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1 A bill to be entitled
 2 An act relating to improvements to real property;
 3 amending s. 163.08, F.S.; deleting provisions relating
 4 to legislative findings and intent; defining terms and
 5 revising definitions; creating s. 163.081, F.S.;
 6 authorizing a program administrator to offer a program
 7 for financing qualifying improvements for residential
 8 property when authorized by a county or municipality;
 9 requiring an authorized program administrator that
 10 administers an authorized program to meet certain
 11 requirements; authorizing a county or municipality to
 12 enter into an interlocal agreement to implement a
 13 program; authorizing a county or municipality to
 14 deauthorize a program administrator through certain
 15 measures; allowing a recorded financing agreement at
 16 the time of deauthorization to continue, with an
 17 exception; authorizing a program administrator to
 18 contract with third-party administrators to implement
 19 the program; authorizing a program administrator to
 20 levy non-ad valorem assessments for a certain purpose;
 21 providing for compensation for tax collectors for
 22 actual costs incurred to collect non-ad valorem
 23 assessments; authorizing a program administrator to
 24 incur debt for the purpose of providing financing for
 25 qualifying improvements; authorizing the owner of

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26 record of the residential property to apply to the
 27 program administrator to finance a qualifying
 28 improvement; requiring the program administrator to
 29 make certain findings before entering into a financing
 30 agreement; requiring the program administrator to
 31 ascertain certain financial information from the
 32 property owner before entering into a financing
 33 agreement; requiring certain documentation before the
 34 financing agreement is approved and recorded;
 35 requiring an advisement and notification for certain
 36 qualifying improvements; requiring certain financing
 37 agreement and contract provisions for change orders
 38 under certain circumstances; prohibiting a financing
 39 agreement from being entered into under certain
 40 circumstances; requiring the program administrator to
 41 provide certain information before a financing
 42 agreement may be executed; requiring an oral, recorded
 43 telephone call with the residential property owner to
 44 confirm findings and disclosures before the approval
 45 of a financing agreement; requiring the residential
 46 property owner to provide written notice to the holder
 47 or loan servicer of his or her intent to enter into a
 48 financing agreement as well as other financial
 49 information; requiring that proof of such notice be
 50 provided to the program administrator; providing that

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51 a certain acceleration provision in an agreement
 52 between the residential property owner and mortgagor
 53 or lienholder is unenforceable; providing that the
 54 lienholder or loan servicer retains certain authority;
 55 authorizing a residential property owner, under
 56 certain circumstances and within a certain timeframe,
 57 to cancel a financing agreement without financial
 58 penalty; requiring recording of the financing
 59 agreement in a specified timeframe; creating the
 60 seller's disclosure statements for properties offered
 61 for sale which have assessments on them for qualifying
 62 improvements; requiring the program administrator to
 63 confirm that certain conditions are met before
 64 disbursing final funds to a qualifying improvement
 65 contractor for qualifying improvements on residential
 66 property; requiring a program administrator to confirm
 67 that the applicable work service has been completed or
 68 the final permit for the qualifying improvement has
 69 been closed and evidence of substantial completion of
 70 construction or improvement has been issued; creating
 71 s. 163.082, F.S.; authorizing a program administrator
 72 to offer a program for financing qualifying
 73 improvements for commercial property when authorized
 74 by a county or municipality; requiring an authorized
 75 program administrator that administers an authorized

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76 | program to meet certain requirements; authorizing a
 77 | county or municipality to enter into an interlocal
 78 | agreement to implement a program; authorizing a county
 79 | or municipality to deauthorize a program administrator
 80 | through certain measures; authorizing a recorded
 81 | financing agreement at the time of deauthorization to
 82 | continue, with an exception; authorizing a program
 83 | administrator to contract with third-party
 84 | administrators to implement the program; authorizing a
 85 | program administrator to levy non-ad valorem
 86 | assessments for a certain purpose; providing for
 87 | compensation for tax collectors for actual costs
 88 | incurred to collect non-ad valorem assessments;
 89 | authorizing a program administrator to incur debt for
 90 | the purpose of providing financing for qualifying
 91 | improvements; authorizing the owner of record of the
 92 | commercial property to apply to the program
 93 | administrator to finance a qualifying improvement;
 94 | requiring the program administrator to receive the
 95 | written consent of current holders or loan servicers
 96 | of certain mortgages encumbering or secured by
 97 | commercial property; requiring a program administrator
 98 | offering a program for financing qualifying
 99 | improvements to commercial property to certain
 100 | underwriting criteria; requiring the program

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101 administrator to make certain findings before entering
 102 into a financing agreement; requiring the program
 103 administrator to ascertain certain financial
 104 information from the property owner before entering
 105 into a financing agreement; requiring the program
 106 administrator to document and retain certain findings;
 107 requiring certain financing agreement and contract
 108 provisions for change orders under certain
 109 circumstances; prohibiting a financing agreement from
 110 being entered into under certain circumstances;
 111 requiring the program administrator to provide certain
 112 information before a financing agreement may be
 113 executed; requiring any financing agreement executed
 114 pursuant to this section be submitted for recording in
 115 the public records of the county where the commercial
 116 property is located in a specified timeframe;
 117 requiring that the recorded agreement provide
 118 constructive notice that the non-ad valorem assessment
 119 levied on the property is a lien of equal dignity;
 120 providing that a lien with a certain acceleration
 121 provision is unenforceable; creating the seller's
 122 disclosure statements for properties offered for sale
 123 which have assessments on them for qualifying
 124 improvements; requiring the program administrator to
 125 confirm that certain conditions are met before

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126 disbursing final funds to a qualifying improvement
 127 contractor for qualifying improvements on commercial
 128 property; providing construction; creating s. 163.083,
 129 F.S.; requiring a county or municipality to establish
 130 or approve a process for the registration of a
 131 qualifying improvement contractor to install
 132 qualifying improvements; requiring certain conditions
 133 for a qualifying improvement contractor to participate
 134 in a program; prohibiting a third-party administrator
 135 from registering as a qualifying improvement
 136 contractor; requiring the program administrator to
 137 monitor qualifying improvement contractors, enforce
 138 certain penalties for a finding of violation, and post
 139 certain information online; creating s. 163.084, F.S.;
 140 authorizing the program administrator to contract with
 141 entities to administer an authorized program;
 142 providing certain requirements for a third-party
 143 administrator; prohibiting a program administrator
 144 from acting as a third-party administrator under
 145 certain circumstances; providing an exception;
 146 requiring the program administrator to include in its
 147 contract with the third-party administrator the right
 148 to perform annual reviews of the administrator;
 149 authorizing the program administrator to take certain
 150 actions if the program administrator finds that the

