HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

BILL #:	CS/CS/HB 1021	**FINAL HOUSE FLOOR ACTION:**	
SUBJECT/SHORT TITLE	Construction	116 **Y's** 0 **N's**	
SPONSOR(S):	Commerce Committee, Appropriations Committee and Avila	**GOVERNOR'S ACTION:**	Approved
COMPANION BILLS:	CS/CS/SB 1312		

SUMMARY ANALYSIS

CS/CS/HB 1021 passed the House on April 19, 2017. The bill was amended in the Senate on May 5, 2017, and was returned to the House. The House concurred in the Senate amendment and subsequently passed the bill on May 5, 2017.

The bill:

- Revises the process by which the Florida Building Code (Code) is updated by: requiring the Florida Building Commission (FBC) to review and determine which parts of the international and national codes to adopt instead of automatically adopting the international and national codes; requiring the FBC to adopt any provision necessary to maintain eligibility for federal funding from national programs and agencies; providing that certain amendments to the Code are not rendered void when the Code is updated; and requiring the FBC to adopt the Code by a two-thirds vote.
- Provides that professional engineers may certify solar energy systems.
- Prohibits a political subdivision from adopting or enforcing ordinances or building permit requirements that conflict with corporate trademarks, logos, color patterns or branding of business activities related to the sale of liquid fuels or other franchises.
- Prohibits special or independent districts from requiring payment of additional fees, charges, or expenses, related to providing proof of licensure and insurance coverage.
- Prohibits local jurisdictions from requiring homeowners to pay for painting permits, separate water connections for fire sprinkler systems, and larger water meters.
- Requires local jurisdictions to calculate their cost savings when owners or contractors hire private providers for inspection services in lieu of local building inspectors and to reduce the fees accordingly.
- Includes municipal gas utilities in the exemption from construction contracting licensure requirements for public utilities.
- Allows certified electrical and alarm system contractors to act as a prime contractor provided the majority of the work is within the scope of the contractor's license.
- Allows a person to take the plans examiner or inspector exam after completing a four year internship.
- Revises definitions to authorize local governments and state agencies to contract with certain persons to perform building inspections or supervise building code activities.
- Allows building officials to provide building official services in jurisdictions with a population of 50,000 or less under interagency agreements, and allows building officials to act as private providers.
- Adopts certain recommendations made by the Construction Industry Workforce Taskforce (CIWT).

The bill has an insignificant positive fiscal impact on state government. The fiscal impact on local governments is also likely to be insignificant. The bill has a positive fiscal impact on the private sector.

The bill was approved by the Governor on June 23, 2017, ch. 2017-149, L.O.F., and became effective on July 1, 2017.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Florida Building Code – Current Situation

In 1974, Florida adopted a state minimum building code law requiring all local governments to adopt and enforce a building code that would ensure minimum standards for the public's health and safety. Four separate model codes were available that local governments could consider and adopt. In that system, the state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes as they desired.[1]

In 1996, a study commission was appointed to review the system of local codes created by the 1974 law and to make recommendations for modernizing the entire system. The 1998 Legislature adopted the study commission's recommendations for a single state building code and an enhanced oversight role for the state in local code enforcement. The 2000 Legislature authorized implementation of the Code, and that 1st edition replaced all local codes on March 1, 2002. In 2004, for the 2nd edition of the Code, the state adopted the International Code Council's I-Codes. All subsequent Codes have been adopted utilizing the International Code Council I-Codes as the foundation code. The most recent Code is the 5th edition which is referred to as the 2014 Code. The 2014 Code went into effect June 30, 2015.

In 2004, for the second edition of the Code, the state adopted the International Code Council's I-Codes. The International Code Council (ICC) is an association that develops model codes and standards used in the design, building, and compliance process to "construct safe, sustainable, affordable and resilient structures." The ICC publishes I-Codes: a complete set of model comprehensive, coordinated building safety and fire prevention codes, for all aspects of construction, that have been developed by ICC members. All 50 states have adopted the I-Codes.[2]

All subsequent Codes have been adopted utilizing the I-Codes as the base code. The most recent Code is the 5th edition, which is referred to as the 2014 Florida Building Code. The 5th edition of the Code went into effect June 30, 2015.[3]

Florida Building Commission

The FBC was statutorily created to implement the Code. The FBC, which is housed within DBPR, is a 27-member technical body responsible for the development, maintenance, and interpretation of the Code. The FBC also approves products for statewide acceptance. Members are appointed by the Governor and confirmed by the Senate and include design professionals, contractors, and government experts in the various disciplines covered by the Code.[4]

The FBC has 11 Technical Advisory Committees (TAC) ranging from the building structural TAC to the swimming pool TAC.[5] TACs are made up of FBC members and other parties who advise the commission on declaratory statements, proposed amendments, and any other areas of interest of the commission.[6]

Amendments to the Code

[1] DBPR, *History of the Florida Building Commission*, http://www.floridabuilding.org/fbc/information/building_commission.htm (last visited on Mar. 17, 2017).
[2] International Code Council, *About the ICC*, http://www.iccsafe.org/about-icc/overview/about-international-code-council/ (last visited on Mar. 23, 2017).
[3] Florida Building Commission Homepage, https://floridabuilding.org/c/default.aspx (last visited Mar. 23, 2017).
[4] s. 553.74, FS.
[5] DBPR, *Florida Building Code Online*, https://www.floridabuilding.org/c/c_commission.aspx (last visited on Mar. 24, 2017).
[6] DBPR, *Florida Building Code Standards*, http://www.myfloridalicense.com/dbpr/bcs/program_committees.html (last visited on Mar. 23, 2017), & Rule 61G20-2.001 F.A.C.

The FBC and local jurisdictions may make technical and administrative amendments to the Code. A technical amendment to the Code is an alteration to the prescriptive requirements or reference standards for construction. An administrative amendment is an addition or alteration of the code enforcement requirements of the Code.[7]

Local jurisdictions may make amendments to the Code that are more stringent than the Code and are limited to the local jurisdiction. Amendments by local jurisdictions expire upon the adoption of the updated edition of the Code.

