

1 A bill to be entitled
2 An act relating to Resiliency Energy Environment
3 Florida programs; amending s. 163.08, F.S.; defining
4 and revising terms; providing that a property owner
5 may apply to a Resiliency Energy Environment Florida
6 (REEF) program for funding to finance a qualifying
7 improvement and may enter into an assessment financing
8 agreement with a local government; providing that REEF
9 program costs may be collected as non-ad valorem
10 assessments; authorizing a local government to enter
11 into an agreement with a program administrator to
12 administer a REEF program on the local government's
13 behalf; revising and specifying public recording
14 requirements for assessment financing agreements and
15 notices of lien; revising requirements that apply to
16 local governments or program administrators in
17 determining eligibility for assessment financing;
18 revising requirements for qualifying improvements;
19 revising the calculation of non-ad valorem assessment
20 limits; providing construction; specifying
21 underwriting, financing estimate, disclosure, and
22 confirmation requirements for program administrators
23 relating to residential real property; authorizing a
24 residential real property owner, under certain
25 circumstances and within a certain timeframe, to

26 | cancel an assessment financing agreement without
 27 | financial penalty; specifying limitations on
 28 | assessment financing agreement terms for residential
 29 | real property; prohibiting certain financing terms for
 30 | residential real property; specifying requirements
 31 | for, and certain prohibited acts by, program
 32 | administrators relating to assessment financing
 33 | agreements and contractors for qualifying improvements
 34 | to residential real property; specifying additional
 35 | annual reporting requirements for program
 36 | administrators; providing construction and
 37 | applicability; conforming provisions to changes made
 38 | by the act; providing an effective date.

39 |
 40 | Be It Enacted by the Legislature of the State of Florida:

41 |
 42 | Section 1. Subsection (16) of section 163.08, Florida
 43 | Statutes, is renumbered as subsection (32), subsections (1),
 44 | (2), (4), (6) through (10), and (12) through (14) are amended,
 45 | and a new subsection (16) and subsections (17) through (31) are
 46 | added to that section, to read:

47 | 163.08 Supplemental authority for improvements to real
 48 | property.—

49 | (1) (a) In chapter 2008-227, Laws of Florida, the
 50 | Legislature amended the energy goal of the state comprehensive

51 | plan to provide, in part, that the state shall reduce its energy
52 | requirements through enhanced conservation and efficiency
53 | measures in all end-use sectors and reduce atmospheric carbon
54 | dioxide by promoting an increased use of renewable energy
55 | resources. That act also declared it the public policy of the
56 | state to play a leading role in developing and instituting
57 | energy management programs that promote energy conservation,
58 | energy security, and the reduction of greenhouse gases. In
59 | addition to establishing policies to promote the use of
60 | renewable energy, the Legislature provided for a schedule of
61 | increases in energy performance of buildings subject to the
62 | Florida Energy Efficiency Code for Building Construction. In
63 | chapter 2008-191, Laws of Florida, the Legislature adopted new
64 | energy conservation and greenhouse gas reduction comprehensive
65 | planning requirements for local governments. In the 2008 general
66 | election, the voters of this state approved a constitutional
67 | amendment authorizing the Legislature, by general law, to
68 | prohibit consideration of any change or improvement made for the
69 | purpose of improving a property's resistance to wind damage or
70 | the installation of a renewable energy source device in the
71 | determination of the assessed value of residential real
72 | property.

73 | (b) The Legislature finds that all energy-consuming-
74 | improved properties that are not using energy conservation
75 | strategies contribute to the burden affecting all improved

76 property resulting from fossil fuel energy production. Improved
77 property that has been retrofitted with energy-related
78 qualifying improvements receives the special benefit of
79 alleviating the property's burden from energy consumption. All
80 improved properties not protected from wind damage by wind
81 resistance qualifying improvements contribute to the burden
82 affecting all improved property resulting from potential wind
83 damage. Improved property that has been retrofitted with wind
84 resistance qualifying improvements receives the special benefit
85 of reducing the property's burden from potential wind damage.
86 Further, the installation and operation of qualifying
87 improvements not only benefit the affected properties for which
88 the improvements are made, but also assist in fulfilling the
89 goals of the state's energy and hurricane mitigation policies.