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151 third-party administrator has committed a violation of
 152 its contract; authorizing a program administrator to
 153 terminate an agreement with a third-party
 154 administrator under certain circumstances; providing
 155 for the continuation of certain financing agreements
 156 after the termination or suspension of the third-party
 157 administrator, with an exception; creating s. 163.085,
 158 F.S.; requiring that, in communicating with the
 159 property owner, the program administrator, qualifying
 160 improvement contractor, or third-party administrator
 161 comply with certain requirements; prohibiting the
 162 program administrator or third-party administrator
 163 from disclosing certain financing information to a
 164 qualifying improvement contractor; prohibiting a
 165 qualifying improvement contractor from making certain
 166 advertisements or solicitations; providing exceptions;
 167 prohibiting a program administrator or third-party
 168 administrator from providing certain payments, fees,
 169 or kickbacks to a qualifying improvement contractor;
 170 prohibiting a program administrator or third-party
 171 administrator from reimbursing a qualifying
 172 improvement contractor for certain expenses;
 173 prohibiting a qualifying improvement contractor from
 174 providing different prices for a qualifying
 175 improvement; requiring a contract between a property

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176 owner and a qualifying improvement contractor to
 177 include certain provisions; prohibiting a program
 178 administrator, qualifying improvement contractor, or
 179 third-party administrator from providing any cash
 180 payment or anything of material value to a property
 181 owner which is explicitly conditioned on a financing
 182 agreement; providing exceptions; creating s. 163.086,
 183 F.S.; prohibiting a recorded financing agreement from
 184 being removed from attachment to a property under
 185 certain circumstances; providing for the
 186 unenforceability of a financing agreement under
 187 certain circumstances; providing provisions for when a
 188 qualifying improvement contractor initiates work on an
 189 unenforceable contract; providing that a qualifying
 190 improvement contractor may retrieve chattel or
 191 fixtures delivered pursuant to an unenforceable
 192 contract if certain conditions are met; providing that
 193 an unenforceable contract will remain unenforceable
 194 under certain circumstances; creating s. 163.087,
 195 F.S.; requiring a program administrator authorized to
 196 administer a program for financing a qualifying
 197 improvement to post on its website an annual report;
 198 specifying requirements for the report; requiring the
 199 Auditor General to conduct an operational audit of
 200 each program administrator; requiring the Auditor

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201 General to adopt certain rules requiring certain
 202 reporting from the program administrator; requiring
 203 program administrators and, if applicable, third-party
 204 administrators to post the report on its website;
 205 providing that a contract, agreement, authorization,
 206 or interlocal agreement entered into before a certain
 207 date may continue without additional action by the
 208 county or municipality; requiring that the program
 209 administrator comply with the act and that any related
 210 contracts, agreements, authorizations, or interlocal
 211 agreements be amended to comply with the act;
 212 providing an effective date.

213

214 Be It Enacted by the Legislature of the State of Florida:

215

216 Section 1. Section 163.08, Florida Statutes, is amended to
 217 read:

218 (Substantial rewording of section. See

219 s. 163.08, F.S., for present text.)

220 163.08 Definitions.—As used in ss. 163.081-163.087, the

221 term:

222 (1) "Commercial property" means real property other than

223 residential property. The term includes, but is not limited to,

224 a property zoned multifamily residential which is composed of

225 five or more dwelling units; and real property used for

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226 commercial, industrial, or agricultural purposes.
 227 (2) "Program administrator" means a county, a
 228 municipality, a dependent special district as defined in s.
 229 189.012, or a separate legal entity created pursuant to s.
 230 163.01(7) which directly operates a program for financing
 231 qualifying improvements and is authorized pursuant to s. 163.081
 232 or s. 163.082.
 233 (3) "Property owner" means the owner or owners of record
 234 of real property. The term includes real property held in trust
 235 for the benefit of one or more individuals, in which case the
 236 individual or individuals may be considered as the property
 237 owner or owners, provided that the trustee provides written
 238 consent. The term does not include persons renting, using,
 239 living, or otherwise occupying real property.
 240 (4) "Qualifying improvement" means the following permanent
 241 improvements located on real property within the jurisdiction of
 242 an authorized financing program:
 243 (a) For improvements on residential property:
 244 1. Repairing, replacing, or improving a central sewerage
 245 system, converting an onsite sewage treatment and disposal
 246 system to a central sewerage system, or, if no central sewerage
 247 system is available, removing, repairing, replacing, or
 248 improving an onsite sewage treatment and disposal system to an
 249 advanced system or technology.
 250 2. Repairing, replacing, or improving a roof, including

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251 improvements that strengthen the roof deck attachment; create a
 252 secondary water barrier to prevent water intrusion; install
 253 wind-resistant shingles or gable-end bracing; or reinforce roof-
 254 to-wall connections.

255 3. Providing flood and water damage mitigation and
 256 resiliency improvements, prioritizing repairs, replacement, or
 257 improvements that qualify for reductions in flood insurance
 258 premiums, including raising a structure above the base flood
 259 elevation to reduce flood damage; constructing a flood diversion
 260 apparatus, drainage gate, or seawall improvement, including
 261 seawall repairs and seawall replacements; purchasing flood-
 262 damage-resistant building materials; or making electrical,
 263 mechanical, plumbing, or other system improvements that reduce
 264 flood damage.

265 4. Replacing windows or doors, including garage doors,
 266 with energy-efficient, impact-resistant, wind-resistant, or
 267 hurricane windows or doors or installing storm shutters.

268 5. Installing energy-efficient heating, cooling, or
 269 ventilation systems.

270 6. Replacing or installing insulation.

271 7. Replacing or installing energy-efficient water heaters.

272 8. Installing and affixing a permanent generator.

273 9. Providing a renewable energy improvement, including the
 274 installation of any system in which the electrical, mechanical,
 275 or thermal energy is produced from a method that uses solar,

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276 geothermal, bioenergy, wind, or hydrogen.
 277 (b) For installing or constructing improvements on
 278 commercial property:
 279 1. Waste system improvements, which consists of repairing,
 280 replacing, improving, or constructing a central sewerage system,
 281 converting an onsite sewage treatment and disposal system to a
 282 central sewerage system, or, if no central sewerage system is
 283 available, removing, repairing, replacing, or improving an
 284 onsite sewage treatment and disposal system to an advanced
 285 system or technology.
 286 2. Making resiliency improvements, which includes but is
 287 not limited to:
 288 a. Repairing, replacing, improving, or constructing a
 289 roof, including improvements that strengthen the roof deck
 290 attachment;
 291 b. Creating a secondary water barrier to prevent water
 292 intrusion;
 293 c. Installing wind-resistant shingles or gable-end
 294 bracing;
 295 d. Reinforcing roof-to-wall connections; or
 296 e. Providing flood and water damage mitigation and
 297 resiliency improvements, prioritizing repairs, replacement, or
 298 improvements that qualify for reductions in flood insurance
 299 premiums, including raising a structure above the base flood
 300 elevation to reduce flood damage; creating or improving

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301 stormwater and flood resiliency, including flood diversion
 302 apparatus, drainage gates, or shoreline improvements; purchasing
 303 flood-damage-resistant building materials; or making any other
 304 improvements necessary to achieve a sustainable building rating
 305 or compliance with a national model resiliency standard and any
 306 improvements to a structure to achieve wind or flood insurance
 307 rate reductions, including building elevation.