The FBC may adopt amendments once a year. Amendments by the FBC also expire with the adoption of the updated edition of the Code unless the amendment is:

- Related to state agency regulations; or
- Related to the wind-resistance design of buildings and structures within the high-velocity hurricane zone of Miami-Dade and Broward County.[8]

The FBC may approve technical amendments to the Code once each year for statewide or regional application upon a finding that the amendment:

- Is needed in order to accommodate the specific needs of this state;
- Has a reasonable and substantial connection with the health, safety, and welfare of the general public;
- Strengthens or improves the Code, or in the case of innovation or new technology, will provide equivalent or better products or methods or systems of construction;
- Does not discriminate against materials, products, methods, or systems of construction of demonstrated capabilities; and
- Does not degrade the effectiveness of the Code.[9]

In order to adopt a technical amendment to the Code the FBC must meet the following requirements provided in s. 553.73(3)(a-d), F.S.:

- The proposed amendment has been published on the FBC's website for a minimum of 45 days and all the associated documentation has been made available to any interested party before any consideration by a TAC;
- In order for a TAC to make a favorable recommendation to the FBC, the proposal must receive a three-fourths vote of the members present at the TAC meeting and at least half of the regular members must be present in order to conduct a meeting;
- After TAC consideration and a recommendation for approval of any proposed amendment, the proposal must be published on the FBC's website for at least 45 days before any consideration by the FBC; and
- A proposal may be modified by the FBC based on public testimony and evidence from a public hearing held in accordance with ch. 120.

Adopted amendments to the foundation codes must be clearly marked in printed versions of the Code so that the fact that the provisions are Florida-specific amendments to the foundation codes is readily apparent.[10] However, for certain amendments the FBC only has to follow the rule adopting procedures in ch. 120. The commission may adopt amendments using the rule adoption procedure to address the following:

- Conflicts within the updated Code;
- Conflicts between the updated Code and the Florida Fire Prevention Code;
- Unintended results from the integration of previously adopted Florida-specific amendments with the model code;

[7] s. 553.73, F.S. & Rule 61G20-2.002 F.A.C.
[8] s. 553.73, F.S.
[9] *Id.*
[10] s. 553.73(7), F.S.

- Equivalency of standards;
- Changes to or inconsistencies with federal or state law;
- Adoption of an updated edition of the National Electric Code (NEC) if the FBC finds that delay of implementing the updated edition causes undue hardship to stakeholders or otherwise threatens the public health, safety, and welfare; or
- Enhance the construction requirements relating to wind resistance or the prevention of water intrusion.[11]

Expired Amendments

If an amendment expires because the Code is updated it may be resubmitted through the FBC's code adoption process. If an amendment is resubmitted it must specifically address whether:

- The provisions contained in the proposed amendment are addressed in the applicable international code.
- The amendment demonstrates by evidence or data that the geographical jurisdiction of Florida exhibits a need to strengthen the foundation code beyond the needs or regional variations addressed by the foundation code, and why the proposed amendment applies to this state.
- The proposed amendment was submitted or attempted to be included in the foundation codes to avoid resubmission to the Code amendment process.

If the proposed amendment has been addressed in the I-codes in a substantially equivalent manner, the FBC may not include the proposed amendment in the foundation codes.[12]

Florida Building Code – Effect of the Bill

The bill provides that instead of using the I-codes and NEC as foundation codes for the updated Code, the FBC will review the I-codes and the NEC when updating the Code.

The bill provides that every three years the FBC will update the Code by reviewing the most recent version of the I-Codes and the NEC to determine what provisions need to be adopted. The FBC must at least adopt any provisions from the I-codes and NEC that are necessary to main eligibility for federal funding and discounts from the:

- National Flood Insurance Program;
- Federal Emergency Management Agency; and
- United States Department of Housing and Urban Development.

When updating the Code, the FBC will review the previous foundation codes made up of:

- The NEC; and
- The following I-codes of the ICC:
    - International Building Code;
    - International Fuel Gas Code;
    - International Mechanical Code;
    - International Plumbing Code;
    - International Existing Building Code;
    - International Energy Conservation Code;
    - International Residential Code; and
    - International Electrical Code.

The bill provides that the FBC may adopt any section of the reviewed codes as a technical amendment as needed to accommodate the specific needs of the state. In order to adopt a section of the reviewed codes as a technical amendment, the FBC must meet the requirements provided in s. 553.73(3)(a)-(d),

[11] s. 553.73(8), F.S.
[12] s. 553.73(7), F.S.

F.S. If the FBC adopts a section of the reviewed codes, then it must be clearly marked in printed versions of the Code so that it is readily apparent that the section is an amendment.

The bill removes the requirement that amendments to the Code by the FBC expire upon the effective date of the updated edition of the Code. In addition, amendments by local governments that are related to water conservation practices or design that are necessary to protect or provide for more efficient use of water resources do not expire. Amendments other than local amendments to the Code that are not related to water conservation, will now remain effective when an updated edition of the Code is published.

The bill provides that the FBC must adopt the Code and amendments by at least a two-thirds vote of the members present at the meeting, and the FBC must adopt the Code by rule.

The bill also provides that in order to make a favorable recommendation to the FBC for an amendment to the Code, a TAC must have at least a two-thirds vote of the members present at the meeting.

Solar Energy Systems – Current Situation

Florida Solar Energy Center

In order to develop a sound energy policy relating to incident solar energy[13] in Florida and ensure that solar energy systems manufactured or sold within the state are effective and represent a high level of quality, the Legislature formed the Florida Solar Energy Center (FSEC)[14] in 1976 to serve as the state's energy research institute.[15]

A solar energy system is equipment which provides for the collection and use of solar energy for water heating, space heating or cooling, or other applications which would otherwise require a conventional source of energy, but perform primarily with solar energy. In systems in which solar energy is used in a supplemental way, only those components which collect and transfer solar energy are considered to be a solar energy system.[16]

FSEC has been tasked with:

- Developing and promulgating standards for solar energy systems manufactured or sold in Florida based on the best currently available information and consulting with scientists, engineers, or persons in research centers who are engaged in the construction of, experimentation with, and research of solar energy systems to properly identify the most reliable designs and types of solar energy systems; and
- Establishing criteria for testing performance of solar energy systems and maintaining the necessary capability for testing or evaluating performance of solar energy systems. The center may accept results of tests on solar energy systems made by other organizations, companies, or persons when such tests are conducted according to the criteria established by the center and when the testing entity has no vested interest in the manufacture, distribution or sale of solar energy systems. FSEC may receive a testing fee sufficient to cover the costs of such testing.[17]

All solar energy systems manufactured or sold in Florida must meet the standards set by FSEC.[18] FSEC also accepts standards and certifications for solar thermal products from the Solar Rating &

[13] "Incident" in the study of physics means "the striking of a ray of light, beam of electrons, etc., on a surface;" therefore, in this instance, "incident solar energy" means solar energy from solar rays striking a building, etc. Dictionary.com, LLC, *Incidence*, http://www.dictionary.com/browse/incidence (last visited March 16, 2017).
[14] s. 377.705(2)(a)-(b), F.S.
[15] Florida Solar Energy Center, *About Us*, http://www.fsec.ucf.edu/en/about/index.htm (last visited March 16, 2016).
[16] s. 377.705(3)(b), F.S.
[17] s. 377.705(4)(a) –(c), F.S.
[18] s. 377.705(4)(d), F.S.