90 (c) In order to make qualifying improvements more
91 affordable and assist property owners who wish to undertake such
92 improvements, the Legislature finds that there is a compelling
93 state interest in enabling property owners to voluntarily
94 finance such improvements with local government assistance.

95 (d)-(e) The Legislature determines that the actions
96 authorized under this section, including, but not limited to,
97 the financing of qualifying improvements through the execution
98 of assessment financing agreements and the related imposition of
99 voluntary assessments, are reasonable and necessary to serve and
100 achieve a compelling state interest and are necessary for the

101 prosperity and welfare of the state and its property owners and
 102 inhabitants.

103 (2) As used in this section, the term:

104 (a) "Assessment financing agreement" means the financing
 105 agreement, under a REEF program, between a local government and
 106 a property owner for the acquisition or installation of
 107 qualifying improvements.

108 (b)-(a) "Local government" means a county, a municipality,
 109 a dependent special district as defined in s. 189.012, or a
 110 separate legal entity created pursuant to s. 163.01(7).

111 (c) "Non-ad valorem assessment" or "assessment" has the
 112 same meaning as the term "non-ad valorem assessment" as defined
 113 in s. 197.3632(1).

114 (d) "Nonresidential real property" means any property not
 115 defined as residential real property and which will be or has
 116 been improved by a qualifying improvement. The term includes
 117 multifamily residential property composed of five or more
 118 dwelling units.

119 (e) "Program administrator" means an entity, including,
 120 but not limited to, a for-profit or not-for-profit entity, with
 121 which a local government may contract to administer a REEF
 122 program.

123 (f)-(b) "Qualifying improvement" includes any:

124 1. Energy conservation and efficiency improvement, which
 125 is a measure to reduce consumption through conservation or a

126 | more efficient use of electricity, natural gas, propane, or
 127 | other forms of energy on the property, including, but not
 128 | limited to, air sealing; installation of insulation;
 129 | installation of energy-efficient heating, cooling, or
 130 | ventilation systems; building modifications to increase the use
 131 | of daylight; replacement of windows; installation of energy
 132 | controls or energy recovery systems; installation of electric
 133 | vehicle charging equipment; and installation of efficient
 134 | lighting equipment.

135 | 2. Renewable energy improvement, which is the installation
 136 | of any system in which the electrical, mechanical, or thermal
 137 | energy is produced from a method that uses one or more of the
 138 | following fuels or energy sources: hydrogen, solar energy,
 139 | geothermal energy, bioenergy, and wind energy.

140 | 3. Wind resistance improvement, which includes, but is not
 141 | limited to:

- 142 | a. Improving the strength of the roof deck attachment;
- 143 | b. Creating a secondary water barrier to prevent water
- 144 | intrusion;
- 145 | c. Installing wind-resistant shingles;
- 146 | d. Installing gable-end bracing;
- 147 | e. Reinforcing roof-to-wall connections;
- 148 | f. Installing storm shutters; or
- 149 | g. Installing opening protections.

150 | 4. Wastewater improvement, which includes, but is not

151 limited to:

152 a. The removal, replacement, or improvement of an onsite
153 sewage treatment and disposal system with a secondary or
154 advanced onsite sewage treatment and disposal system or
155 technology;

156 b. The replacement or conversion of an onsite sewage
157 treatment and disposal system to a central sewerage system or
158 distributed sewerage system, including, but not limited to, the
159 installation of a sewer lateral and anything necessary to
160 connect the onsite sewage treatment and disposal system or the
161 building's plumbing to a central sewerage system or distributed
162 sewerage system; or

163 c. Any removal, repairs, or modifications made to an
164 onsite sewage treatment and disposal system, including any
165 repair, modification, or replacement of a system required under
166 a local ordinance enacted pursuant to ss. 381.0065 and
167 381.00651.