308 3. Energy conservation and efficiency improvements, which
 309 are measures to reduce consumption through efficient use or
 310 conservation of electricity, natural gas, propane, or other
 311 forms of energy, including but not limited to, air sealing;
 312 installation of insulation; installation of energy-efficient
 313 heating, cooling, or ventilation systems; building modification
 314 to increase the use of daylight; window replacement; windows;
 315 energy controls or energy recovery systems; installation of
 316 electric vehicle charging equipment; installation of efficient
 317 lighting equipment; or any other improvements necessary to
 318 achieve a sustainable building rating or compliance with a
 319 national model green building code.

320 4. Renewable energy improvements, including the
 321 installation of any system in which the electrical, mechanical,
 322 or thermal energy is produced from a method that uses solar,
 323 geothermal, bioenergy, wind, or hydrogen.

324 5. Water conservation efficiency improvements, which are
 325 measures to reduce consumption through efficient use or

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326 conservation of water.

327 (5) "Qualifying improvement contractor" means a licensed
 328 or registered contractor who has been registered to participate
 329 by a program administrator pursuant to s. 163.083 to install or
 330 otherwise perform work to make qualifying improvements on
 331 residential property financed pursuant to a program authorized
 332 under s. 163.081.

333 (6) "Residential property" means real property zoned as
 334 residential or multifamily residential and composed of four or
 335 fewer dwelling units.

336 (7) "Third-party administrator" means an entity under
 337 contract with a program administrator pursuant to s. 163.084.

338 Section 2. Section 163.081, Florida Statutes, is created
 339 to read:

340 163.081 Financing qualifying improvements to residential
 341 property.—

342 (1) RESIDENTIAL PROPERTY PROGRAM AUTHORIZATION.—

343 (a) A program administrator may only offer a program for
 344 financing qualifying improvements to residential property within
 345 the jurisdiction of a county or municipality if the county or
 346 municipality has authorized by ordinance or resolution the
 347 program administrator to administer the program for financing
 348 qualifying improvements to residential property. The authorized
 349 program must, at a minimum, meet the requirements of this
 350 section.

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351 (b) Pursuant to this section or as otherwise provided by
 352 law or pursuant to a county's or municipality's home rule power,
 353 a county or municipality may enter into an interlocal agreement
 354 providing for a partnership between one or more counties or
 355 municipalities for the purpose of facilitating a program to
 356 finance qualifying improvements to residential property located
 357 within the jurisdiction of the counties or municipalities that
 358 are party to the agreement.

359 (c) A county or municipality may deauthorize a program
 360 administrator through repeal of the ordinance or resolution
 361 adopted pursuant to paragraph (a) or other action. Any recorded
 362 financing agreements at the time of deauthorization shall
 363 continue, except any financing agreement for which the
 364 provisions of s. 163.086 apply.

365 (d) An authorized program administrator may contract with
 366 one or more third-party administrators to implement the program
 367 as provided in s. 163.084.

368 (e) An authorized program administrator may levy non-ad
 369 valorem assessments to facilitate repayment of financing
 370 qualifying improvements. Costs incurred by the program
 371 administrator for such purpose may be collected as a non-ad
 372 valorem assessment. A non-ad valorem assessment shall be
 373 collected pursuant to s. 197.3632 and, notwithstanding s.
 374 197.3632(8)(a), shall not be subject to discount for early
 375 payment. However, the notice and adoption requirements of s.

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376 | 197.3632(4) do not apply if this section is used and complied
 377 | with, and the intent resolution, publication of notice, and
 378 | mailed notices to the property appraiser, tax collector, and
 379 | Department of Revenue required by s. 197.3632(3) (a) may be
 380 | provided on or before August 15 of each year in conjunction with
 381 | any non-ad valorem assessment authorized by this section, if the
 382 | property appraiser, tax collector, and program administrator
 383 | agree. The program administrator shall only compensate the tax
 384 | collector for the actual cost of collecting non-ad valorem
 385 | assessments, not to exceed 2 percent of the amount collected and
 386 | remitted.

387 | (f) A program administrator may incur debt for the purpose
 388 | of providing financing for qualifying improvements, which debt
 389 | is payable from revenues received from the improved property or
 390 | any other available revenue source authorized by law.

391 | (2) APPLICATION.—The owner of record of the residential
 392 | property within the jurisdiction of an authorized program may
 393 | apply to the authorized program administrator to finance a
 394 | qualifying improvement. The program administrator may only enter
 395 | into a financing agreement with the property owner.

396 | (3) FINANCING AGREEMENTS.—

397 | (a) Before entering into a financing agreement, the
 398 | program administrator must make each of the following findings
 399 | based on a review of public records derived from a commercially
 400 | accepted source and the property owner's statements, records,

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401 and credit reports:

402 1. There are sufficient resources to complete the project.

403 2. The total amount of any non-ad valorem assessment for a
 404 residential property under this section does not exceed 20
 405 percent of the just value of the property as determined by the
 406 property appraiser. The total amount may exceed this limitation
 407 upon written consent of the holders or loan servicers of any
 408 mortgage encumbering or otherwise secured by the residential
 409 property.

410 3. The combined mortgage-related debt and total amount of
 411 any non-ad valorem assessments under the program for the
 412 residential property does not exceed 97 percent of the just
 413 value of the property as determined by the property appraiser.

414 4. The financing agreement does not utilize a negative
 415 amortization schedule, a balloon payment, or prepayment fees or
 416 finances other than nominal administrative costs. Capitalized
 417 interest included in the original balance of the assessment
 418 financing agreement does not constitute negative amortization.

419 5. All property taxes and any other assessments, including
 420 non-ad valorem assessments, levied on the same bill as the
 421 property taxes are current and have not been delinquent for the
 422 preceding 3 years, or the property owner's period of ownership,
 423 whichever is less.

424 6. There are no outstanding fines or fees related to
 425 zoning or code enforcement violations issued by a county or

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426 municipality, unless the qualifying improvement will remedy the
 427 zoning or code violation.

428 7. There are no involuntary liens, including, but not
 429 limited to, construction liens on the residential property.

430 8. No notices of default or other evidence of property-
 431 based debt delinquency have been recorded and not released
 432 during the preceding 3 years or the property owner's period of
 433 ownership, whichever is less.

