

WFG Informational Bulletin

To: All Florida Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: December 11, 2019
Bulletin No.: FL 2019-13
Subject: Open and Expired Permits

On June 7, 2019, Governor DeSantis signed House Bill 447 (CS/CS/HB 447) in to law which revised F.S. 553.79 regarding open and expired building permits. Those revisions became effective on October 1, 2019. Here are some highlights from the Bill's revisions to F.S. 553.79:

Open Permits:

F.S. 553.79(1)(c) authorizes the local government that issued the permit to send written notice to the owner of the property and the contractor listed in the permit that the permit is about expire. The notice must be sent no less than 30 days before the permit is set to expire. Under F.S. 553.79(15)(a), the owner may close the permit by using the original contractor listed in the permit or may hire a different contractor to perform the work necessary to satisfy the conditions of the permit. If the owner hires a different contractor to perform the work to close the permit, that contractor is not liable for any defects in the work performed by the original contractor.

Expired Permits:

Under F.S. 553.79(15)(b), if the building permit is expired and the requirements of the permit have been substantially completed as determined by the local enforcement agency, the permit may be closed without having to obtain a new permit, and the work required to be performed to close the permit may be done pursuant to the building code in effect when the original permit was applied for.

Close Permit After 6 Years:

Under F.S. 553.79(15)(c), the local governmental enforcement agency may close a permit 6 years after issuance of the permit without a final inspection as long as that agency determines that no safety hazards exist.

Cannot Penalize Subsequent Owners and Contractors:

Under F.S. 553.79(16)(a), a local enforcement agency cannot deny the issuance of a building permit to an arms-length purchaser for value i.e. a legitimate purchaser, solely because the

permit of a prior owner was not closed. Additionally, a local enforcement agency may not issue a notice of violation, fine, penalize, sanction, or assess fees against an arms-length purchaser for value solely because the permit of a prior owner was not closed. Finally, under F.S. 553.79(16)(b), the issuance of a building permit to a contractor cannot be denied solely because the contractor is listed on other building permits that are not closed.

Conclusion:

The revisions to F.S. 553.79 provide incentives and tools to make it easier to close open and expired permits. Only time will tell how the local governmental agencies will utilize these new provisions to allow dormant permits to be closed.

NOTE: The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.