Certification Corporation (SRCC) [19] and the International Association of Plumbing and Mechanical Officials[20] (IAPMO).[21] In addition, the current version of the Code provides that solar energy systems installed in Florida are required to meet certain standards.[22]

In 2009, the Office of Program Policy Analysis & Government Accountability (OPPAGA) reported that FSEC had a 2 year backlog for testing and certifying solar energy systems, adversely affecting both manufacturers and citizens.[23] However, in 2011, OPPAGA reported that the backlog had been eliminated and testing times were down to 129 days due to streamlined testing procedures.[24]

Professional Engineers

Current law provides that only professional engineers or licensed engineers may practice engineering in Florida. Engineers are regulated by the Florida Board of Professional Engineers (FBPE). The FBPE is responsible for reviewing applications, administering exams, licensing qualified applicants, and regulating and enforcing the proper practice of engineering in the state. The FBPE is comprised of 11 members appointed by the Governor and meets six times a year. Administrative, investigative and prosecutorial services are provided to the FBPE by the Florida Engineers Management Corporation (FEMC).[25] FEMC is a non-profit, single purpose corporation that operates through a contract with DBPR.

In order to obtain licensure as a professional engineer, applicants must: pass a fundamentals examination and a principles and practice examination, have good moral character, obtain a degree from a four year engineering curriculum, and have four years of engineering experience.[26]

Solar Energy Systems – Effect of the Bill

The bill allows a professional engineer to certify solar energy systems using the standards contained in the most recent version of the Code.

Electrical Contractors and Alarm Contractors – Current Situation

Electrical contractors and alarm system contractors are certified or registered under the Electrical Contractors' Licensing Board (ECLB) within DBPR. Certified contractors are those who can practice statewide and are licensed and regulated by ECLB. Registered contractors are those licensed and regulated by a local jurisdiction and who may practice within that locality.[27]

Electrical contractors and alarm system contractors are only permitted to perform contracting within their scope of practice. Contracting includes the attempted sale of contracting services and the negotiation or bid for a contract on these services.[28]

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[19] SRCC produces solar thermal standards and certifications which are widely used globally. Solar Rating & Certification Corporation, *About Us – General*, http://www.solar-rating.org/about/general.html (last visited March 17, 2017).
[20] IAPMO certifies solar thermal products for use in North America. International Association of Plumbing and Mechanical Officials, *Solar Product Certification*, http://www.iapmort.org/Pages/ SolarCertification.aspx (last visited March 17, 2017).
[21] Florida Solar Energy Center, *Testing and Certification*, http://www.fsec.ucf.edu/En/certification-testing/index.htm (last visited March 17, 2017).
[22] Chapter 14 of the 5th edition of the Florida Building Code (Mechanical), Chapters 9 and 23 of the 5th edition of the Florida Building Code (Residential), Chapter 15 of the 5th edition of the Florida Building Code (Building), and Chapter 4 of the 5th edition of the Florida Building Code (Energy Conservation).
[23] OPPAGA, Report No. 09-17, Florida Solar Energy Center Conducts Research and Development; Legislature Could Direct Fee Increases and Drop Certification Requirement, p. 1 (March 2009).
[24] OPPAGA, Report No. 11-19, The Florida Solar Energy Center Eliminated the Backlog for Testing and Certification and Reduced its Reliance on State Funds, p. 1 (September 2011).
[25] The Florida Board of Professional Engineers, *About Florida Engineers Management Corporation*, https://fbpe.org/about/about-femc/ (last visited on Apr. 10, 2017).
[26] s. 471.015, F.S.
[27] *See generally* s. 489.505, F.S.
[28] *Id.*

Electrical contractors are specifically permitted to contract for certain work outside the scope of licensure, limited to excavation, paving, related incidental work, and the work of specialty electrical contractors, provided the electrical contractor properly subcontracts all work outside the scope of her or his licensure.[29] There are no similar statutory provisions for alarm system contractors.

Section 489.113(9)(a), F.S, allows contractors certified under the Construction Industry Licensing Board (CILB) within DBPR who do not already have the ability to act as a prime contractor to do so when the majority of the work to be performed under a contract falls under the scope of a contractor's license and the contractor subcontracts the remaining work to other licensed contractors.

Currently, ECLB and DBPR read Florida law regulating CILB contractors and ECLB contractors in conjunction with each other.[30] As such, authority granted to "contractors" to act as prime contractor has been interpreted to also apply to electrical contractors and alarm system contractors.[31] However, some local jurisdictions may interpret s. 489.113(9)(a), F.S., as only applying to CILB contractors licensed under pt. I of ch. 489, F.S., therefore, preventing electrical contractors and alarm system contractors from acting as a prime contractor.

Electrical Contractors and Alarm Contractors – Effect of the Bill

The bill specifically states that certified electrical and alarm system contractors are not prevented from acting as a prime contractor where the majority of the work to be performed falls into the scope of the contractor's license or from subcontracting the remaining work to other licensed contractors. This change mirrors the language of s. 489.113(9)(a), F.S. This provision does not apply to registered electrical and alarm system contractors.

Construction Industry Workforce Taskforce Recommendations for Construction Labor – Current Situation

Construction Industry Workforce Taskforce

In 2016, the Legislature created the "Construction Industry Workforce Taskforce" (CIWT) to address the shortage of construction industry labor force in the state.[32] The CIWT proposed a list of recommendations to remediate the shortage of construction industry workers. The CIWT recommended that the Legislature:

- Expand the definition of a Local Educational Agency (LEA), as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from the Department of Education (DOE) to the Department of Economic Opportunity (DEO);
- Provide clarity regarding how current apprenticeships are funded from the state to the LEAs and what options the LEAs have in how they spend apprenticeship funding;
- Require DOE to recognize the National Center for Construction Education and Research (NCCER) curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state Career and Technical Education (CTE) support to be directed towards K-12 programs so that "shop" or other construction related programs are added back into CTE programs;

[29] s. 489.537(2)(a), F.S.
[30] "The doctrine of *in pari materia* is a principle of statutory construction that requires that statutes relating to the same subject or object be construed together to harmonize the statutes and to give effect to the Legislature's intent." *Fla. Dep't of State v. Martin*, 916 So. 2d 763, 768 (Fla. 2005) .
[31] Florida Department of Business and Professional Regulation, Agency Analysis of 2017 House Bill 227, p. 2 (Feb. 15, 2017).
[32] ch. 2016-129, Laws of Fla.

