

**The Florida Senate**  
**COMMITTEE MEETING EXPANDED AGENDA**

**REGULATED INDUSTRIES**  
**Senator Bradley, Chair**  
**Senator Margolis, Vice Chair**

**MEETING DATE:** Wednesday, January 13, 2016  
**TIME:** 4:00—6:00 p.m.  
**PLACE:** *Toni Jennings Committee Room*, 110 Senate Office Building

**MEMBERS:** Senator Bradley, Chair; Senator Margolis, Vice Chair; Senators Abruzzo, Bean, Braynon, Diaz de la Portilla, Flores, Latvala, Negron, Richter, Sachs, and Stargel

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
	Presentations on the Implementation of the Compassionate Medical Cannabis Act of 2014		Presented
1	<b>SB 698</b> Bradley (Compare H 1079)	Malt Beverages; Providing an inventory and reconciliation process for malt beverage kegs, etc.  RI      01/13/2016 Fav/CS AGG FP	Fav/CS Yeas 11 Nays 0
2	<b>SB 826</b> Latvala (Identical H 743)	Mobile Homes; Revising certain notice requirements for written complaints; authorizing a mobile home park owner to pass on non-ad valorem assessments to a tenant under certain circumstances; authorizing a mobile home purchaser to cancel or rescind the contract to purchase under certain circumstances; revising the rights that mobile home owners exercise if they form an association; specifying voting requirements for homeowners' associations, etc.  RI      01/13/2016 Favorable CA FP	Favorable Yeas 11 Nays 0
3	<b>SB 722</b> Stargel (Similar CS/H 203)	Residential Properties; Revising requirements relating to the issuance of an estoppel certificate to specified persons; requiring that an estoppel certificate contain certain information; requiring that the authority to charge a fee for the estoppel certificate be established by a specified written resolution or provided by a written management, bookkeeping, or maintenance contract, etc.  RI      01/13/2016 Favorable JU FP	Favorable Yeas 6 Nays 4
Other Related Meeting Documents			



# Compassionate Medical Cannabis Act of 2014

Christian Bax, Director  
Florida Department of Health  
Jan. 13, 2016

# Implementation Timeline

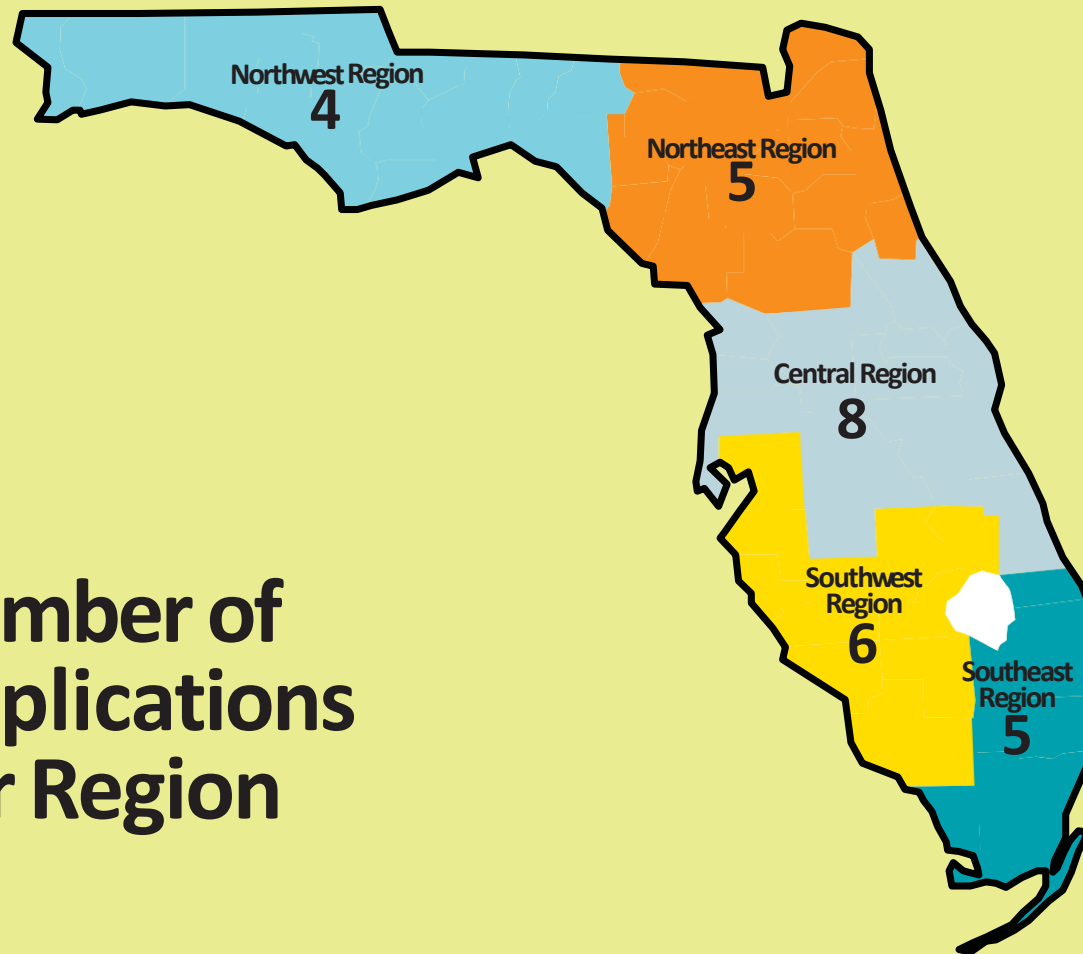


- Office of Compassionate Use Established: July 1, 2014
- Chapter 64-4, F.A.C. Promulgated, Final Rule Upheld: May 28, 2015
- Dispensing Organization Applications Accepted: July, 8 2015
  - 28,200+ pages reviewed per reviewer
- Approved Dispensing Organizations Announced: Nov. 23, 2015
- Approved Dispensing Organizations Post Bond: Dec. 9, 2015
- Challenges Received: Dec. 14, 2015
  - 13 Administrative Petitions & 1 Counter Petition



# Compassionate Medical Cannabis Act Dispensing Regions

FloridaHealth.gov • Florida Department of Health



**Number of  
Applications  
per Region**

# Application Criteria



- Cultivation
  1. Technical Ability
  2. Infrastructure
  3. Premises, Resources, Personnel
  4. Accountability
- Processing
  1. Technical Ability
  2. Infrastructure
  3. Premises, Resources, Personnel
  4. Accountability
- Dispensing
  1. Technical Ability
  2. Infrastructure
  3. Premises, Resources, Personnel
  4. Accountability
- Medical Director
- Financials



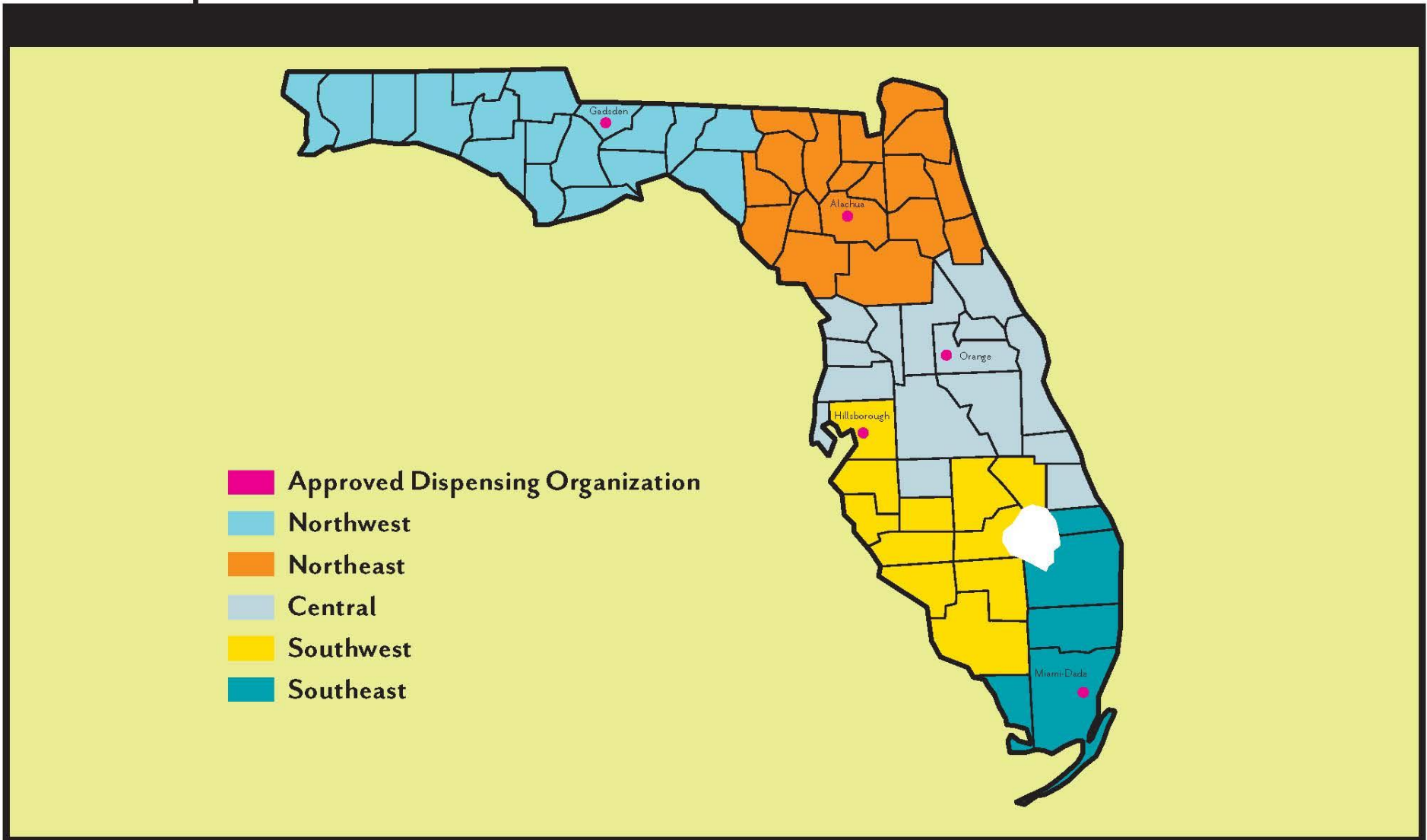
# 5 Approved Dispensing Organizations



- Northwest Region: Hackney Nursery (Gadsden)
- Northeast Region: Chestnut Hill (Alachua)
- Central Region: Knox Nursery (Orange)
- Southwest Region: Alpha-Surterra (Hillsborough)
- Southeast Region: Costa Nursery Farms (Miami Dade)



# Compassionate Medical Cannabis Act Dispensing Regions



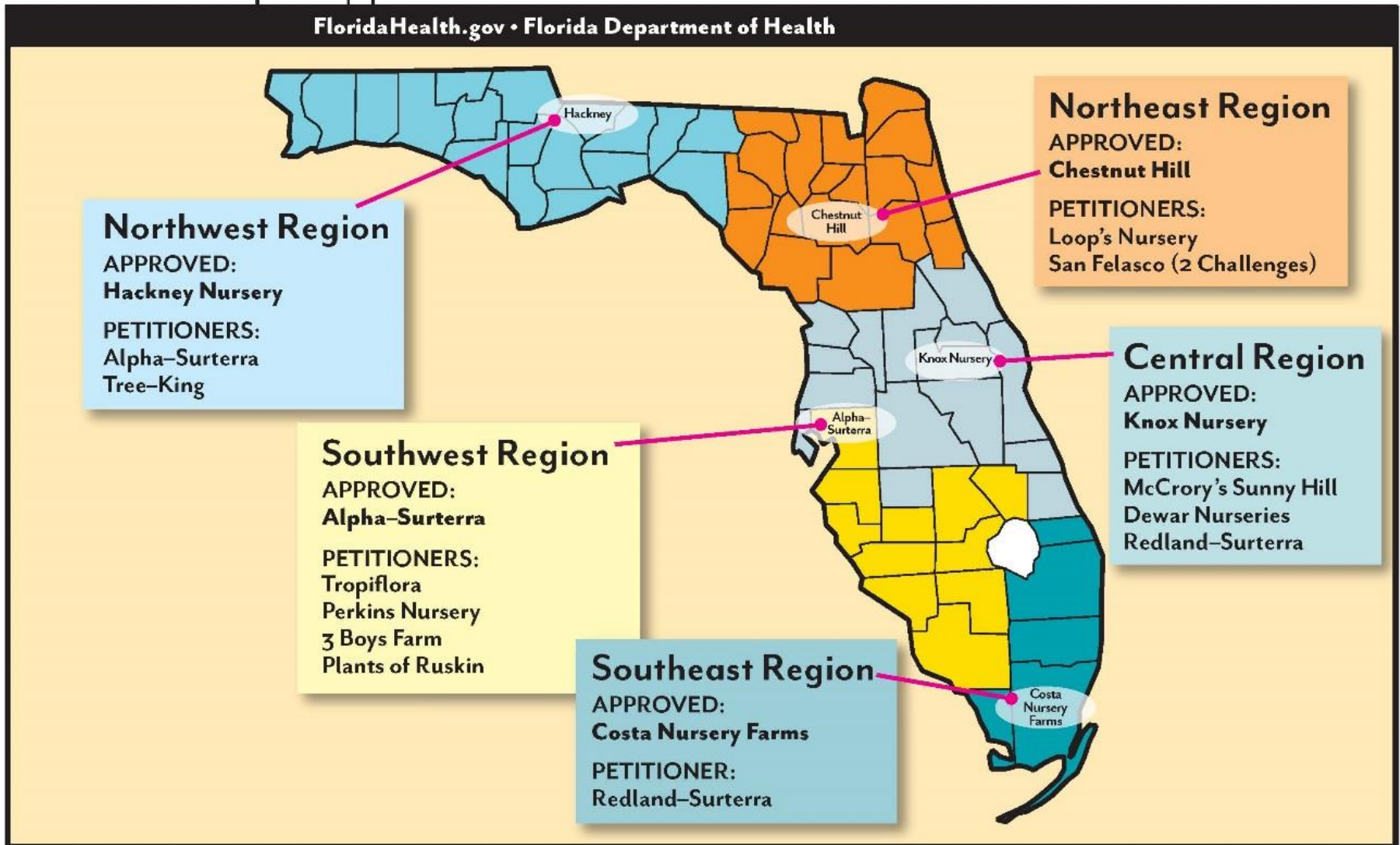


# Compassionate Medical Cannabis Act

## Dispensing Regions

Approved Nurseries & Petitioners

FloridaHealth.gov • Florida Department of Health







# Questions?

**Christian Bax, Director**  
**Florida Department of Health**  
**Jan. 13, 2016**

ALPHA  
FOLIAGE

SURTERRA  
THERAPEUTICS

WE BELIEVE THAT WELLNESS  
IS A PURSUIT AND THAT NATURE  
HAS THE ABILITY TO EMPOWER OUR  
HEALTH NOW AND IN THE FUTURE.

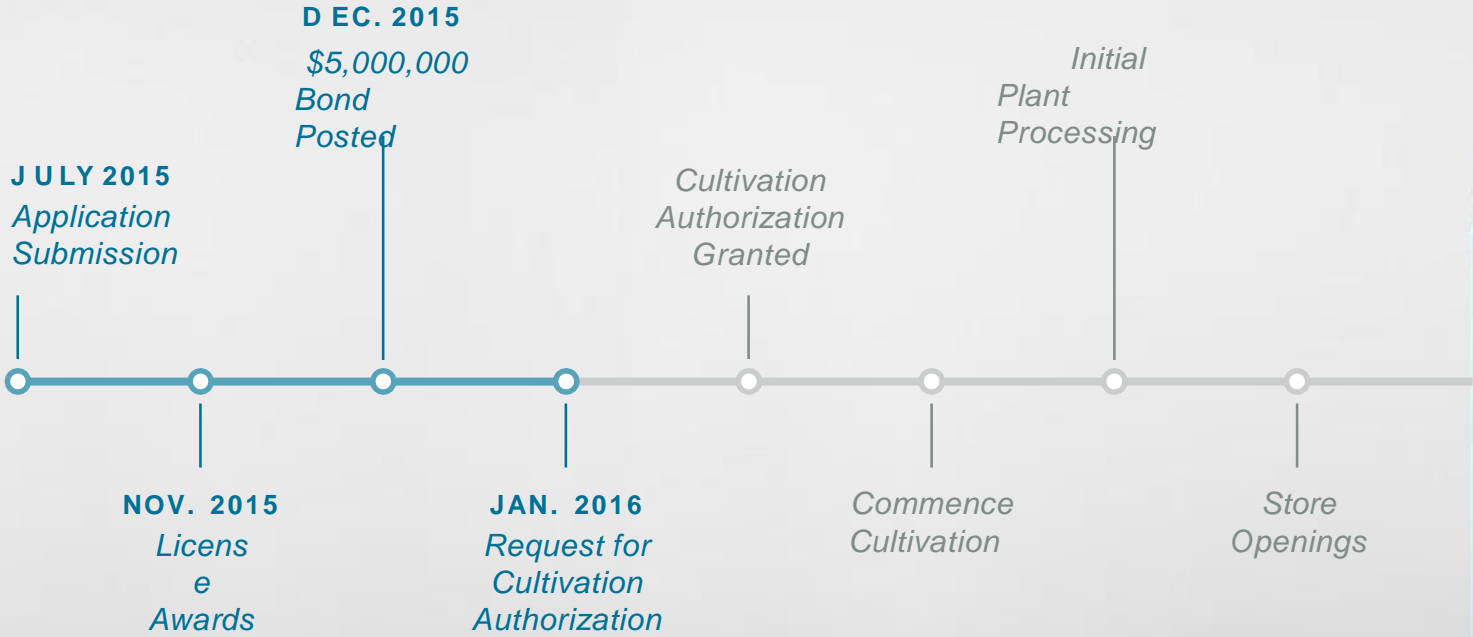
It is our mission to provide the safest, highest quality cannabis-based product that empower your health and enable you and your loved ones to live well.

ALPHA  
FOLIAGE

SURTERRA  
THERAPEUTICS

# PRODUCTS-TO-PATIENT TIMELINE

*Products Available  
to Patients*



empower your  
health

ALPHA  
FOLIAGE

SURTERRA  
THERAPEUTICS





## EFFECTS OF CANNABIDIOL USE ON THE DEVELOPING BRAIN IN MEDICALLY REFRACTORY CHILDHOOD EPILEPSY: FLORIDA DOH GRANT 5EPO

Paul R. Carney, MD Wilder Professor for Epilepsy Research

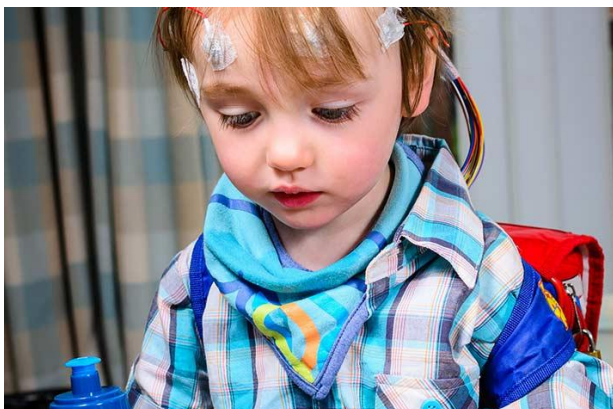




**Refractory and Intractable Epilepsy  
Treatment and Research**

**Funding Opportunity Announcement  
FY 2014-2015**





- Second most prevalent neurologic disorder <sup>1</sup>
- 2.5 million people in the United States have epilepsy<sup>2</sup>
- 50,000 people in Florida have epilepsy
- 1/26 people will develop epilepsy <sup>4</sup>
- \$12.5 billion annual cost<sup>3</sup>
- 25-36 % do not respond to current treatments<sup>1</sup>
- 30-40% have depression, behavioral & cognitive issues<sup>2</sup>
- ***25% people do not respond to current treatments***



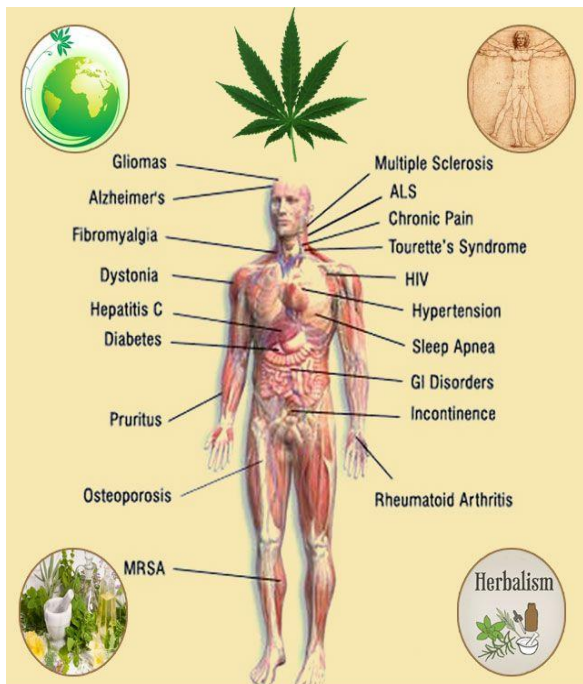
1. Neligan A, H.W., Sander JW., ed. The epidemiology of the epilepsies. Handbook Clin Neurol. Vol. 107C. 2012. 113-133.
2. Hauser, W.A. and J.F. Annegers, Risk factors for epilepsy. Epilepsy research. Supplement, 1991. 4: p. 45-52.
3. Begley, C.E. and A.G. Diop, Economic aspects of epilepsy. Handbook of clinical neurology. Bruyn, 2012. 108:1001-4.
4. Center for Disease Control, 2012



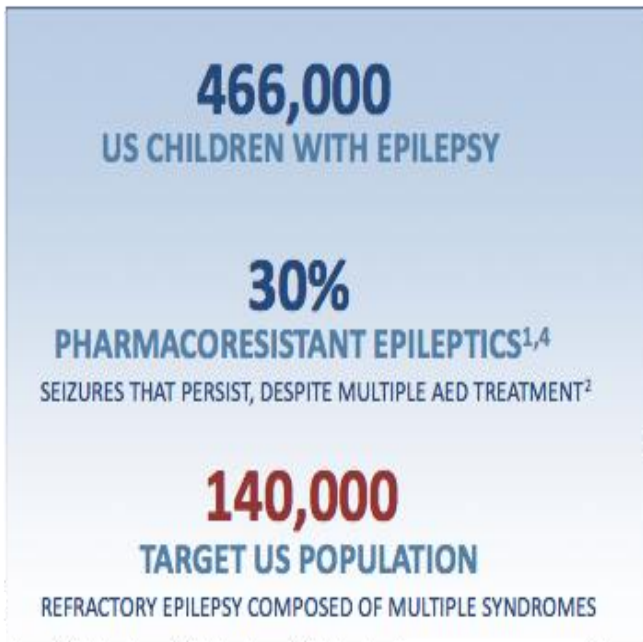
Marijuana, once a useful herb medicine in history, has been classified as a strictly controlled psychoactive substance in the last century.