168 5. Flood and water damage mitigation and resiliency
169 improvement, which includes, but is not limited to, projects and
170 installation for:

171 a. The raising of a structure above the base flood
172 elevation to reduce flood damage;

173 b. A flood diversion apparatus or sea wall improvement,
174 which includes seawall repairs and seawall replacements;

175 c. Flood damage-resistant building materials;

176 d. Electrical, mechanical, plumbing, or other system
 177 improvements that reduce flood damage; or

178 e. Other improvements that qualify for reductions in flood
 179 insurance premiums.

180 (g) "Residential real property" means a residential real
 181 property composed of four or fewer dwelling units which has been
 182 or will be improved by a qualifying improvement.

183 (h) "Resiliency Energy Environment Florida (REEF) program"
 184 means a program established by a local government, alone or in
 185 partnership with other local governments or a program
 186 administrator, to finance qualifying improvements on
 187 nonresidential real property or residential real property.

188 (4) Subject to local government ordinance or resolution, a
 189 property owner may apply to the REEF program ~~local government~~
 190 for funding to finance a qualifying improvement and enter into
 191 an assessment ~~a~~ financing agreement with the local government.
 192 Costs incurred by the REEF program ~~local government~~ for such
 193 purpose may be collected as a non-ad valorem assessment. A non-
 194 ad valorem assessment shall be collected pursuant to s. 197.3632
 195 and, notwithstanding s. 197.3632 (8) (a), shall not be subject to
 196 discount for early payment. However, the notice and adoption
 197 requirements of s. 197.3632 (4) do not apply if this section is
 198 used and complied with, and the intent resolution, publication
 199 of notice, and mailed notices to the property appraiser, tax
 200 collector, and Department of Revenue required by s.

201 197.3632(3) (a) may be provided on or before August 15 in
 202 conjunction with any non-ad valorem assessment authorized by
 203 this section, if the property appraiser, tax collector, and
 204 local government agree.

205 (6) A local government may enter into an agreement with a
 206 program administrator to administer a REEF program on behalf of
 207 the local government ~~A qualifying improvement program may be~~
 208 ~~administered by a for-profit entity or a not-for-profit~~
 209 ~~organization on behalf of and at the discretion of the local~~
 210 ~~government.~~

211 (7) A local government may incur debt for the purpose of
 212 providing financing for qualifying ~~such~~ improvements, which debt
 213 is payable from revenues received from the improved property, or
 214 from any other available revenue source authorized under this
 215 section or by other law.

216 (8) A local government may enter into an assessment a
 217 financing agreement to finance or refinance a qualifying
 218 improvement only with the record owner of the affected property.
 219 Any assessment financing agreement entered into pursuant to this
 220 section or a summary memorandum of such agreement shall be
 221 submitted for recording ~~recorded~~ in the public records of the
 222 county within which the property is located by the ~~sponsoring~~
 223 ~~unit of~~ local government within 5 days after execution of the
 224 agreement. The recorded agreement shall provide constructive
 225 notice that the assessment to be levied on the property

226 | constitutes a lien of equal dignity to county taxes and
 227 | assessments from the date of recordation. A notice of lien for
 228 | the full amount of the financing may be recorded in the public
 229 | records of the county where the property is located. Such lien
 230 | shall not be enforceable in a manner that results in the
 231 | acceleration of the remaining nondelinquent unpaid balance under
 232 | the assessment financing agreement.

233 | (9) Before entering into an assessment a financing
 234 | agreement, the local government, or the program administrator
 235 | acting on its behalf, shall reasonably determine that all of the
 236 | following conditions are met:

237 | (a) All property taxes and any other assessments levied on
 238 | the same bill as property taxes are current ~~paid~~ and have not
 239 | been delinquent for more than 30 days for the preceding 3 years
 240 | or the property owner's period of ownership, whichever is less. ~~†~~

241 | (b) ~~that~~ There are no involuntary liens greater than
 242 | \$1,000, including, but not limited to, construction liens on the
 243 | property. ~~†~~

244 | (c) ~~that~~ No notices of default or other evidence of
 245 | property-based debt delinquency have been recorded and not
 246 | released during the preceding 3 years or the property owner's
 247 | period of ownership, whichever is less. ~~†~~

248 | (d) The local government or program administrator has
 249 | asked the property owner whether any other assessments under
 250 | this section have been recorded or have been funded and not yet

251 recorded on the property. The failure of a property owner to
252 disclose information set forth in this paragraph does not
253 invalidate an assessment financing agreement or any obligation
254 thereunder, even if the total financed amount of the qualifying
255 improvements exceeds the amount that would otherwise be
256 authorized under paragraph (12)(a).