- Extend the "sunset" timeframe for CIWT 4 additional years and provide funding of $100,000 per year, and a mechanism to obtain matching funds to continue to coordinate CIWT. Funding will be used to continue data collection and analysis, ongoing economic impact studies, and subsequent strategies, implementation planning, and follow up;
- Direct CareerSource Florida, Inc. (CSF) to set aside existing federal training dollars for construction training programs using the previous state-wide Florida reBuilds Initiative (FRI) as an implementation model;
- Provide funding from the existing DBPR "Building Permit Surcharge" trust fund dedicated to better code compliance through the recruitment and training of a qualified workforce.
- Allow for an alternative instructor certification process through the DOE that does not require certification through a LEA;
- Create a joint legislative audit committee to review compliance regarding use of building permit fees beyond the scope of supporting the building department activities; and
- Support The Building Officials Association of America, Inc. in the development of initiatives to further opportunities for potential building code enforcement professionals. [33]

CareerSource Florida, Inc.

CSF is a not-for-profit corporation administratively housed within DEO and is the principal workforce policy organization for the state. CSF designs and implements strategies that help Floridians enter, remain in, and advance in the workplace. CSF procures and disburses funds for workforce development.[34]

Florida reBuilds Initiative

FRI was a program formed in 2005, in part, to counter the growing shortage of construction workers. The former Florida Agency for Workforce Innovation (AWI) performed a survey of 50,000 employers, which identified 13,712 construction job vacancies. In order to tackle the issue, AWI sought to provide individuals with short-term, entry-level training to enable them to enter into the construction trades.[35]

FRI's targeted areas for training programs were:
- Air Conditioning, Refrigeration, and Heating Technology (maximum of 240 class hours);
- Carpentry (maximum of 120 class hours);
- Dry wall (maximum of 120 class hours);
- Electricity (maximum of 240 class hours);
- Masonry (maximum of 80 class hours);
- Plumbing (maximum of 180 class hours); and
- Roofing (maximum of 120 class hours).

Participants were eligible for FRI programs if they were 18 years of age, a United States citizen, and willing to commit to attend the full program. If an eligible participant registered for the program, they were entered into database run by a regional workforce made available to educational providers. Once the educational provider recruited enough eligible participants and was authorized by AWI to begin the program, the participants were enrolled in classes lasting up to 8 weeks.

[33] University of Florida, FLORIDA CONSTRUCTION WORKFORCE TASKFORCE 9-10 (January 27, 2017), *available at* http://www.cce.ufl.edu/projects/current-projects/construction-workforce-taskforce/reports/.
[34] s. 445.004, F.S.
[35] Florida Division of Emergency Management, *Lt. Governor Jennings Unveils Florida Rebuilds Initiative to Assist with Labor Shortage and Hurricane Recovery* (December 13, 2005), *available at* http://www.floridadisaster.org/eoc/eoc_Activations/Wilma05/Reports/FLRebuilds.pdf.

The educational providers were reimbursed $9 per class hour, up to the maximum hours identified per program area. Regional workforce boards were paid $25 per participant in an approved program and $250 per participant who was placed on a job site within 90 days of the program completion.[36]

Construction Industry Workforce Taskforce Recommendations – Effect of the Bill

The bill requires DOE and DEO to create a plan to implement the recommendations of the CIWT related to the shortage of construction labor. The plan must be provided to the CIWT on or before July 1, 2018.

The bill also requires CSF to create a plan to fund construction training programs recommended by the CIWT using existing federal funds and provide the plan to the CIWT on or before July 1, 2018. CSF must use FRI as the implementation model.

Building Officials, Building Inspectors, Plans Examiners and the Construction Industry Workforce Taskforce's Recommendations – Current Situation

Building Code Administrators and Inspectors and Plans Examiners

Building officials, inspectors, and plans examiners are regulated by the Florida Building Code Administrators and Inspectors Board (FBCAIB) within DBPR. The FBCAIB consists of nine members appointed by the Governor and subjected to confirmation by the Senate.[37]

A building code administrator, otherwise known as a building official, is a local government employee who supervises building code activities, including plans review, enforcement, and inspection.[38]

A building code inspector (inspector) is a local government employee who inspects construction that requires permits to determine compliance with building codes and state accessibility laws. Building code inspectors are divided into several different categories. An inspector's ability to practice is limited to the category or categories the inspector has been certified. The inspector categories are:

- Building inspector
- Coastal construction inspector
- Commercial electrical inspector
- Residential electrical inspector
- Mechanical inspector
- Plumbing inspector
- One and two family dwelling inspector
- Electrical inspector[39]

County or municipal governments, school boards, community college boards, state universities, or state agencies are not prohibited by the statutes governing building inspectors from entering into a contract with any person for building code inspections.[40]

A plans examiner reviews plans submitted for building permits to determine design compliance with construction codes. A plans examiner's ability to practice is limited to the category or categories the plans examiner is certified in. The plans examiner categories are:

- Building plans examiner
- Plumbing plans examiner
- Mechanical plans examiner

[36] Florida Agency for Workforce Innovation, *Florida Rebuilds Program Operations*, *available at* http://floridajobs.org/pdg/Memos/FlReBuildsProgOp_Atchmnt_121305.pdf .
[37] s. 468.605, F.S.
[38] s. 468.603(1), F.S.
[39] *See* s. 468.603(6), F.S.
[40] *See* s. 468.617(3), F.S.

