CHAMBER ACTION

The Business Regulation Committee recommends the following:

2

4

5

6

7

8

9

10

11

12

13

14

15

1

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to residential tenancies; amending s. 83.43, F.S.; revising and providing definitions; amending s. 83.595, F.S.; allowing a landlord to terminate a rental agreement and recover liquidated damages for breach of the agreement or charge the tenant an early termination fee, or both, under certain circumstances; providing a limit on the combined total damages and fee; specifying liability of the tenant for rent, other charges otherwise due, and rental concessions under certain circumstances; providing application; providing an effective date.

16 17

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

18 19

20

21

Section 1. Subsection (7) of section 83.43, Florida Statutes, is amended, and subsection (17) is added to that section, to read:

Page 1 of 4

83.43 Definitions.--As used in this part, the following words and terms shall have the following meanings unless some other meaning is plainly indicated:

22

23

24

25

26

27

28

29

30

3132

33

34

35

36

37

38

3940

41

4243

44

45

46

47

48

- (7) "Rental agreement" means any written agreement, including amendments or addenda, or oral agreement if for less duration than 1 year, providing for use and occupancy of premises.
- (17) "Early termination fee" means any charge, fee, or forfeiture, contained in a written rental agreement, which is assessed to a tenant when a tenant vacates a dwelling unit before the end of the rental agreement. An early termination fee does not include:
 - (a) Charges for services actually rendered to the tenant.
- (b) Unpaid rent through the end of the month in which the tenant occupied the dwelling unit.
 - (c) Charges for damages to the dwelling unit.
- Section 2. Section 83.595, Florida Statutes, is amended to read:
 - 83.595 Choice of remedies upon breach by tenant.--
- (1) If the tenant breaches the <u>rental agreement</u> lease for the dwelling unit and the landlord has obtained a writ of possession, or the tenant has surrendered possession of the dwelling unit to the landlord, or the tenant has abandoned the dwelling unit, the landlord may:
- (a) Treat the <u>rental agreement</u> lease as terminated and retake possession for his or her own account, thereby terminating any further liability of the tenant; or

(b) Retake possession of the dwelling unit for the account of the tenant, holding the tenant liable for the difference between the rent rental stipulated to be paid under the rental lease agreement and what, in good faith, the landlord is able to recover from a reletting; or

- (c) Stand by and do nothing, holding the lessee liable for the rent as it comes due; or $\overline{\cdot}$
- (d) If provided for in the rental agreement, recover liquidated damages upon the breach or charge the tenant a fee for early termination of the rental agreement upon the tenant's giving the landlord notice as provided for in the rental agreement. The landlord shall be entitled to both liquidated damages and an early termination fee, provided the combined total for liquidated damages and the early termination fee does not exceed an amount equal to 2 months' rent. The landlord shall treat such a rental agreement as terminated and charge the tenant liquidated damages or the early termination fee as specified in the rental agreement. In such event, the remedies set forth in paragraphs (a), (b), and (c) are not available to the landlord. This paragraph shall not apply when the breach is failure to give notice at the end of the rental agreement as provided in s. 83.575.
- (2) The landlord may charge the tenant for any unpaid rent, other charges due under the rental agreement through the end of the month in which the landlord retakes possession of the dwelling unit, and any rental concessions that the tenant has received. For purposes of this subsection, the term "rental concessions" means any amount contained in the rental agreement

Page 3 of 4

by which all or a portion of the base rent or options is reduced or any service or thing of value is given in consideration for the tenant's entering into the rental agreement.

(3)(2) If the landlord retakes possession of the dwelling unit for the account of the tenant <u>pursuant to paragraph (1)(b)</u>, the landlord has a duty to exercise good faith in attempting to relet the premises, and any <u>rent rentals</u> received by the landlord as a result of the reletting shall be deducted from the balance of rent due from the tenant. For purposes of this section, "good faith in attempting to relet the premises" means that the landlord shall use at least the same efforts to relet the premises as were used in the initial rental or at least the same efforts as the landlord uses in attempting to <u>rent lease</u> other similar rental units but does not require the landlord to give a preference in leasing the premises over other vacant dwelling units that the landlord owns or has the responsibility to rent.

Section 3. This act shall take effect upon becoming a law and shall apply to any rental agreement entered into prior to the effective date of this act in which the parties agreed to the remedies authorized in this act.