



216288

LEGISLATIVE ACTION

Senate

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House

Senator Rodriguez moved the following:

Senate Amendment (with title amendment)

Delete lines 241 - 973

and insert:

qualifying improvements on residential property financed through the program.

(h) "Qualifying improvement program" means a program established by a local government, alone or in partnership with other local governments or a program administrator, to finance qualifying improvements on residential or commercial real property.



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12 ~~(i)(b)~~ "Qualifying improvements": improvement"
13 1. For residential property, includes any:
14 a.1. ~~Energy conservation and efficiency improvement, which~~
15 is a measure to reduce consumption through conservation or a
16 more efficient use of electricity, natural gas, propane, or
17 other forms of energy on the property, including, but not
18 limited to, air sealing; installation of insulation;
19 installation of energy-efficient heating, cooling, or
20 ventilation systems; building modifications to increase the use
21 of daylight; replacement of windows; installation of energy
22 controls or energy recovery systems; installation of electric
23 vehicle charging equipment; and installation of efficient
24 lighting equipment.
25 b.2. ~~Renewable energy improvement, which is the~~
26 installation of any system in which the electrical, mechanical,
27 or thermal energy is produced from a method that uses one or
28 more of the following fuels or energy sources: hydrogen, solar
29 energy, geothermal energy, bioenergy, and wind energy.
30 c.3. ~~Wind resistance improvement, which includes, but is~~
31 not limited to:
32 (I)a. ~~Improving the strength of the roof deck attachment;~~
33 (II)b. ~~Creating a secondary water barrier to prevent water~~
34 intrusion;
35 (III)e. ~~Installing wind-resistant shingles;~~
36 (IV)d. ~~Installing gable-end bracing;~~
37 (V)e. ~~Reinforcing roof-to-wall connections;~~
38 (VI)f. ~~Installing storm shutters; or~~
39 (VII)g. ~~Installing opening protections.~~
40 d. Wastewater improvement, which includes, but is not



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41 limited to:

42 (I) Removing, replacing, or improving an onsite sewage
43 treatment and disposal system with a secondary or advanced
44 onsite sewage treatment and disposal system or technology;

45 (II) Replacing or converting an onsite sewage treatment and
46 disposal system to a central sewerage system or distributed
47 sewerage system, including, but not limited to, installing a
48 sewer lateral and anything necessary to connect the onsite
49 sewage treatment and disposal system or the building's plumbing
50 to a central sewerage system or distributed sewerage system; or

51 (III) Any removal, repairs, or modifications made to an
52 onsite sewage treatment and disposal system, including any
53 repair, modification, or replacement of a system required under
54 a local ordinance enacted pursuant to ss. 381.0065 and
55 381.00651.

56 e. Flood and water damage mitigation and resiliency
57 improvement, which includes, but is not limited to, projects and
58 installation for:

59 (I) Raising a structure above the base flood elevation to
60 reduce flood damage;

61 (II) A flood diversion apparatus or seawall improvement,
62 which includes seawall repairs and seawall replacements;

63 (III) Flood-damage-resistant building materials;

64 (IV) Electrical, mechanical, plumbing, or other system
65 improvements that reduce flood damage; or

66 (V) Other improvements that qualify for reductions in flood
67 insurance premiums.

68 2. For commercial property, includes any:

69 a. Energy conservation and efficiency improvement, which is



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70 a measure to reduce consumption through conservation or a more
71 efficient use of electricity, natural gas, propane, or other
72 forms of energy on the property, including, but not limited to,
73 air sealing; installation of insulation; installation of energy-
74 efficient heating, cooling, or ventilation systems; building
75 modifications to increase the use of daylight; replacement of
76 windows; installation of energy controls or energy recovery
77 systems; installation of electric vehicle charging equipment;
78 installation of efficient lighting equipment; or any other
79 improvements necessary to achieve a sustainable building rating
80 or compliance with a national model green building code.

81 b. Renewable energy improvement, which is the installation
82 of any system in which the electrical, mechanical, or thermal
83 energy is produced from a method that uses one or more of the
84 following fuels or energy sources: hydrogen, solar energy,
85 geothermal energy, bioenergy, or wind energy.