257 (e) and that The property owner is current on all mortgage
258 debt on the property.

259 (f) The residential property is not subject to an existing
260 home equity conversion mortgage or reverse mortgage product.
261 This paragraph does not apply to nonresidential real property.

262 (g) The property is not currently a residential property
263 gifted to a homeowner for free by a nonprofit entity as may be
264 disclosed by the property owner. The failure of a property owner
265 to disclose information set forth in this paragraph does not
266 invalidate an assessment financing agreement or any obligation
267 thereunder. This paragraph does not apply to nonresidential real
268 property.

269 (10) Before final funding may be provided, a qualifying
270 improvement ~~must~~ shall be affixed or planned to be affixed to a
271 nonresidential real property or residential real ~~building or~~
272 facility that is part of the property and constitutes shall
273 ~~constitute~~ an improvement to that property ~~the building or~~
274 facility or a fixture attached to the building or facility. An
275 assessment financing agreement ~~may~~ between a local government

276 ~~and a qualifying property owner may not cover qualifying wind-~~
 277 ~~resistance improvements on nonresidential real property under~~
 278 ~~new construction or residential real property in buildings or~~
 279 ~~facilities under new construction or construction for which a~~
 280 ~~certificate of occupancy or similar evidence of substantial~~
 281 ~~completion of new construction or improvement has not been~~
 282 ~~issued.~~

283 (12) (a) Without the consent of the holders or loan
 284 servicers of any mortgage encumbering or otherwise secured by
 285 the property, the total amount of any non-ad valorem assessment
 286 for a property under this section may not exceed 20 percent of
 287 the fair market just value of the real property ~~as determined by~~
 288 ~~the county property appraiser.~~ The combined mortgage-related
 289 debt and total amount of any non-ad valorem assessments funded
 290 under this section for residential real property may not exceed
 291 100 percent of the fair market value of the residential real
 292 property. However, the failure of a property owner to disclose
 293 information set forth in paragraph (9) (d) does not invalidate an
 294 assessment financing agreement or any obligation thereunder,
 295 even if the total financed amount of the qualifying improvements
 296 exceeds the amount that would otherwise be authorized under this
 297 paragraph. For purposes of this paragraph, fair market value may
 298 be determined using reputable third parties.

299 (b) Notwithstanding paragraph (a), a non-ad valorem
 300 assessment for a qualifying improvement defined in subparagraph

301 (2)(f)1. ~~(2)(b)1.~~ or subparagraph (2)(f)2. which ~~(2)(b)2.~~ that
 302 is supported by an energy audit is not subject to the limits in
 303 this subsection if the audit demonstrates that the annual energy
 304 savings from the qualified improvement equals or exceeds the
 305 annual repayment amount of the non-ad valorem assessment.

306 (13) At least 30 days before entering into an assessment a
 307 financing agreement, the property owner shall provide to the
 308 holders or loan servicers of any existing mortgages encumbering
 309 or otherwise secured by the property a notice of the owner's
 310 intent to enter into an assessment a financing agreement
 311 together with the maximum principal amount to be financed and
 312 the maximum annual assessment necessary to repay that amount. A
 313 verified copy or other proof of such notice shall be provided to
 314 the local government. A provision in any agreement between a
 315 mortgagee or other lienholder and a property owner, or otherwise
 316 now or hereafter binding upon a property owner, which allows for
 317 acceleration of payment of the mortgage, note, or lien or other
 318 unilateral modification solely as a result of entering into an
 319 assessment a financing agreement as provided for in this section
 320 is not enforceable. This subsection does not limit the authority
 321 of the holder or loan servicer to increase the required monthly
 322 escrow by an amount necessary to ~~annually~~ pay the annual
 323 ~~qualifying improvement~~ assessment.