- Electrical plans examiner[41]

In order to sit for the plans examiner or inspector exam a person must be at least 18 years of age, be of good moral character, and meet one of the following eligibility requirements:

- Demonstrates 5 years' combined experience in the field of construction or a related field, building code inspection, or plans review corresponding to the certification category sought;
- Demonstrates a combination of postsecondary education in the field of construction or a related field and experience which totals 4 years, with at least 1 year of such total being experience in construction, building code inspection, or plans review;
- Demonstrates a combination of technical education in the field of construction or a related field and experience which totals 4 years, with at least 1 year of such total being experience in construction, building code inspection, or plans review;
- Currently holds a standard certificate issued by the FBCAIB or a firesafety inspector license issued pursuant to ch. 633, F.S., has a minimum of 3 years' verifiable full-time experience in inspection or plan review, and has satisfactorily completed a building code inspector or plans examiner training program that provides at least 100 hours but not more than 200 hours of cross-training in the certification category sought;
- Currently holds a standard certificate issued by the FBCAIB or a firesafety inspector license issued pursuant to ch. 633, F.S., has a minimum of 5 years' verifiable full-time experience in inspection or plans review, and satisfactorily completes a building code inspector or plans examiner training program of not less than 200 hours in the certification category sought; or
- Demonstrates a combination of the completion of an approved training program in the field of building code inspection or plans review and a minimum of 2 years' experience in the field of building code inspection; plans review; fire code inspections and fire plans review of new buildings as a firesafety inspector; or construction. The approved training portion of this requirement shall include proof of satisfactory completion of a training program of not less than 300 hours which is approved by the FBCAIB in the chosen category of building code inspection or plans review in the certification category sought with not less than 20 hours of instruction in state laws, rules, and ethics relating to professional standards of practice, duties, and responsibilities of a certificate holder.[42]

In order to sit for the examination for building official certification an applicant must be at least 18 years of age, be of good moral character, and meet one of the following eligibility requirements:

- Demonstrates 10 years' combined experience as an architect, engineer, plans examiner, building code inspector, registered or certified contractor, or construction superintendent, with at least 5 years of such experience in supervisory positions; or
- Demonstrates a combination of postsecondary education in the field of construction or related field, no more than 5 years of which may be applied, and experience as an architect, engineer, plans examiner, building code inspector, registered or certified contractor, or construction superintendent which totals 10 years, with at least 5 years of such total being experience in supervisory positions.[43]

A newly hired or promoted inspector and plans examiner who may sit for an exam but has not taken the exam is granted provisional certificates for one year by the FBCAIB. A provisional certificate allows a person to engage in the duties of an inspector or plans examiner depending on the type of certificate.[44] Once a newly hired or promoted inspector or plans examiner submits an application for a provisional certificate the person may perform the duties of an examiner or inspector for 120 days as long as they are under the direct supervision of a building official.[45]

Construction Industry Workforce Taskforce's Recommendations

[41] *See* s. 468.603(7), F.S.
[42] s. 468.609, F.S.
[43] *Id.*
[44] *Id.*
[45] *Id.*

The CIWT also proposed a list of recommendations to address the shortage of building officials, inspectors, and plans examiners in the state. The CIWT recommended that:

- In addition to performing a plan or inspection review in the building official's jurisdiction, a building official should be able to perform plan reviews or inspections under an interagency service agreement with a jurisdiction with a population of 50,000 or less;
- Residential plans examiners and inspectors should be added to the different categories of inspectors and plans examiners. A residential plans examiner is qualified to determine whether plans submitted for the purpose of obtaining permits for a residential building comply with code;
- Provisional certificates and the ability to practice for 120 days after submitting an application for a provisional certificate should not be limited to newly hired or promoted staff; and
- Exams from any state administered by the ICC should be given reciprocity; and
- A four year internship program as an inspector or plans examiner should be added to the eligibility requirements to become an inspector or plans examiner. The internship program must meet the following requirements:
    - The intern must pass an ICC administered examination prior to beginning the program;
    - The intern must be employed full time in Florida with a city, county, or other local authority, and under the direct supervision of a building official;
    - The intern must pass the state of Florida Principals & Practice Exam before completing the program;
    - The intern must pass a FBCAIB-approved 40 hour code training course in the certification category sought before completing the program;
    - The intern must obtain a favorable recommendation from the supervising building official after completion of the program; and
    - The intern may show proof of graduation with a related vocational or college degree or verified work experience which may be exchanged for the four year experience requirement year-for-year. However, the experience requirement may be reduced to no less than one year.

Building Officials, Building Inspectors, Plans Examiners and the Construction Industry Workforce Taskforce's Recommendations – Effect of the Bill

The bill:

- Allows a local jurisdiction to contract with persons, that are not employees of the local jurisdiction, to perform building official and building inspection services.
- Provides that in addition to performing plans examinations or inspections in a building official's jurisdiction a building official may perform plans examinations and inspections in jurisdictions with a population of 50,000 or less under interagency agreements.
- Provides that county or municipal governments, school boards, community college boards, state universities, or state agencies are not prohibited by the statutes governing building officials and inspectors from entering into a contract with any person for building code inspections and building official services.
- Includes a "residential" plans examiner in the categories of plans examiners. A residential plans examiner is a person who is qualified to determine that plans submitted for purposes of obtaining building and other permits comply with the applicable residential building, plumbing, mechanical, electrical, gas, energy, accessibility, and other applicable construction codes.

The bill provides an additional way to become qualified to take the building inspector or plans examiner examination via an internship certification program. The requirements of the internship are:

- Pass an examination administered by the ICC in the license category sought before beginning the internship.
- Participate in a 4 year internship as a building code inspector or plans examiner while employed full-time by a city, county, or other governmental jurisdiction, under the direct supervision of a building official. Proof of graduation with a related vocational or college degree or verified work experience may be exchanged for internship experience requirement up to one year;

- Pass the principles and practice examination before completing the internship program;
- Pass a FBCAIB approved 40 hour code training course in the license category sought before completing the internship program; and
- Obtain a favorable recommendation from the supervising building official after completion of the internship program.

The bill provides that the FBCAIB shall establish by rule that:

- An applicant obtaining certification as an inspector or plans examiner through an internship may apply for a provisional certificate that is valid for the duration of the internship;
- Partial completion of the internship program may be transferred between jurisdictions;
- An applicant may apply for a standard certificate on a form prescribed by the FBCAIB upon successful completion of an internship program;
- An applicant may apply for a standard certificate at least 30 days and no more than 60 days before completing the internship program; and
- An inspector or plans examiner who has a standard certification may seek an additional certification in another category by completing an additional non-concurrent 1 year internship program in the category sought, and passing an exam administered by the ICC, and a FBCAIB approved 40 hour code training course.

The bill provides that provisional certificates and the 120 day application period are not limited to newly hired or promoted inspectors or plans examiners.

The bill requires the FBCAIB to establish by rule reciprocity of certification with any other state that requires an examination administered by the ICC.

Private Providers Current Situation and Effect of the Bill

A private provider is a licensed engineer or architect who may be hired to perform building code inspection services by a property owner or contractor. Private providers are able to provide building plans, perform building code inspections within the scope of the provider's license, and prepare certificates of compliance. For purposes of performing inspections for additions and alterations that are limited to 1,000 square feet or less in residential buildings, the term "private provider" also includes building officials, inspectors, and plans examiners.[46]

The bill amends the definition of "private provider" to include building code administrators in the persons who may perform building code inspection services without being limited to inspections of alterations and additions limited to 1,000 square feet in a residential building.