86 c. Resiliency improvement, which includes, but is not
87 limited to:

88 (I) Improving the strength of the roof deck attachment;

89 (II) Creating a secondary water barrier to prevent water
90 intrusion;

91 (III) Installing wind-resistant shingles;

92 (IV) Installing gable-end bracing;

93 (V) Reinforcing roof-to-wall connections;

94 (VI) Installing storm shutters;

95 (VII) Installing opening protections;

96 (VIII) Creating or improving stormwater and flood
97 resiliency, including shoreline improvements; or

98 (IX) Making any other improvements necessary to achieve a



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99 sustainable building rating or compliance with a national model
100 resiliency standard and any improvements to a structure to
101 achieve wind or flood insurance rate reductions, including
102 building elevation.

103 (j) "Residential property" means a residential real
104 property composed of four or fewer dwelling units which has been
105 or will be improved by a qualifying improvement.

106 (3) A local government may levy non-ad valorem assessments
107 to fund qualifying improvements.

108 (4) Subject to a municipal or county local government
109 ordinance or resolution authorizing a local government, as
110 defined in subsection (2), to offer a qualifying improvement
111 program for residential property or a qualifying improvement
112 program for commercial property in that municipality or county,
113 a residential or commercial property owner located in that
114 municipality or county may apply to the appropriate qualifying
115 improvement program local government for funding to finance a
116 qualifying improvement and enter into a financing agreement with
117 the local government. Costs incurred by the local government for
118 such purpose may be collected as a non-ad valorem assessment. A
119 non-ad valorem assessment must shall be collected pursuant to s.
120 197.3632 and, notwithstanding s. 197.3632(8)(a), is shall not be
121 subject to discount for early payment. However, the notice and
122 adoption requirements of s. 197.3632(4) do not apply if this
123 section is used and complied with, and the intent resolution,
124 publication of notice, and mailed notices to the property
125 appraiser, tax collector, and Department of Revenue required by
126 s. 197.3632(3)(a) may be provided on or before August 15 in
127 conjunction with any non-ad valorem assessment authorized by



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128 this section, if the property appraiser, tax collector, and
129 local government agree.

130 (5) Pursuant to this section or as otherwise provided by
131 law or pursuant to a local government's home rule power, a local
132 government may enter into a partnership with one or more local
133 governments for the purpose of providing and financing
134 qualifying improvements.

135 (6) A qualifying improvement program may be administered by
136 a for-profit entity or a not-for-profit organization on behalf
137 of and at the discretion of the local government. The local
138 government must include in any contract with the program
139 administrator the right to perform annual reviews of the program
140 administrator to confirm compliance with qualifying improvement
141 programs for residential properties. In the event the local
142 government determines a substantial violation by a program
143 administrator, the local government must provide the program
144 administrator with notice of the violation and place the program
145 administrator in a probationary program.

146 (7) A local government may incur debt for the purpose of
147 providing financing for qualifying such improvements, which debt
148 is payable from revenues received from the improved property, or
149 any other available revenue source authorized by law.

150 (8) (a) A local government may enter into a financing
151 agreement to finance or refinance a qualifying improvement only
152 with the record owner of the affected property. For government
153 commercial property, the financing agreement must be executed by
154 the nongovernmental lessee with the written consent of the
155 governmental lessor. Evidence of such consent must be provided
156 to the local government. The financing agreement with the



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157 nongovernmental lessee must provide that the nongovernmental
158 lessee is the only party obligated to pay the assessment.

159 (b) Any financing agreement entered into pursuant to this
160 section or a summary memorandum of such agreement ~~must~~ shall be
161 submitted for recording ~~recorded~~ in the public records of the
162 county within which the property is located by the sponsoring
163 unit of local government within 10 ~~5~~ days after execution of the
164 agreement. The recorded agreement provides ~~shall provide~~
165 constructive notice that the non-ad valorem assessment to be
166 levied on the property constitutes a lien of equal dignity to
167 county taxes and assessments from the date of recordation. A
168 notice of lien for the full amount of the financing may be
169 recorded in the public records of the county where the property
170 is located. Such lien is not enforceable in a manner that
171 results in the acceleration of the remaining nondelinquent
172 unpaid balance under the assessment financing agreement.