Recently, the need for medical use and the desire for recreational use have driven many legislations to loosen the control.

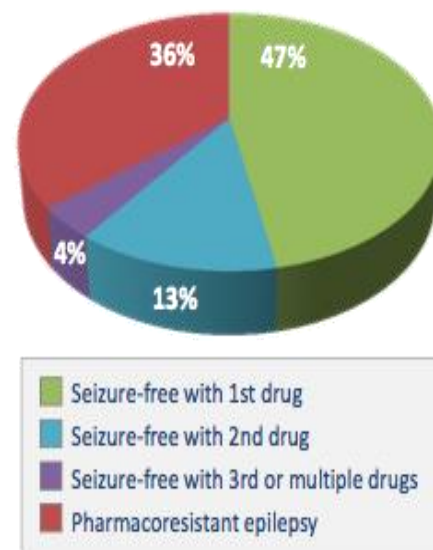
**Cannabidiol (CBD) is a compound in marijuana without the mood or behavioral effects.**



**Potential Therapeutic Uses of Medical Marijuana**



**Response to AEDs in patients with newly diagnosed epilepsy<sup>3</sup>**  
*little change to this statistic over last 15 years*





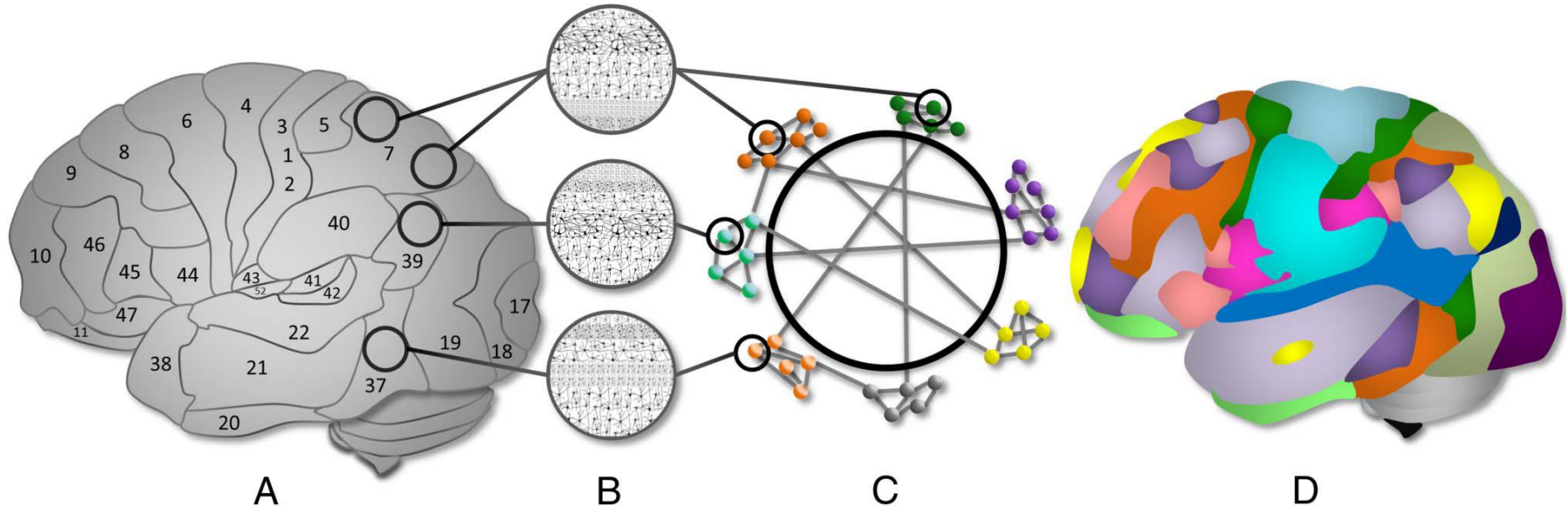
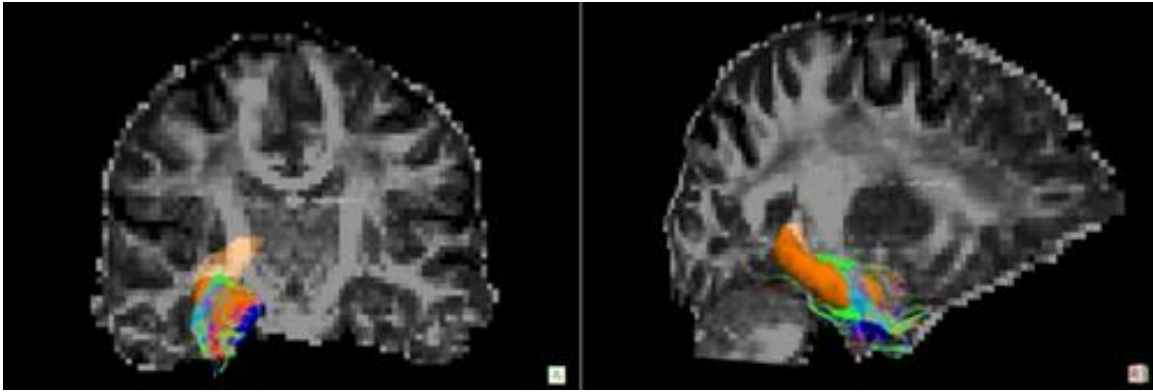
## **FL DOH EPO5: EFFECTS OF CANNABIDIOL USE ON THE DEVELOPING BRAIN IN MEDICALLY REFRACTORY CHILDHOOD EPILEPSY**

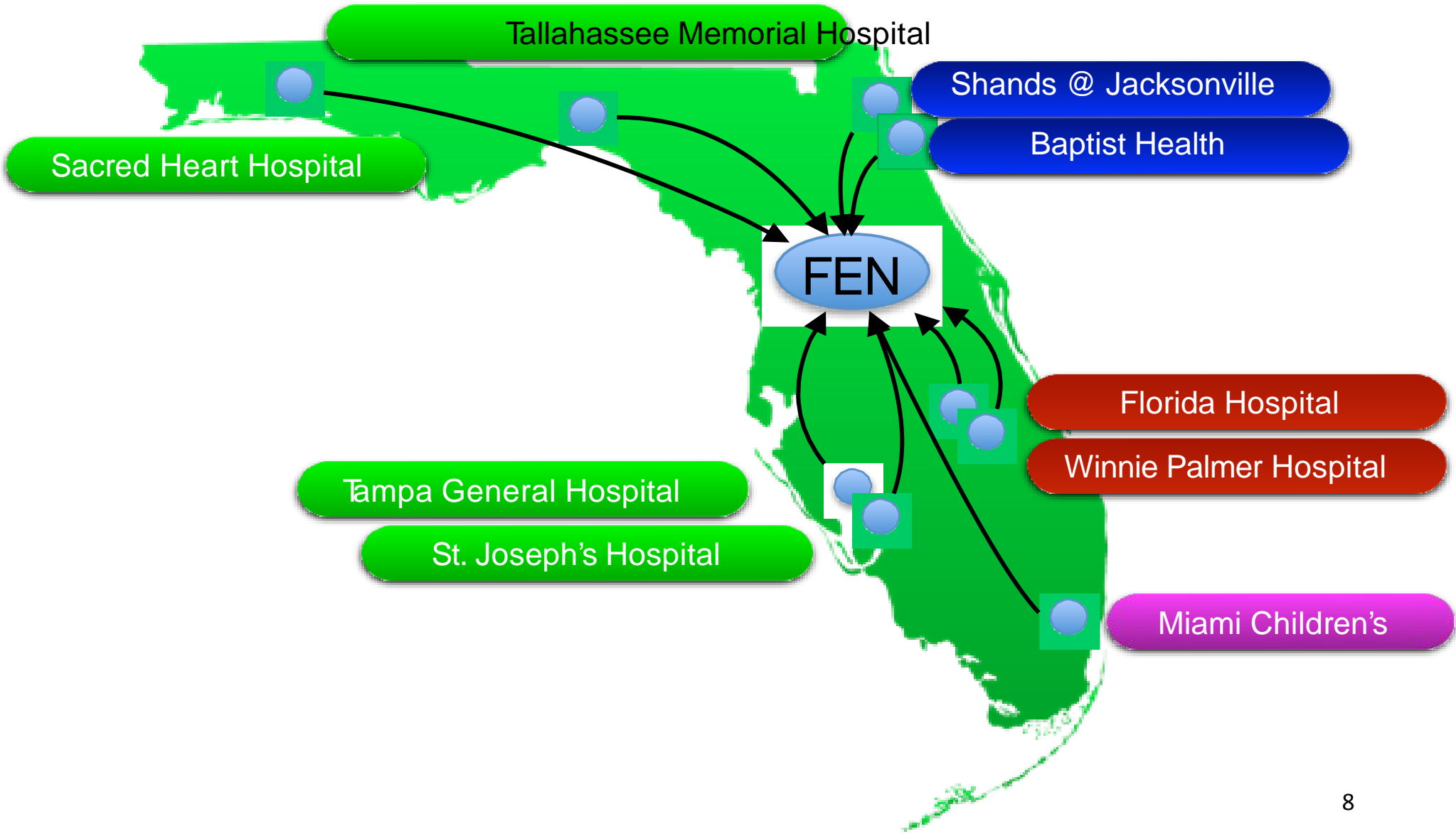
The **main goal** of this study is to provide treatment with cannabidiol (CBD) to children with drug resistant epilepsy through an Expanded Access Investigation New Drug protocol.

**Additional objectives** include evaluation of cognitive and adaptive behaviors in children taking CBD in combination with antiepileptic drugs.

### **Goals**

- 1. Efficacy :** Determine the **risk/benefit outcome of CBD** as an adjunctive treatment of drug resistant epilepsy.
- 2. Safety and Mechanisms of Action:** Identify and characterize any **positive and adverse consequences** induced by CBD exposure (behavior, development, cognition, brain dynamics).
- 3. Public Awareness:** Develop and evaluate a **web-based educational portal** to enhance health care providers' knowledge about evidence-based CBD treatment guidelines.





## First Quarter (07/30/2015)

- UF IRB board approved, authorizing research involving cannabidiol.
- PI obtained the required Physician Expanded Access FDA IND approval thereby authorizing research involving cannabidiol.
- FDA approved PI DEA Schedule 1.
- Study registered in [www.clinicaltrials.gov](http://www.clinicaltrials.gov)
- UF/GW Pharma Terms and Conditions approved.

## Second Quarter (10/28/2015)

- All regulatory requirements completed.
- Kick-off occurred on 9/30/15 allowing us permission to begin recruitment.
- 65 participants screened from the statewide Florida Epilepsy Network - 26 participants consented.
- First participants enrolled, >50% to date.
- Planned brain imaging study protocol developed and tested.
- **All participants have had a therapeutic response during the first month following treatment.**

# Florida Epilepsy Network



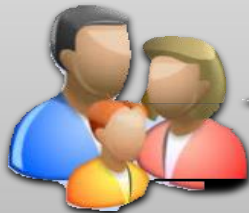
## Proposed Educational Portal

Feedback Loop to  
Improve Education


Improvements to  
Guideline  
Adherence

Healthcare Staff  
Educational Portal

Feedback For  
Protocol Adherence



Social Media  
Feedback Loop



Family



- **Industry partnership**
  - Small and large
- **Investigational New Drug Studies**
  - Novel compounds
  - Novel formulations – nanotechnology
  - Other indications; Alzheimer disease, Parkinson, multiple sclerosis, autism, cancer, ect.
- **Opportunities**
  - National Institutes of Health - Effects of Cannabis Use and Cannabinoids on the Developing Brain (R03)
  - Department of Defense

- Parents and Families of Florida
- Senator Bradley and Florida Senators
- Florida Department of Health
- University of Florida
  - Dr. David Norton (UF VP Research)
  - Dr. Peter Iafrate (IRB)
  - Ms. Anthe Hoffman (UF)
  - Collaborators
    - Dr. Thomas DeMarse (UF)
    - Dr. Cynthia Johnson (UF)
    - Dr. Marcelo Febo (UF)
    - Chris Anderson, MS (graduate student)
    - Dr. Ian Miller (Miami Children's Hospital)
    - Florida Epilepsy Network collaborators (Drs. Davis, Winesett, Renfroe).

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

01-13-16

Meeting Date

\_\_\_\_\_  
Bill Number (if applicable)

Topic Medicinal MARIJUANA

\_\_\_\_\_  
Amendment Barcode (if applicable)

Name ROBERT WALLACE

Job Title OWNER

Address 15105 NW 94th Ave.

Phone \_\_\_\_\_

Street Alachua State FL Zip 32615

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing \_\_\_\_\_

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

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**THE FLORIDA SENATE**  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-2015

*Meeting Date*

\_\_\_\_\_  
*Bill Number (if applicable)*

Topic Cannabis

\_\_\_\_\_  
*Amendment Barcode (if applicable)*

Name Bruce Knox

Job Title President

Address 940 Avalon Road

Phone 407-948-9618

*Street*

Winter Garden

FL

34787

Email bruce@knoxnursery.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Knox Nursery, Inc.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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**THE FLORIDA SENATE**

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1/13/16

*Meeting Date*

\_\_\_\_\_  
*Bill Number (if applicable)*

Topic Presentation on the Implementation of the Compassionate Medical Cannabis Act of 2014

\_\_\_\_\_  
*Amendment Barcode (if applicable)*

Name Susan Driscoll

Job Title President, Surterra | Managing Director, Alpha Foliage

Address \_\_\_\_\_

Phone 404-432-1955

*Street*

Email sdriscoll@surterra.com

*City*

*State*

*Zip*

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
*(The Chair will read this information into the record.)*

Representing Surterra Therapeutics & Alpha Foliage

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)



THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date

Bill Number (if applicable)

Topic CANNABIDIOL / FL 1030

Amendment Barcode (if applicable)

Name PAUL CAUNAY

Job Title PROFESSOR

Address UNIVERSITY of Florida Phone

Street

City

State

Zip

Email

Speaking: [ ] For [ ] Against [x] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing

Appearing at request of Chair: [x] Yes [ ] No

Lobbyist registered with Legislature: [ ] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

Bill Number (if applicable)

Topic Low-THC/OCU Presentation

Amendment Barcode (if applicable)

Name Christian Bax

Job Title Director, OCU

Address 4052 Bald Cypress Way

Phone 245-4444

Street

Tallahassee FL 32309

City

State

Zip

Email

Speaking: For Against Information

Waive Speaking: In Support Against (The Chair will read this information into the record.)

Representing Dept. of Health

Appearing at request of Chair: Yes No

Lobbyist registered with Legislature: Yes No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16  
Meeting Date

Bill Number (if applicable)

Topic status update

Amendment Barcode (if applicable)

Name Pedro Freyre

Job Title Vice President

Address 21800 SW 162 Ave

Phone 305 247-5135

Street

Miami

FL

33170

City

State

Zip

Email pfreyre@costafarms.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Costa Farms

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/11  
Meeting Date

\_\_\_\_\_  
Bill Number (if applicable)

Topic Compassionate Medical Cannabis Act

\_\_\_\_\_  
Amendment Barcode (if applicable)

Name Kim Rivers

Job Title Corporate Counsel / Director

Address 3919 W. Millers Bridge Rd  
Street

Phone 870-508-0261

Tallahassee FL 32310  
City State Zip

Email kim@inkbridge.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing George Hackney, Inc d/b/a Hackney Nurses

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

Bill Number (if applicable)

Topic Medical Cannabis

Amendment Barcode (if applicable)

Name Richard Young

Job Title CEO

Address 21800 SW 162nd Avenue

Phone (305) 247-5135

Street

Miami  
City

FL  
State

33170  
Zip

Email ryoung@modernhealthconcepts.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing COSFA NURSERY FARMS

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)

THE FLORIDA SENATE  
**APPEARANCE RECORD**

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1/13/16  
Meeting Date

\_\_\_\_\_  
Bill Number (if applicable)

Topic Medical Cannabis

\_\_\_\_\_  
Amendment Barcode (if applicable)

Name Arianna Cabrera

Job Title General Counsel, Costa Nursery Farms

Address 21800 SW 162 Ave.

Phone 305-247-5135

Street

Miami

City

FL

State

33170

Zip

Email arianna@costafarms.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Costa Nursery Farms

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)

# Modern Health Concepts

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**Regulated Industries Committee Meeting  
January 13, 2016**

**Regional Grower Operations Status Update  
Costa Nursery Farms (dba Modern Health Concepts)**

**Presenter:  
Peter Freyre**

# Who We Are

---

- **Modern Health Concepts is the Medical Cannabis division of Costa Nursery Farms**
- **3<sup>rd</sup> Generation business headquartered in South Florida with 4,000 employees and operating across the continental US and Canada**
- **MHC awarded Southeast Region license to cultivate, process, and dispense pharmaceutical, low-THC, CBD-rich cannabis medicine to qualified Florida patients**
- **Dedicated to providing suffering patients with the safest and highest quality medicines**





# Our Mission

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## Compassion

**Committed to helping improve quality of life**



## Efficacy

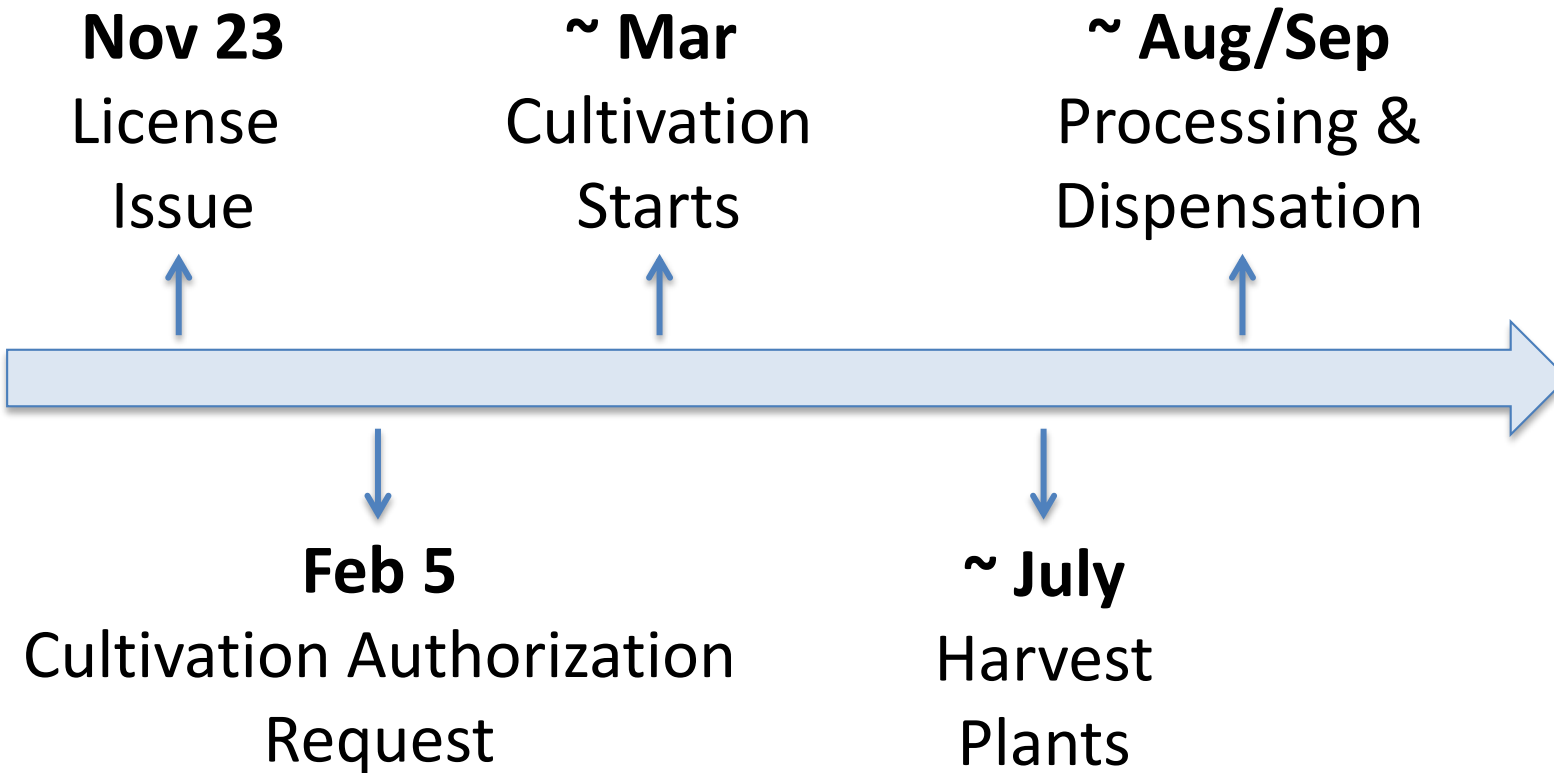
**CBD-rich cannabis medicine can be effective at reducing the intensity and frequency of a patient's symptoms**



## Expertise

**Bring science with team of experts to formulate precise medications that are safe and meet a patient's needs**

# Dispensing Timeline



**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: CS/SB 698

INTRODUCER: Regulated Industries Committee and Senator Bradley

SUBJECT: Alcoholic Beverages and Tobacco

DATE: January 13, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
2.	_____	_____	<u>AGG</u>	_____
3.	_____	_____	<u>FP</u>	_____

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**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

**I. Summary:**

CS/SB 698 amends the process for determining the amount of unpaid cigarette excise taxes, including the three-year limitation for such determination and the process for judicial review, to include persons other than wholesale dealers who are required to remit the tax.

