

By Senator Aronberg

27-00315C-09

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1                   A bill to be entitled  
2           An act relating to the termination of a rental  
3           agreement at foreclosure; creating s. 83.683, F.S.;  
4           providing legislative intent; requiring a landlord to  
5           notify each tenant within a specified time that a  
6           foreclosure proceeding has been initiated against the  
7           premises of which the tenant's dwelling unit is a  
8           part; requiring that the written notice include  
9           certain specified information; authorizing the tenant  
10          to terminate the rental agreement after receiving  
11          notice of the foreclosure proceeding; requiring the  
12          tenant to pay rent so long as the tenant remains in  
13          the dwelling unit; requiring a landlord to notify a  
14          prospective tenant of any foreclosure proceeding;  
15          requiring the prospective tenant to sign a document  
16          acknowledging that the tenant is aware of the  
17          foreclosure proceeding and the consequences of  
18          executing a rental agreement with the landlord;  
19          providing that a tenant may not be evicted from the  
20          dwelling unit for a specified time if the landlord did  
21          notify the tenant of the foreclosure proceeding;  
22          providing that the landlord is subject to a civil  
23          penalty for a violation of the act; prohibiting  
24          certain persons and entities from recording as  
25          negative credit information the fact that a tenant was  
26          evicted from his or her residential property if the  
27          eviction was due solely to the foreclosure of the  
28          landlord's rental property; requiring that such  
29          negative information be removed from the tenant's

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30 credit report or profile by a specified date;  
31 providing an effective date.  
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33 Be It Enacted by the Legislature of the State of Florida:  
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35 Section 1. Section 83.683, Florida Statutes, is created to  
36 read:

37 83.683 Termination of rental agreement at foreclosure;  
38 notice; remedies.-

39 (1) It is the intent of the Legislature to protect the  
40 interests of tenants residing in, or planning to reside in,  
41 dwelling units on premises that are subject to a foreclosure  
42 proceeding.

43 (2) (a) The landlord of a premises that is subject to a  
44 foreclosure proceeding must notify each tenant that a  
45 foreclosure proceeding has been initiated against a premises.  
46 The notice, which must be in writing and be delivered to each  
47 tenant no later than 7 days after the petition for foreclosure  
48 is served, must inform the tenant that:

49 1. Foreclosure proceedings have been initiated against the  
50 premises of which the tenant's dwelling unit is a part and that  
51 foreclosure of the property may affect the right of the tenant  
52 to continue to reside in the dwelling unit.

53 2. The tenant may terminate his or her rental agreement  
54 with the landlord by giving the landlord at least 7 days'  
55 notice.

56 3. The landlord may not penalize the tenant for the early  
57 termination of the rental agreement even if the present rental  
58 agreement contained a provision requiring the tenant to give the

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59 landlord greater than a 7-day notice.

60 (b) If the tenant terminates the rental agreement after  
61 receiving notice of the pending foreclosure proceeding, he or  
62 she is liable only for unpaid rent and fees that are due from  
63 the date of the foreclosure notice to the date the tenant  
64 vacates the dwelling unit. A tenant is not liable for any rent  
65 or penalties due solely to the early termination of the rental  
66 agreement.

67 (3) (a) If a foreclosure proceeding has been initiated  
68 against a premises containing one or more dwelling units, the  
69 landlord must immediately notify any prospective tenant of the  
70 foreclosure proceeding at the time the prospective tenant  
71 inspects the property.

72 (b) If a prospective tenant chooses to rent the dwelling  
73 unit, the landlord must attach to the rental agreement a writing  
74 notifying the prospective tenant of the foreclosure proceeding.  
75 Before the rental agreement is executed, the prospective tenant  
76 must first sign the notice document acknowledging that he or she  
77 has been notified of the foreclosure proceedings and the  
78 potential consequences of executing the rental agreement.

79 (4) If the landlord fails to notify a present tenant or a  
80 prospective tenant of the pending foreclosure proceeding within  
81 the applicable time periods, the landlord or the owner of the  
82 foreclosed property may not evict the tenant until 60 days after  
83 the final court judgment.

84 (5) Any landlord who violates this section is subject to a  
85 civil penalty not to exceed \$1,000 per dwelling unit. The civil  
86 penalty is in addition to any other remedy authorized by law.

87 (6) A bank or bank holding company, credit union, small

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88 loan company operating pursuant to chapters 516 and 520, a  
89 consumer credit reporting agency regulated under 15 U.S.C. ss.  
90 1681 et seq., credit card company, credit counseling company,  
91 insurance company, or collection agency may not record as  
92 negative credit information the fact that a tenant was evicted  
93 from his or her residential property if the eviction was due  
94 solely to the foreclosure of the landlord's rental property. If  
95 any such negative information is recorded in a tenant's credit  
96 report or profile, such information must be removed from the  
97 report or profile by October 1, 2009.

98       Section 2. This act shall take effect July 1, 2009, and  
99 applies to premises containing one or more dwelling units which  
100 are subject to foreclosure proceedings initiated on or after  
101 that date.