434 9. The property owner is current on all mortgage debt on
 435 the residential property.

436 10. The property owner has not been subject to a
 437 bankruptcy proceeding within the last 5 years unless it was
 438 discharged or dismissed more than 2 years before the date on
 439 which the property owner applied for financing.

440 11. The residential property is not subject to an existing
 441 home equity conversion mortgage or reverse mortgage product.

442 12. The term of the financing agreement does not exceed
 443 the weighted average useful life of the qualified improvements
 444 to which the greatest portion of funds disbursed under the
 445 assessment contract is attributable, not to exceed 20 years. The
 446 program administrator shall determine the useful life of a
 447 qualifying improvement using established standards, including
 448 certification criteria from government agencies or nationally
 449 recognized standards and testing organizations.

450 13. The total estimated annual payment amount for all

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451 financing agreements entered into under this section on the
 452 residential property does not exceed 10 percent of the property
 453 owner's annual household income. Income must be confirmed using
 454 reasonable evidence and not solely by a property owner's
 455 statement.

456 14. If the qualifying improvement is for the conversion of
 457 an onsite sewage treatment and disposal system to a central
 458 sewerage system, the property owner has utilized all available
 459 local government funding for such conversions and is unable to
 460 obtain financing for the improvement on more favorable terms
 461 through a local government program designed to support such
 462 conversions.

463 (b) Before entering into a financing agreement, the
 464 program administrator must determine if there are any current
 465 financing agreements on the residential property and if the
 466 property owner has obtained or sought to obtain additional
 467 qualifying improvements on the same property which have not yet
 468 been recorded. The existence of a prior qualifying improvement
 469 non-ad valorem assessment or a prior financing agreement is not
 470 evidence that the financing agreement under consideration is
 471 affordable or meets other program requirements.

472 (c) Findings satisfying paragraphs (a) and (b) must be
 473 documented, including supporting evidence relied upon, and
 474 provided to the property owner prior to a financing agreement
 475 being approved and recorded. The program administrator must

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476 retain the documentation for the duration of the financing
 477 agreement.

478 (d) If the qualifying improvement is estimated to cost
 479 \$10,000 or more, before entering into a financing agreement the
 480 program administrator must advise the property owner in writing
 481 that the best practice is to obtain estimates from more than one
 482 unaffiliated, registered qualifying improvement contractor for
 483 the qualifying improvement and notify the property owner in
 484 writing of the advertising and solicitation requirements of s.
 485 163.085.

486 (e) A property owner and the program administrator may
 487 agree to include in the financing agreement provisions for
 488 allowing change orders necessary to complete the qualifying
 489 improvement. Any financing agreement or contract for qualifying
 490 improvements which includes such provisions must meet the
 491 requirements of this paragraph. If a proposed change order on a
 492 qualifying improvement will increase the original cost of the
 493 qualifying improvement by 20 percent or more or will expand the
 494 scope of the qualifying improvement by more than 20 percent,
 495 before the change order may be executed which would result in an
 496 increase in the amount financed through the program
 497 administrator for the qualifying improvement, the program
 498 administrator must notify the property owner, provide an updated
 499 written disclosure form as described in subsection (4) to the
 500 property owner, and obtain written approval of the change from

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501 the property owner.

502 (f) A financing agreement may not be entered into if the
 503 total cost of the qualifying improvement, including program fees
 504 and interest, is less than \$2,500.

505 (g) A financing agreement may not be entered into for
 506 qualifying improvements in buildings or facilities under new
 507 construction or construction for which a certificate of
 508 occupancy or similar evidence of substantial completion of new
 509 construction or improvement has not been issued.

510 (4) DISCLOSURES.—

511 (a) In addition to the requirements imposed in subsection
 512 (3), a financing agreement may not be executed unless the
 513 program administrator first provides, including via electronic
 514 means, a written financing estimate and disclosure to the
 515 property owner which includes all of the following, each of
 516 which must be individually acknowledged in writing by the
 517 property owner:

518 1. The estimated total amount to be financed, including
 519 the total and itemized cost of the qualifying improvement,
 520 program fees, and capitalized interest;

521 2. The estimated annual non-ad valorem assessment;

522 3. The term of the financing agreement and the schedule
 523 for the non-ad valorem assessments;

524 4. The interest charged and estimated annual percentage
 525 rate;

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- 526 5. A description of the qualifying improvement;
- 527 6. The total estimated annual costs that will be required
 528 to be paid under the assessment contract, including program
 529 fees;
- 530 7. The total estimated average monthly equivalent amount
 531 of funds that would need to be saved in order to pay the annual
 532 costs of the non-ad valorem assessment, including program fees;
- 533 8. The estimated due date of the first payment that
 534 includes the non-ad valorem assessment;
- 535 9. A disclosure that the financing agreement may be
 536 canceled within 3 business days after signing the financing
 537 agreement without any financial penalty for doing so;
- 538 10. A disclosure that the property owner may repay any
 539 remaining amount owed, at any time, without penalty or
 540 imposition of additional prepayment fees or fines other than
 541 nominal administrative costs;
- 542 11. A disclosure that if the property owner sells or
 543 refinances the residential property, the property owner may be
 544 required by a mortgage lender to pay off the full amount owed
 545 under each financing agreement under this section;
- 546 12. A disclosure that the assessment will be collected
 547 along with the property owner's property taxes, and will result
 548 in a lien on the property from the date the financing agreement
 549 is recorded;
- 550 13. A disclosure that potential utility or insurance

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551 savings are not guaranteed, and will not reduce the assessment
 552 amount; and

553 14. A disclosure that failure to pay the assessment may
 554 result in penalties, fees, including attorney fees, court costs,
 555 and the issuance of a tax certificate that could result in the
 556 property owner losing the property and a judgment against the
 557 property owner, and may affect the property owner's credit
 558 rating.

559 (b) Prior to the financing agreement being approved, the
 560 program administrator must conduct an oral, recorded telephone
 561 call with the property owner during which the program
 562 administrator must confirm each finding or disclosure required
 563 in subsection (3) and this section.

564 (5) NOTICE TO LIENHOLDERS AND SERVICERS.—At least 5
 565 business days before entering into a financing agreement, the
 566 property owner must provide to the holders or loan servicers of
 567 any existing mortgages encumbering or otherwise secured by the
 568 residential property a written notice of the owner's intent to
 569 enter into a financing agreement together with the maximum
 570 amount to be financed, including the amount of any fees and
 571 interest, and the maximum annual assessment necessary to repay
 572 the total. A verified copy or other proof of such notice must be
 573 provided to the program administrator. A provision in any
 574 agreement between a mortgagor or other lienholder and a property
 575 owner, or otherwise now or hereafter binding upon a property

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576 owner, which allows for acceleration of payment of the mortgage,
 577 note, or lien or other unilateral modification solely as a
 578 result of entering into a financing agreement as provided for in
 579 this section is unenforceable. This subsection does not limit
 580 the authority of the holder or loan servicer to increase the
 581 required monthly escrow by an amount necessary to pay the annual
 582 assessment.