The bill provides a process calculating excise tax payments by passenger vessels engaged exclusively in foreign commerce. This process applies to excise taxes from the sale of alcoholic beverages, cigarettes, and other tobacco products. The bill requires that excise taxes must be calculated based upon the base rate, which is the total taxes paid by all passenger vessel permittees for period between January 1, 2015 and December 31, 2015. The bill also provides that the permit issued to passenger vessels under the Beverage Law in s. 565.02(9), F.S., applies to alcoholic beverages, cigarettes, and other tobacco products.

The bill authorizes the division to issue temporary alcoholic beverage permits to municipalities and counties and requires that their annual financial report must include all revenues derived from the use of the temporary permits.

The bill permits the Division of Alcoholic Beverages and Tobacco (division) within the Department of Business the Professional Regulation to issue an alcoholic beverage license to railroad transit stations for the sale of beer, wine, and liquor. It also permits the division to issue a license for the sale of beer, wine, or liquor to the operators or restaurants, shops, or other facilities that are part or, or that serve, railroad transit stations.

These licenses would not be subject to the quota license restrictions that limit the number of such licenses that may be issued per county. These license may not be transferred to premises beyond the railroad transit station. The bill exempts these licenses from county and municipal restrictions on the sale of alcoholic beverages, including restrictions on the hours of sale, and also prohibits municipalities and counties from requiring any additional license or levying any tax for the privilege of selling alcoholic beverages.

For quota licenses with license periods commencing on or after July 1, 1981, or issued before September 30, 1988, the bill requires the division, upon the written request of a licensee, to provide a written waiver or extension of not more than 12 months of the requirement to maintain the licensed premises in an active manner. For quota licenses issued or transferred after September 30, 1988, the bill requires the division, upon the written request of a licensee, to issue a written waiver or extension of not more than 24 months of the requirement to maintain the licensed premises in an active manner.

The bill requires distributors to charge vendors a deposit for kegs in an amount that is not less than that charged to the distributor by the manufacturer. It requires that the deposit for kegs of a like brand must be uniform, and that deposits collected and credits allowed for empty kegs or containers must be shown separately on all sales tickets or invoices, which must also be given to the vendor at the time of delivery. The bill requires distributors of malt beverage kegs to implement an inventory and reconciliation process with vendors in which an accounting of draft kegs is completed and any loss or variance in the number of kegs is paid for by the vendor on a per-keg basis equivalent to the required keg deposit. This inventory and reconciliation process applies to vendors qualifying as an entertainment/resort complex, a theme park, or a marine exhibition park complex.

The bill would take effect on July 1, 2016.

## **II. Present Situation:**

### **Regulation and Taxation of Cigarettes and Other Tobacco Products**

The Division of Alcoholic Beverages and Tobacco (division) within the Department of Business and Professional Regulation (department) oversees the collection of excise taxes from the sale of cigarettes and other tobacco products. Part I, ch. 210, F.S., consisting of ss. 210.01-210.22, F.S., provides for the taxation of cigarettes. Part II, ch.210, F.S., consisting of ss. 210.25-210.75, F.S., provides for the taxation of tobacco products other than cigarettes and cigars.

The retail sale and delivery of tobacco is governed by the division under the provisions of ch. 569, F.S.

#### ***Cigarette Regulation and Taxation***

Section 210.15(1)(a), F.S., requires a permit issued by the division before any person, firm, or corporation may engage in business as a manufacturer, importer, exporter, distributing agent, or wholesale dealer of cigarettes. A separate application and permit is required for each place of business located within the state or, in the absence of such place of business in this state, for wherever its principal place of business is located.

Section 210.01(1), F.S., defines the term “cigarette” to mean:

Any roll for smoking, except one of which the tobacco is fully naturally fermented, without regard to the kind of tobacco or other substances used in the inner roll or the nature or composition of the material in which the roll is wrapped, which is made wholly or in part of tobacco irrespective of size or shape and whether such tobacco is flavored, adulterated or mixed with any other ingredient.

The current excise tax in Florida ranges from 16.95 cents per package to 67.8 cents per package, depending on the number of cigarettes per package.<sup>1</sup> The current excise tax is 33.9 cents per standard 20-cigarette pack cigarettes.<sup>2</sup>

Section 210.011, F.S., imposes a surcharge on the sale, receipt, purchase, possession, consumption, handling, distribution, and use of cigarettes in this state. The amount of the surcharge varies depending on the weight of the cigarette, its length, and the number of cigarettes in a package. A one dollar surcharge is assessed for packages containing more than 10 but not more than 20 cigarettes.

A “distributing agent” is any person, firm, or corporation who receives cigarettes and distributes them to wholesalers or other distributing agents inside or outside the state.<sup>3</sup> An “agent” is any person authorized by the division to purchase and affix adhesive or meter stamps under part I of ch. 210, F.S.<sup>4</sup>

A “wholesale dealer,” also referred to as a “dealer,” sells cigarettes to retail dealers for resale only, or operates cigarette vending machines in more than one place of business.<sup>5</sup>

An “exporter” is a person who transports tax-exempt cigarettes into Florida under bond for delivery beyond state borders.<sup>6</sup>

Section 210.06, F.S., requires that every dealer affix a tax stamp as evidence that the excise tax has been paid before the cigarettes can be offered for sale in this state. Sections 210.02 and 210.04, F.S., provide that excise taxes must be paid by the wholesale dealer upon the first sale or transaction within this state whether or not such sale or transfer is to the ultimate purchaser or consumer. Because wholesalers may purchase cigarettes from other wholesalers, only the first sale is taxed. Distributing agents, acting as agents to the manufacturers, are not required to pay taxes for the distribution of cigarettes to wholesalers. Collected excise taxes are paid to the division. Stamps representing various denominations of tax are purchased in bulk by wholesale dealers and are affixed to packages as proof of payment.<sup>7</sup> Cigarettes that are not properly

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<sup>1</sup> Section 210.02(3) and (4), F.S.

<sup>2</sup> Section 210.02(3)(b), F.S.

<sup>3</sup> Section 210.01(14), F.S.

<sup>4</sup> Section 210.01(9), F.S.

<sup>5</sup> Sections 210.01(5) and (6), F.S.

<sup>6</sup> Section 210.01(17), F.S.

<sup>7</sup> Sections 210.05 and 210.06, F.S.



stamped may not be sold in Florida.<sup>8</sup> The amount of the tax then becomes a part of the price of the cigarettes to be paid by the purchaser or consumer.

Cigarette manufacturers report information pertaining to the tobacco settlement agreement to the Attorney General's Office rather than to the division. Section 210.09(2), F.S., requires a monthly report by "any distributing agent, wholesale dealer, retail dealer, common carrier, or any other person handling, transporting or possessing cigarettes for sale or distribution within the state." All manufacturers must report to the division the amount of cigarettes, by invoice total, shipped to Florida cigarette stamping wholesalers, i.e., distributors.

Cigarette distributing agents file a monthly report with the division detailing the number of cigarettes shipped through their warehouse for the preceding month, including all cigarettes received from manufacturers and delivered to each stamping agent. Stamping agents file a monthly report listing all stamp purchases and usage for the preceding month, including ending and beginning inventories. Wholesale distributors that are not stamping agents file a similar report of all purchases and sales inside and outside the state for the preceding month, including ending and beginning inventories. Sales of cigarettes out-of-state are reported on a wholesale dealer's monthly report as exempt from the excise tax because the tax applies only to sales in Florida. The monthly report details the number of cigarette packages, but does not include any information about the quantity of each brand. There are no reporting requirements for retailers.

If a dealer fails to timely report taxes, the division may determine the tax due within three years of the earliest sale included in the determination.<sup>9</sup> A dealer is entitled to judicial review of the division's determination of the amount of unpaid taxes only if the amount determined due, including penalties, is deposited with the division and an undertaking or bond is filed with the court.<sup>10</sup> This process is limited to wholesale dealers.

### **Alcoholic Beverages**

In Florida, alcoholic beverages are regulated by the Beverage Law,<sup>11</sup> which regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors.<sup>12</sup> The Division of Alcoholic Beverages and Tobacco (division) within the Department of Business and Professional Regulation (department) administers and enforces the Beverage Law.<sup>13</sup>

#### ***Three Tier System***

In the United States, the regulation of alcohol, since the repeal of Prohibition, has traditionally been through what is termed the "three-tier system." The system requires separation of the manufacture, distribution, and sale of alcoholic beverages. The manufacturer creates the beverage; the distributor obtains the beverages from the manufacturer and delivers them to the

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<sup>8</sup> Section 210.06, F.S.

<sup>9</sup> Section 210.13, F.S.

<sup>10</sup> Id.

<sup>11</sup> Section 561.01(6), F.S., provides that the "The Beverage Law" means chs. 561, 562, 563, 564, 565, 567, and 568, F.S.

<sup>12</sup> See s. 561.14, F.S.

<sup>13</sup> Section 561.02, F.S.

vendor. The vendor (retailer) makes the ultimate sale to the consumer.<sup>14</sup> Manufacturers cannot sell directly to retailers or directly to consumers.

Generally, in Florida, only licensed vendors are permitted to sell alcoholic beverages directly to consumers at retail.<sup>15</sup> Licensed manufacturers, distributors, and registered exporters are prohibited from also being licensed as vendors.<sup>16</sup> Manufacturers are also generally prohibited from having an interest in a vendor and from distributing directly to a vendor.<sup>17</sup>

The system is deeply rooted in the perceived evils of the “tied house” in which a bar is owned or operated by a manufacturer or the manufacturer exercises undue influence over the retail vendor.<sup>18</sup> Activities between the three-tiers are heavily regulated to prevent a manufacturer or distributor from having and financial interest, directly or indirectly, in the establishment or business of a licensed vendor.

### ***Keg Deposits***

The Beverage Law defines the term “keg” in the context of s. 561.221(3), F.S., which permits a vendor of alcoholic beverages to also be licensed as a manufacturer of malt beverages if the vendor is engaged in brewing malt beverages at a single location in an amount that does not exceed 10,000 kegs per year.<sup>19</sup> These vendors are known in the industry as “brew pubs.” For the purposes of s. 561.221(3), F.S., the term keg is defined to mean 15.5 gallons.

Implemented in relevant part pursuant to the tied house prohibition in s. 561.42(1), F.S., rule 61A-4.0131, F.A.C., relating to malt beverage keg deposits, requires distributors of malt beverages, upon sale of such beverages in “draft kegs” to a vendor, to require from all vendors a keg deposit of an amount not less than that charged the distributor by his brewer for each keg of beer sold. The amount of deposit charged to vendors for draft kegs of like brand must be uniform.

Rule 61A-4.0131, F.A.C., requires that charges made for deposits collected and credits allowed for empty containers returned must be shown separately on all sales tickets or invoices. A copy of the sales tickets or invoices must be given to the vendor at the time of delivery.

### ***Quota Licenses***

Section 561.20, F.S., limits the number of alcoholic beverage licenses that permit the sale of liquor<sup>20</sup> along with beer and wine that may be issued per county. The number of licenses is limited to one license per 7,500 residents within the county. These limited alcoholic beverage

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<sup>14</sup> Section 561.14, F.S.

<sup>15</sup> Section 561.14(3), F.S. However, see discussion regarding the exceptions provided in s. 561.221, F.S.

<sup>16</sup> Section 561.22, F.S.

<sup>17</sup> Sections 563.022(14) and 561.14(1), F.S.

<sup>18</sup> Erik D. Price, *Time to Untie the House? Revisiting the Historical Justifications of Washington’s Three-Tier System Challenged by Costco v. Washington State Liquor Control Board*, (June 2004) available at: [http://www.lanepowell.com/wp-content/uploads/2009/04/pricce\\_001.pdf](http://www.lanepowell.com/wp-content/uploads/2009/04/pricce_001.pdf) (last visited December 16, 2015).

<sup>19</sup> Section 561.221(3)(a)1., F.S., defines the term “keg” as 15.5 gallons.

<sup>20</sup> Section 565.01, F.S., defines “[t]he words “liquor,” “distilled spirits,” “spirituous liquors,” “spirituous beverages,” or “distilled spirituous liquors” mean that substance known as ethyl alcohol, ethanol, or spirits of wine in any form, including all dilutions and mixtures thereof from whatever source or by whatever process produced.”

licenses are known as “quota” licenses. New quota licenses are created and issued when there is an increase in the population of a county. The licenses can also be issued when a county initially changes from a county which does not permit the sale of intoxicating liquors to one that does permit their sale. The quota license is the only type of alcoholic beverage license that is limited in number.

Section 561.29(1)(h), F.S., requires quota license holders to maintain the licensed premises in an active manner in which the licensed premises are open for the bona fide sale of authorized alcoholic beverages during regular business hours of at least six hours a day for a period of 120 days or more during any 12-month period commencing 18 months after the acquisition of the license by the licensee, regardless of the date the license was originally issued. License holders must notify the division in writing of any period during which the license will be inactive and place the physical license with the division to be held in an inactive status.

Section 561.29(1)(h), F.S., permits the division to waive or extend this activation requirement upon the finding of hardship, including the purchase of the license in order to transfer it to a newly constructed or remodeled location. During the period the licensed premises is closed, the licensee is required to make reasonable efforts toward restoring the license to active status. Section 561.29(1)(h), F.S., applies to all annual license periods commencing on or after July 1, 1981, but does not apply to licenses issued after September 30, 1988.

Section 561.29(1)(i), F.S., also provides an activation requirement for quota licenses issued or transferred after September 30, 1988. Such licenses must be open for the bona fide sale of authorized alcoholic beverages during regular business hours of at least eight hours a day for a period of 210 days or more during any 12-month period commencing 6 months after the acquisition of the license by the licensee.

Section 561.29(1)(i), F.S., permits the division, upon a written request from the licensee, to give a written waiver of the activation requirement for a period not to exceed 12 month in cases where the licensee demonstrates that:

- The licensed premises has been physically destroyed through no fault of the licensee;
- The licensee has suffered an incapacitating illness or injury which is likely to be prolonged; or
- The licensed premises has been prohibited from making sales as a result of any action of any court of competent jurisdiction.

Additional waivers may be given but the waivers necessitated by any one occurrence may not cumulatively total more than 24 months.

The division recently repealed a rule that outlined the process for receiving an extension to licenses that are inactive.<sup>21</sup> The repealed rule included several conditions that the licensee must demonstrate to the division for grant of an extension of the hardship waiver. Several of these conditions are not included in s. 561.29(1)(i), F.S., including the requirement that the licensee must demonstrate:

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<sup>21</sup> See rule 61A-3.053, F.A.C. The rule was repealed on January 10, 2016.

- (a) The value of the license is less than the licensee's original cost of the license;
- (b) The licensee has listed the license with a broker in a formal written agreement;
- (c) The licensee is advertising the license at least monthly in a newspaper of general circulation in the classified section;
- (d) If a corporate license has more than one shareholder, then documentation proving that corporate approval is pending for activation of the license at a new location;
- (e) Documentation that activation of the license is pending a land use approval of a new site (special exceptions, zoning, variances, environmental approvals, and comprehensive plan amendments); or
- (f) Documentation showing the ongoing negotiation of a lease or purchase of a building or land.<sup>22</sup>

The division repealed the rule because it determined that the rule was unnecessary or repetitive of current Florida law.<sup>23</sup>

### **Quota License Exceptions**

Section 561.20(2), F.S., provides several exceptions to the number of licenses that permit the sale of beer, wine, and distilled spirits. The exceptions include restaurants, caterers, hotels and motels, specialty centers built on government-owned land, bowling establishments, and airports. Quota license exceptions are known as "special licenses."

Section 561.20(2)(d), F.S., permits the division to issue a special license to any board of county commissioners in the name of the county. The special license is applicable only in and for facilities which are owned and operated by the county and in which the sale and consumption of alcoholic beverages are not otherwise prohibited. The license may be transferred from one qualified county facility to another upon written notification to the department. A comparable provision is not provided for municipalities.

Section 565.02(2), F.S., permits the division to issue a license for the sale of beer, wine, and liquor to the operator of railroads or sleeping cars. The license is good throughout the state for the sale of alcoholic beverages on any dining, club, parlor, buffet, or observation car operated by the licensee. However, liquor may only be sold in miniature bottles of not more than two ounces.

### ***Entertainment/Resort and Marine Exhibition Park Complexes***

Section 561.01(18), F.S., defines the term "entertainment/resort complex" to mean

a theme park comprised of at least 25 acres of land with permanent exhibitions and a variety of recreational activities, which has at least 1 million visitors annually who pay admission fees thereto, together with any lodging, dining, and recreational facilities located adjacent to, contiguous to, or in close proximity to the theme park, as long as the owner(s)/operator(s) of the theme park, or a parent or related company or subsidiary thereof, has an equity interest in the lodging,

<sup>22</sup> Rule 61A-3.053, F.A.C.

<sup>23</sup> See vol. 41, number 179; September 15, 2015 issue of the Florida Administrative Register.

dining, or recreational facilities or is in privity therewith. Close proximity shall include an area within a 5-mile radius of the theme park complex.

Section 565.02(6), F.S., allows a vendor who operates places of business where consumption on the premises is permitted, which premises are located within a theme park complex that is owned, managed, controlled, and operated by such vendor, to operate under a master license issued for the type of service offered if:

- The theme park complex comprises at least 25 enclosed acres of land with permanent exhibitions and a variety of recreational activities;
- The enclosed area has a controlled entrance to, and exit from, the enclosed area; and
- At least one million visitors annually pay admission fees to the theme park complex.

In addition to the annual license fee, an additional tax of \$1,500 is imposed for up to 5 additional bars, \$2,500 for 6 to 10 additional bars, and \$3,500 for more than 10 additional bars. The enclosed area within the theme park is considered an extension of the licensed premises upon the payment of the fee and the notation of such extension on the sketch accompanying the original license application.

Section 565.02(7), F.S., authorizes marine exhibition park complexes to obtain, upon the payment of appropriate fees, a license for on-premises consumption of alcoholic beverages not subject to any quota or limitation if:

- The marine exhibition park complex comprises at least 25 enclosed acres of land;
- The enclosed area has a controlled entrance to, and exit from, the enclosed area;
- At least 450,000 visitors annually pay admission fees to the marine exhibition park; and
- The marine exhibition park has been in continuous existence for at least 30 years.

In addition to the annual license fee for both the theme parks and marine exhibition park complexes, a tax of \$1,500 is imposed for up to 5 additional bars, \$2,500 for 6 to 10 additional bars, and \$3,500 for more than 10 additional bars.

### ***Passenger Vessels***

Section 565.02(9), F.S., provides the finding of the Legislature that passenger vessels engaged exclusively in foreign commerce are susceptible to a distinct and separate classification for purposes of the sale of alcoholic beverages under the Beverage Law.

It permits such vessels to obtain an alcoholic beverages permit with an annual fee of \$1,100. The permit allows the operator, or his or her concessionaire, to sell alcoholic beverages on the vessel for consumption on board. The passenger vessel must have cabin-berth capacity for at least 75 passengers, and be engaged exclusively in foreign commerce. Alcoholic beverages may only be sold:

- (a) During a period not in excess of 24 hours prior to departure while the vessel is moored at a dock or wharf in a port of this state; or
- (b) At any time while the vessel is located in Florida territorial waters and is in transit to or from international waters.



