

By the Committee on Real Property & Probate and  
Representatives Goodlette and Fasano

1                                   A bill to be entitled  
2           An act relating to real estate brokers and  
3           salespersons; amending s. 475.25, F.S.;  
4           providing an exception to a requirement that a  
5           licensee notify the Florida Real Estate  
6           Commission of certain doubts or conflicting  
7           demands with respect to a transaction when the  
8           buyer of a residential condominium unit  
9           delivers written notice of intent to cancel the  
10          contract for sale and purchase; permitting the  
11          return of certain escrowed property; providing  
12          an effective date.

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

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16           Section 1. Paragraph (d) of subsection (1) of section  
17 475.25, Florida Statutes, is amended to read:

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475.25 Discipline.--

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(1) The commission may deny an application for  
20 licensure, registration, or permit, or renewal thereof; may  
21 place a licensee, registrant, or permittee on probation; may  
22 suspend a license, registration, or permit for a period not  
23 exceeding 10 years; may revoke a license, registration, or  
24 permit; may impose an administrative fine not to exceed \$1,000  
25 for each count or separate offense; and may issue a reprimand,  
26 and any or all of the foregoing, if it finds that the  
27 licensee, registrant, permittee, or applicant:

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(d)1. Has failed to account or deliver to any person,  
29 including a licensee under this chapter, at the time which has  
30 been agreed upon or is required by law or, in the absence of a  
31 fixed time, upon demand of the person entitled to such

1 accounting and delivery, any personal property such as money,  
2 fund, deposit, check, draft, abstract of title, mortgage,  
3 conveyance, lease, or other document or thing of value,  
4 including a share of a real estate commission if a civil  
5 judgment relating to the practice of the licensee's profession  
6 has been obtained against the licensee and said judgment has  
7 not been satisfied in accordance with the terms of the  
8 judgment within a reasonable time, or any secret or illegal  
9 profit, or any divisible share or portion thereof, which has  
10 come into the licensee's hands and which is not the licensee's  
11 property or which the licensee is not in law or equity  
12 entitled to retain under the circumstances. However, if the  
13 licensee, in good faith, entertains doubt as to what person is  
14 entitled to the accounting and delivery of the escrowed  
15 property, or if conflicting demands have been made upon the  
16 licensee for the escrowed property, which property she or he  
17 still maintains in her or his escrow or trust account, the  
18 licensee shall promptly notify the commission of such doubts  
19 or conflicting demands and shall promptly:

20           a. Request that the commission issue an escrow  
21 disbursement order determining who is entitled to the escrowed  
22 property;

23           b. With the consent of all parties, submit the matter  
24 to arbitration;

25           c. By interpleader or otherwise, seek adjudication of  
26 the matter by a court; or

27           d. With the written consent of all parties, submit the  
28 matter to mediation. The department may conduct mediation or  
29 may contract with public or private entities for mediation  
30 services. However, the mediation process must be successfully  
31 completed within 90 days following the last demand or the

1 licensee shall promptly employ one of the other escape  
2 procedures contained in this section. Payment for mediation  
3 will be as agreed to in writing by the parties. The  
4 department may adopt rules to implement this section.

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6 If the licensee promptly employs one of the escape procedures  
7 contained herein, and if she or he abides by the order or  
8 judgment resulting therefrom, no administrative complaint may  
9 be filed against the licensee for failure to account for,  
10 deliver, or maintain the escrowed property. If the buyer of a  
11 residential condominium unit delivers written notice to a  
12 licensee of the buyer's intent to cancel the contract for sale  
13 and purchase, as authorized by s. 718.503, the licensee may  
14 return the escrowed property to the purchaser without  
15 notifying the commission or initiating any of the procedures  
16 listed in sub-subparagraphs a.-d.

17           2. Has failed to deposit money in an escrow account  
18 when the licensee is the purchaser of real estate under a  
19 contract where the contract requires the purchaser to place  
20 deposit money in an escrow account to be applied to the  
21 purchase price if the sale is consummated.

22           Section 2. This act shall take effect upon becoming a  
23 law.

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