.                     |
| 215 | Section 3. Paragraph (b) of subsection (6) of section           |
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| 216 | 713.135, Florida Statutes, is amended, and paragraph (d) is                |
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| 217 | added to that subsection, to read:   |
| 218 | 713.135 Notice of commencement and applicability of lien                   |
| 219 | (6)  |
| 220 | (b) $\underline{1.}$ Consistent with the requirements of paragraph (a), an |
| 221 | authority responsible for issuing building permits under this              |
| 222 | section may accept a building permit application in an                     |
| 223 | electronic format, as prescribed by the authority. Building                |
| 224 | permit applications submitted to the authority electronically              |
| 225 | must contain the following additional statement in lieu of the             |
| 226 | requirement in paragraph (a) that a signed, sworn, and notarized           |
| 227 | signature of the owner or agent and the contractor be part of              |
| 228 | the owner's affidavit:   |
| 229 |  |
| 230 | OWNER'S ELECTRONIC SUBMISSION STATEMENT: Under penalty                     |
| 231 | of perjury, I declare that all the information                             |
| 232 | contained in this building permit application is true                      |
| 233 | and correct.   |
| 234 |  |
| 235 | 2. An owner or contractor is not required to personally                    |
| 236 | appear and provide a notarized signature when filing a building            |
| 237 | permit application for a solar project if the building permit              |
| 238 | application is electronically submitted to the permitting                  |
| 239 | authority and the owner or contractor certifies that the                   |
| 240 | application is consistent with this paragraph using the                    |
| 241 | permitting authority's electronic confirmation system. For                 |
| 242 | purposes of this subparagraph, the term "solar project" means              |
| 243 | installing, uninstalling, or replacing solar panels on single-             |
| 244 | family residential property, multi-family residential property,            |
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| 245 | or commercial property.   |
| 246 | (d) An authority responsible for issuing building permits       |
| 247 | which accepts building permit applications in an electronic     |
| 248 | format for solar projects, as defined in subparagraph (b)2., is |
| 249 | not liable in any civil action for any inaccurate information   |
| 250 | submitted by an owner or contractor using the authority's       |
| 251 | electronic confirmation system.                                 |
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| 253 | ======================================                          |
| 254 | And the title is amended as follows:                            |
| 255 | Between lines 7 and 8   |
| 256 | insert:   |
| 257 | amending s. 489.103, F.S.; providing an exemption from          |
| 258 | construction contracting requirements for an owner who          |
| 259 | installs, removes, or replaces solar panels on certain          |
| 260 | residences while acting as the contractor; providing            |
| 261 | for an electronic signature on the permit application;          |
| 262 | requiring the building permit application and                   |
| 263 | disclosure statement to include a declaration                   |
| 264 | statement by the owner; providing that the issuing              |
| 265 | authority is not liable in any civil action for                 |
| 266 | inaccurate information submitted by the owner using             |
| 267 | the authority's electronic permitting system; amending          |
| 268 | s. 713.135, F.S.; providing that an owner or                    |
| 269 | contractor is not required to personally appear and             |
| 270 | provide a notarized signature when filing a building            |
| 271 | permit application for a solar project if certain               |
| 272 | conditions are met; providing that the issuing                  |
| 273 | authority is not liable in any civil action for                 |
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274 inaccurate information submitted by the owner using 275 the authority's electronic permitting system;