CHAMBER ACTION

Senate House

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Representative Dorworth offered the following:

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Substitute Amendment to Amendment (815099) (with title amendment)

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Between lines 1188 and 1189, insert:

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Section 39. Subsection (7) of section 489.103, Florida Statutes, is amended to read:

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489.103 Exemptions.—This part does not apply to:

10 11 (7) Owners of property when acting as their own contractor and providing direct, onsite supervision themselves of all work not performed by licensed contractors:

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(a) When building or improving farm outbuildings or one-family or two-family residences on such property for the occupancy or use of such owners or for lease and not offered for sale or lease, or building or improving commercial buildings, at a cost not to exceed \$75,000, on such property for the occupancy

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or use of such owners <u>or for lease</u> and not offered for sale or lease. In an action brought under this part, proof of the sale or lease, or offering for sale or lease, of any such structure by the owner-builder within 1 year after completion of same creates a presumption that the construction was undertaken for purposes of sale or lease.

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

This subsection does not exempt any person who is employed by or has a contract with such owner and who acts in the capacity of a contractor. The owner may not delegate the owner's responsibility to directly supervise all work to any other person unless that person is registered or certified under this part and the work being performed is within the scope of that person's license. For the purposes of this subsection, the term "owners of property" includes the owner of a mobile home situated on a leased lot. To qualify for exemption under this subsection, an owner must personally appear and sign the building permit application and must satisfy local permitting 559089

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agency requirements, if any, proving that the owner has a complete understanding of the owner's obligations under the law as specified in the disclosure statement in this section. If any person violates the requirements of this subsection, the local permitting agency shall withhold final approval, revoke the permit, or pursue any action or remedy for unlicensed activity against the owner and any person performing work that requires licensure under the permit issued. The local permitting agency shall provide the person with a disclosure statement in substantially the following form:

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 with certain restrictions even though I do not have a 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.

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- 4. I understand that I may build or improve a one-family or two-family residence or a farm outbuilding. I may also build or improve a commercial building if the costs do not exceed \$75,000. The building or residence must be for my own use or occupancy or for lease. It may not be built or substantially improved for sale or lease. If a building or residence that I have built or substantially improved myself is sold or leased within 1 year after the construction is complete, the law will presume that I built or substantially improved it for sale or lease, which violates the exemption.
- 5. I understand that, as the owner-builder, I must provide direct, onsite supervision of the construction.
 - 6. I understand that I may not hire an unlicensed person to act as my contractor or to supervise persons working on my building or residence. It is my responsibility to ensure that the persons whom I employ have the licenses required by law and by county or municipal ordinance.
 - 7. I understand that it is a frequent practice of unlicensed persons to have the property owner obtain an owner-builder permit that erroneously implies that the property owner is providing his or her own labor and materials. I, as an owner-builder, may be held liable and subjected to serious financial risk for any injuries sustained by an unlicensed person or his or her employees while working on my property. My homeowner's insurance may not provide coverage for those injuries. I am willfully acting as an owner-builder and am aware of the limits of my insurance 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 must be employed by me, which means that I must comply with laws requiring the withholding of federal income tax and social security contributions under the Federal Insurance Contributions Act (FICA) and must provide workers' compensation for the employee. I understand that my failure to follow these laws may subject me to serious financial risk.
- 110 I agree that, as the party legally and financially 111 responsible for this proposed construction activity, I will 112 abide by all applicable laws and requirements that govern ownerbuilders as well as employers. I also understand that the 113 114 construction must comply with all applicable laws, ordinances, building codes, and zoning regulations. 115
- 116 I understand that I may obtain more information regarding my obligations as an employer from the Internal Revenue Service, 117 the United States Small Business Administration, the Florida 119 Department of Financial Services, and the Florida Department of 120 Revenue. I also understand that I may contact the Florida Construction Industry Licensing Board at ... (telephone 122 number) . . . or . . . (Internet website address) . . . for more information about licensed contractors. 123
- I am aware of, and consent to, an owner-builder building 124 125 permit applied for in my name and understand that I am the party legally and financially responsible for the proposed 126

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Bill No. CS/CS/CS/HB 713 (2010)

Amendment No. 127 construction activity at the following address: ... (address of 128 property).... 129 12. I agree to notify ... (issuer of disclosure statements)... 130 immediately of any additions, deletions, or changes to any of the information that I have provided on this disclosure. 131 132 Licensed contractors are regulated by laws designed to protect 133 the public. If you contract with a person who does not have a 134 license, the Construction Industry Licensing Board and Department of Business and Professional Regulation may be unable 135 to assist you with any financial loss that you sustain as a 136 137 result of a complaint. Your only remedy against an unlicensed 138 contractor may be in civil court. It is also important for you 139 to understand that, if an unlicensed contractor or employee of an individual or firm is injured while working on your property, 140 141 you may be held liable for damages. If you obtain an ownerbuilder permit and wish to hire a licensed contractor, you will 142 143 be responsible for verifying whether the contractor is properly licensed and the status of the contractor's workers' 144 145 compensation coverage. 146 Before a building permit can be issued, this disclosure statement must be completed and signed by the property owner and 147 148 returned to the local permitting agency responsible for issuing 149 the permit. A copy of the property owner's driver license, the 150 notarized signature of the property owner, or other type of verification acceptable to the local permitting agency is 151 152 required when the permit is issued. 153 Signature: ... (signature of property owner) 154 Date: ... (date)

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Bill No. CS/CS/CS/HB 713 (2010)

Amendment No.

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Remove line 128 and insert:

conforming a cross-reference; amending s. 489.103, F.S.; exempting property owners from provisions regulating construction contracting when building or improving farm outbuildings or certain residences or commercial buildings on such property for lease under certain circumstances; amending s. 509.211, F.S.;

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