583 (6) CANCELLATION.—A property owner may cancel a financing
 584 agreement on a form established by the program administrator
 585 within 3 business days after signing the financing agreement
 586 without any financial penalty for doing so.

587 (7) RECORDING.—Any financing agreement executed pursuant
 588 to this section, or a summary memorandum of such agreement,
 589 shall be submitted for recording in the public records of the
 590 county within which the residential property is located by the
 591 program administrator within 10 business days after execution of
 592 the agreement and the 3-day cancelation period. The recorded
 593 agreement must provide constructive notice that the non-ad
 594 valorem assessment to be levied on the property constitutes a
 595 lien of equal dignity to county taxes and assessments from the
 596 date of recordation. A notice of lien for the full amount of the
 597 financing may be recorded in the public records of the county
 598 where the property is located. Such lien is not enforceable in a
 599 manner that results in the acceleration of the remaining
 600 nondelinquent unpaid balance under the assessment financing

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601 agreement.

602 (8) SALE OF RESIDENTIAL PROPERTY.—At or before the time a
 603 seller executes a contract for the sale of any residential
 604 property for which a non-ad valorem assessment has been levied
 605 under this section and has an unpaid balance due, the seller
 606 shall give the prospective purchaser a written disclosure
 607 statement in the following form, which must be set forth in the
 608 contract or in a separate writing:

609
 610 QUALIFYING IMPROVEMENTS.—The property being purchased
 611 is subject to an assessment on the property pursuant
 612 to s. 163.081, Florida Statutes. The assessment is for
 613 a qualifying improvement to the property and is not
 614 based on the value of the property. You are encouraged
 615 to contact the property appraiser's office to learn
 616 more about this and other assessments that may be
 617 provided by law.

618
 619 (9) DISBURSEMENTS.—Before disbursing final funds to a
 620 qualifying improvement contractor for a qualifying improvement
 621 on residential property, the program administrator shall confirm
 622 that the applicable work or service has been completed or, as
 623 applicable, that the final permit for the qualifying improvement
 624 has been closed with all permit requirements satisfied or a
 625 certificate of occupancy or similar evidence of substantial

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626 completion of construction or improvement has been issued.

627 (10) CONSTRUCTION.—This section is additional and
 628 supplemental to county and municipal home rule authority and not
 629 in derogation of such authority or a limitation upon such
 630 authority.

631 Section 3. Section 163.082, Florida Statutes, is created
 632 to read:

633 163.082 Financing qualifying improvements to commercial
 634 property.—

635 (1) COMMERCIAL PROPERTY PROGRAM AUTHORIZATION.—

636 (a) A program administrator may only offer a program for
 637 financing qualifying improvements to commercial property within
 638 the jurisdiction of a county or municipality if the county or
 639 municipality has authorized by ordinance or resolution the
 640 program administrator to administer the program for financing
 641 qualifying improvements to commercial property. The authorized
 642 program must, at a minimum, meet the requirements of this
 643 section.

644 (b) Pursuant to this section or as otherwise provided by
 645 law or pursuant to a county's or municipality's home rule power,
 646 a county or municipality may enter into an interlocal agreement
 647 providing for a partnership between one or more counties or
 648 municipalities for the purpose of facilitating a program for
 649 financing qualifying improvements to commercial property located
 650 within the jurisdiction of the counties or municipalities that

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651 are party to the agreement.

652 (c) A county or municipality may deauthorize a program
 653 administrator through repeal of the ordinance or resolution
 654 adopted pursuant to paragraph (a) or other action. Any recorded
 655 financing agreements at the time of deauthorization shall
 656 continue, except any financing agreement for which the
 657 provisions of s. 163.086 apply.

658 (d) A program administrator may contract with one or more
 659 third-party administrators to implement the program as provided
 660 in s. 163.084.

661 (e) An authorized program administrator may levy non-ad
 662 valorem assessments to facilitate repayment of financing or
 663 refinancing qualifying improvements. Costs incurred by the
 664 program administrator for such purpose may be collected as a
 665 non-ad valorem assessment. A non-ad valorem assessment shall be
 666 collected pursuant to s. 197.3632 and, notwithstanding s.
 667 197.3632(8)(a), is not subject to discount for early payment.
 668 However, the notice and adoption requirements of s. 197.3632(4)
 669 do not apply if this section is used and complied with, and the
 670 intent resolution, publication of notice, and mailed notices to
 671 the property appraiser, tax collector, and Department of Revenue
 672 required by s. 197.3632(3)(a) may be provided on or before
 673 August 15 of each year in conjunction with any non-ad valorem
 674 assessment authorized by this section, if the property
 675 appraiser, tax collector, and program administrator agree. The

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676 program administrator shall only compensate the tax collector
 677 for the actual cost of collecting non-ad valorem assessments,
 678 not to exceed 2 percent of the amount collected and remitted.

679 (f) A program administrator may incur debt for the purpose
 680 of providing financing for qualifying improvements, which debt
 681 is payable from revenues received from the improved property or
 682 any other available revenue source authorized by law.

683 (2) APPLICATION.—The owner of record of the commercial
 684 property within the jurisdiction of the authorized program may
 685 apply to the program administrator to finance a qualifying
 686 improvement and enter into a financing agreement with the
 687 program administrator to make such improvement. The program
 688 administrator may only enter into a financing agreement with a
 689 property owner.

690 (3) CONSENT OF LIENHOLDERS AND SERVICERS.—The program
 691 administrator must receive the written consent of the current
 692 holders or loan servicers of any mortgage that encumbers or is
 693 otherwise secured by the commercial property or that will
 694 otherwise be secured by the property before a financing
 695 agreement may be executed.

696 (4) FINANCING AGREEMENTS.—

697 (a) A program administrator offering a program for
 698 financing qualifying improvements to commercial property must
 699 maintain underwriting criteria sufficient to determine the
 700 financial feasibility of entering into a financing agreement. To

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701 enter into a financing agreement, the program administrator
 702 must, at a minimum, make each of the following findings based on
 703 a review of public records derived from a commercially accepted
 704 source and the statements, records, and credit reports of the
 705 commercial property owner:

706 1. There are sufficient resources to complete the project.

707 2. The combined mortgage-related debt and total amount of
 708 any non-ad valorem assessments under the program for the
 709 commercial property does not exceed 97 percent of the just value
 710 of the property as determined by the property appraiser.

711 3. All property taxes and any other assessments, including
 712 non-ad valorem assessments, levied on the same bill as the
 713 property taxes are current.