173 (9) (a) ~~Before entering into~~ A financing agreement for a
174 residential property may not be approved unless, the local
175 government, or the program administrator acting on its behalf,
176 has determined, based on a review of public records derived from
177 a commercially accepted source, the statements and records of
178 the property owner, or the property owner's credit reports,
179 ~~determine shall reasonably~~ that all of the following conditions
180 have been met:

181 1. All property taxes and any other assessments levied on
182 the same bill as property taxes are current ~~paid~~ and have not
183 been delinquent for the preceding 3 years or the property
184 owner's period of ownership, whichever is less. ~~;~~ ~~that~~

185 2. There are no involuntary liens, including, but not



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186 limited to, construction liens on the property.~~;~~ ~~that~~

187 3. There are no notices of default or other evidence of
188 property-based debt delinquency which have been recorded during
189 the preceding 3 years or the property owner's period of
190 ownership, whichever is less.~~;~~ ~~and that~~

191 4. The property owner is current on all mortgage debt on
192 the property.

193 5. The property owner has agreed in writing to receive the
194 disclosure statements required by paragraph (11)(c).

195 6. The property is within the geographic boundaries of the
196 applicable qualifying improvement program.

197 7. The term of the financing agreement does not exceed:

198 a. For a single qualifying improvement, the estimated
199 useful life of the qualifying improvement.

200 b. For multiple qualifying improvements, the lesser of:

201 (I) Thirty years; or

202 (II) The greater of either the weighted average estimated
203 useful life of all qualifying improvements being financed or the
204 estimated useful life of the qualifying improvements to which
205 the greatest portion of funds is disbursed. The local government
206 or program administrator, as applicable, shall determine the
207 useful life of a qualifying improvement using established third-
208 party standards, including certification criteria from
209 government agencies or nationally recognized standards and
210 testing organizations.

211 8. The property owner is not currently the subject to
212 bankruptcy proceedings.

213 9. The property is not subject to an existing home equity
214 conversion mortgage or a reverse mortgage product.



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215 10. The property is not a residential property gifted to a
216 homeowner for free by a nonprofit entity as may be disclosed by
217 the property owner. The failure of a property owner to disclose
218 the gift does not invalidate a financing agreement or any
219 obligation thereunder.

220 11. For qualifying improvements for solar energy, the
221 property owner has obtained estimates from at least two
222 unaffiliated, competitive entities, one of which is a qualifying
223 improvement contractor, for the qualifying improvement to be
224 financed. This requirement may be waived by the property owner
225 through a separately signed written disclosure.

226 12. The local government or program administrator, as
227 applicable, has asked if the property owner has obtained or
228 sought to obtain additional qualifying improvements on the same
229 property which have not yet been recorded. The failure of a
230 property owner to disclose such information does not invalidate
231 a financing agreement or any obligation thereunder, even if the
232 total financed amount of the qualifying improvement exceeds the
233 amount that would otherwise be authorized under paragraph
234 (15) (a). The existence of a prior qualifying improvement non-ad
235 valorem assessment or a prior financing agreement is not
236 evidence that the financing agreement under consideration is
237 affordable or meets other program requirements.

238 (b) A financing agreement for a commercial property may not
239 be approved unless the local government, or the program
240 administrator acting on its behalf, has determined, based on a
241 review of public records derived from a commercially accepted
242 source and the statements and records of the property owner,
243 that all of the following conditions have been met:



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244 1. All property taxes and any other assessments levied on
245 the same bill as property taxes are current.

246 2. There are no involuntary liens greater than \$10,000,
247 including, but not limited to, construction liens, on the
248 property.

249 3. No notices of default or other evidence of property-
250 based debt delinquency have been recorded and not released
251 during the preceding 3 years or the property owner's period of
252 ownership, whichever is less.

253 4. The property owner is current on all mortgage debt on
254 the property.