324 (14) At or before the time a seller ~~purchaser~~ executes a
 325 contract for the sale ~~and purchase~~ of any property for which a

326 non-ad valorem assessment has been levied under this section and
 327 has an unpaid balance due, the seller must ~~shall~~ give the
 328 prospective purchaser a written disclosure statement in the
 329 following form, which shall be set forth in the contract or in a
 330 separate writing:

331
 332 QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY,
 333 RENEWABLE ENERGY, FLOOD MITIGATION, ADVANCED
 334 TECHNOLOGIES FOR WASTEWATER REMOVAL, OR WIND
 335 RESISTANCE.—The property being purchased is located
 336 within the jurisdiction of a local government that has
 337 placed an assessment on the property pursuant to s.
 338 163.08, Florida Statutes. The assessment is for a
 339 qualifying improvement to the property relating to
 340 energy efficiency, renewable energy, flood mitigation,
 341 advanced technologies for wastewater removal, or wind
 342 resistance, and is not based on the value of property.
 343 You are encouraged to contact the county property
 344 appraiser's office to learn more about this and other
 345 assessments that may be provided by law.

346
 347 (16) Before final approval of an assessment financing
 348 agreement for a qualifying improvement on a residential real
 349 property, a program administrator shall reasonably determine
 350 that the property owner has the ability to pay the estimated

351 annual assessment. To do so, the program administrator shall, at
352 a minimum, use the underwriting requirements in subsection (9),
353 confirm that the property owner is not in bankruptcy, and
354 determine that the total estimated annual payment amount for all
355 assessment financing agreements funded under this section on the
356 property does not exceed 10 percent of the property owner's
357 annual household income. Income may be confirmed using
358 information gathered from reputable third parties that provide
359 reasonably reliable evidence of the property owner's household
360 income. Income may not be confirmed solely by a property owner's
361 statement. The failure of a property owner to disclose
362 information set forth in paragraph (9) (d) does not invalidate an
363 assessment financing agreement or any obligation thereunder,
364 even if the total estimated annual payment amount exceeds the
365 amount that would otherwise be authorized under this subsection.

366 (17) Before or contemporaneously with a property owner
367 signing an assessment financing agreement on a residential real
368 property, the program administrator shall provide a financing
369 estimate and disclosure to the residential real property owner
370 which includes all of the following:

371 (a) The total amount estimated to be funded, including the
372 cost of the qualifying improvements, program fees, and
373 capitalized interest, if any.

374 (b) The estimated annual assessment.

375 (c) The term of the assessment.

376 (d) The interest charged and estimated annual percentage
377 rate.

378 (e) A description of the qualifying improvement.

379 (f) A disclosure that if the property owner sells or
380 refinances the property, the property owner, as a condition of
381 the sale or the refinance, may be required by a mortgage lender
382 to pay off the full amount owed under each assessment financing
383 agreement.

384 (g) A disclosure that the assessment will be collected
385 along with the property owner's property taxes and will result
386 in a lien on the property from the date the assessment financing
387 agreement is recorded.

388 (h) A disclosure that failure to pay the assessment may
389 result in penalties and fees, along with the issuance of a tax
390 certificate that could result in the property owner losing the
391 real property.

392 (18) Before a notice to proceed is issued on residential
393 real property, the program administrator shall conduct with the
394 residential real property owner or an authorized representative
395 an oral, recorded telephone call. The program administrator
396 shall ask the residential real property owner if he or she would
397 like to communicate primarily in a language other than English.
398 A program administrator may not leave a voicemail on the
399 residential real property owner's or authorized representative's
400 telephone to satisfy this requirement. A program administrator,

401 as part of such telephone call, shall confirm all of the
402 following with the residential real property owner:

403 (a) That at least one residential real property owner has
404 access to a copy of the assessment financing agreement and
405 financing estimates and disclosures.