714 4. There are no involuntary liens greater than \$5,000,
 715 including, but not limited to, construction liens on the
 716 commercial property.

717 5. No notices of default or other evidence of property-
 718 based debt delinquency have been recorded and not been released
 719 during the preceding 3 years or the property owner's period of
 720 ownership, whichever is less.

721 6. The property owner is current on all mortgage debt on
 722 the commercial property.

723 7. The term of the financing agreement does not exceed the
 724 weighted average useful life of the qualified improvements to
 725 which the greatest portion of funds disbursed under the

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726 assessment contract is attributable, not to exceed 30 years. The
 727 program administrator shall determine the useful life of a
 728 qualifying improvement using established standards, including
 729 certification criteria from government agencies or nationally
 730 recognized standards and testing organizations.

731 8. The property owner is not currently the subject of a
 732 bankruptcy proceeding.

733 (b) Before entering into a financing agreement, the
 734 program administrator shall determine if there are any current
 735 financing agreements on the commercial property and whether the
 736 property owner has obtained or sought to obtain additional
 737 qualifying improvements on the same property which have not yet
 738 been recorded. The existence of a prior qualifying improvement
 739 non-ad valorem assessment or a prior financing agreement is not
 740 evidence that the financing agreement under consideration is
 741 affordable or meets other program requirements.

742 (c) The program administrator shall document and retain
 743 findings satisfying paragraphs (a) and (b), including supporting
 744 evidence relied upon, which were made prior to the financing
 745 agreement being approved and recorded, for the duration of the
 746 financing agreement.

747 (d) A property owner and the program administrator may
 748 agree to include in the financing agreement provisions for
 749 allowing change orders necessary to complete the qualifying
 750 improvement. Any financing agreement or contract for qualifying

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751 improvements which includes such provisions must meet the
 752 requirements of this paragraph. If a proposed change order on a
 753 qualifying improvement will increase the original cost of the
 754 qualifying improvement by 20 percent or more or will expand the
 755 scope of the qualifying improvement by 20 percent or more,
 756 before the change order may be executed which would result in an
 757 increase in the amount financed through the program
 758 administrator for the qualifying improvement, the program
 759 administrator must notify the property owner, provide an updated
 760 written disclosure form as described in subsection (5) to the
 761 property owner, and obtain written approval of the change from
 762 the property owner.

763 (e) A financing agreement may not be entered into if the
 764 total cost of the qualifying improvement, including program fees
 765 and interest, is less than \$2,500.

766 (5) DISCLOSURES.—In addition to the requirements imposed
 767 in subsection (4), a financing agreement may not be executed
 768 unless the program administrator provides, whether on a separate
 769 document or included with other disclosures or forms, a
 770 financing estimate and disclosure to the property owner which
 771 includes all of the following:

772 (a) The estimated total amount to be financed, including
 773 the total and itemized cost of the qualifying improvement,
 774 program fees, and capitalized interest;

775 (b) The estimated annual non-ad valorem assessment;

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776 (c) The term of the financing agreement and the schedule
 777 for the non-ad valorem assessments;
 778 (d) The interest charged and estimated annual percentage
 779 rate;
 780 (e) A description of the qualifying improvement;
 781 (f) The total estimated annual costs that will be required
 782 to be paid under the assessment contract, including program
 783 fees;
 784 (g) The estimated due date of the first payment that
 785 includes the non-ad valorem assessment; and
 786 (h) A disclosure of any prepayment penalties, fees, or
 787 finances as set forth in the financing agreement.
 788 (6) RECORDING.—Any financing agreement executed pursuant
 789 to this section or a summary memorandum of such agreement must
 790 be submitted for recording in the public records of the county
 791 within which the commercial property is located by the program
 792 administrator within 10 business days after execution of the
 793 agreement. The recorded agreement must provide constructive
 794 notice that the non-ad valorem assessment to be levied on the
 795 property constitutes a lien of equal dignity to county taxes and
 796 assessments from the date of recordation. A notice of lien for
 797 the full amount of the financing may be recorded in the public
 798 records of the county where the property is located. Such lien
 799 is not enforceable in a manner that results in the acceleration
 800 of the remaining nondelinquent unpaid balance under the

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801 assessment financing agreement.

802 (7) SALE OF COMMERCIAL PROPERTY.—At or before the time a
 803 seller executes a contract for the sale of any commercial
 804 property for which a non-ad valorem assessment has been levied
 805 under this section and has an unpaid balance due, the seller
 806 shall give the prospective purchaser a written disclosure
 807 statement in the following form, which must be set forth in the
 808 contract or in a separate writing:

809
 810 QUALIFYING IMPROVEMENTS.—The property being purchased
 811 is subject to an assessment on the property pursuant
 812 to s. 163.082, Florida Statutes. The assessment is for
 813 a qualifying improvement to the property and is not
 814 based on the value of the property. You are encouraged
 815 to contact the property appraiser's office to learn
 816 more about this and other assessments that may be
 817 provided for by law.

818
 819 (8) COMPLETION CERTIFICATE.—Upon disbursement of all
 820 financing and completion of installation of qualifying
 821 improvements financed, the program administrator shall retain a
 822 certificate that the qualifying improvements have been installed
 823 and are in good working order.

824 (9) CONSTRUCTION.—This section is additional and
 825 supplemental to county and municipal home rule authority and not

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826 in derogation of such authority or a limitation upon such
 827 authority.

828 Section 4. Section 163.083, Florida Statutes, is created
 829 to read:

830 163.083 Qualifying improvement contractors.—

831 (1) A county or municipality shall establish a process, or
 832 approve a process established by a program administrator, to
 833 register contractors for participation in a program authorized
 834 by a county or municipality pursuant to s. 163.081. A qualifying
 835 improvement contractor may only perform such work that the
 836 contractor is appropriately licensed, registered, and permitted
 837 to conduct. At the time of application to participate and during
 838 participation in the program, contractors must:

839 (a) Hold all necessary licenses or registrations for the
 840 work to be performed which are in good standing. Good standing
 841 includes no outstanding complaints with the state or local
 842 government which issues such licenses or registrations.

843 (b) Comply with all applicable federal, state, and local
 844 laws and regulations, including obtaining and maintaining any
 845 other permits, licenses, or registrations required for engaging
 846 in business in the jurisdiction in which it operates and
 847 maintaining all state-required bond and insurance coverage.

848 (c) File with the program administrator a written
 849 statement in a form approved by the county or municipality that
 850 the contractor will comply with applicable laws and rules and

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851 qualifying improvement program policies and procedures,
 852 including those on advertising and marketing.

853 (2) A third-party administrator or a program
 854 administrator, either directly or through an affiliate, may not
 855 be registered as a qualifying improvement contractor.