255 (10) In addition to obtaining the information in paragraph
256 (9) (a), and before a local government or program administrator,
257 as applicable, approves the financing of a qualifying
258 improvement on residential property, the local government or
259 program administrator must use information contained in the
260 property owner's application, commercially accepted third-party
261 records, or an automated verification system to determine
262 whether the property owner has the ability to pay the annual
263 non-ad valorem assessment for the qualifying improvement. The
264 local government or program administrator, as applicable, must
265 review the property owner's household income. To do so, the
266 program administrator shall, at a minimum, use the underwriting
267 requirements in subsection (9), confirm that the property owner
268 is not in bankruptcy, and determine that the total estimated
269 annual payment amount for all financing agreements funded under
270 this section on the property does not exceed 10 percent of the
271 property owner's annual household income. In reviewing the
272 property owner's ability to pay, the local government or program



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273 administrator, as applicable, when determining the household
274 income:

275 (a) May include the income of any non-property owners who
276 reside on the property;

277 (b) May not consider the equity in the property which will
278 secure the non-ad valorem assessment; and

279 (c) May confirm income by use of any of the following:

280 1. Information or income models gathered from and prepared
281 by reputable third parties which provide commercially acceptable
282 evidence of the property owner's household income.

283 2. Federal and state tax returns.

284 3. Statements prepared by a certified public accountant.

285 4. Bank statements.

286 5. Credit reports.

287 6. Retirement accounts.

288 7. Social security statements.

289 8. Trust documents.

290 9. Any other reputable sources of financial information.

291
292 The local government or program administrator may consider
293 statements by the property owner regarding the property owner's
294 income, but income may not be confirmed solely by a property
295 owner's statements.

296 (d) In the event that a court or tribunal determines, by
297 clear and convincing evidence, that the program administrator's
298 determination of the property owner's ability to pay was not
299 objectively reasonable based on the information provided by the
300 property owner, the yearly assessment payment must be reduced by
301 an amount that is within the property owner's ability to pay.



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302 This paragraph does not require or authorize the administrator
303 to reduce the amount owed on the assessment.

304 (e) The failure of a property owner to disclose information
305 specified in subsection (9) does not invalidate a financing
306 agreement or any obligation thereunder, even if the total
307 estimated annual payment amount exceeds the amount that would
308 otherwise be authorized under this subsection.

309 (f) In determining the property owner's ability to pay,
310 when either annual household income is not applicable to a
311 commercial property specified in subsection (25) or the
312 ownership of residential property is vested in a corporate
313 entity or form, if the estimated amount of financing is below
314 \$750,000, the local government or program administrator, as
315 applicable, must use generally accepted underwriting criteria
316 for businesses to determine the ability to pay the estimated
317 annual assessment amount.

318 (11) Each local government or program administrator that
319 offers a qualifying improvement program for residential
320 properties shall:

321 (a) Develop a written disclosure form, which may be
322 presented in electronic format, which must be provided to a
323 residential property owner before he or she executes the
324 financing agreement and which contains the key terms of the
325 agreement, including:

- 326 1. A description of the qualifying improvement;
327 2. The estimated total financed amount, including the
328 itemized cost of the qualifying improvement, ancillary work,
329 program fees, and prepaid interest, if any;
330 3. The annual non-ad valorem assessment process and



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331 estimated yearly payment schedule;
332 4. The estimated amount of the annual non-ad valorem
333 assessment;
334 5. The term of the total financed amount;
335 6. The interest rate for the financed amount;
336 7. The estimated annual percentage rate;
337 8. The total estimated annual costs that the residential
338 property owner will be required to pay under the assessment
339 contract, including program fees;
340 9. The total estimated average monthly equivalent amount of
341 funds that the residential property owner would have to save in
342 order to pay the annual costs of the non-ad valorem assessment,
343 including program fees; and
344 10. The estimated due date of the residential property
345 owner's first property tax payment that includes the non-ad
346 valorem assessment.
347 (b) When a change order or proposed change order on a
348 project significantly increases the cost of the original project
349 or significantly expands the scope of the original project,
350 notify the property owner, confirm the change with the property
351 owner, and provide an updated written disclosure form required
352 by paragraph (a) to the property owner.
353 (c) Include the following statements verbatim and in the
354 following order in the written disclosure form, each of which
355 must be individually agreed to in writing by the property owner:
356 1. I UNDERSTAND THAT IF I SELL OR REFINANCE THE PROPERTY, I
357 MAY BE REQUIRED TO PAY OFF THE OUTSTANDING FINANCED AMOUNT AS A
358 CONDITION OF THE SALE OR THE REFINANCE OF THE PROPERTY. This
359 statement must be in at least 24-point boldfaced type.