406 (b) The qualifying improvements being financed.

407 (c) The total estimated annual costs that the residential
408 real property owner will have to pay under the assessment
409 financing agreement, including applicable fees.

410 (d) The total estimated average monthly equivalent amount
411 of funds the residential real property owner would have to save
412 in order to pay the annual costs of the assessment, including
413 applicable fees.

414 (e) The estimated date the residential real property
415 owner's first property tax payment that includes the assessment
416 will be due.

417 (f) The term of the assessment financing agreement.

418 (g) That payments for the assessment financing agreement
419 will cause the residential real property owner's annual property
420 tax bill to increase, and that payments will be made through an
421 additional annual assessment on the property and either will be
422 paid directly to the county tax collector's office as part of
423 the total annual secured property tax bill or may be paid
424 through the residential real property owner's mortgage escrow
425 account.

426 (h) That the residential real property owner has disclosed
 427 whether the property has received, or the owner is seeking,
 428 additional assessments funded under this section and that the
 429 owner has disclosed all other assessments funded under this
 430 section which are or are about to be placed on the property.

431 (i) That the property will be subject to a lien during the
 432 term of the assessment financing agreement and that the
 433 obligations under the agreement may be required to be paid in
 434 full before the residential real property owner sells or
 435 refinances the property.

436 (j) That any potential utility or insurance savings are
 437 not guaranteed and will not reduce the assessment or total
 438 assessment amount.

439 (k) That the program administrator does not provide tax
 440 advice, and the residential real property owner should seek
 441 professional tax advice if he or she has questions regarding tax
 442 credits, tax deductibility, or other tax impacts of the
 443 qualifying improvement or the assessment financing agreement.

444 (19) A residential real property owner may cancel an
 445 assessment financing agreement within 3 business days after
 446 signing the assessment financing agreement without any financial
 447 penalty from the program administrator for doing so.

448 (20) The term of an assessment financing agreement on
 449 residential real property may not exceed the lesser of:

450 (a) Thirty years; or

451 (b) The greater of either the weighted average estimated
 452 useful life of all qualifying improvements being financed or the
 453 estimated useful life of the qualifying improvements to which
 454 the greatest portion of funds is disbursed.

455 (21) An assessment financing agreement authorized under
 456 this section on residential real property may not include any of
 457 the following financing terms:

458 (a) A negative amortization schedule. Capitalized interest
 459 included in the original balance of the assessment financing
 460 agreement does not constitute negative amortization.

461 (b) A balloon payment.

462 (c) Prepayment fees, other than nominal administrative
 463 costs.

464 (22) For residential real property, a program
 465 administrator:

466 (a) May not enroll a contractor who contracts with
 467 residential real property owners to install qualifying
 468 improvements unless:

469 1. The program administrator makes a reasonable effort to
 470 review that the contractor maintains in good standing an
 471 appropriate license from the state, if applicable, as well as
 472 any other permit, license, or registration required for engaging
 473 in business in the jurisdiction in which he or she operates and
 474 that the contractor maintains all state-required bond and
 475 insurance coverage; and

476 2. The program administrator obtains the contractor's
 477 written agreement that the contractor will act in accordance
 478 with all applicable laws, including applicable advertising and
 479 marketing laws and regulations.

480 (b) Shall maintain a process to enroll new contractors
 481 which includes reasonable review of the following for each
 482 contractor:

- 483 1. Relevant work or project history.
- 484 2. Financial and reputational background checks.
- 485 3. A criminal background check.
- 486 4. Status on the Better Business Bureau online platform or
 487 another online platform that tracks contractor reviews.

488 (c) A program administrator may pay or reimburse
 489 contractors for any expense allowable under applicable state law
 490 and not otherwise prohibited under this section, including, but
 491 not limited to, marketing, training, and promotions.

492 (23) (a) Before disbursing funds to a contractor for a
 493 qualifying improvement on residential real property, a program
 494 administrator must first confirm that the applicable work or
 495 service has been completed through any of the following:

- 496 1. A written certification from the property owner;
- 497 2. A recorded telephone call with the property owner;
- 498 3. A review of geotagged and time-stamped photographs;
- 499 4. A review of a final permit; or
- 500 5. A site inspection through third-party means.