856 (3) A program administrator shall establish and maintain:

857 (a) A process to monitor qualifying improvement
 858 contractors for performance and compliance with requirements of
 859 the program and must conduct regular reviews of qualifying
 860 improvement contractors to confirm that each qualifying
 861 improvement contractor is in good standing.

862 (b) Procedures for notice and imposition of penalties upon
 863 a finding of violation, which may consist of placement of the
 864 qualifying improvement contractor in a probationary status that
 865 places conditions for continued participation, suspension, or
 866 termination from participation in the program.

867 (c) An easily accessible page on its website that provides
 868 information on the status of registered qualifying improvement
 869 contractors, including any imposed penalties, and the names of
 870 any qualifying improvement contractors currently on probationary
 871 status or that are suspended or terminated from participation in
 872 the program.

873 Section 5. Section 163.084, Florida Statutes, is created
 874 to read:

875 163.084 Third-party administrator for financing qualifying

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876 improvements programs.-

877 (1) (a) A program administrator may contract with one or
 878 more third-party administrators to administer a program
 879 authorized by a county or municipality pursuant to s. 163.081 or
 880 s. 163.082 on behalf of and at the discretion of the program
 881 administrator.

882 (b) The third-party administrator must be independent of
 883 the program administrator and have no conflicts of interest
 884 between managers or owners of the third-party administrator and
 885 program administrator managers, owners, officials, or employees
 886 with oversight over the contract. A program administrator,
 887 either directly or through an affiliate, may not act as a third-
 888 party administrator for itself or for another program
 889 administrator. However, this paragraph does not apply to a
 890 third-party administrator created by an entity authorized in law
 891 pursuant to s. 288.9604.

892 (c) The contract must provide for the entity to administer
 893 the program according to the requirements of s. 163.081 or s.
 894 163.082 and the ordinance or resolution adopted by the county or
 895 municipality authorizing the program. However, only the program
 896 administrator may levy or administer non-ad valorem assessments.

897 (2) A program administrator may not contract with a third-
 898 party administrator that, within the last 3 years, has been:

899 (a) Prohibited, after notice and a hearing, from serving
 900 as a third-party administrator for another program administrator

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901 for program or contract violations in this state; or
 902 (b) Found by a court of competent jurisdiction to have
 903 substantially violated state or federal laws related to the
 904 administration of ss. 163.081-163.086 or a similar program in
 905 another jurisdiction.
 906 (3) The program administrator must include in any contract
 907 with the third-party administrator the right to perform annual
 908 reviews of the administrator to confirm compliance with ss.
 909 163.081-163.086, the ordinance or resolution adopted by the
 910 county or municipality, and the contract with the program
 911 administrator. If the program administrator finds that the
 912 third-party administrator has committed a violation of ss.
 913 163.081-163.086, the adopted ordinance or resolution, or the
 914 contract with the program administrator, the program
 915 administrator shall provide the third-party administrator with
 916 notice of the violation and may, as set forth in the adopted
 917 ordinance or resolution or the contract with the third-party
 918 administrator:
 919 (a) Place the third-party administrator in a probationary
 920 status that places conditions for continued operations.
 921 (b) Impose any fines or sanctions.
 922 (c) Suspend the activity of the third-party administrator
 923 for a period of time.
 924 (d) Terminate the agreement with the third-party
 925 administrator.

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926 (4) A program administrator may terminate the agreement
 927 with a third-party administrator, as set forth by the county or
 928 municipality in its adopted ordinance or resolution or the
 929 contract with the third-party administrator, if the program
 930 administrator makes a finding that:

931 (a) The third-party administrator has violated the
 932 contract with the program administrator. The contract may set
 933 forth substantial violations that may result in contract
 934 termination and other violations that may provide for a period
 935 of time for correction before the contract may be terminated.

936 (b) The third-party administrator, or an officer, a
 937 director, a manager or a managing member, or a control person of
 938 the third-party administrator, has been found by a court of
 939 competent jurisdiction to have violated state or federal laws
 940 related to the administration of a program authorized of the
 941 provisions of ss. 163.081-163.086 or a similar program in
 942 another jurisdiction within the last 5 years.

943 (c) Any officer, director, manager or managing member, or
 944 control person of the third-party administrator has been
 945 convicted of, or has entered a plea of guilty or nolo contendere
 946 to, regardless of whether adjudication has been withheld, a
 947 crime related to administration of a program authorized of the
 948 provisions of ss. 163.081-163.086 or a similar program in
 949 another jurisdiction within the last 10 years.

950 (d) An annual performance review reveals a substantial

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951 violation or a pattern of violations by the third-party
 952 administrator.

953 (5) Any recorded financing agreements at the time of
 954 termination or suspension by the program administrator shall
 955 continue, except any financing agreement for which the
 956 provisions of s. 163.086 apply.

957 Section 6. Section 163.085, Florida Statutes, is created
 958 to read:

959 163.085 Advertisement and solicitation for financing
 960 qualifying improvements programs under s. 163.081 or s.
 961 163.082.—

962 (1) When communicating with a property owner, a program
 963 administrator, qualifying improvement contractor, or third-party
 964 administrator may not:

965 (a) Suggest or imply:

966 1. That a non-ad valorem assessment authorized under s.
 967 163.081 or s. 163.082 is a government assistance program;

968 2. That qualifying improvements are free or provided at no
 969 cost, or that the financing related to a non-ad valorem
 970 assessment authorized under s. 163.081 or s. 163.082 is free or
 971 provided at no cost; or

972 3. That the financing of a qualifying improvement using
 973 the program authorized pursuant to s. 163.081 or s. 163.082 does
 974 not require repayment of the financial obligation.

975 (b) Make any representation as to the tax deductibility of

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976 | a non-ad valorem assessment. A program administrator, qualifying
 977 | improvement contractor, or third-party administrator may
 978 | encourage a property owner to seek the advice of a tax
 979 | professional regarding tax matters related to assessments.

980 | (2) A program administrator or third-party administrator
 981 | may not provide to a qualifying improvement contractor any
 982 | information that discloses the amount of financing for which a
 983 | property owner is eligible for qualifying improvements or the
 984 | amount of equity in a residential property or commercial
 985 | property.

986 | (3) A qualifying improvement contractor may not advertise
 987 | the availability of financing agreements for, or solicit program
 988 | participation on behalf of, the program administrator unless the
 989 | contractor is registered by the program administrator to
 990 | participate in the program and is in good standing with the
 991 | program administrator.

992 | (4) A program administrator or third-party administrator
 993 | may not provide any payment, fee, or kickback to a qualifying
 994 | improvement contractor for referring property owners to the
 995 | program administrator or third-party administrator. However, a
 996 | program administrator or third-party administrator may provide
 997 | information to a qualifying improvement contractor to facilitate
 998 | the installation of a qualifying improvement for a property
 999 | owner.