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360 2. I understand that the annual non-ad valorem assessment
361 will be paid when property taxes are paid and will result in a
362 lien being placed on my property.

363 3. I understand that the annual non-ad valorem assessment
364 will be added to my property tax bill and that if I pay my
365 property taxes through my mortgage payment using an escrow
366 account, I must notify my mortgage lender.

367 4. I understand that if I fail to pay the annual non-ad
368 valorem assessment, I may incur penalties and fees and the local
369 government could issue a tax certificate that might result in
370 the loss of my property.

371 5. I understand that any potential utility or insurance
372 savings are not guaranteed and will not reduce the annual non-ad
373 valorem assessment or total assessment amount.

374 6. I understand that I have 5 days to cancel the financing
375 agreement. The 5-day right expires at midnight on the 5th
376 business day after I sign the agreement.

377 7. I understand that the local government, program
378 administrator, or qualifying improvement contractor does not
379 provide tax advice and that I should seek professional tax
380 advice if I have questions regarding tax credits, tax
381 deductibility, or other tax impacts of the qualifying
382 improvement or the assessment contract.

383 8. I understand that I cannot be assessed a penalty if I
384 prepay the outstanding financed amount.

385 (d) Provide a printed or electronic cancellation form to
386 the residential property owner no later than the date that the
387 property owner signs the financing agreement, which allows the
388 property owner to cancel the contract within the 5-day period



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389 specified in subparagraph (c)6.

390 (e) Before a notice to proceed is issued, conduct, with at
391 least one residential property owner or an individual who is not
392 affiliated or associated with the local government, program
393 administrator, or qualifying improvement contractor and who is
394 legally authorized to act on behalf of the property owner, an
395 oral, recorded telephone call, during which the local government
396 or program administrator must use plain language. The local
397 government or program administrator, as applicable, shall ask
398 the residential property owner or authorized representative if
399 he or she would like to communicate primarily in a language
400 other than English. A local government or program administrator,
401 as applicable, may not leave a voicemail for the residential
402 property owner or authorized representative to satisfy this
403 requirement. A local government or program administrator, as
404 applicable, as part of this telephone call, must review with the
405 residential property owner or authorized representative all of
406 the following:

407 1. That at least one residential property owner has access
408 to a copy of the financing agreement and financing estimates and
409 disclosures.

410 2. The qualifying improvement that is being financed.

411 3. The total estimated annual costs that the residential
412 property owner will have to pay under the financing agreement,
413 including program fees.

414 4. The total estimated average monthly equivalent amount of
415 funds that the residential property owner would have to save in
416 order to pay the annual costs of the non-ad valorem assessment,
417 including program fees.



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418 5. The estimated due date of the residential property
419 owner's first property tax payment that includes the non-ad
420 valorem assessment.

421 6. The term of the financing agreement.

422 7. That payments for the financing agreement will cause the
423 residential property owner's annual tax bill to increase and
424 that payments will be made through an additional annual non-ad
425 valorem assessment on the property and will be paid either
426 directly to the county tax collector's office as part of the
427 total annual secured property tax bill or may be paid through
428 the residential property owner's mortgage escrow account.

429 8. That the qualifying residential property owner has
430 disclosed whether the property has received or is seeking
431 additional non-ad valorem assessments and has disclosed all
432 other assessments or special taxes that are or are projected to
433 be placed on the property.

434 9. That the property will be subject to a lien during the
435 term of the financing agreement and that the obligations under
436 the agreement may be required to be paid in full before the
437 residential property owner sells or refinances the property.

438 10. That any potential utility or insurance savings are not
439 guaranteed and will not reduce the annual non-ad valorem
440 assessment or total assessment amount.

441 11. That the local government, program administrator, or
442 qualifying improvement contractor does not provide tax advice
443 and that the residential property owner should seek professional
444 tax advice if he or she has questions regarding tax credits, tax
445 deductibility, or other tax impacts of the qualifying
446 improvement or the financing agreement.