501 (b) A program administrator may not disclose to a
 502 contractor or to a third party engaged in soliciting an
 503 assessment financing agreement the maximum financing amount for
 504 which a residential real property owner is eligible.

505 (24) A program administrator shall comply with the
 506 following marketing and communications guidelines when
 507 communicating with residential real property owners:

508 (a) A program administrator may not represent:

509 1. That the REEF program or assessment financing is a
 510 government assistance program;

511 2. That qualifying improvements are free or that
 512 assessment financing is a free program; or

513 3. That the financing of a qualifying improvement using
 514 the REEF program does not require the property owner to repay
 515 the financial obligation.

516 (b) A program administrator may not make any
 517 representation as to the tax deductibility of an assessment
 518 authorized under this section. A program administrator may
 519 encourage a property owner to seek the advice of a tax
 520 professional regarding tax matters related to assessments.

521 (25) A contractor may not present a higher price for a
 522 qualifying improvement on residential real property financed by
 523 an assessment financing agreement than the contractor would
 524 otherwise reasonably present if the qualifying improvement was
 525 not being financed through an assessment financing agreement.

526 (26) A program administrator shall use appropriate
527 methodologies or technologies to identify and verify the
528 identity of the residential real property owner who executes an
529 assessment financing agreement.

530 (27) A program administrator may not provide a contractor
531 with any payment, fee, or kickback in exchange for referring
532 assessment financing business relating to a specific assessment
533 financing agreement on residential real property.

534 (28) A program administrator shall develop and implement
535 policies and procedures for responding to, tracking, and helping
536 to resolve questions and property owner complaints as soon as
537 reasonably practicable.

538 (29) A program administrator shall maintain a process for
539 monitoring enrolled contractors that contract with residential
540 real property owners to install qualifying improvements with
541 regard to performance and compliance with program policies and
542 shall implement policies for suspending and terminating enrolled
543 contractors based on violations of program policies or
544 unscrupulous behavior. A program administrator shall maintain a
545 policy for determining the conditions on which a contractor may
546 be reinstated to the program.

547 (30) A program administrator shall provide, at a
548 reasonable time following the end of the prior calendar year, an
549 annual report to the dependent special district as defined in s.
550 189.012 or a separate legal entity created pursuant to s.

551 163.01(7) which it has contracted with to administer a REEF
552 program and shall include information and data related to the
553 following:

554 (a) The total number of property owner complaints received
555 which are associated with project funding in the report year.

556 (b) Of the total number of property owner complaints
557 received which are associated with project funding in the report
558 year:

559 1. The number and percentage of complaints that relate to
560 the assessment financing.

561 2. The number and percentage of complaints that relate to
562 a contractor or the workmanship of a contractor and are not
563 related to assessment financing.

564 3. The number and percentage of complaints that relate to
565 both a contractor and the assessment financing.

566 4. The number and percentage of complaints received
567 pursuant to subparagraphs 1., 2., and 3. which were resolved and
568 the number and percentage of complaints received pursuant to
569 subparagraphs 1., 2., and 3. which were not resolved.

570 (c) The percentage of property owner complaints received
571 pursuant to subparagraphs (b)1., 2., and 3. expressed as a total
572 of all projects funded in the report year.

573 (31)(a) Subsections (16) through (30) do not apply to
574 residential real property if the program administrator
575 reasonably determines that:

576 1. The residential real property is owned by a business
 577 entity that owns more than four residential real properties; and

578 2. The business entity's managing member, partner, or
 579 beneficial owner does not reside in the residential real
 580 property.

581 (b) Subsections (16) through (30) apply to a program
 582 administrator only when administering a REEF program for
 583 qualifying improvements on residential real property.

584 Subsections (16) through (30) do not apply with respect to a
 585 local government, to residential property owned by a local
 586 government, or to nonresidential real property.

587 Section 2. This act shall take effect July 1, 2023.