Municipalities and counties may not require a license or levy a tax for the privilege of selling alcoholic beverages for consumption on board the vessels. Alcoholic beverages that a passenger vessel purchased outside the state are not considered as imported for the purposes of s. 561.14(3), F.S., which provides a license classification for importers. Passenger vessels are not required to obtain beverages from licensees under the Beverage Law, but are required to keep a strict account of all such beverages sold within Florida and must make monthly reports to the division on forms prepared and furnished by the division.

If the taxes were not previously paid by the distributor, passenger vessels are required to pay the excise tax for beverages sold within Florida, including its territorial waters in an amount equal to the tax which would be required to be paid on such sales by a licensed manufacturer or distributor. A vendor holding such permit shall pay the tax monthly to the division at the same time he or she furnishes the required report. Such report shall be filed on or before the 15th day of each month for the sales occurring during the previous calendar month.

### ***Temporary Permits by Nonprofit Organizations***

Section 561.422, F.S., provides for temporary permits for bona fide nonprofit civic organizations to sell alcoholic beverages for consumption on the premises only. The permit period may not exceed 3 days and is subject to any state law or municipal or county ordinance regulating the time for selling alcoholic beverages. The organization must file an application and pay a \$25 fee in order to obtain the permit. The division may only issue three such permits per calendar year for each organization.

Special Acts in several counties permit nonprofit organizations to apply for an additional fifteen 3-day permits. (St. Petersburg, Tallahassee, Leesburg, Eustis, Tavares, Mount Dora, Clearwater, Ocala, Vero Beach, and Pinellas.)

For example, ch. 2015-207, L.O.F., permits bona fide non-profit civic organization in Pinellas County to apply for up to an additional fifteen temporary 3-day alcoholic beverage permits. To qualify for the permit, the non-profit civic organization must also receive a special event permit issued by an incorporated municipality in Pinellas County for the sale of alcoholic beverage within the special event permitted area designated by the municipality.

Current law limits the granting of temporary permits to non-profit civic organization. Counties and municipalities do not qualify for these permits. Section 561.25(1), F.S., also prohibits state, county, or municipal officers with state police power granted by the Legislature to engage in the sale of alcoholic beverages under the Beverage Law.

### ***Tied House Evil***

Section 561.42(1), F.S., prohibits a licensed manufacturer or distributor from assisting any vendor by any gifts or loans of money or property of any description or by the giving of any rebates of any kind whatsoever.

## **All Aboard Florida**

All Aboard Florida is an under-construction passenger rail service between Miami and Orlando that uses the existing Florida East Coast Railway corridor between Miami and Cocoa. It is also building a new track along State Road 528 between Cocoa and Orlando. In 2017, the route will open for service between Miami and West Palm Beach. A full-service route from Miami to Orlando will also open later that year. All Aboard Florida is constructing railroad stations in Miami, Fort Lauderdale, and West Palm Beach. The Orlando station is under construction at the Intermodal Transportation Center at Orlando International Airport.<sup>24</sup>

### **III. Effect of Proposed Changes:**

#### **Determination of Unpaid Tobacco Excise Tax**

The bill amends s. 210.13, F.S., to include other persons who are required to remit the tax required under part I of ch. 210, F.S., within the process for determining the amount of unpaid taxes, including the three-year limitation for such determination and the process for judicial review.

#### **Temporary Permits for Local Governments**

The bill amends s. 561.422, F.S., to authorize the division to issue temporary alcoholic beverage permits to municipalities and counties. It requires that all alcoholic beverages purchased for sale by a municipality or county which remain unconsumed after the event must be removed from the premises of the event and properly disposed of the municipality or county.

These temporary permits would be subject to the current limitations on temporary permits, including the three-day license period, application of any state law or municipal or county ordinance regulating the time for selling alcoholic beverages, the limit of only three temporary licenses per calendar year for each applicant, and the \$25 license fee.

The bill also amends s. 218.32(1)(a), F.S., which relates to annual financial reports for local government entities and independent special districts, to require that the financial report must include all revenues derived from the use of temporary permits obtained by the reporting entity.

#### **Special License for Railroad Transit Stations**

The bill creates a special license for railroad transit stations.

The bill creates s. 561.01(22), F.S., to define the term “railroad transit station” to include the passenger waiting lounge or dining, retail, entertainment, or recreational facilities within the premises owned or leased by the railroad operator or owner.

The bill amends s. 562.14(1), F.S., to provide that the prohibition against selling, serving or consuming alcoholic beverages at a licensed premises between the hours of midnight and 7:00

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<sup>24</sup> See All Aboard Florida at: <http://www.allaboardflorida.com/> (Last visited December 28, 2015).

a.m., except as provided under municipal or county ordinance, does not apply to railroad transit stations. Current law exempts railroads from this provision.

The bill amends s. 565.02(2)(a), F.S., to permit the division to issue a license for the sale of beer, wine, or distilled spirits to railroad transit stations. It provides that a license issued to a railroad transit station may not be transferred to locations beyond the premises of the railroad transit station. The bill also prohibits municipalities and counties from requiring any additional license or levying any tax for the privilege of selling alcoholic beverages.

Section 565.02(2)(c), F.S., also permits the division to issue alcoholic beverage licenses to the operators or restaurants, shops, or other facilities that are part, or that serve, railroad transit stations, to also hold an alcoholic beverage license for the sale of beer, wine, and liquor. The bill also provides that the railroad transit station and restaurants, shops, or other facilities that are part of, or that serve, railroad transit stations are exempt from county and municipal restrictions on the sale of alcoholic beverages, including restrictions on the hours of sale.

### **Activation of a Quota License**

For quota licenses with license periods commencing on or after July 1, 1981, or issued before September 30, 1988, the bill amends s. 561.29(1)(h), F.S., to require the division, upon the written request of a licensee, to a written waiver or extension of the requirement to maintain the licensed premises in an active manner. The waiver or extension may not exceed a period of 12 months.

The bill deletes the provision in s. 561.29(1)(h), F.S., that grants the division the discretion to waive or extend the activation requirement upon the finding of hardship, including the purchase of the license in order to transfer it to a newly constructed or remodeled location. It also deletes the requirement that, during the period the licensed premises is closed, the licensee is required to make reasonable efforts toward restoring the license to active status.

For quota licenses issued or transferred after September 30, 1988, the bill amends s. 561.29(1)(i), F.S., to require the division, upon the written request of a licensee, to grant a written waiver or extension of the requirement to maintain the licensed premises in an active manner. The waiver may not exceed a period of 24 months. The bill also amends s. 561.29(1)(i), F.S., to delete the list of circumstances that the licensee must demonstrate for the grant of a waiver.

### **Passenger Vessels**

The bill amends s. 565.02(9), F.S., to provide a process for calculating excise tax payments by passenger vessels. The bill also provides that the permit issued to passenger vessels under the Beverage Law in s. 565.02(9), F.S., applies to alcoholic beverages, cigarettes, and other tobacco products.

The process in the bill for calculating excise tax payments applies to excise taxes from the sale of alcoholic beverages, cigarettes, and other tobacco products. The bill requires that excise taxes must be calculated based upon the base rate. The bill defines the base rate as:

an amount equal to the total taxes paid by all permittees pursuant to this subsection for sales of alcoholic beverages, cigarettes, and other tobacco products taking place between January 1, 2015 and December 31, 2015, inclusive, divided by the sum of the annual capacities of all vessels permitted pursuant to this subsection for calendar year 2015.

The bill defines “annual capacity” as an amount equal to the number of lower berths on a vessel multiplied by the number of embarkations by that vessel during a calendar year. “Embarkation” is defined as each instance a vessel departs from a Florida port. “Lower berth” is defined as a bed affixed to a vessel that is not located above another bed in the same cabin. The “quarterly capacity” is the number of lower berths multiplied by the number of embarkations by the vessel during the calendar quarter.

The bill requires that the passenger vessels must make excise payments each calendar quarter. The amount of tax due each quarter is equal to the base rate multiplied by the permittee’s quarterly capacity during the calendar quarter.

The bill requires passenger vessels to report to the division the annual capacity for each of its vessels for calendar year 2015. The report must be filed no later than August 1, 2016. The report must be filed on forms prepared and furnished by the division. No later than September 1, 2016, the division must calculate the base rate and report it to each permittee and publish the base rate in the Florida Administrative Register and on the department’s website.

### **Malt Beverage Draft Kegs**

The bill creates s. 561.4205, F.S., to require distributors to charge vendors a deposit for kegs in an amount that is not less than that charged to the distributor by the manufacturer. It also requires that the amount of deposit charged to vendors for kegs of a like brand must be uniform, and that the charges for the deposits collected and credits allowed for empty kegs or containers must be shown separately on all sales tickets or invoices, which must also be given to the vendor at the time of delivery.

The bill requires that distributors implement an inventory and reconciliation process with vendors in which an accounting of draft kegs is completed and any loss or variance in the number of kegs is paid for by the vendor on a per-keg basis equivalent to the required keg deposit. The bill limits this process to vendors qualifying as an entertainment/resort complex in s. 561.01(18), F.S., a theme park in s. 565.02(6), F.S., and a marine exhibition park complex in s. 565.02(7), F.S.

This inventory and reconciliation process may occur at least twice per year, at the discretion of the distributor, but must occur at least annually. Upon completion of the keg inventory and reconciliation, the vendor must remit payment within 15 days of receiving an invoice from the distributor. The vendor may choose to establish and fund a separate account with the distributor for the purpose of expediting timely payment.

Section 563.11, F.S., differs from the draft keg deposit required by rule 61A-4.0131, F.A.C., by not:

- Establishing a minimum or required amount for the keg deposits;
- Requiring that the amount of deposit charged to vendors for draft kegs of a like brand to be uniform; or
- Requiring that the charges for the deposits collected and credits allowed for empty containers to be shown separately on all sales tickets or invoices.

**Effective Date**

The bill would take effect on July 1, 2016.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Vendors would not be required to provide malt beverage distributors with a draft keg deposit. Vendors and distributors may incur unspecified costs in the development and implementation of the inventory and reconciliation process for draft kegs required by the bill.

**C. Government Sector Impact:**

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.



**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 210.13, 218.32, 561.01, 561.29, 561.422, 562.14, and 565.02.

This bill creates section 561.4205 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Regulated Industries on January 13, 2016:**

The committee substitute (CS) changes the title of the bill from “an act relating to malt beverages” to “an act relating to alcoholic beverages and tobacco.”

The CS amends s. 210.13, F.S., to include other persons who are required to remit the tax required under part I of ch. 210, F.S.

The CS amends s. 218.32(1)(a), F.S., to require the annual financial reports required of local government entities and independent special districts must include all revenues derived from the use of temporary permits obtained by the reporting entity.

The CS creates s. 561.01(22), F.S., to define the term “railroad transit station.”

The CS amends ss. 561.29(1)(h) and 561.29(1)(i), F.S., to require the division, upon the written request of a licensee, to give a written waiver of the requirement to commence operations of a quota license.

The CS amends s. 561.422, F.S., relating to temporary alcoholic beverage permits for municipalities and counties.

The CS amends s. 562.14(1), F.S., to exempt rail road transit stations from municipal and county ordinances that prohibit selling, serving or consuming alcoholic beverages at a licensed premises between the hours of midnight and 7:00 a.m., and to prohibit municipalities and counties from requiring any additional license or levying any tax for the privilege of selling alcoholic beverages.

The CS does not create s. 563.11, F.S., to provide an inventory and reconciliation process for keg deposits. Instead, the CS creates s. 561.4205, F.S., to require distributors to charge a deposit with specified conditions and to provide an inventory and reconciliation process for keg deposits.

The CS amends s. 565.02(2)(c), F.S., to permit the division to issue alcoholic beverage licenses to the operators or restaurants, shops, or other facilities that are part or, or that serve, railroad transit stations, to also hold an alcoholic beverage license for the sale of beer, wine, and liquor.

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The CS amends s. 565.02(9), F.S., to provide a process for calculating excise tax payments by passenger vessels. The bill also provides that the permit issued passenger vessels under the Beverage Law in s. 565.02(9), F.S., is for the sale of alcoholic beverages, cigarettes, and other tobacco products.

**B. Amendments:**

None.

By Senator Bradley

7-00702-16

2016698\_\_

1                   A bill to be entitled  
2           An act relating to malt beverages; creating s. 563.11,  
3           F.S.; providing an inventory and reconciliation  
4           process for malt beverage kegs; providing an effective  
5           date.

6  
7 Be It Enacted by the Legislature of the State of Florida:

8  
9           Section 1. Section 563.11, Florida Statutes, is created to  
10          read:

11           563.11 Inventory and reconciliation process for malt  
12 beverage kegs.—In lieu of receiving a per-keg deposit as  
13 required by division rule, a distributor of malt beverages which  
14 sells the beverages in draft kegs to a vendor identified in s.  
15 561.01(18), s. 565.02(6), or s. 565.02(7) shall implement an  
16 inventory and reconciliation process with such vendors in which  
17 an accounting of kegs is completed and any loss or variance in  
18 the number of kegs is paid for by the vendor on a per-keg basis  
19 equivalent to the required keg deposit. This inventory and  
20 reconciliation process may occur twice per year, at the  
21 discretion of the distributor, but must occur at least annually.  
22 Upon completion of the keg inventory and reconciliation, the  
23 vendor shall remit payment within 15 days of receiving an  
24 invoice from the distributor. The vendor may choose to establish  
25 and fund a separate account with the distributor for the purpose  
26 of expediting timely payment.

27           Section 2. This act shall take effect July 1, 2016.

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

698

Bill Number (if applicable)

Topic Key Reconciliation

Amendment Barcode (if applicable)

Name Jon Costello

Job Title Lobbyist

Address 119 Summit

Phone 850 681 6788

Street

Tallahassee FL 32301

Email jon@kettlebridge.com

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Beverage Law Institute

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16  
Meeting Date

698  
Bill Number (if applicable)

Topic \_\_\_\_\_

Amendment Barcode (if applicable)

Name Kim McGlynn

Job Title Govt Relations

Address 101 N Monroe St Ste 1090

Phone 681 0411

Tallah FL 32301  
City State Zip

Email kim.mcglynn@bipc.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Universal Orlando

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

**This form is part of the public record for this meeting.**

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

698

Bill Number (if applicable)

Topic Key Deposits

Amendment Barcode (if applicable)

Name Adam Babington

Job Title Director, Gov't Relations

Address 1375 E Buena Vista Dr

Phone 407 828 1360

Street

Lake Buena Vista FL

32830

Email \_\_\_\_\_

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Walt Disney World

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

**This form is part of the public record for this meeting.**

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

698

Bill Number (if applicable)

103886

Amendment Barcode (if applicable)

Topic MALT BEVERAGES

Name RICHARD TURNER

Job Title V.P. GOVERNMENT RELATIONS / GENERAL COUNSEL

Address 230 S. ADAMS ST

Street

Phone 850.224.2250

TALLAHASSEE

City

FL

State

32301

Zip

Email rturner@frlg.org

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FLORIDA RESTAURANT & LODGING ASSOC

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)



## The Florida Senate COMMITTEE VOTE RECORD

**COMMITTEE:** Regulated Industries  
**ITEM:** SB 698  
**FINAL ACTION:** Favorable with Committee Substitute  
**MEETING DATE:** Wednesday, January 13, 2016  
**TIME:** 4:00—6:00 p.m.  
**PLACE:** 110 Senate Office Building

FINAL VOTE		SENATORS	1/13/2016 <sup>1</sup> Amendment 103886		1/13/2016 <sup>2</sup> Motion to vote "YEA" after Roll Call		1/13/2016 <sup>3</sup> Motion to vote "YEA" after Roll Call	
			Bradley		Negron		Abruzzo	
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
VA		Abruzzo						
X		Bean						
X		Braynon						
X		Diaz de la Portilla						
VA		Flores						
X		Latvala						
VA		Negron						
		Richter						
X		Sachs						
X		Stargel						
X		Margolis, VICE CHAIR						
X		Bradley, CHAIR						
11	0		RCS	-	FAV	-	FAV	-
<b>Yea</b>	<b>Nay</b>	<b>TOTALS</b>	<b>Yea</b>	<b>Nay</b>	<b>Yea</b>	<b>Nay</b>	<b>Yea</b>	<b>Nay</b>

CODES: FAV=Favorable      RCS=Replaced by Committee Substitute      TP=Temporarily Postponed      WD=Withdrawn  
 UNF=Unfavorable      RE=Replaced by Engrossed Amendment      VA=Vote After Roll Call      OO=Out of Order  
 -R=Reconsidered      RS=Replaced by Substitute Amendment      VC=Vote Change After Roll Call      AV=Abstain from Voting

The Florida Senate  
**COMMITTEE VOTE RECORD**

**COMMITTEE:** Regulated Industries  
**ITEM:** SB 698  
**FINAL ACTION:** Favorable with Committee Substitute  
**MEETING DATE:** Wednesday, January 13, 2016  
**TIME:** 4:00—6:00 p.m.  
**PLACE:** 110 Senate Office Building

SENATORS	1/13/2016 <sup>4</sup> Motion to vote "YEA" after Roll Call							
	Flores		Yea	Nay	Yea	Nay	Yea	Nay
	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay
Abruzzo								
Bean								
Braynon								
Diaz de la Portilla								
Flores								
Latvala								
Negron								
Richter								
Sachs								
Stargel								
Margolis, VICE CHAIR								
Bradley, CHAIR								
<b>TOTALS</b>	FAV	-						
	Yea	Nay	Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable  
 UNF=Unfavorable  
 -R=Reconsidered

RCS=Replaced by Committee Substitute  
 RE=Replaced by Engrossed Amendment  
 RS=Replaced by Substitute Amendment

TP=Temporarily Postponed  
 VA=Vote After Roll Call  
 VC=Vote Change After Roll Call

WD=Withdrawn  
 OO=Out of Order  
 AV=Abstain from Voting



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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/15/2016	.	
	.	
	.	
	.	

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The Committee on Regulated Industries (Bradley) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Section 210.13, Florida Statutes, is amended to  
read

210.13 Determination of tax on failure to file a return.—If  
a dealer or other person required to remit the tax under this  
part fails to file any return required under this part, or  
having filed an incorrect or insufficient return, fails to file



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11 a correct or sufficient return, as the case may require, within  
12 10 days after the giving of notice to the dealer by the Division  
13 of Alcoholic Beverages and Tobacco that such return or corrected  
14 or sufficient return is required, the division shall determine  
15 the amount of tax due by such dealer any time within 3 years  
16 after the making of the earliest sale included in such  
17 determination and give written notice of such determination to  
18 such dealer. Such a determination shall finally and irrevocably  
19 fix the tax unless the dealer against whom it is assessed shall,  
20 within 30 days after the giving of notice of such determination,  
21 apply to the division for a hearing. Judicial review shall not  
22 be granted unless the amount of tax stated in the decision, with  
23 penalties thereon, if any, shall have been first deposited with  
24 the division, and an undertaking or bond filed in the court in  
25 which such cause may be pending in such amount and with such  
26 sureties as the court shall approve, conditioned that if such  
27 proceeding be dismissed or the decision of the division  
28 confirmed, the applicant for review will pay all costs and  
29 charges which may accrue against the applicant in the  
30 prosecution of the proceeding. At the option of the applicant,  
31 such undertaking or bond may be in an additional sum sufficient  
32 to cover the tax, penalties, costs, and charges aforesaid, in  
33 which event the applicant shall not be required to pay such tax  
34 and penalties precedent to the granting of such review by such  
35 court.

36 Section 2. Paragraph (a) of subsection (1) of section  
37 218.32, Florida Statutes, is amended to read

38 218.32 Annual financial reports; local governmental  
39 entities.-



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40 (1) (a) Each local governmental entity that is determined to  
41 be a reporting entity, as defined by generally accepted  
42 accounting principles, and each independent special district as  
43 defined in s. 189.012, shall submit to the department a copy of  
44 its annual financial report for the previous fiscal year in a  
45 format prescribed by the department. The annual financial report  
46 must include a list of each local governmental entity included  
47 in the report and each local governmental entity that failed to  
48 provide financial information as required by paragraph (b). The  
49 annual financial report must also include all revenues derived  
50 from the use of temporary permits obtained by a reporting entity  
51 pursuant to s. 561.422. The chair of the governing body and the  
52 chief financial officer of each local governmental entity shall  
53 sign the annual financial report submitted pursuant to this  
54 subsection attesting to the accuracy of the information included  
55 in the report. The county annual financial report must be a  
56 single document that covers each county agency.

57 Section 3. Subsection (22) is added to section 561.01,  
58 Florida Statutes, to read:

59 561.01 Definitions.—As used in the Beverage Law:

60 (22) “Railroad transit station” means a platform or  
61 terminal facility where passenger trains operating on a guided  
62 rail system according to a fixed schedule between two or more  
63 cities regularly stop to load and unload passengers or goods.  
64 The term includes a passenger waiting lounge or dining, retail,  
65 entertainment, or recreational facilities within the premises  
66 owned or leased by the railroad operator or owner.