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447 (12) (a) A residential property owner may cancel a financing
448 agreement within 5 business days after signing the financing
449 agreement without being assessed a financial penalty by the
450 local government or program administrator, as applicable.

451 (b) A contract to sell or install a qualifying improvement
452 that is related to an application for financing in a qualifying
453 improvement program for a residential property is unenforceable,
454 and a qualifying improvement contractor may not begin work under
455 such a contract, if the property owner applied for, accepted,
456 and canceled a qualifying improvement financing agreement within
457 the 5-business-day right-to-cancel period set forth in paragraph
458 (a).

459 (c) If a qualifying improvement contractor has initiated
460 work on a residential property under a contract deemed
461 unenforceable under this subsection, the qualifying improvement
462 contractor:

463 1. May not receive compensation for that work under the
464 financing agreement.

465 2. Must restore the property to its original condition at
466 no cost to the property owner.

467 3. Must immediately return any money, property, and other
468 consideration given by the property owner. If the property owner
469 provided any property and the qualifying improvement contractor
470 does not or cannot return it, the qualifying improvement
471 contractor must immediately return the fair market value of the
472 property or its value as designated in the contract, whichever
473 is greater.

474 (d) If the qualifying improvement contractor has delivered
475 chattel or fixtures to the residential property pursuant to a



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476 contract deemed unenforceable under this subsection, the
477 qualifying improvement contractor has 90 days after the date on
478 which the contract was executed to retrieve the chattel or
479 fixtures, provided that:

480 1. The qualifying improvement contractor has fulfilled the
481 requirements of subparagraphs (c)2. and 3.

482 2. The chattel and fixtures can be removed at the
483 qualifying improvement contractor's expense without damaging the
484 property owner's property.

485 (e) If a qualifying improvement contractor fails to comply
486 with this subsection, the residential property owner may retain
487 any chattel or fixtures provided pursuant to a contract deemed
488 unenforceable under this subsection.

489 (f) A contract which is otherwise unenforceable under this
490 subsection remains enforceable if the residential property owner
491 waives his or her right to cancel the contract or cancels the
492 financing agreement under paragraph (a) but allows the
493 qualifying improvement contractor to proceed with the
494 installation of the qualifying improvement.

495 (13) To constitute an improvement to a building or
496 facility, a qualifying improvement ~~must~~ shall be affixed to a
497 building or facility that is part of the property ~~and shall~~
498 ~~constitute an improvement to the building or facility~~ or a
499 fixture attached to the building or facility.

500 (a) A financing ~~an~~ agreement between a local government and
501 a residential ~~qualifying~~ property owner may not cover wind-
502 resistance improvements in buildings or facilities under new
503 construction or construction for which a certificate of
504 occupancy or similar evidence of substantial completion of new



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505 construction or improvement has not been issued.

506 (b) A financing agreement may be executed for qualifying
507 improvements in the construction of a commercial property before
508 a certificate of occupancy or similar evidence of substantial
509 completion of new construction or improvement is issued.

510 Progress payments, or payments made before completion, are
511 allowed for commercial properties, provided that the property
512 owner subsequently provides, upon request for a final progress
513 payment disbursement, written verification to the local
514 government confirming that the qualifying improvements are
515 completed and operating as intended. A financing agreement with
516 a commercial property owner may cover resiliency improvements in
517 buildings or facilities under new construction or construction
518 for which a certificate of occupancy or similar evidence of
519 substantial completion of new construction or improvement has
520 not been issued.

521 (14)-(11) Any work requiring a license under any applicable
522 law to make a qualifying improvement ~~must shall~~ be performed by
523 a contractor properly certified or registered pursuant to ~~part I~~
524 ~~or part II~~ of chapter 489.

525 (15)-(12)(a) Without the consent of the holders or loan
526 servicers of any mortgage encumbering or otherwise secured by
527 the residential property:

528 1. The total amount of any non-ad valorem assessment for a
529 residential property under this section may not exceed 20
530 percent of the fair market ~~just~~ value of the property as
531 determined by the county property appraiser.

532 2. The combined mortgage-related debt and total amount of
533 any non-ad valorem assessments funded under this section for



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534 residential property may not exceed 97 percent of the fair
535 market value of the residential property.