Building Commissioning Reporting Requirements, Automatic Lights and Door Components – Current Situation

Building Commissioning Reports

The Code defines "building commissioning" to mean that selected building systems have been designed, installed, and function according to the owner's project requirements, construction documents, and the minimum requirements of the Code.[47] Commissioning reports are performed by registered design professionals. A registered design professional is anyone licensed in Florida as an architect, landscape architect, professional engineer, or a land surveyor and mapper.[48]

[46] s. 553.791(1)(i), F.S.
[47] Section C202 of the 5th edition of the Florida Building Code (Energy Conservation).
[48] s. 725.08(4), F.S.

Section C408 of the 5th edition of the Code (Energy Conservation) requires a commercial building to receive a commissioning report prior to receiving a passing mechanical final inspection. Heating, ventilation, air conditioning, and the lighting systems are tested in the report. The commissioning report includes:

- A commission plan which includes:
  - A description of the activities to accomplish in the report including the personnel intended to accomplish the activities;
  - A listing of the equipment, appliances, or systems to be tested, and a description of the tests to be performed;
  - The functions to be tested;
  - Conditions under which the test will be performed; and
  - Measurable criteria for performance.
- A preliminary report of tests and results which must identify:
  - Deficiencies found during testing that have not been corrected; and
  - Tests that cannot be performed because of climate conditions and the conditions required to perform the tests.
- A final report which includes:
  - Test results;
  - Disposition of deficiencies found during testing; and
  - A test procedure used for repeatable testing outcomes.[49]

Door components

Door components are the items such as the hinge, lockset, weatherstrip, trim, and rails that make up a door.

Section R612.9 of the 5th edition of the Code (Residential) provides that residential door components may be substituted or interchanged in exterior door assemblies if the components have been approved by an approved product evaluation entity, certification agency, testing laboratory or engineer, and the door components provide equal or greater structural performance as demonstrated by accepted engineering practices.[50]

American National Standards Institute and World Millwork Alliance

The American National Standards Institute (ANSI) is a non-profit organization that aims to strengthen the U.S. market place, protect the environment, and assure the safety and health of consumers by creating and promulgating thousands of standards and guidelines.[51]

The World Millwork Alliance (WMA) is a wholesale distribution association dedicated to the progression and prosperity of the millwork industry.[52] The WMA also develops standards and is accredited by ANSI. In 2009, the WMA developed the WMA 100, a voluntary performance standard for side-hinged exterior doors. The WMA 100:

- Is approved by ANSI;
- Uses the ASTM E330 test method to obtain a full system design pressure rating;
- Defines methods for qualifying door system components for substitution in the rated system; and
- Outlines slab stiffness testing procedures for use in determining component substitution.[53]

The ASTM E330 test is designed by the American Society for Testing and Materials International, and is a standard for determining the effects of a wind load on exterior building surface elements.[54] The 5th

[49] Section C408 of the 5th edition of the Florida Building Code (Energy Conservation).
[50] Section R612.9 of the 5th edition of the Florida Building Code (Residential).
[51] ANSI, *About ANSI*, https://www.ansi.org/about_ansi/overview/overview?menuid=1 (last visited on Apr. 10, 2017).
[52] WMA, *About*, http://worldmillworkalliance.com/about/ (last visited on Apr. 10, 2017).
[53] WMA, *ANSI/WMA 100*, http://worldmillworkalliance.com/codes-and-standards/wma-100/ (last visited on Apr. 10, 2017).

edition of the Code (Residential) requires exterior doors with side hinges to either conform to the AAMA/WDMA/CSA 101/I.S.2/A440 or the ASTM E330.[55]

American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard

The American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) is a society founded in 1894 that focuses on improving building systems, energy efficiency, indoor air quality, and refrigeration through research publishing, continuing education and standards.[56]

AHSRAE's energy conservation standard for buildings that are not low-rise residential buildings is Standard 90.1-2016 (Standard 90). Section 9.4.1.1(g) of Standard 90 provides that the general lighting power in an enclosed area of a building must automatically reduce by 50% within twenty minutes of all occupants leaving the area.[57]

The most current version of the Code adopted the 2010 version of Standard 90.[58] However, the 2010 version of Standard 90 does not include Section 9.4.1.1(g).[59]

Door Self-Closing Devices

Section R302.5.1 of the 5th edition of the Code (Residential) requires all doors between a garage and residence be equipped with a self-closing device.

On April 6, 2017, testimony was offered during the regular meeting of the Florida House of Representatives Commerce Committee that homeowners were requesting that the self-closing devices on the door between the garage and the residence be removed for fear of being locked out of the residence especially if there was a young child in the residence.[60]

Building Commissioning Reporting Requirements, Automatic Lights and Door Components - Effect of the Bill

The bill requires the FBC to eliminate duplicate commissioning reporting requirements for HVAC and electrical systems. The bill also authorizes electrical or mechanical engineers to provide commissioning reports.

The bill provides that residential door components may be substituted in exterior door assemblies if the components:

- Are provided by an approved product evaluation entity, certification agency, testing laboratory or engineer, and the door components provide equal or greater structural performance as demonstrated by accepted engineering practices;[61] **or**

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[54] ASTM International, *Standard Test Method for Structural Performance of Exterior Windows, Doors, Skylights, and Curtain Walls by Uniform Static Air Pressure Difference*, https://www.astm.org/Standards/E330.htm (last visited on Apr. 10, 2017).
[55] Section R612.3 and R612.5 of the 5th edition of the Florida Building Code (Residential).
[56] ASHRAE, https://www.ashrae.org/about-ashrae (last visited on Mar. 16, 2017).
[57] ASHRAE, *Standard 90.1-2016: Energy Standards for Buildings Except Low-Rise Residential Buildings*, https://ashrae.iwrapper.com/ViewOnline/Standard_90.1-2016_(IP), (last visited Mar. 16, 2017).
[58] Section C405.7 of the 5th edition of the Florida Building Code (Energy Conservation).
[59] ASHRAE, *Standard 90.1-2010: Energy Standards for Buildings Except Low-Rise Residential Buildings*, http://www.usailighting.com/stuff/contentmgr/files/1/b90ce247855d0f17438484c003877338/misc/ashrae_90_1_2010.pdf, (last visited April 4, 2017).
[60] *See* The Florida Channel, *4/6/2017 House Commerce Committee*, http://www.myfloridahouse.gov/VideoPlayer.aspx?eventID=2443575804_2017041078&committeeID=2900 (last visited on May 10, 2017).
[61] Email from Mo Madani, Program Manager, Department of Business and Professional Regulation, RE: Question (Apr. 11, 2017).