67 Section 4. Paragraphs (h) and (i) of subsection (1) of  
68 section 561.29, Florida Statutes, are amended to read:



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69           561.29 Revocation and suspension of license; power to  
70 subpoena.—

71           (1) The division is given full power and authority to  
72 revoke or suspend the license of any person holding a license  
73 under the Beverage Law, when it is determined or found by the  
74 division upon sufficient cause appearing of:

75           (h) Failure by the holder of any license under s. 561.20(1)  
76 to maintain the licensed premises in an active manner in which  
77 the licensed premises are open for the bona fide sale of  
78 authorized alcoholic beverages during regular business hours of  
79 at least 6 hours a day for a period of 120 days or more during  
80 any 12-month period commencing 18 months after the acquisition  
81 of the license by the licensee, regardless of the date the  
82 license was originally issued. Every licensee must notify the  
83 division in writing of any period during which his or her  
84 license is inactive and place the physical license with the  
85 division to be held in an inactive status. The division shall,  
86 upon written request of the licensee, give a written waiver or  
87 extension of the requirement of this paragraph for a period not  
88 to exceed 12 months ~~may waive or extend the requirement of this~~  
89 ~~section upon the finding of hardship, including the purchase of~~  
90 ~~the license in order to transfer it to a newly constructed or~~  
91 ~~remodeled location. However, during such closed period, the~~  
92 ~~licensee shall make reasonable efforts toward restoring the~~  
93 ~~license to active status.~~ This paragraph shall apply to all  
94 annual license periods commencing on or after July 1, 1981, but  
95 shall not apply to licenses issued after September 30, 1988.

96           (i) Failure of any licensee issued a new or transfer  
97 license after September 30, 1988, under s. 561.20(1) to maintain



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98 the licensed premises in an active manner in which the licensed  
99 premises are open for business to the public for the bona fide  
100 retail sale of authorized alcoholic beverages during regular and  
101 reasonable business hours for at least 8 hours a day for a  
102 period of 210 days or more during any 12-month period commencing  
103 6 months after the acquisition of the license by the licensee.  
104 It is the intent of this act that for purposes of compliance  
105 with this paragraph, a licensee shall operate the licensed  
106 premises in a manner so as to maximize sales and tax revenues  
107 thereon; this includes maintaining a reasonable inventory of  
108 merchandise, including authorized alcoholic beverages, and the  
109 use of good business practices to achieve the intent of this  
110 law. Any attempt by a licensee to circumvent the intent of this  
111 law shall be grounds for revocation or suspension of the  
112 alcoholic beverage license. Every licensee must notify the  
113 division in writing of any period during which his or her  
114 license is inactive and place the physical license with the  
115 division to be held in an inactive status. The division shall  
116 ~~may~~, upon written request of the licensee, give a written waiver  
117 or extension of the ~~this~~ requirement of this paragraph for a  
118 period not to exceed 24 ~~12~~ months ~~in cases where the licensee~~  
119 ~~demonstrates that the licensed premises has been physically~~  
120 ~~destroyed through no fault of the licensee, when the licensee~~  
121 ~~has suffered an incapacitating illness or injury which is likely~~  
122 ~~to be prolonged, or when the licensed premises has been~~  
123 ~~prohibited from making sales as a result of any action of any~~  
124 ~~court of competent jurisdiction. Any waiver given pursuant to~~  
125 ~~this subsection may be continued upon subsequent written request~~  
126 ~~showing that substantial progress has been made toward restoring~~





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127 ~~the licensed premises to a condition suitable for the resumption~~  
128 ~~of sales or toward allowing for a court having jurisdiction over~~  
129 ~~the premises to release said jurisdiction, or that an~~  
130 ~~incapacitating illness or injury continues to exist. However, in~~  
131 ~~no event may the waivers necessitated by any one occurrence~~  
132 ~~cumulatively total more than 24 months. Every licensee shall~~  
133 ~~notify the division in writing of any period during which his or~~  
134 ~~her license is inactive and place the physical license with the~~  
135 ~~division to be held in an inactive status.~~

136 Section 5. Section 561.4205, Florida Statutes, is created  
137 to read:

138 561.4205 Keg deposits; limited alternative inventory and  
139 reconciliation process.—

140 (1) A distributor selling an alcoholic beverage to a  
141 vendor in bulk, by recyclable keg or other similar reusable  
142 container, for the purpose of sale in draft form on tap, must  
143 charge the vendor a deposit, to be referred to as a "keg  
144 deposit," in an amount not less than that charged to the  
145 distributor by the manufacturer for each keg or container of the  
146 beverage sold. The deposit amount charged to a vendor for a  
147 draft keg or container of a like brand must be uniform. Charges  
148 made for deposits collected or credits allowed for empty kegs or  
149 containers returned must be shown separately on all sale tickets  
150 or invoices. A copy of such sales tickets or invoices must be  
151 given to the vendor at the time of delivery.

152 (2) In lieu of receiving a keg deposit, a distributor  
153 selling alcoholic beverages by recyclable keg or other similar  
154 reusable container for the purpose of sale in draft form to a  
155 vendor identified in s. 561.01(18) or s. 565.02(6) or (7) shall



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156 implement an inventory and reconciliation process with such  
157 vendor in which an accounting of kegs is completed and any loss  
158 or variance in the number of kegs is paid for by the vendor on a  
159 per-keg basis equivalent to the required keg deposit. This  
160 inventory and reconciliation process may occur twice per year,  
161 at the discretion of the distributor, but must occur at least  
162 annually. Upon completion of an agreed upon keg inventory and  
163 reconciliation, the vendor shall remit payment within 15 days  
164 after receiving an invoice from the distributor. The vendor may  
165 choose to establish and fund a separate account with the  
166 distributor for the purpose of expediting timely payments.

167 Section 6. Section 561.422, Florida Statutes, is amended to  
168 read

169 561.422 Nonprofit civic organizations, municipalities, and  
170 counties; temporary permits.—

171 (1) Upon the filing of an application, presentation of a  
172 local building and zoning permit, and payment of a fee of \$25  
173 per permit, the director of the division may issue a permit  
174 authorizing a ~~bona fide~~ nonprofit civic organization,  
175 municipality, or county to sell alcoholic beverages for  
176 consumption on the premises of an event only, for a period not  
177 to exceed 3 days, subject to any state law or municipal or  
178 county ordinance regulating the time for selling such beverages.  
179 All net profits from sales of alcoholic beverages collected  
180 during the permit period must be retained by the nonprofit civic  
181 organization, municipality, or county. Any such nonprofit civic  
182 organization, municipality, or county may be issued only three  
183 such permits per calendar year. The sworn application filed by a  
184 municipality or county for a temporary permit under this section



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185 must be signed by the chief executive officer of the  
186 municipality or county.

187 (2) Notwithstanding other provisions of the Beverage Law,  
188 any nonprofit civic organization, municipality, or county  
189 licensed under this section may purchase alcoholic beverages  
190 from a distributor or vendor licensed under the Beverage Law.

191 (3) All alcoholic beverages purchased for sale by a  
192 municipality or county which remain unconsumed after an event  
193 must be removed from the premises of the event and properly  
194 disposed of by the municipality or county.

195 Section 7. Subsection (1) of section 562.14, Florida  
196 Statutes, is amended to read:

197 562.14 Regulating the time for sale of alcoholic and  
198 intoxicating beverages; prohibiting use of licensed premises.—

199 (1) Except as otherwise provided by county or municipal  
200 ordinance, ~~no~~ alcoholic beverages may not be sold, consumed,  
201 served, or permitted to be served or consumed in any place  
202 holding a license under the division between the hours of  
203 midnight and 7 a.m. of the following day. This section does  
204 ~~shall~~ not apply to railroad transit stations or to railroads  
205 selling only to passengers for consumption on railroad cars.

206 Section 8. Subsections (2) and (9) of section 565.02,  
207 Florida Statutes, are amended to read:

208 565.02 License fees; vendors; clubs; caterers; and others.—

209 (2) (a) Any operator of railroad transit stations,  
210 railroads, or sleeping cars in this state may obtain a license  
211 to sell the beverages mentioned in the Beverage Law ~~on passenger~~  
212 ~~trains~~ upon the payment of an annual license tax of \$2,500, ~~the~~  
213 ~~tax to be paid~~ to the division. The ~~Such~~ license is good



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214 throughout the state and authorizes ~~shall authorize~~ the licensee  
215 ~~holder thereof~~ to keep for sale and to sell all beverages  
216 mentioned in the Beverage Law ~~on upon~~ any dining, club, parlor,  
217 buffet, or observation car ~~or within the property of a railroad~~  
218 ~~transit station~~ operated by the licensee. ~~it in this state, but~~  
219 Such beverages may be sold only to passengers ~~on such upon the~~  
220 ~~cars or within the property of the railroad transit station~~ and  
221 must be served for consumption thereon. Licenses issued pursuant  
222 to s. 565.02(2)(a) for railroad transit stations may not be  
223 transferred to locations beyond the premises of the railroad  
224 transit station. A municipality or county may not require an  
225 additional license or levy a tax for the privilege of selling  
226 such beverages.

227 (b) Except for alcoholic beverages sold within the property  
228 of a railroad transit station, it is unlawful for such licensees  
229 to purchase or sell any liquor except in miniature bottles of  
230 not more than 2 ounces. ~~Every such license shall be good~~  
231 ~~throughout the state. No license shall be required, or tax~~  
232 ~~levied by any municipality or county, for the privilege of~~  
233 ~~selling such beverages for consumption in such cars. Such~~  
234 beverages ~~may shall~~ be sold only on cars in which are ~~posted~~  
235 certified copies of the licenses issued to ~~the such~~ operator ~~are~~  
236 ~~posted.~~ ~~Such~~ Certified copies of such licenses shall be issued  
237 by the division upon the payment of a tax of \$10.

238 (c) A limitation of the number of licenses issued pursuant  
239 to this section does not prohibit the issuance of a license  
240 authorized by the Beverage Law or a special license issued  
241 pursuant to s. 561.20 to operators of restaurants, shops, or  
242 other facilities that are part of, or that serve, railroad



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243 transit stations, and any such licenses issued are exempt from  
244 s. 562.45(2). The alcoholic beverages sold by a licensed  
245 operator may be consumed in all areas within the property of the  
246 railroad transit station as defined in s. 561.01(22).

247 (9)

248 (a) *DEFINITIONS.*— As used in this subsection, the term:

249 1. "Annual capacity" means an amount equal to the number of  
250 lower berths on a vessel multiplied by the number of  
251 embarkations of that vessel during a calendar year.

252 2. "Base rate" means an amount equal to the total taxes  
253 paid by all permittees pursuant to this subsection for sales of  
254 alcoholic beverages, cigarettes, and other tobacco products  
255 taking place between January 1, 2015 and December 31, 2015,  
256 inclusive, divided by the sum of the annual capacities of all  
257 vessels permitted pursuant to this subsection for calendar year  
258 2015.

259 3. "Embarkation" means an instance where a vessel departs  
260 from a port in Florida.

261 4. "Lower berth" means a bed which is:

262 a. Affixed to a vessel;

263 b. Not located above another bed in the same cabin; and

264 c. Located in a cabin not in use by employees of the  
265 operator of the vessel or its contractors.

266 5. "Quarterly capacity" means an amount equal to the number  
267 of lower berths on a vessel multiplied by the number of  
268 embarkations of that vessel during a calendar quarter.

269 (b) It is the finding of the Legislature that passenger  
270 vessels engaged exclusively in foreign commerce are susceptible  
271 to a distinct and separate classification for purposes of the



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272 sale of alcoholic beverages, cigarettes, and other tobacco  
273 products under the Beverage Law and chapter 210.

274 (c) Upon the filing of an application and payment of an  
275 annual fee of \$1,100, the director is authorized to issue a  
276 permit authorizing the operator, or, if applicable, his or her  
277 concessionaire, of a passenger vessel which has cabin-berth  
278 capacity for at least 75 passengers, and which is engaged  
279 exclusively in foreign commerce, to sell alcoholic beverages,  
280 cigarettes, and other tobacco products on the vessel for  
281 consumption on board only:

282 1.(a) During a period not in excess of 24 hours prior to  
283 departure while the vessel is moored at a dock or wharf in a  
284 port of this state; or

285 2.(b) At any time while the vessel is located in Florida  
286 territorial waters and is in transit to or from international  
287 waters.

288 One such permit shall be required for each such vessel and  
289 shall name the vessel for which it is issued. No license shall  
290 be required or tax levied by any municipality or county for the  
291 privilege of selling beverages, cigarettes, or other tobacco  
292 products for consumption on board such vessels. The beverages,  
293 cigars, or other tobacco products so sold may be purchased  
294 outside the state by the permittee, and the same shall not be  
295 considered as imported for the purposes of s. 561.14(3) solely  
296 because of such sale. The permittee is not required to obtain  
297 its beverages, cigarettes, or other tobacco products from  
298 licensees under the Beverage law or chapter 210. ~~but it~~ Each  
299 permittee shall keep a strict account of the quarterly capacity  
300 of each of its vessels ~~all such beverages sold within this state~~



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301 and shall make quarterly ~~monthly~~ reports to the division on  
302 forms prepared and furnished by the division. ~~A permittee who~~  
303 ~~sells on board the vessel beverages withdrawn from United States~~  
304 ~~Bureau of Customs and Border Protection bonded storage on board~~  
305 ~~the vessel may satisfy such accounting requirement by supplying~~  
306 ~~the division with copies of the appropriate United States Bureau~~  
307 ~~of Customs and Border Protection forms evidencing such~~  
308 ~~withdrawals as importations under United States customs laws.~~

309 (d) Each Such permittee shall pay to the state an excise  
310 tax for beverages, cigarettes, and other tobacco products sold  
311 pursuant to this subsection ~~section~~, if such excise tax has not  
312 previously been paid, ~~in an amount equal to the tax which would~~  
313 ~~be required to be paid on such sales by a licensed manufacturer~~  
314 ~~or distributor.~~ The excise tax shall be an amount equal to the  
315 base rate multiplied by the permittee's quarterly capacity  
316 during the calendar quarter.

317 (e) A vendor holding such permit shall pay the tax  
318 quarterly ~~monthly~~ to the division at the same time he or she  
319 furnishes the required report. Such report shall be filed on or  
320 before the 15th day of each quarter ~~month~~ for the quarterly  
321 capacity capacity sales occurring during the previous calendar  
322 quarter ~~month~~.

323 (f) No later than August 1, 2016, each permittee shall  
324 report the annual capacity for each of its vessels for calendar  
325 year 2015 to the division on forms prepared and furnished by the  
326 division. No later than September 1, 2016, the division shall  
327 calculate the base rate and report it to each permittee. The  
328 base rate shall also be published in the Florida Administrative  
329 Register and on the department's website.





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330 Section 9. This act shall take effect July 1, 2016.

331

332 ===== T I T L E A M E N D M E N T =====

333 And the title is amended as follows:

334 Delete everything before the enacting clause  
335 and insert:

336 A bill to be entitled  
337 An act relating to alcoholic beverages and tobacco;  
338 amending s. 210.13, F.S.; revising applicability to  
339 include other persons who may be subject to a  
340 determination of tax on failure to file and return,  
341 which may result in certain penalties, costs, and  
342 charges; amending s. 218.32, F.S.; requiring local  
343 governmental entities to include revenues derived from  
344 the use of temporary alcoholic beverage permits in  
345 annual financial reports; amending s. 561.01, F.S.;  
346 defining the term "railroad transit station"; amending  
347 s. 561.29, F.S.; requiring, rather than authorizing,  
348 the Division of Alcoholic Beverages and Tobacco to  
349 give a licensee a written waiver of certain  
350 requirements; revising the requirements to obtain such  
351 waivers; extending a certain waiver period, not to  
352 exceed 24 months; deleting a provision prohibiting  
353 waivers from totaling more than 24 months; creating s.  
354 561.4205, F.S., requiring an alcoholic beverage  
355 distributor to charge a deposit for certain alcoholic  
356 beverage sales; providing an inventory and  
357 reconciliation process as an accounting alternative  
358 for specified vendors; providing an inventory and



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359 reconciliation process for malt beverage kegs;  
360 amending s. 561.422, F.S.; authorizing the Division of  
361 Alcoholic Beverages and Tobacco within the Department  
362 of Business and Professional Regulation to issue  
363 temporary permits to municipalities and counties to  
364 sell alcoholic beverages for consumption on the  
365 premises of an event; providing conditions for such  
366 permits; requiring such municipalities and counties to  
367 remove and properly dispose of unconsumed alcoholic  
368 beverages; amending s. 562.14, F.S.; exempting  
369 railroad transit stations from provisions regulating  
370 the time during which alcoholic beverages may be sold,  
371 served, and consumed; amending s. 565.02, F.S.;  
372 authorizing operators of railroad transit stations to  
373 obtain licenses to sell alcoholic beverages; revising  
374 the locations where certain beverages may be sold;  
375 prohibiting the transfer of specified licenses to  
376 certain locations; prohibiting a municipality or  
377 county from requiring an additional license or levying  
378 a tax to sell certain beverages; exempting railroad  
379 transit stations from liquor bottle size restrictions;  
380 exempting operators of restaurants, shops, or other  
381 facilities that are part of, or that serve, railroad  
382 transit stations from certain licensing regulations;  
383 authorizing alcoholic beverages to be served in all  
384 areas within the property of a railroad transit  
385 station; providing an effective date.

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: SB 826

INTRODUCER: Senator Latvala

SUBJECT: Mobile Homes

DATE: January 13, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	<b>Favorable</b>
2.	_____	_____	<u>CA</u>	_____
3.	_____	_____	<u>FP</u>	_____

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**I. Summary:**

SB 826 requires the Division of Florida Condominiums, Timeshares, and Mobile Homes (division) within the Department of Business and Professional Regulation (department) to notify a person who filed a complaint involving a mobile home park of the status of the investigation within 30 days of receipt of the complaint. The bill also requires the division to notify the complainant of the status of the investigation within 90 days after receipt of a written complaint. The division must also notify the complainant and the party complained against about the results of the investigation and disposition of the complaint.

The bill permits mobile home park owners to pass on to the tenant, at any time during the term of the rental agreement, non-ad valorem assessments, or increases of non-ad valorem assessments, if the passing on of this charge was disclosed prior to the tenancy. Current law permits the park owner to pass on ad valorem taxes and utility charges, or increases of either, if passing on these costs was disclosed prior to the tenancy.

The bill requires the park owner to give the tenant notice of a rent increase 90 days before the renewal date of the rental agreement. If the 90-day notice is not provided the rental amount will remain with the same terms until a 90-day notice of increase in lot rental amount is given.

The bill permits the purchaser of a mobile home to cancel or rescind a contract if the tenancy has not been approved by the park owner five days before the closing of the purchase.

The bill provide that the mobile home owners form the homeowners' association in order to exercise their rights under ch. 723, F.S., relating to mobile homes. It provides that membership in the association is voluntary for consenting members by providing that all consenting mobile home owners. The bill deletes the provision in current law that all the successors of the consenting homeowner are also bound to the articles of incorporation, the bylaws, and restrictions of the homeowners' association.

The bill provides that the joint owner of a mobile home or subdivision lot must be counted as one when determining the number of votes required for a majority and that only one vote may be counted per mobile home or subdivision lot. It permits association members to vote by secret ballot, including an absentee ballot.

The effective date of the bill is July 1, 2016.

## II. Present Situation:

### Mobile Home Act

Chapter 723, F.S., is known as the “Florida Mobile Home Act” (act) and provides for the regulation of mobile homes by the Division of Florida Condominiums, Timeshares, and Mobile Homes (division) within the Department of Business and Professional Regulation (department).

The Florida Mobile Home Act was enacted in 1984.<sup>1</sup> The act was created to address the unique relationship between a mobile home owner and a mobile home park owner. The act provides in part that:

Once occupancy has commenced, unique factors can affect the bargaining position of the parties and can affect the operation of market forces. Because of those unique factors, there exist inherently real and substantial differences in the relationship which distinguish it from other landlord-tenant relationships. The Legislature recognizes that mobile home owners have basic property and other rights which must be protected. The Legislature further recognizes that the mobile home park owner has a legitimate business interest in the operation of the mobile home park as part of the housing market and has basic property and other rights which must be protected.<sup>2</sup>

The provisions in ch. 723, F.S., apply to residential tenancies where a mobile home is placed upon a lot that is rented or leased from a mobile home park that has 10 or more lots offered for rent or lease.<sup>3</sup>

Section 723.003(6), F.S., defines the term “mobile home park” or “park” to mean:

a use of land in which lots or spaces are offered for rent or lease for the placement of mobile homes and in which the primary use of the park is residential.

Section 723.003(8), F.S., defines the term “mobile home subdivision” to mean:

a subdivision of mobile homes where individual lots are owned by owners and where a portion of the subdivision or the amenities exclusively serving the subdivision are retained by the subdivision developer.

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<sup>1</sup> Chapter 84-80, L.O.F. Formerly ch. 720, F.S.

<sup>2</sup> Section 723.004(1), F.S.; *see also Mobile Home Relocation*, Interim Report No. 2007-106, Florida Senate Committee on Community Affairs, October 2006.

<sup>3</sup> Section 723.002(1), F.S.

The terms “mobile home park,” “park,” and “mobile home subdivision” have remained unchanged since the enactment of the Florida Mobile Home Act in 1984.<sup>4</sup>

### **Complaints**

Section 723.006(6), F.S., requires the division to give periodic, written notice to a person who files a written complaint that alleges a violation of ch. 723, F.S., or rule of the division. The notice must inform the complainant whether probable cause has been found and the status of any administrative action, civil action, or appellate action. However, current law does not provide a timeframe for this notification. If the division has found that probable cause exists, the division must notify, in writing, the party complained against of the results of the investigation and disposition of the complaint.