1000 | (5) A program administrator or third-party administrator

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1001 may not reimburse a qualifying improvement contractor for its
 1002 expenses in advertising and marketing campaigns and materials.

1003 (6) A qualifying improvement contractor may not provide a
 1004 different price for a qualifying improvement financed under s.
 1005 163.081 than the price that the qualifying improvement
 1006 contractor would otherwise provide if the qualifying improvement
 1007 was not being financed through a financing agreement. Any
 1008 contract between a property owner and a qualifying improvement
 1009 contractor must clearly state all pricing and cost provisions,
 1010 including any process for change orders which meet the
 1011 requirements of s. 163.081(3)(d).

1012 (7) A program administrator, qualifying improvement
 1013 contractor, or third-party administrator may not provide any
 1014 direct cash payment or other thing of material value to a
 1015 property owner which is explicitly conditioned upon the property
 1016 owner entering into a financing agreement. However, a program
 1017 administrator or third-party administrator may offer programs or
 1018 promotions on a non-discriminatory basis that provide reduced
 1019 fees or interest rates if the reduced fees or interest rates are
 1020 reflected in the financing agreements and are not provided to
 1021 the property owner as cash consideration.

1022 Section 7. Section 163.086, Florida Statutes, is created
 1023 to read:

1024 163.086 Unenforceable financing agreements for qualifying
 1025 improvements programs under s. 163.081 or s. 163.082;

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1026 attachment; fraud.-

1027 (1) A recorded financing agreement may not be removed from

1028 attachment to a residential property or commercial property if

1029 the property owner fraudulently obtained funding pursuant to s.

1030 163.081 or s. 163.082.

1031 (2) A financing agreement may not be enforced, and a

1032 recorded financing agreement may be removed from attachment to a

1033 residential property or commercial property and deemed null and

1034 void, if:

1035 (a) The property owner applied for, accepted, and canceled

1036 a financing agreement within the 3-business-day period pursuant

1037 to s. 163.081(6). A qualifying improvement contractor may not

1038 begin work under a canceled contract.

1039 (b) A person other than the property owner obtained the

1040 recorded financing agreement. The court may enter an order which

1041 holds that person or persons personally liable for the debt.

1042 (c) The program administrator, third-party administrator,

1043 or qualifying improvement contractor approved or obtained

1044 funding through fraudulent means and in violation of ss.

1045 163.081-163.085, or this section for qualifying improvements on

1046 the residential property or commercial property.

1047 (3) If a qualifying improvement contractor has initiated

1048 work on residential property or commercial property under a

1049 contract deemed unenforceable under this section, the qualifying

1050 improvement contractor:

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1051 (a) May not receive compensation for that work under the
 1052 financing agreement.

1053 (b) Must restore the residential property or commercial
 1054 property to its original condition at no cost to the property
 1055 owner.

1056 (c) Must immediately return any funds, property, and other
 1057 consideration given by the property owner. If the property owner
 1058 provided any property and the qualifying improvement contractor
 1059 does not or cannot return it, the qualifying improvement
 1060 contractor must immediately return the fair market value of the
 1061 property or its value as designated in the contract, whichever
 1062 is greater.

1063 (4) If the qualifying improvement contractor has delivered
 1064 chattel or fixtures to residential property or commercial
 1065 property pursuant to a contract deemed unenforceable under this
 1066 section, the qualifying improvement contractor has 90 days after
 1067 the date on which the contract was executed to retrieve the
 1068 chattel or fixtures, provided that:

1069 (a) The qualifying improvement contractor has fulfilled
 1070 the requirements of paragraphs (3) (a) and (b).

1071 (b) The chattel and fixtures can be removed at the
 1072 qualifying improvement contractor's expense without damaging the
 1073 residential property or commercial property.

1074 (5) If a qualifying improvement contractor fails to comply
 1075 with this section, the property owner may retain any chattel or

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1076 fixtures provided pursuant to a contract deemed unenforceable
 1077 under this section.

1078 (6) A contract that is otherwise unenforceable under this
 1079 section remains enforceable if the property owner waives his or
 1080 her right to cancel the contract or cancels the financing
 1081 agreement pursuant to s. 163.081(6) or s. 163.082(6) but allows
 1082 the qualifying improvement contractor to proceed with the
 1083 installation of the qualifying improvement.

1084 Section 8. Section 163.087, Florida Statutes, is created
 1085 to read:

1086 163.087 Reporting for financing qualifying improvements
 1087 programs under s. 163.081 or s. 163.082.—

1088 (1) Each program administrator that is authorized to
 1089 administer a program for financing qualifying improvements to
 1090 residential property or commercial property under s. 163.081 or
 1091 s. 163.082 shall post on its website an annual report within 45
 1092 days after the end of its fiscal year containing the following
 1093 information from the previous year for each program authorized
 1094 under s. 163.081 or s. 163.082:

1095 (a) The number and types of qualifying improvements
 1096 funded.

1097 (b) The aggregate, average, and median dollar amounts of
 1098 annual non-ad valorem assessments and the total number of non-ad
 1099 valorem assessments collected pursuant to financing agreements
 1100 for qualifying improvements.

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1101 (c) The total number of defaulted non-ad valorem
 1102 assessments, including the total defaulted amount, the number
 1103 and dates of missed payments, and the total number of parcels in
 1104 default and the length of time in default.

1105 (d) A summary of all reported complaints received by the
 1106 program administrator related to the program, including the
 1107 names of the third-party administrator, if applicable, and
 1108 qualifying improvement contractors and the resolution of each
 1109 complaint.

1110 (2) The Auditor General must conduct an operational audit
 1111 of each program administrator authorized under s. 163.081 or s.
 1112 163.082, including any third-party administrators, for
 1113 compliance with the provisions of ss. 163.08-163.086 and any
 1114 adopted ordinance at least once every 3 years. The Auditor
 1115 General may stagger evaluations; however, every program must be
 1116 evaluated at least once by September 1, 2028. The Auditor
 1117 General shall adopt rules pursuant to s. 218.39 requiring each
 1118 program administrator to report whether it offers a program
 1119 authorized pursuant to s. 163.081 or s. 163.082, and other
 1120 pertinent information. Each program administrator and, if
 1121 applicable, third-party administrator, must post the most recent
 1122 report on its website.

1123 Section 9. A current contract, agreement, authorization,
 1124 or interlocal agreement between a county or municipality and a
 1125 program administrator entered into before July 1, 2024, shall

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1126 | continue without additional action by the county or
1127 | municipality. However, the program administrator must comply
1128 | with this act, and any contract, agreement, authorization, or
1129 | interlocal agreement must be amended to comply with this act.

1130 | Section 10. This act shall take effect July 1, 2024.