- Comply with the ANSI/WMA 100.

The bill prohibits the FBC from adopting Section 9.4.1.1(g) of Standard 90 of the ASHRAE related to automatic lighting. The bill also prohibits the FBC from requiring that doors between residences and garages be equipped with a self-closing device.

Local Ordinances, Building Permits and Sign Requirements – Current Situation

Florida has adopted a uniform building code in accordance with s. 553.[62] Section 553.79, F.S., as part of the Florida Building Codes Act, has provisions relating to permits, applications, issuance, and inspections pertaining to the Code. Local jurisdictions ensure compliance with the Code.

Local jurisdictions may set requirements for signs, and sign placement for local businesses by local ordinance.

The Florida Department of Agriculture and Consumer Services regulates gasoline service stations in accordance with ch. 526. There are approximately 9,000 gasoline stations within Florida.

Federal franchise laws give prospective purchasers of franchises material information needed to weigh risks and benefits of such investments. The Federal Trade Commission's regulations, 16 C.F.R. ss. 436.1, et. seq., require franchisors to provide all potential franchisees with a disclosure document containing 23 specific items of information about the offered franchise, its officers, and other franchisees. The Florida Franchise Act, s. 817.416, F.S., provides a private right of action to a civil litigant when a person makes certain misrepresentations related to franchises. Florida does not currently regulate private rights to contract related to franchising. Florida limits franchise regulation to antifraud, unfair trade practices, and creating rights for violations of federal franchise disclosure laws.

Local Ordinances, Building Permits and Sign Requirements - Effect of the Bill

The bill amends s. 553.79, F.S., creating s. 553.79(20), specifying that political subdivisions of the state, except historical districts, may not adopt or enforce ordinances, or impose building permits or other development order requirements that:

- Contain any building, construction, or aesthetic requirement or condition that conflicts with or impairs corporate trademarks, service marks, trade dress, logos, color patterns, design scheme insignia, image standards, or other features of corporate branding identity on real property or improvements thereon used in activities conducted under ch. 526, related to the sale of liquid fuels, or in carrying out business franchise activities, as defined by Federal Trade Commission regulations in 16 C.F.R. ss. 436.1, et. Seq.; or
- Impose requirements related to the design, construction or location of signage that advertises the retail price of gasoline in accordance with the requirements of ss. 526.111 and 526.121, F.S.

The bill specifies that s. 553.79(20), F.S., doesn't affect design and construction requirements contained in the Code. Additionally, the bill specifies that all local ordinances and requirements prohibited by s. 553.79(20), F.S., are preempted and superseded and that s. 553.79(20), F.S., shall apply retroactively.

Local Government Fees – Current Situation

Section 553.80, F.S., provides that, except for construction regarding correctional and mental health facilities, elevators, storage facilities, educational institutions, and toll collection facilities, each local government and each legally constituted enforcement district with statutory authority shall regulate building construction. Section 553.80(7), F.S., authorizes local governments to provide a schedule of consistent reasonable fees to be used solely for carrying out the local government's responsibilities in

[62] s. 553.72, F.S.

enforcing the Code. The basis for the fee structure must relate to the level of service provided by the local government.

Local governments have created fee schedules to be submitted by contractors at the time of application for a building permit. These fees include inspection fees, plan examination fees, site examination fees, building permit fees (based on square footage of the building), and various administrative fees including re-permitting fees, time extension fees, re-inspection fees, and licensing fees.
Local governments may not require additional fees for:

- Providing proof of licensure pursuant to ch. 489, F.S.;
- Recording or filing a license issued; and
- Providing, recording, or filing evidence of workers' compensation insurance coverage required by ch. 440, F.S.[63]

Private providers are licensed engineers and architect who are able to provide building plans, perform building code inspections within the scope of the provider's license, and prepare certificates of compliance. For purposes of performing inspections for additions and alterations that are limited to 1,000 square feet or less in residential buildings, the term "private provider" also includes building officials, inspectors, and plans examiners.[64] Currently, when an owner or contractor hires a private provider to perform plans examination or inspection services that would otherwise be done by the local jurisdiction's official, the owner or contractor is often required to pay the permitting fee to the local jurisdiction resulting in the owner or contractor paying twice for such inspections.

Local Government Fees - Effect of the Bill

The bill provides that special[65] and independent districts[66] may not require additional fees at any time for:

- Providing proof of licensure pursuant to ch. 489, F.S.;
- Recording or filing a license issued; or
- Providing, recording, or filing evidence of workers' compensation insurance coverage required by ch. 440, F.S.

In addition, the bill prohibits a local government from requiring an owner of a residence to obtain a permit to paint their residence regardless if the owner is a limited liability company.

The bill also provides that it is the intent of the Legislature that owners and contractors should not be required to pay extra costs by local governments related to building permitting when hiring a private provider for building inspection services. The bill requires a local government to calculate their costs savings when an owner or contractor hires a private provider to perform building inspection services in lieu of the local government's building official, and to reduce fees accordingly.

Fire Prevention and Control – Current Situation
Florida's fire prevention and control law, ch. 633, F.S., designates the state's Chief Financial Officer (CFO) as the State Fire Marshal. The State Fire Marshal, through the Division of State Fire Marshal within the Department of Financial Services (DFS), is charged with enforcing the provisions of ch. 633, F.S., and all other applicable laws relating to fire safety and has the responsibility to minimize the loss of life and property in this state due to fire.[67]

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[63] s. 553.80(7), F.S.
[64] s. 553.791(1)(i), F.S.
[65] *See generally* Local Government Formation Manual 2017-2018, Chapter 5.
[66] Florida Department of Economic Opportunity, Division of Community Development, Special District Accountability Program Official List of Special Districts Online, *State Totals*, https://dca.deo.myflorida.com/fhcd/sdip/OfficialListdeo/StateTotals.cfm (last visited Apr. 2017). As of April 11, 2017, there were 631 active dependent special districts and 1,031 active independent special districts in Florida.
[67] s. 633.104, F.S.