### **Prospectus or Offering Circular**

The prospectus in a mobile home park is the document that governs the landlord-tenant relationship between the park owner and the mobile home owner. The prospectus or offering circular, together with its attached exhibits, is a disclosure document intended to afford protection to the homeowners and prospective homeowners in the mobile home park. The purpose of the document is to disclose the representations of the mobile home park owner concerning the operations of the mobile home park.<sup>5</sup>

In a mobile home park containing 26 or more lots, the park owner must file a prospectus with the division for approval. Prior to entering into an enforceable rental agreement for a mobile home lot, the park owner must deliver to the homeowner a prospectus that has been approved by the division.<sup>6</sup> The division maintains copies of each prospectus and all amendments to each prospectus that it has approved. The division must also provide copies of documents within 10 days of receipt of a written request.<sup>7</sup>

The park owner must furnish a copy of the prospectus with all the attached exhibits to each prospective lessee prior to the execution of the lot rental agreement or at the time of occupancy, whichever occurs first. Upon delivery of a prospectus to a prospective lessee, the lot rental agreement is voidable by the lessee for a period of 15 days.<sup>8</sup>

If a prospectus is not provided to the prospective lessee before the execution of a lot agreement or prior to occupancy, the rental agreement is voidable by the lessee until 15 days after the lessee receives the prospectus.<sup>9</sup> If the homeowner cancels the rental agreement, he or she is entitled to a refund of any deposit together with relocation costs for the mobile home, or the market value

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<sup>4</sup> See ch. 84-80, L.O.F. The definitions in s. 723.003, were formerly in s. 720.103, F.S. (1984).

<sup>5</sup> Section 723.011(3), F.S.

<sup>6</sup> Section 723.011(1)(a), F.S.

<sup>7</sup> Section 723.011(1)(d), F.S.

<sup>8</sup> Section 723.011(2), F.S.

<sup>9</sup> Section 723.014(1), F.S.

thereof including any appurtenances thereto paid for by the mobile home owner, from the park owner.<sup>10</sup>

The prospectus distributed to a home owner or prospective home owner is binding for the length of the tenancy, including any assumptions of that tenancy, and may not be changed except in certain specified circumstances.<sup>11</sup>

### **Written Notification in the Absence of a Prospectus**

Section 723.013, F.S., provides that when a park owner does not give a prospectus prior to the execution of a rental agreement or prior to the purchaser's occupancy, the park owner must give written notification of specified information prior to the purchaser's occupancy, including zoning information, the name and address of the mobile home park owner or a person authorized to receive notices and demands on his or her behalf, and all fees and charges, assessments, or other financial obligations not included in the rental agreement and a copy of the rules and regulations in effect.

This provision only applies to mobile home parks containing at least 10 lots but no more than 25 lots. Section 723.011, F.S., requires mobile home park owners to provide a prospectus to all prospective lessees in mobile home parks containing 26 lots or more.

### **Rental Agreements**

Rental agreements in a mobile home park must be consistent with ch. 723, F.S.<sup>12</sup> The provisions of ch. 723, F.S., are deemed to apply to every tenancy in a mobile home park whether or not a tenancy is covered by a valid written rental agreement.<sup>13</sup>

Park owners are prohibited from offering a rental agreement for a term of less than 1 year.<sup>14</sup> If there is no written rental agreement, the rental term may not be less than one year from the date of initial occupancy, but the initial term may be less than one year in order to permit the park owner to have all rental agreements within the park commence at the same time. Thereafter, all terms must be for a minimum of one year.<sup>15</sup>

### **Mobile Home Park Rent Increases**

The mobile home park owner has the right to increase rents "in an amount deemed appropriate by the mobile home park owner."<sup>16</sup> The park owner must give affected mobile home owners and

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<sup>10</sup> Section 723.014(2), F.S.

<sup>11</sup> See rule 61B-31.001, F.A.C.

<sup>12</sup> Section 723.031(1), F.S.

<sup>13</sup> Section 723.031(2), F.S.

<sup>14</sup> Section 723.031(4), F.S.

<sup>15</sup> *Id.*

<sup>16</sup> See s. 723.059, F.S., concerning the rights of purchasers. A purchaser of a mobile home has the right to assume the remainder of the term of any rental agreement in effect between the mobile home park owner and seller. The mobile home park owner may increase the rental amount upon the expiration of the assumed rental agreement.

the board of directors of the homeowners' association, if one has been formed, at least 90-day notice of a lot rental increase.<sup>17</sup>

The amount of the lot rental increase must be disclosed to the purchaser of a mobile home and agreed to in writing by the purchaser.<sup>18</sup> Lot rental increases may not be arbitrary or discriminatory between similarly situated tenants in the park,<sup>19</sup> and may not increase during the term of the rental agreement. However, the mobile home park owner may pass on, at any time during the term of the rental agreement, ad valorem property taxes and utility charges, or increases of either, if the passing on of these costs was disclosed prior to the tenancy.<sup>20</sup>

A committee of up to five people, designated by a majority of the owners or by the board of directors of the homeowners' association (if formed), and the park owner must meet within 30 days of the notice of change to discuss the reasons for the changes.<sup>21</sup> At the meeting, the park owner or subdivision developer must in good faith disclose and explain all material factors resulting in the decision to increase the lot rental amount, reduce services or utilities, or change rules and regulations, including how those factors justify the specific change proposed.<sup>22</sup>

If the meeting does not resolve the issue, then additional meetings may be requested. If subsequent meetings are unsuccessful, within 30 days of the last scheduled meeting, the homeowners may petition the division to initiate mediation.<sup>23</sup> If the mediation does not successfully resolve the dispute, then the parties may file an action in circuit court to challenge the rental increase as unreasonable.<sup>24</sup>

Unreasonable lot rental agreements and unreasonable rent increases are unenforceable.<sup>25</sup> A lot rental amount that exceeds market rent shall be considered unreasonable.<sup>26</sup> Market rent is defined as rent which would result from market forces absent an unequal bargaining position between mobile home park owners and mobile home owners.<sup>27</sup>

In determining market rent, the court may consider "rents charged by comparable mobile home parks in its competitive area. To be comparable, a mobile home park must offer similar facilities, services, amenities, and management."<sup>28</sup> In determining whether a rent increase or resulting lot rental amount is unreasonable, the court may consider "economic or other factors, including, but not limited to, increases or decreases in the consumer price index, published by the Bureau of Labor Statistics of the Department of Labor; increases or decreases in operating costs or taxes;

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<sup>17</sup> Section 723.037(1), F.S.

<sup>18</sup> Section 723.031(5), F.S.

<sup>19</sup> *Id.*

<sup>20</sup> Section 723.031(5)(c), F.S.

<sup>21</sup> Section 723.037(4)(a), F.S.

<sup>22</sup> Section 723.037(4)(b), F.S.

<sup>23</sup> Section 723.037(5)(a), F.S.

<sup>24</sup> Section 723.0381, F.S.

<sup>25</sup> Section 723.033(1), F.S.

<sup>26</sup> Section 723.033(5), F.S.

<sup>27</sup> Section 723.033(4), F.S.

<sup>28</sup> Section 723.033(5), F.S.



and prior disclosures.”<sup>29</sup> These same standards are to be employed by the arbitrator or mediator in any arbitration or mediation under ch. 723, F.S.<sup>30</sup>

### **Homeowners’ Associations**

If a mobile home park owner offers a mobile home park for sale, s. 723.071, F.S., requires him or her to notify the officers of the mobile homeowners’ association who have the right to purchase the park under the provisions of that section.

Section 723.075, F.S., provides that in order for a mobile home owners’ association to exercise the right to purchase the mobile home park pursuant to s. 723.071, F.S., the association’s bylaws must contain a number of statutory provisions. Two-thirds consent of the mobile home owners is required to form the association. All the members of the association who consent to the formation of the homeowners’ association and their successors are bound to the articles of incorporation, the bylaws, and restrictions that may be promulgated pursuant to the articles or bylaws.

### ***Quorum; Voting Requirements; and Proxies***

Section 723.078(2)(b)1., F.S., provides that a majority of the association’s members constitutes a quorum.

Section 723.078(2)(b)2., F.S., provides that the association’s bylaws must provide for the use of a proxy. Regarding voting by proxy:

- A member may not vote by general proxy;
- A member of the association may only vote by limited proxies that conform to a limited proxy form adopted by the division;
- Limited proxies and general proxies may be used to establish a quorum; and
- Limited proxies may be used for votes taken to amend the articles of incorporation or bylaws, and any other matters that ch. 723, F.S., requires or permits a vote of members, except that no proxy may be used in the election of board members.

Members may vote in person at member meetings. Current law does not provide whether members may vote by secret ballot or by absentee ballot.

## **III. Effect of Proposed Changes:**

### **Complaints to the Division**

The bill amends s. 723.006(6), F.S., to require the division to notify a complainant of the status of the investigation within 30 days of receipt of the complaint. The bill also requires the division to notify the complainant of the status of the investigation within 90 days after receipt of a written complaint. Upon completion of the investigation, the bill requires that the division notify the complainant and the party complained against about the results of the investigation and disposition of the complaint.

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<sup>29</sup> Section 723.033(6), F.S.

<sup>30</sup> Section 723.033(7), F.S.

### **Mobile Home Lot Rental Agreements**

The bill amends s. 723.031(5)(c), F.S., to permit mobile home park owners to pass on, at any time during the term of the rental agreement, non-ad valorem assessments, or increases of non-ad valorem assessments, if the passing on of this charge was disclosed prior to the tenancy.

The bill provides that the park owner is deemed to have been disclosed the passing on of ad valorem taxes and non-ad valorem assessments are deemed if these charges were disclosed as a factor for increasing the lot rental amount in the prospectus or rental agreement.

Section. 723.031(5) (d), F.S., requires the park owner to give the tenant notice of a rent increase 90 days before the renewal date of the rental agreement. If the 90-day notice is not provided the rental amount will remain the same terms until a 90-day notice of increase in lot rental amount is given. The bill permits the notice to provide for a rental term shorter than one year in order to maintain the same renewal date.

Currently, s. 723.031(4), F.S., allows a rental term for less than a year only for the initial term so that all rental agreements start at the same time.

### **Rights of Purchaser**

The bill amends s. 723.059(1), F.S., to permit the purchaser of a mobile home to cancel or rescind a contract if the tenancy has not been approved by the park owner five days before the closing of the purchase.

### **Homeowners' Association**

The bill amends s. 723.075(1), F.S., to provide that the mobile home owners must form the association in order to exercise their rights under ch. 723, F.S. It deletes the provision that the association is formed to exercise the right to purchase the mobile home park pursuant to s. 723.071, F.S.<sup>31</sup>

The bill provides that membership in the association is voluntary for consenting members by providing that all consenting members of the association may become members or shareholders of the association. It defines the term "member" or "shareholder" to mean a mobile homeowner who consents to be bound by the association. The bill deletes the provision that all the successors of the consenting homeowner are also bound to the articles of incorporation, the bylaws, and restrictions that may be promulgated pursuant to the articles or bylaws.

The bill also provides that the association is the representative for all the mobile home owners in all matters relating to ch. 723, F.S., upon incorporation and notice to the mobile home park owner.

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<sup>31</sup> Section 723.071, F.S., are the provisions relating to the sale of a mobile home park.

**Homeowners' Association - Voting**

The bill amends s. 723.078(2)(b)2., F.S., to provide that the joint owner of a mobile home or subdivision lot must be counted as one when determining the number of votes required for a majority. It further provided that only one vote may be counted per mobile home or subdivision lot. The bill provides that a majority is any number greater than 50 percent of the total number of votes.

The bill provides that members may vote by secret ballot, including an absentee ballot.

**Effective Date**

The effective date of the bill is July 1, 2016.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 723.006, 723.031, 723.059, 723.075, and 723.078.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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By Senator Latvala

20-00856A-16

2016826\_\_

1                   A bill to be entitled  
2       An act relating to mobile homes; amending s. 723.006,  
3       F.S.; revising certain notice requirements for written  
4       complaints; amending s. 723.031, F.S.; authorizing a  
5       mobile home park owner to pass on non-ad valorem  
6       assessments to a tenant under certain circumstances;  
7       providing that a mobile home park owner is deemed to  
8       have disclosed the passing on of certain taxes and  
9       assessments under certain circumstances; requiring the  
10      non-ad valorem assessments to be a part of the lot  
11      rental amount; requiring that a renewed rental  
12      agreement remain under the same terms unless certain  
13      notice is provided; amending s. 723.059, F.S.;  
14      authorizing a mobile home purchaser to cancel or  
15      rescind the contract to purchase under certain  
16      circumstances; amending s. 723.075, F.S.; revising the  
17      rights that mobile home owners exercise if they form  
18      an association; authorizing mobile home owners to  
19      become members upon incorporation of the association;  
20      defining the terms "member" and "shareholder";  
21      deleting provisions relating to memberships of  
22      successors to home owners; amending s. 723.078, F.S.;  
23      specifying voting requirements for homeowners'  
24      associations; specifying the requirements for a  
25      majority of votes; authorizing members to vote by  
26      secret ballot and absentee ballot; providing an  
27      effective date.

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

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Section 1. Subsection (6) of section 723.006, Florida Statutes, is amended to read:

723.006 Powers and duties of division.—In performing its duties, the division has the following powers and duties:

(6) With regard to any written complaint alleging a violation of any provision of this chapter or any rule adopted ~~promulgated~~ pursuant thereto, the division shall, within 30 days after receipt of a written complaint, ~~periodically~~ notify, in writing, the person who filed the complaint of the status of the complaint. Thereafter, the division shall notify the complainant of the status of the investigation within 90 days after receipt of the written complaint. Upon completion of the investigation, ~~the division investigation, whether probable cause has been found, and the status of any administrative action, civil action, or appellate action, and if the division has found that probable cause exists,~~ it shall notify, in writing, the complainant and the party complained against of the results of the investigation and disposition of the complaint.

Section 2. Subsection (5) of section 723.031, Florida Statutes, is amended to read:

723.031 Mobile home lot rental agreements.—

(5) The rental agreement shall contain the lot rental amount and services included. An increase in lot rental amount upon expiration of the term of the lot rental agreement shall be in accordance with ss. 723.033 and 723.037 or s. 723.059(4), whichever is applicable, provided that, pursuant to s. 723.059(4), the amount of the lot rental increase is disclosed and agreed to by the purchaser, in writing. An increase in lot

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59 rental amount shall not be arbitrary or discriminatory between  
60 similarly situated tenants in the park. ~~A~~ ~~Ne~~ lot rental amount  
61 may not be increased during the term of the lot rental  
62 agreement, except:

63 (a) When the manner of the increase is disclosed in a lot  
64 rental agreement with a term exceeding 12 months and which  
65 provides for such increases not more frequently than annually.

66 (b) For pass-through charges as defined in s. 723.003.

67 (c) That ~~a~~ ~~ne~~ charge may not be collected which ~~that~~  
68 results in payment of money for sums previously collected as  
69 part of the lot rental amount. The provisions hereof  
70 notwithstanding, the mobile home park owner may pass on, at any  
71 time during the term of the lot rental agreement, ad valorem  
72 property taxes, non-ad valorem assessments, and utility charges,  
73 or increases of either, provided that the ad valorem property  
74 taxes, non-ad valorem assessments, and ~~the~~ utility charges are  
75 not otherwise being collected in the remainder of the lot rental  
76 amount and provided further that the passing on of such ad  
77 valorem taxes, non-ad valorem assessments, or utility charges,  
78 or increases of either, was disclosed prior to tenancy, was  
79 being passed on as a matter of custom between the mobile home  
80 park owner and the mobile home owner, or such passing on was  
81 authorized by law. A park owner shall be deemed to have  
82 disclosed the passing on of ad valorem property taxes and non-ad  
83 valorem assessments if ad valorem property taxes or non-ad  
84 valorem assessments were disclosed as a factor for increasing  
85 the lot rental amount in the prospectus or rental agreement.  
86 Such ad valorem taxes, non-ad valorem assessments, and utility  
87 charges shall be a part of the lot rental amount as defined by

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88 this chapter. Other provisions of this chapter notwithstanding,  
89 pass-on charges may be passed on only within 1 year of the date  
90 a mobile home park owner remits payment of the charge. A mobile  
91 home park owner is prohibited from passing on any fine,  
92 interest, fee, or increase in a charge resulting from a park  
93 owner's payment of the charge after the date such charges become  
94 delinquent. Nothing herein shall prohibit a park owner and a  
95 homeowner from mutually agreeing to an alternative manner of  
96 payment to the park owner of the charges.

97 (d) If a notice of increase in lot rental amount is not  
98 given 90 days before the renewal date of the rental agreement,  
99 the rental agreement shall remain under the same terms until a  
100 90-day notice of increase in lot rental amount is given. The  
101 notice may provide for a rental term shorter than 1 year in  
102 order to maintain the same renewal date.

103 Section 3. Subsection (1) of section 723.059, Florida  
104 Statutes, is amended to read:

105 723.059 Rights of purchaser.—

106 (1) The purchaser of a mobile home within a mobile home  
107 park may become a tenant of the park if such purchaser would  
108 otherwise qualify with the requirements of entry into the park  
109 under the park rules and regulations, subject to the approval of  
110 the park owner, but such approval may not be unreasonably  
111 withheld. The purchaser of the mobile home may cancel or rescind  
112 the contract for purchase of the mobile home if the purchaser's  
113 tenancy has not been approved by the park owner 5 days before  
114 the closing of the purchase.

115 Section 4. Subsection (1) of section 723.075, Florida  
116 Statutes, is amended to read:



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117 723.075 Homeowners' associations.-

118 (1) In order to exercise the rights provided in this  
119 chapter s. 723.071, the mobile home owners shall form an  
120 association in compliance with this section and ss. 723.077,  
121 723.078, and 723.079, which shall be a corporation for profit or  
122 not for profit and of which not less than two-thirds of all of  
123 the mobile home owners within the park shall have consented, in  
124 writing, to become members or shareholders. Upon incorporation  
125 of the association ~~such consent by two-thirds of the mobile home~~  
126 ~~owners~~, all consenting mobile home owners in the park may become  
127 members or shareholders. The term "member" or "shareholder"  
128 means a mobile home owner who consents to be bound by the  
129 articles of incorporation, bylaws, and policies of the  
130 incorporated homeowners' association ~~and their successors shall~~  
131 ~~become members of the association and shall be bound by the~~  
132 ~~provisions of the articles of incorporation, the bylaws of the~~  
133 ~~association, and such restrictions as may be properly~~  
134 ~~promulgated pursuant thereto.~~ The association may not shall have  
135 a no member or shareholder who is not a bona fide owner of a  
136 mobile home located in the park. Upon incorporation and service  
137 of the notice described in s. 723.076, the association shall  
138 become the representative of all the mobile home owners in all  
139 matters relating to this chapter.

140 Section 5. Paragraph (b) of subsection (2) of section  
141 723.078, Florida Statutes, is amended to read:

142 723.078 Bylaws of homeowners' associations.-

143 (2) The bylaws shall provide and, if they do not, shall be  
144 deemed to include, the following provisions:

145 (b) *Quorum; voting requirements; proxies.-*

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2016826\_\_

146 1. Unless otherwise provided in the bylaws, 30 percent of  
147 the total membership is required to constitute a quorum.  
148 Decisions shall be made by a majority of members represented at  
149 a meeting at which a quorum is present.

150 2. A member may not vote by general proxy but may vote by  
151 limited proxies substantially conforming to a limited proxy form  
152 adopted by the division. Limited proxies and general proxies may  
153 be used to establish a quorum. Limited proxies may be used for  
154 votes taken to amend the articles of incorporation or bylaws  
155 pursuant to this section, and any other matters for which this  
156 chapter requires or permits a vote of members, except that no  
157 proxy, limited or general, may be used in the election of board  
158 members. If a mobile home or subdivision lot is owned jointly,  
159 the owners of the mobile home, or subdivision lot, shall be  
160 counted as one for the purpose of determining the number of  
161 votes required for a majority. Only one vote per mobile home or  
162 subdivision lot shall be counted. Any number greater than 50  
163 percent of the total number of votes constitutes a majority.  
164 Notwithstanding ~~the provisions of~~ this section, members may vote  
165 in person at member meetings or by secret ballot, including  
166 absentee ballots.

167 3. A proxy is effective only for the specific meeting for  
168 which originally given and any lawfully adjourned meetings  
169 thereof. In no event shall any proxy be valid for a period  
170 longer than 90 days after the date of the first meeting for  
171 which it was given. Every proxy shall be revocable at any time  
172 at the pleasure of the member executing it.

173 4. A member of the board of directors or a committee may  
174 submit in writing his or her agreement or disagreement with any

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175 action taken at a meeting that the member did not attend. This  
176 agreement or disagreement may not be used as a vote for or  
177 against the action taken and may not be used for the purposes of  
178 creating a quorum.

179 Section 6. This act shall take effect July 1, 2016.



# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

**COMMITTEES:**  
Appropriations Subcommittee on  
Transportation, Tourism, and Economic  
Development, *Chair*  
Appropriations  
Commerce and Tourism  
Governmental Oversight and Accountability  
Regulated Industries  
Rules

**SENATOR JACK LATVALA**  
20th District

January 11, 2016

The Honorable Rob Bradley, Chair  
Senate Committee on Regulated Industries  
330 Knott Building  
404 South Monroe Street  
Tallahassee, FL 32399-1100

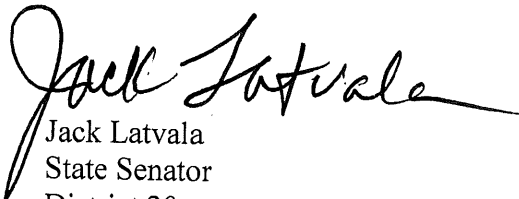
Dear Chairman Bradley:

I respectfully request consideration of Senate Bill 826/Mobile Home at your earliest convenience.

This bill will revise notice requirements for written complaints. Additionally, the bill would allow a mobile home park owner to pass on non-ad valorem assessments to a tenant. Finally the bill modifies rules for mobile home associations and their voting requirements.

If you have any questions regarding this legislation, please contact me. Thank you in advance for your consideration.

Sincerely,

  
Jack Latvala  
State Senator  
District 20

Cc: Patrick L. "Booter" Imhof, Staff Director; Lynn, Administrative Assistant

REPLY TO:

- 26133 U.S. Highway 19 North, Suite 201, Clearwater, Florida 33763 (727) 793-2797 FAX: (727) 793-2799
- 408 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5020

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**ANDY GARDINER**  
President of the Senate

**GARRETT RICHTER**  
President Pro Tempore

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Meeting Date \_\_\_\_\_

826  
Bill Number (if applicable) \_\_\_\_\_

Topic mobile homes

Amendment Barcode (if applicable) \_\_\_\_\_

Name Lori Killinger

Job Title Attorney/Lobbyist

Address 315 S. Cathoun St. Ste 830

Phone 850 222 5702

Street

Tallahassee  
City

FL  
State

32308  
Zip

Email Lkillinger@kw-law.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing FL Manufactured Housing Assn

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

**This form is part of the public record for this meeting.**

THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16  
Meeting Date

SB 826  
Bill Number (if applicable)

Topic \_\_\_\_\_

Amendment Barcode (if applicable)

Name Nancy Stewart

Job Title \_\_\_\_\_

Address 1535 Killbuck Center Blvd

Phone 850-385-7805

Tallahassee FL 32309  
City State Zip

Email nancy.stewart@nancyblackstewart.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Federation of Manufactured Home Owners of Florida (FMH)

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.



**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Committee on Regulated Industries

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BILL: SB 722

INTRODUCER: Senator Stargel

SUBJECT: Residential Properties

DATE: January 13, 2016

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Imhof	RI	<b>Favorable</b>
2.			JU	
3.			FP	

---

**I. Summary:**

SB 722 revises requirements for estoppel certificates for condominium, cooperative, and homeowners' associations. When an ownership interest in a condominium unit, cooperative unit, or parcel is transferred, the new owner is jointly and severally liable with the previous owner for unpaid assessments owed to a condominium or homeowners' association. Unpaid assessments may also become a lien on the property. To protect against undisclosed financial obligations and to transfer title that is free of any lien or encumbrance, buyers may request that the seller provide an estoppel certificate from the condominium, cooperative, or homeowners' association. An estoppel certificate certifies the amount of any total debt owed to the association for unpaid monetary obligations by a unit or parcel owner as of a specified date.

The bill:

- Reduces the period of time in which an association must respond to a request for an estoppel certificate from 15 days to 10 business days;
- Requires that estoppel certificates be delivered by mail, hand, or electronic means, be dated as of the date it is issued, and be valid for 30 days, or 35 days if mailed;
- Requires that estoppel certificates contain the date of issuance, and an itemization of all assessments and other moneys owed to the association by the unit owner, as reflected in the official records of the association, through at least 30 days after the date the estoppel certificate is issued, or 35 days if mailed;
- Requires that estoppel certificates contain the amount of any fee charged for preparing and delivering the certificate as well as the signature of an officer or agent of the association;
- Provides that an association waives the right to collect any moneys owed in excess of the amounts set forth in the estoppel certificate from any person and his or her successors and assigns who in good faith rely upon the certificate; and
- Provides that the fee for an estoppel certificate is the obligation of the unit or parcel owner.



The bill requires the fee a cooperative association is allowed to charge for estoppel certificate be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract. This provision is comparable to authority provided to condominium and homeowners' associations.

## II. Present Situation:

### Condominium

A condominium is a form of ownership of real property comprised entirely of units that may be owned by one or more persons, and in which there is, appurtenant to each unit, an undivided share in common elements.<sup>1</sup> A condominium is created by recording a declaration of condominium in the public records of the county where the condominium is located.<sup>2</sup> A declaration governs the relationships of the condominium units' owners and the condominium association.<sup>3</sup> Condominium associations are administered by a board of administration and can assess costs for common expenses.<sup>4</sup>

### Cooperative Associations

A cooperative is a form of ownership of real property where legal title is vested in a corporation or other entity.<sup>5</sup> A cooperative differs from a condominium because, in a cooperative, no unit is individually owned. Instead, a cooperative unit's occupants receive an exclusive right to occupy the unit. The cooperative holds the legal title to the unit and all common elements. The cooperative association may assess costs for the maintenance of common expenses.<sup>6</sup>

### Homeowners' Associations

A homeowners' association is a Florida corporation responsible for the operation of a community or a mobile home subdivision in which the voting membership is made up of parcel owners or their agents, or a combination. The membership is a mandatory condition of parcel ownership.<sup>7</sup> Homeowners' associations are administered by a board of directors who are elected and are authorized to impose assessments.<sup>8</sup>

### Assessments

An assessment is a share of the funds which are required for the payment of common expenses, and can be assessed against the unit owner.<sup>9</sup> A special assessment is any assessment levied against a unit or parcel owner other than the assessment adopted the annual budget.<sup>10</sup>

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<sup>1</sup> Section 718.103(11), F.S.

<sup>2</sup> Section 718.104(2), F.S.

<sup>3</sup> *Woodside Village Condominium Assoc. Inc. v. Jahren*, 806 So. 2d 452, 456 (Fla. 2002).

<sup>4</sup> Section 718.103(1) and (4), F.S.

<sup>5</sup> Section 719.103(12), F.S.

<sup>6</sup> See ss. 719.106(1)(g) and 719.107, F.S.

<sup>7</sup> Section 720.301(9), F.S.

<sup>8</sup> Section 720.303(2)(c)2., F.S.

<sup>9</sup> Sections 718.103(1), 719.103(1), and 720.301(1), F.S.

<sup>10</sup> Sections 718.103(24) and 719.103(23), F.S.

Assessments that go unpaid may become a lien on the unit or parcel.<sup>11</sup> An owner is jointly and severally liable with the previous owner for all unpaid assessments that come due up to the time of transfer of title.<sup>12</sup> This liability is without prejudice to any right the owner may have to recover from the previous owner the amounts paid by the owner.<sup>13</sup>

### **Estoppel Certificates**

To protect against undisclosed financial obligations and to transfer title that is free of any lien or encumbrance, buyers may request that the seller provide an estoppel certificate from the condominium, cooperative, or homeowners' association. An estoppel certificate certifies the amount of any total debt owed to the association for unpaid monetary obligations by a unit or parcel owner as of a specified date.<sup>14</sup>

Within 15 days after receiving a written request for an estoppel certificate the association is required to provide a certificate signed by an officer or agent of the association stating all assessments and other moneys owed to the association by the owner with respect to the unit or parcel.<sup>15</sup>

A homeowners' or condominium association may charge a fee for the preparation of the certificate.<sup>16</sup> The authority to charge a fee must be established by a written resolution that is adopted by the board or by a written management, bookkeeping, or maintenance contract and is payable upon the preparation of the certificate.<sup>17</sup> A cooperative association may charge a fee for the preparation of the certificate and does not require the fee to be adopted or part of a contract.<sup>18</sup>

Current law also provides no limitation on the amount of the fee that may be charged by an association other than that such amount must be "reasonable."<sup>19</sup> Neither the Legislature nor the courts have provided guidance on what constitutes a reasonable fee for an estoppel certificate. This has caused variations in the amount of the fee charged by associations for the preparation of an estoppel certificate.

In a condominium or homeowners' association, if the certificate is requested in conjunction with the sale or mortgage of a unit but the closing does not occur, the preparer of the certificate must refund the fee to a payor that is not a unit-owner within 30 days after receipt of the request for refund. A written request for a refund must be made no later than 30 days after the closing date for which the certificate was sought and include reasonable documentation that the sale did not

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<sup>11</sup> Sections 718.116(5), 719.108(4), and 720.3085(1), F.S.

<sup>12</sup> Sections 718.116(1)(a), 719.108(1), and 720.3085(2)(b), F.S.

<sup>13</sup> *Id.* The term "without prejudice" means "without loss of any rights; in a way that does not harm or cancel the legal rights or privileges of a party." BLACK'S LAW DICTIONARY 770 10th ed. 2014.

<sup>14</sup> Sections 718.116(8), 719.108(6), and 720.30851, F.S.

<sup>15</sup> *Id.*

<sup>16</sup> Sections 718.116(8)(c) and 720.30851, F.S.

<sup>17</sup> Sections 718.116(8)(d) and 720.30851(3), F.S.

<sup>18</sup> Section 719.108(6), F.S.

<sup>19</sup> Sections 718.116(8)(c) and 719.108(6), F.S. There is no corresponding requirement in ch. 720, F.S., that the fee charged by a homeowners' association must be reasonable.

occur. The refund is the obligation of the owner, and the association may collect it from that owner in the same manner as an assessment.<sup>20</sup>

After a series of public meetings in 2014, the Community Association Living Study Council,<sup>21</sup> by unanimous vote, made the following recommendations to the Legislature:

- That a reasonable cap be established for estoppel certificate fees and that such fees be tiered;
- The amount of the fee should depend on whether or not the owner is current in fees, delinquent in fees, or if it is a bulk purchase.<sup>22</sup>

### III. Effect of Proposed Changes:

The bill amends ss. 718.116(8), 719.108(6), and 720.30851, F.S., to revise the requirements for estoppel certificates issued by condominium, cooperative, and homeowners' associations, respectively.

#### Form and Delivery of Estoppel Certificates

The bill:

- Reduces the period of time in which an association must respond to a request for an estoppel certificate from 15 days to 10 *business* days;
- Requires that estoppel certificates be delivered by mail, hand, or electronic means to the requestor on the date of issuance and be valid for 30 days, or 35 days if mailed;
- Requires that estoppel certificates contain the date of issuance, an itemization of all assessments and other moneys owed to the association by the owner, as reflected in the official records of the association;
- Requires that the estoppel certificate contain an itemization of any additional assessments and other moneys that are scheduled to become due during the effective period of the estoppel certificate;
- Requires that estoppel certificates contain the amount of any fee charged for preparing and delivering the certificate as well as the signature of an officer or agent of the association; and
- Provides that an association waives the right to collect any moneys owed in excess of the amounts set forth in the estoppel certificate from any person, and his or her successors and assigns, who in good faith rely upon the certificate.

#### Amount of the Fee

The bill prohibits the association from charging a fee for preparing an estoppel certificate that exceeds its reasonable costs to prepare and deliver the certificate.

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<sup>20</sup> Sections 718.116(8)(d) and 720.30851(3), F.S. There is no corresponding requirement in ch. 719, F.S., that the fee is refunded.

<sup>21</sup> The Community Association Living Study Council was created by the Legislature in 2008 to receive input from the public regarding issues of concern with respect to community association living and to advise the Legislature concerning revisions and improvements to the laws relating to community associations. The council consisted of 7 members appointed by the President of the Senate, the Speaker of the House of Representatives, and the Governor. An ex officio nonvoting member was appointed by the Director of the Division of Florida Condominiums, Timeshares, and Mobile Homes. The Council was abolished by the Legislature in 2014. Chapter 2014-133 L.O.F.

<sup>22</sup> Final Report Community Association Living Study Council, *Final Report*, March 31, 2014, p. 6, available at <http://www.myfloridalicense.com/dbpr/lsc/documents/2014CALSCReport.pdf> (last visited on December 4, 2015).

If an estoppel certificate is issued more than 10 business days after an association receives the request for the certificate, the association may not charge a fee for the certificate.

The association may not require the payment of any other fees as a condition for preparing or delivering the estoppel certificate.

The bill provides that when an estoppel certificate is requested in conjunction with the sale or refinancing of a unit or parcel, the certificate fee will be paid to the association from the closing or settlement proceeds. However, if the closing does not occur the fee for the certificate is the obligation of the unit or parcel owner. The bill repeals the existing 30-day closing period requirement. The association is authorized to collect the fee from the unit or parcel owner in the same manner that it would collect an assessment.

The bill repeals the requirement that condominium or homeowners' associations refund the fee to a payor who is not a unit-owner if closing did not occur.

The bill creates s. 719.108(6)(f), F.S., to require the fee a cooperative association is allowed to charge for estoppel certificate must be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract. This provision is comparable to current authority provided to condominium and homeowners' associations in ss. 718.116(8)(d) and 720.30851(3), F.S., respectively. The bill adds the ability to pursue summary proceeding under s. 51.011, F.S., and attorney fees.

#### **Effective Date**

The bill is effective July 1, 2016.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

**B. Private Sector Impact:**

The bill requires the fee a cooperative association is allowed to charge for estoppel certificate be established by a written resolution adopted by the board or provided by a written management, bookkeeping, or maintenance contract.

**C. Government Sector Impact:**

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 718.116, 719.108, and 720.30851.

**IX. Additional Information:****A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

By Senator Stargel

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1                   A bill to be entitled  
2           An act relating to residential properties; amending  
3           ss. 718.116, 719.108, and 720.30851, F.S.; revising  
4           requirements relating to the issuance of an estoppel  
5           certificate to specified persons; requiring that an  
6           estoppel certificate contain certain information;  
7           providing an effective period for an estoppel  
8           certificate based upon the date of issuance and form  
9           of delivery; providing that the association waives a  
10          specified claim against a person or such person's  
11          successors or assigns who in good faith rely on the  
12          estoppel certificate; authorizing a summary proceeding  
13          to be brought to compel an association to prepare or  
14          deliver an estoppel certificate; requiring that the  
15          authority to charge a fee for the estoppel certificate  
16          be established by a specified written resolution or  
17          provided by a written management, bookkeeping, or  
18          maintenance contract; deleting obsolete provisions;  
19          conforming provisions to changes made by the act;  
20          providing an effective date.

21  
22 Be It Enacted by the Legislature of the State of Florida:

23  
24           Section 1. Subsection (8) of section 718.116, Florida  
25 Statutes, is amended to read:

26           718.116 Assessments; liability; lien and priority;  
27 interest; collection.—

28           (8) The association shall issue an estoppel certificate to  
29 a unit owner or the unit owner's designee or a unit mortgagee or

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30 the unit mortgagee's designee within 10 business 15 days after  
31 receiving a written or an electronic request for the estoppel  
32 certificate. The delivery of the estoppel certificate must be  
33 made by United States mail, by hand delivery, or by electronic  
34 transmission to the requester on the date of issuance.

35 (a) The estoppel certificate must contain all of the  
36 following:

37 1. The date of issuance.

38 2. An itemization of all assessments and other moneys owed  
39 to the association by the unit owner for a specific unit on the  
40 date of issuance. This itemization is limited to the amounts  
41 authorized by statute to be recorded in the official records of  
42 the association under s. 718.111(12).

43 3. An itemization of any additional assessments and other  
44 moneys that are scheduled to become due for each day after the  
45 date of issuance for the effective period of the estoppel  
46 certificate. This itemization is limited to the amounts  
47 authorized by statute to be recorded in the official records of  
48 the association under s. 718.111(12). In calculating the amounts  
49 that are scheduled to become due, the association may assume  
50 that any delinquent amounts will remain delinquent during the  
51 effective period of the estoppel certificate.

52 4. The amount of any fee charged by the association for  
53 preparing and delivering the estoppel certificate. This fee is  
54 in addition to any other amounts on the estoppel certificate.

55 5. The signature of an officer or agent of the association.

56 (b) An estoppel certificate that is delivered on the date  
57 of issuance has a 30-day effective period; however, an estoppel  
58 certificate that is sent by United States mail to the requester

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59 has a 35-day effective period.

60 (c) The association waives the right to collect any moneys  
61 owed in excess of the amounts specified in the estoppel  
62 certificate from any person who in good faith relies upon the  
63 estoppel certificate and from the person's successors and  
64 assigns therefor from a unit owner or his or her designee, or a  
65 unit mortgagee or his or her designee, the association shall  
66 provide a certificate signed by an officer or agent of the  
67 association stating all assessments and other moneys owed to the  
68 association by the unit owner with respect to the condominium  
69 parcel.

70 ~~(a) Any person other than the owner who relies upon such~~  
71 ~~certificate shall be protected thereby.~~

72 ~~(d)(b)~~ (d) A summary proceeding pursuant to s. 51.011 may be  
73 brought to compel compliance with this subsection, and in any  
74 such action the prevailing party is entitled to recover  
75 reasonable attorney ~~attorney's~~ fees.

76 ~~(e)1.(e)~~ (e)1. Notwithstanding any limitation on transfer fees  
77 contained in s. 718.112(2)(i), the association or its authorized  
78 agent may charge a reasonable fee, which may not exceed  
79 reasonable costs to prepare and deliver for the preparation of  
80 the estoppel certificate.

81 2. The association may not charge a fee for an estoppel  
82 certificate that is issued more than 10 business days after it  
83 receives the request for ~~The amount of the fee must be included~~  
84 ~~on~~ the estoppel certificate.

85 3. If the estoppel certificate is requested in conjunction  
86 with the sale or refinancing of a unit, the fee for the estoppel  
87 certificate shall be paid to the association from the closing or



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88 settlement proceeds only. If the closing does not occur, the fee  
89 for the estoppel certificate is the obligation of the unit owner  
90 and the association may collect the fee in the same manner as an  
91 assessment against the unit.

92 4. An association may not require the payment of any fees  
93 other than those in this paragraph as a condition for the  
94 preparation or delivery of an estoppel certificate.

95 (f) ~~(d)~~ The authority to charge a fee for the estoppel  
96 certificate ~~shall~~ must be established by a written resolution  
97 adopted by the board or provided by a written management,  
98 bookkeeping, or maintenance contract ~~and is payable upon the~~  
99 ~~preparation of the certificate. If the certificate is requested~~  
100 ~~in conjunction with the sale or mortgage of a unit but the~~  
101 ~~closing does not occur and no later than 30 days after the~~  
102 ~~closing date for which the certificate was sought the preparer~~  
103 ~~receives a written request, accompanied by reasonable~~  
104 ~~documentation, that the sale did not occur from a payor that is~~  
105 ~~not the unit owner, the fee shall be refunded to that payor~~  
106 ~~within 30 days after receipt of the request. The refund is the~~  
107 ~~obligation of the unit owner, and the association may collect it~~  
108 ~~from that owner in the same manner as an assessment as provided~~  
109 ~~in this section.~~

110 Section 2. Subsection (6) of section 719.108, Florida  
111 Statutes, is amended to read:

112 719.108 Rents and assessments; liability; lien and  
113 priority; interest; collection; cooperative ownership.—

114 (6) The association shall issue an estoppel certificate to  
115 a unit owner or the unit owner's designee or a unit mortgagee or  
116 the unit mortgagee's designee within 10 business ~~15~~ days after

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117 receiving a written or an electronic request for the estoppel  
118 certificate. The delivery of the estoppel certificate must be  
119 made by United States mail, by hand delivery, or by electronic  
120 transmission to the requester on the date of issuance.

121 (a) The estoppel certificate must contain all of the  
122 following:

123 1. The date of issuance.

124 2. An itemization of all assessments and other moneys owed  
125 to the association by the unit owner for a specific unit on the  
126 date of issuance. This itemization is limited to the amounts  
127 authorized by statute to be recorded in the official records of  
128 the association under s. 719.104(2).

129 3. An itemization of any additional assessments and other  
130 moneys that are scheduled to become due for each day after the  
131 date of issuance for the effective period of the estoppel  
132 certificate. This itemization is limited to the amounts  
133 authorized by statute to be recorded in the official records of  
134 the association under s. 719.104(2). In calculating the amounts  
135 that are scheduled to become due, the association may assume  
136 that any delinquent amounts will remain delinquent during the  
137 effective period of the estoppel certificate.

138 4. The amount of any fee charged by the association for  
139 preparing and delivering the estoppel certificate. This fee is  
140 in addition to any other amounts on the estoppel certificate.

141 5. The signature of an officer or agent of the association.

142 (b) An estoppel certificate that is delivered on the date  
143 of issuance has a 30-day effective period; however, an estoppel  
144 certificate that is sent by United States mail to the requester  
145 has a 35-day effective period.

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146       (c) The association waives the right to collect any moneys  
147 owed in excess of the amounts specified in the estoppel  
148 certificate from any person who in good faith relies upon the  
149 estoppel certificate and from the person's successors and  
150 assigns.

151       (d) A summary proceeding pursuant to s. 51.011 may be  
152 brought to compel compliance with this subsection, and in any  
153 such action the prevailing party is entitled to recover  
154 reasonable attorney fees by a unit owner or mortgagee, the  
155 association shall provide a certificate stating all assessments  
156 and other moneys owed to the association by the unit owner with  
157 respect to the cooperative parcel. Any person other than the  
158 unit owner who relies upon such certificate shall be protected  
159 thereby.

160       (e)1. Notwithstanding any limitation on transfer fees  
161 contained in s. 719.106(1)(i), the association or its authorized  
162 agent may charge a reasonable fee, which may not exceed its  
163 reasonable costs to prepare and deliver for the preparation of  
164 the estoppel certificate.