One of the duties of the State Fire Marshal is to adopt by rule the Florida Fire Prevention Code (FFPC), which contains all fire safety laws and rules that pertain to the design, construction, erection, alteration, modification, repair, and demolition of public and private buildings, structures, and facilities and the enforcement of such fire safety laws and rules, at ch. 69A-60, F.A.C. The State Fire Marshal adopts a new edition of the FFPC every three years.[68]

State law requires all municipalities, counties, and special districts with fire safety responsibilities to enforce the FFPC as the minimum fire prevention code to operate uniformly among local governments and in conjunction with the Code. These local enforcing authorities may adopt more stringent fire safety standards, subject to certain requirements in s. 633.208, F.S., but may not enact fire safety ordinances which conflict with ch. 633, F.S., or any other state law.[69]

Fire Prevention and Control - Effect of the Bill

The bill amends ch. 633, F.S., to prohibit local governments including utility providers from requiring an impact fee or payment for a separate water connection for a fire sprinkler system for a one or two family dwelling if the dwelling's original water connection can meet the needs of the sprinkler system. The separate water connection may only be used for a fire sprinkler system. If it is used for other purposes then full charges may be applied.

The bill also amends ch. 633, F.S., to prohibit a local government from charging a water or sewer rate for a larger water meter for a one or two family dwelling because of the installation of a fire sprinkler system above that which is charged to a one-family and two-family dwelling with a base meter. However, if the installation of fire sprinklers in a one-family or two-family dwelling requires the installation of a larger water meter, only the difference in actual cost between the base water meter and the larger water meter may be charged by the water utility provider.

Construction Contracting Exemption for Public Utilities – Current Situation

CILB contractors are licensed and regulated under Part I of ch. 489, F.S., which provides that it is "necessary in the interest of the public health, safety, and welfare to regulate the construction industry." Construction contracting essentially means building or altering a structure for compensation.

In order to perform construction contracting a person must be licensed as a contractor, an employee of a contractor, or fall under one of the exemptions to licensure. Employees of a public utility are exempt from licensure. Public utilities include special gas districts, telecommunications companies, and natural gas transmission companies, "performing construction, maintenance, or development work, which includes, but is not limited to, work on bridges, roads, streets, highways, railroads, or work incidental to their business." Current law requires DBPR to create a rule to define "work incidental to their business."[70]

DBPR defined by rule "incidental to their business" to mean work performed exclusively on the supply side of the end use metering device, and excludes all work on the commercial side, house side, or customer side of the end use metering device except for inspections for leaks and the repair thereof, testing of water quality, ignition of pilot lights, and termination of or activation of natural gas flow.[71]

A public utility is defined to mean any person or entity supplying electricity or gas to or for the public within the state. The term does not include:

- Municipalities;
- Cooperatives;
- Dependent or independent special natural gas districts;

[68] s. 633.202, F.S.
[69] ss. 633.108; 633.208; & 633.214(4), F.S.
[70] s. 489.103(5), F.S.
[71] Rule 61G4-12.011(10), F.A.C.

- Natural gas transmission pipeline companies only making sales or deliveries of natural gas directly to industrial consumers at wholesale;
- Any entity selling or arranging for sales of natural gas which neither owns nor operates natural gas transmission or distribution facilities within the state; and
- Any person supplying liquefied petroleum gas, in either liquid or gaseous form, or owning or operating facilities beyond the outlet of a meter through which natural gas is supplied for compression and delivery into motor vehicle fuel tanks or other transportation containers, unless such person also supplies electricity or manufactured or natural gas.[72]

A telecommunications company is defined to mean any entity and any political subdivision in the state that offers two-way telecommunications services within the state by use of a telecommunications facility to the public for hire. The term does not include:

- An entity that provides a telecommunications facility exclusively to a certified telecommunications company;
- An entity that provides a telecommunications facility exclusively to a company which is excluded from the definition of a telecommunications company;
- A commercial mobile radio service provider;
- A facsimile transmission service;
- A private computer data network company not offering service to the public for hire;
- A cable television company providing cable service as defined in 47 U.S.C. s. 522;
- An intrastate interexchange telecommunications company;
- An operator services provider; or
- An airport that provides communications services within the confines of its airport layout plan.[73]

A natural gas transmission company is defined to mean any person owning or operating facilities located wholly within the state for the transmission or delivery for the sale of natural gas for compensation. The term does not include any:

- Person that owns or operates facilities primarily for the local distribution of natural gas;
- Person that is subject to the jurisdiction of the Federal Energy Regulatory Commission under the Natural Gas Act; or
- Municipalities or any agency thereof or a special district created by special act to distribute natural gas.

A special gas district is a unit of local government created by general law, special act, or local ordinance or rule of the Governor and Cabinet that operates within a limited geographic boundary. There are currently four special gas districts in Florida.[74]

A municipal gas utility is a natural gas utility owned and/or operated by a municipality engaged in serving residential, commercial, and/or industrial customers, usually within the boundaries of the municipality. There are currently 25 municipal gas districts in Florida.[75]

Construction Contracting Exemption for Public Utilities - Effect of the Bill

The bill provides that employees of municipal gas utilities performing construction, maintenance, or development work are also exempt from the contractor licensing requirements of Part I of ch. 489.

The bill removes the requirement that work done by public utility employees must be “incidental to their business” in order to qualify for the licensure exemption and removes DBPR’s rulemaking authority to define the term “incidental to their business.”

[72] s. 366.02(1), F.S.
[73] s. 364.02(13), F.S.
[74] *See* Florida Public Service Commission, *2017 Facts and Figures of the Florida Utility Industry*, http://www.psc.state.fl.us/Files/PDF/Publications/Reports/General/Factsandfigures/March%202017.pdf (last visited on Apr. 10, 2017).
[75] *Id.*

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   Minimal increase. The fiscal impact to the state is indeterminate. Inspectors and plans examiners pay a biennial fee of $5 if they are not government employees to DBPR. An increase in inspectors and plans examiners would result in an increase in biennial fees received by DBPR.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   The amount of additional fees collected by independent and special districts associated with applying for building permits may be reduced.[76] However, any reduction in fees is indeterminate and likely insignificant.

   The amount of building inspection services fees collected by local jurisdictions when private providers are hired by owners or contractors may be reduced. However, any reduction in fees is indeterminate and may be insignificant.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may reduce certain permitting fees contractors and owners pay to pull permits, and obtain building inspection services.

Homeowners may pay less for water meters, and there may be an increase in the purchase of fire sprinkler systems for residential dwellings.

The fiscal impact on the private sector is indeterminate. The bill may result in more people being able to obtain a certification as a plans examiner and building inspector.

The bill specifically allows electrical contractors and alarm system contractors to accept and bid on additional contracts, which may increase their work and income.

D. FISCAL COMMENTS:

None.

[76] Department of Business and Professional Regulation Bill Analysis, dated March 28, 2017.