165       2. The association may not charge a fee for an estoppel  
166 certificate that is issued more than 10 business days after it  
167 receives the request for the estoppel certificate.

168       3. If the estoppel certificate is requested in conjunction  
169 with the sale or refinancing of a unit, the fee for the estoppel  
170 certificate shall be paid to the association from the closing or  
171 settlement proceeds only. If the closing does not occur, the fee  
172 for the estoppel certificate is the obligation of the unit owner  
173 and the association may collect the fee in the same manner as an  
174 assessment against the unit.

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175 4. An association may not require the payment of any fees  
176 other than those in this paragraph as a condition for the  
177 preparation or delivery of an estoppel certificate.

178 (f) The authority to charge a fee for the estoppel  
179 certificate must be established by a written resolution adopted  
180 by the board or provided by a written management, bookkeeping,  
181 or maintenance contract.

182 Section 3. Section 720.30851, Florida Statutes, is amended  
183 to read:

184 720.30851 Estoppel certificates.—The association shall  
185 issue an estoppel certificate to a parcel owner or the parcel  
186 owner's designee or a mortgagee or the mortgagee's designee  
187 within 10 business ~~15~~ days after receiving a written or an  
188 electronic request for the estoppel certificate. The delivery of  
189 the estoppel certificate must be made by United States mail, by  
190 hand delivery, or by electronic transmission to the requester on  
191 the date of issuance.

192 (1) The estoppel certificate must contain all of the  
193 following:

194 (a) The date of issuance.

195 (b) An itemization of all assessments and other moneys owed  
196 to the association by the parcel owner for a specific parcel as  
197 recorded on the date of issuance. This itemization is limited to  
198 the amounts authorized by statute to be recorded in the official  
199 records of the association under s. 720.303(4).

200 (c) An itemization of any additional assessments and other  
201 moneys that are scheduled to become due for each day after the  
202 date of issuance for the effective period of the estoppel  
203 certificate. This itemization is limited to the amounts

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204 authorized by statute to be recorded in the official records of  
205 the association under s. 720.303(4). In calculating the amounts  
206 that are scheduled to become due, the association may assume  
207 that any delinquent amounts will remain delinquent during the  
208 effective period of the estoppel certificate.

209 (d) The amount of any fee charged by the association for  
210 preparing and delivering the estoppel certificate. This fee is  
211 in addition to any other amounts on the estoppel certificate.

212 (e) The signature of an officer or agent of the  
213 association.

214 (2) An estoppel certificate that is delivered on the date  
215 of issuance has a 30-day effective period; however, an estoppel  
216 certificate that is sent by United States mail to the requester  
217 has a 35-day effective period.

218 (3) The association waives the right to collect any moneys  
219 owed in excess of the amounts specified in the estoppel  
220 certificate from any person who in good faith relies upon the  
221 estoppel certificate and from the person's successors and  
222 assigns the date on which a request for an estoppel certificate  
223 is received from a parcel owner or mortgagee, or his or her  
224 designee, the association shall provide a certificate signed by  
225 an officer or authorized agent of the association stating all  
226 assessments and other moneys owed to the association by the  
227 parcel owner or mortgagee with respect to the parcel. An  
228 association may charge a fee for the preparation of such  
229 certificate, and the amount of such fee must be stated on the  
230 certificate.

231 ~~(1) Any person other than a parcel owner who relies upon a~~  
232 ~~certificate receives the benefits and protection thereof.~~

15-00298B-16

2016722\_\_

233        (4)~~(2)~~ A summary proceeding pursuant to s. 51.011 may be  
234 brought to compel compliance with this section, and the  
235 prevailing party is entitled to recover reasonable attorney  
236 ~~attorney's~~ fees.

237        (5) (a) The association or its agent may charge a fee, which  
238 may not exceed reasonable costs to prepare and deliver the  
239 estoppel certificate.

240        (b) The association may not charge a fee for an estoppel  
241 certificate that is issued more than 10 business days after it  
242 receives the request for the estoppel certificate.

243        (c) If the estoppel certificate is requested in conjunction  
244 with the sale or refinancing of a parcel, the fee for the  
245 estoppel certificate shall be paid to the association from the  
246 closing or settlement proceeds only. If the closing does not  
247 occur, the fee for the estoppel certificate is the obligation of  
248 the parcel owner and the association may collect the fee in the  
249 same manner as an assessment against the parcel.

250        (d) An association may not require the payment of any fees  
251 other than those in this subsection as a condition for the  
252 preparation or delivery of an estoppel certificate.

253        (6)~~(3)~~ The authority to charge a fee for the estoppel  
254 certificate must ~~shall~~ be established by a written resolution  
255 adopted by the board or provided by a written management,  
256 bookkeeping, or maintenance contract ~~and is payable upon the~~  
257 ~~preparation of the certificate. If the certificate is requested~~  
258 ~~in conjunction with the sale or mortgage of a parcel but the~~  
259 ~~closing does not occur and no later than 30 days after the~~  
260 ~~closing date for which the certificate was sought the preparer~~  
261 ~~receives a written request, accompanied by reasonable~~

15-00298B-16

2016722\_\_

262 ~~documentation, that the sale did not occur from a payor that is~~  
263 ~~not the parcel owner, the fee shall be refunded to that payor~~  
264 ~~within 30 days after receipt of the request. The refund is the~~  
265 ~~obligation of the parcel owner, and the association may collect~~  
266 ~~it from that owner in the same manner as an assessment as~~  
267 ~~provided in this section.~~

268 Section 4. This act shall take effect July 1, 2016.



## THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

### COMMITTEES:

Higher Education, *Chair*  
Appropriations Subcommittee on Education  
Fiscal Policy  
Judiciary  
Military and Veterans Affairs, Space, and Domestic  
Security  
Regulated Industries

### JOINT COMMITTEE:

Joint Committee on Public Counsel Oversight

### SENATOR KELLI STARGEL

15th District

November 19, 2015

The Honorable Rob Bradley  
Senate Regulated Industries Committee, Chair  
208 Senate Office Building  
404 S. Monroe Street  
Tallahassee, FL 32399

Dear Chair Bradley:

I respectfully request that SB 722, related to *Residential Properties*, be placed on the committee agenda at your earliest convenience.

Thank you for your consideration and please do not hesitate to contact me should you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Kelli Stargel".

Kelli Stargel  
State Senator, District 15

Cc: Booter Imhof/ Staff Director  
Lynn Koon/ AA

#### REPLY TO:

- 2033 East Edgewood Drive, Suite 1, Lakeland, Florida 33803
- 324 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5015

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**ANDY GARDINER**  
President of the Senate

**GARRETT RICHTER**  
President Pro Tempore



THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1.13.16

Meeting Date

722

Bill Number (if applicable)

Topic Estoppel

Amendment Barcode (if applicable)

Name Ashley Kalifeh (co-lead)

Job Title lobbyist

Address 101 E. Colby

Phone 222-9075

Street

Tallahassee

City

State

Zip

Email akalifeh@capcity

consult.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Old Republic Nat'l Title

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

722

Bill Number (if applicable)

Topic Residential Properties

Amendment Barcode (if applicable)

Name Beth A. Vecchioli

Job Title Sr. Policy Advisor

Address 315 S. Calhoun St, Ste 600

Phone 850-425-5623

Street Tallahassee FL 32301

Email beth.vecchioli@hktw.com

City State Zip

Speaking: [X] For [ ] Against [ ] Information

Waive Speaking: [ ] In Support [ ] Against (The Chair will read this information into the record.)

Representing Stewart Title Guaranty Co.

Appearing at request of Chair: [ ] Yes [X] No

Lobbyist registered with Legislature: [X] Yes [ ] No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

11/13/16  
Meeting Date

SB 722  
Bill Number (if applicable)

Topic RESIDENTIAL PROPERTY

Amendment Barcode (if applicable)

Name DOUG MANN

Job Title \_\_\_\_\_

Address 1424 PIEDMONT DR.

Phone 222-7710

Street

JANNAHASSEE FL 32308

City

State

Zip

Email DMANN@MANNAHASSEEFLORIDA.COM

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  COM  
(The Chair will read this information into the record.)

Representing FIRST AMERICAN TITLE INS

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Jan 13, 2016  
Meeting Date

722  
Bill Number (if applicable)

Topic Estoppel Proven Reform

Amendment Barcode (if applicable)

Name DAVID DANIEL

Job Title \_\_\_\_\_

Address 311 EAST PARK AVENUE  
Street

Phone 224-5081

TALLAHASSEE, FL 32301  
City State Zip

Email ddaniel@smithbryan.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing AGENTS SECTION - FLORIDA LAND TITLE ASSOCIATION

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

January 13, 2016  
Meeting Date

722  
Bill Number (if applicable)

Topic \_\_\_\_\_

Amendment Barcode (if applicable)

Name Tim Steele

Job Title Title Agent

Address 2918 W Kennedy Blvd # 201

Phone 813-243-8943

Tampa FL 33609  
City State Zip

Email tsteele@nat.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing North American Title Co.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

722

Bill Number (if applicable)

Topic Estoppel - Relating to Residential Properties

Amendment Barcode (if applicable)

Name Shelley Stewart

Job Title President

Address 2335 Beville Road

Street

Phone 386-760-9800

Daytona Beach FL

32119

City

State

Zip

Email SStewart@stitle.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Southern Title

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16  
Meeting Date

722  
Bill Number (if applicable)

Topic Estoppel Reform

Amendment Barcode (if applicable)

Name Alexandra Overhoff

Job Title Exec. Dir

Address \_\_\_\_\_  
Street

Phone \_\_\_\_\_

Tallahassee  
City

State

Zip

Email alex@flta.org

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Land Title Assoc.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

SB 722

Bill Number (if applicable)

Topic Estoppels

Amendment Barcode (if applicable)

Name John Krueger

Job Title VP, Govt. Affairs

Address 5401 N. Central Expwy, Suite 290

Phone 404-272-4078

Street

Dallas

TX

75205

City

State

Zip

Email john.krueger@associaonline.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Associa

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

722

Bill Number (if applicable)

Topic Residential Properties - Estoppel Certificates

Amendment Barcode (if applicable)

Name Yeline Goin

Job Title Attorney / Executive Director

Address ~~111~~ 111 N. Orange Ave Ste 1400

Phone 850-284-2460

Street

Orlando

FL

32801

City

State

Zip

Email ygoinc@bplegal.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing CALL - Community Association Leadership Lobby

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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S-001 (10/14/14)

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

722

Bill Number (if applicable)

Topic ~~Public Access~~ Estoppel

Amendment Barcode (if applicable)

Name Eilyn Bogdanoff

Job Title

Address 908 S. Andrews Ave

Phone

Street

Pa. Landdale FL 33316

Email

City

State

Zip

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Jvda + Eskew CPA firm

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

11/13/15

Meeting Date

722

Bill Number (if applicable)

Topic Estoppel

Amendment Barcode (if applicable)

Name Rusty Payton

Job Title CEO

Address 2600 Centennial Place  
Street

Phone \_\_\_\_\_

Tallahassee, FL 32308  
City State Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Florida Home Builders Assoc

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16  
Meeting Date

722  
Bill Number (if applicable)

Topic Estoppel - Residential Properties

Amendment Barcode (if applicable)

Name Doug Bell

Job Title \_\_\_\_\_

Address 101 N. Monroe St.  
Street

Phone 850 681 3241

Tall FL  
City State Zip

Email \_\_\_\_\_

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Westcor Title Ins. Co.

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

*While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.*

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

Jan 13 2016  
Meeting Date

SB 722  
Bill Number (if applicable)

Topic Entopped

Amendment Barcode (if applicable)

Name MR. MAYNARD

Job Title LAWYER with TANZA MURRAY & MAYNARD PA

Address 216 S MONROE ST  
Street

Phone 850 810 9500

JA City FL State 71 Zip

Email

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing NORTH AMERICAN TITLE INSURANCE

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16  
Meeting Date

722  
Bill Number (if applicable)

Topic SIB 722

Amendment Barcode (if applicable)

Name James Donnelly

Job Title \_\_\_\_\_

Address 12270 SW 3rd St.  
Street

Phone 954-792-6000

Plantation FL  
City State Zip

Email Jdonnelly@castlegrp.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Castle Group

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16  
Meeting Date

722  
Bill Number (if applicable)

Topic SB 722

Amendment Barcode (if applicable)

Name Mark Anderson

Job Title \_\_\_\_\_

Address 106 S. Monroe St.  
Street

Phone 813-205-0658

Tallahassee FL 32301  
City State Zip

Email Mark@consultanderson.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing CEOMC

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-13-16

Meeting Date

722

Bill Number (if applicable)

Topic Estoppel Certificates

Amendment Barcode (if applicable)

Name TRAVIS MOORE

Job Title \_\_\_\_\_

Address P.O. Box 2020

Phone 727.471.6902

Street

St. Petersburg, FL 33731

City

State

Zip

Email travis@moore-relations.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Community Associations Institute + FirstService Residential

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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THE FLORIDA SENATE  
**APPEARANCE RECORD**

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/13/16

Meeting Date

722

Bill Number (if applicable)

Topic Estoppel

Amendment Barcode (if applicable)

Name Manny Reyes

Job Title Lobbyist

Address 2350 Coral Way, Suite 301

Phone 305-860-0780

Street

Miami

FL

33145

City

State

Zip

Email mreyes@gomez

Barber.com

Speaking:  For  Against  Information

Waive Speaking:  In Support  Against  
(The Chair will read this information into the record.)

Representing Armos / Association Financial Services

Appearing at request of Chair:  Yes  No

Lobbyist registered with Legislature:  Yes  No

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**The Florida Senate**  
**COMMITTEE VOTE RECORD**

**COMMITTEE:** Regulated Industries  
**ITEM:** SB 722  
**FINAL ACTION:** Favorable  
**MEETING DATE:** Wednesday, January 13, 2016  
**TIME:** 4:00—6:00 p.m.  
**PLACE:** 110 Senate Office Building

FINAL VOTE		SENATORS						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay
	X	Abruzzo						
X		Bean						
		Braynon						
	X	Diaz de la Portilla						
X		Flores						
X		Latvala						
X		Negron						
		Richter						
	X	Sachs						
X		Stargel						
	X	Margolis, VICE CHAIR						
X		Bradley, CHAIR						
6	4	<b>TOTALS</b>						
Yea	Nay		Yea	Nay	Yea	Nay	Yea	Nay

CODES: FAV=Favorable      RCS=Replaced by Committee Substitute      TP=Temporarily Postponed      WD=Withdrawn  
 UNF=Unfavorable      RE=Replaced by Engrossed Amendment      VA=Vote After Roll Call      OO=Out of Order  
 -R=Reconsidered      RS=Replaced by Substitute Amendment      VC=Vote Change After Roll Call      AV=Abstain from Voting

# CourtSmart Tag Report

Room: EL 110 Case No.:  
Caption: Senate Committee on Regulated Industries

Type:  
Judge:

Started: 1/13/2016 4:08:48 PM  
Ends: 1/13/2016 5:59:29 PM Length: 01:50:42

4:08:57 PM Call to order  
4:09:11 PM Roll call  
4:09:58 PM Senator Richter excused  
4:10:14 PM Tab 2 SB 826 Senator Latvala  
4:12:44 PM Nancy Stewart waived in support  
4:13:05 PM Lori Killinger waived in support  
4:13:44 PM Senator Latvala to close  
4:13:55 PM SB 826 favorable  
4:14:26 PM Tab 1 SB 698 Senator Bradley (VC Margolis takes chair)  
4:15:27 PM Amendment barcode 103886  
4:17:32 PM Adam Babington waived in support  
4:17:49 PM Jon Costello waived in support  
4:18:09 PM Senator Latvala  
4:18:59 PM Amendment barcode 103886 favorable  
4:19:31 PM Senator Bradley closes  
4:20:05 PM SB 698 favorable  
4:21:07 PM Presentations on the Implementation of the Cannabis Act of 2014  
4:22:28 PM Christian Bax, Director, Dept. of Health  
4:39:01 PM Senator Margolis  
4:39:28 PM Mr. Bax  
4:40:57 PM Senator Margolis  
4:41:10 PM Mr. Bax  
4:42:34 PM Senator Margolis  
4:42:59 PM Mr. Bax  
4:43:20 PM Senator Bradley  
4:44:20 PM Mr. Bax  
4:45:10 PM Senator Margolis  
4:45:20 PM Senator Bradley  
4:45:36 PM Mr. Bax  
4:47:23 PM Senator Margolis  
4:47:29 PM Mr. Bax  
4:47:51 PM Senator Bradley  
4:50:31 PM Peter Freyre, Costa Farms  
4:51:22 PM Power point presentation by Mr. Freyre  
4:53:47 PM Senator Bradley  
4:53:52 PM Mr. Freyre  
4:55:17 PM Senator Bradley  
4:55:22 PM Mr. Freyre  
4:56:31 PM Senator Bradley  
4:56:43 PM Kim Rivers, Hackney Nurseries  
4:57:28 PM Senator Bradley  
4:57:32 PM Ms. Rivers  
4:58:21 PM Senator Bradley  
4:58:25 PM Ms. Rivers  
4:58:57 PM Senator Bradley  
4:59:02 PM Ms. Rivers  
5:00:02 PM Senator Bradley  
5:00:08 PM Ms. Rivers  
5:01:20 PM Senator Bradley  
5:01:27 PM Senator Margolis  
5:01:37 PM Ms. Rivers  
5:02:30 PM Senator Bradley

5:02:36 PM Ms. Rivers  
5:03:13 PM Robert Wallace, Chestnut Hill Tree Farm  
5:03:34 PM Senator Bradley  
5:04:24 PM Mr. Wallace  
5:05:09 PM Senator Bradley  
5:05:55 PM Senator Sachs  
5:05:59 PM Mr. Wallace  
5:06:08 PM Senator Bradley  
5:06:19 PM Senator Sachs  
5:06:46 PM Mr. Wallace  
5:07:12 PM Senator Bradley  
5:07:17 PM Senator Margolis  
5:08:08 PM Mr. Wallace  
5:08:18 PM Senator Bradley  
5:08:32 PM Mr. Wallace  
5:08:41 PM Bruce Knox, Knox Nursery  
5:10:13 PM Susan Driscoll, President, Surterra Therapeutics & Alpha Foliage  
5:10:51 PM Ms. Driscoll had a short power point presentation  
5:15:36 PM Senator Latvala  
5:16:11 PM Senator Bradley  
5:16:28 PM Mr. Bax  
5:18:11 PM Senator Bradley  
5:18:16 PM Mr. Bax  
5:29:32 PM Senator Sachs  
5:30:51 PM Mr. Bax  
5:33:32 PM Senator Margolis  
5:34:41 PM Mr. Bax  
5:36:22 PM Dr. Paul Carney, Professor, UF  
5:38:34 PM Senator Bradley  
5:38:39 PM Dr. Carney  
5:40:44 PM Tab 3 SB 722 Senator Stargel  
5:44:55 PM Senator Bean  
5:45:17 PM Senator Stargel  
5:45:52 PM Senator Bean  
5:46:00 PM Senator Stargel  
5:46:16 PM Senator Margolis  
5:47:03 PM Senator Latvala  
5:48:46 PM James Donnelly  
5:51:43 PM Mark Anderson  
5:52:39 PM Senator Abruzzo  
5:52:45 PM Senator Stargel  
5:53:02 PM Mr. Anderson  
5:53:15 PM Motion to vote time certain at 5:59  
5:53:39 PM Travis Moore  
5:55:04 PM Manny Reyes  
5:56:17 PM Senator Margolis  
5:57:20 PM Senator Bean  
5:57:53 PM Senator Abruzzo  
5:58:23 PM SB 722 Favorable  
5:59:14 PM Motion to rise by Senator Margolis

# THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

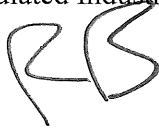
**COMMITTEES:**  
Ethics and Elections, *Chair*  
Banking and Insurance, *Vice Chair*  
Appropriations  
Appropriations Subcommittee on Health  
and Human Services  
Commerce and Tourism  
Regulated Industries  
Rules

## SENATOR GARRETT RICHTER

*President Pro Tempore*  
23rd District

January 12, 2016

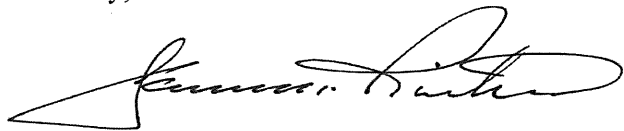
Senator Rob Bradley, Chair  
Senate Committee on Regulated Industries  
330 Knott Building  
404 South Monroe Street  
Tallahassee, FL 32399



Dear Chair Bradley:

I will be a late arrival to the Regulated Industries committee meeting scheduled for Wednesday January 13, 2016. I will need to attend the Environmental Preservation Committee to present a bill.

Sincerely,



Garrett Richter

cc: Booter Imhoff, Staff Director

REPLY TO:

- 3299 E. Tamiami Trail, Suite 203, Naples, Florida 34112-4961 (239) 417-6205
- 404 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5023
- 25 Homestead Road North, Suite 42 B, Lehigh Acres, Florida 33936 (239) 338-2777

Senate's Website: [www.flsenate.gov](http://www.flsenate.gov)

**ANDY GARDINER**  
President of the Senate

**GARRETT RICHTER**  
President Pro Tempore