536
537 The failure of a property owner to disclose information set
538 forth in paragraph (9) (a) does not invalidate a financing
539 agreement or any obligation thereunder, even if the total
540 financed amount of the qualifying improvements exceeds the
541 amount that would otherwise be authorized under this paragraph.
542 For purposes of this paragraph, fair market value may be
543 determined using third party valuations based on reputable
544 methodologies.

545 (b) Before entering into a financing agreement with the
546 owner of a commercial property, except those commercial
547 properties specified in subsection (25), the local government or
548 program administrator, as applicable, must be in receipt of the
549 written consent of the current holders or loan servicers of any
550 mortgage that encumbers or is otherwise secured by the property
551 or that will otherwise be secured by the property at the time
552 the financing agreement is executed by the local government or
553 program administrator ~~Notwithstanding paragraph (a), a non-ad~~
554 ~~valorem assessment for a qualifying improvement defined in~~
555 ~~subparagraph (2) (b)1. or subparagraph (2) (b)2. that is supported~~
556 ~~by an energy audit is not subject to the limits in this~~
557 ~~subsection if the audit demonstrates that the annual energy~~
558 ~~savings from the qualified improvement equals or exceeds the~~
559 ~~annual repayment amount of the non-ad valorem assessment.~~

560 (16) ~~(13)~~ At least 30 days before entering into a financing
561 agreement, the property owner shall provide to the holders or
562 loan servicers of any existing mortgages encumbering or



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563 otherwise secured by the property a written notice of the
564 owner's intent to enter into a financing agreement together with
565 the maximum principal amount to be financed and the maximum
566 annual assessment necessary to repay that amount. A verified
567 copy or other proof of such notice must ~~shall~~ be provided to the
568 local government or program administrator, as applicable. A
569 provision in any agreement between a mortgagee or other
570 lienholder and a property owner, or otherwise now or hereafter
571 binding upon a property owner, which allows for acceleration of
572 payment of the mortgage, note, or lien or other unilateral
573 modification solely as a result of entering into a financing
574 agreement as provided for in this section is not enforceable.
575 This subsection does not limit the authority of the holder or
576 loan servicer to increase the required monthly escrow by an
577 amount necessary to annually pay the annual ~~qualifying~~
578 ~~improvement~~ assessment.

579 (17)-(14) At or before the time a seller ~~purchaser~~ executes
580 a contract for the sale ~~and purchase~~ of any property for which a
581 non-ad valorem assessment has been levied under this section and
582 has an unpaid balance due, the seller must ~~shall~~ give the
583 prospective purchaser a written disclosure statement in either
584 of the following forms ~~form~~, which must ~~shall~~ be set forth in
585 the contract or in a separate writing.

586 (a) For a residential property:

587
588 QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY,
589 RENEWABLE ENERGY, ADVANCED TECHNOLOGIES FOR WASTEWATER
590 REMOVAL, OR WIND RESISTANCE.—The property being
591 purchased is located within the jurisdiction of a



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592 local government that has placed an assessment on the
593 property pursuant to s. 163.08, Florida Statutes. The
594 assessment is for a qualifying improvement to the
595 property relating to energy efficiency, renewable
596 energy, advanced technologies for wastewater removal,
597 or wind resistance, and is not based on the value of
598 property. You are encouraged to contact the county
599 property appraiser's office to learn more about this
600 and other assessments that may be provided by law.

601 (b) For a commercial property:

602
603 QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY,
604 RENEWABLE ENERGY, OR RESILIENCY.—The property being
605 purchased is located within the jurisdiction of a
606 local government that has placed an assessment on the
607 property pursuant to s. 163.08, Florida Statutes. The
608 assessment is for a qualifying improvement to the
609 property relating to energy efficiency, renewable
610 energy, or resiliency, and is not based on the value
611 of property. You are encouraged to contact the county
612 property appraiser's office to learn more about this
613 and other assessments that may be provided by law.

614
615 (18) A financing agreement authorized under this section on
616 residential property may not include any of the following:

617 (a) A negative amortization schedule. Capitalized interest
618 included in the original balance of the financing agreement does
619 not constitute negative amortization.

620 (b) A balloon payment.



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621 (c) Prepayment fees, other than nominal administrative
622 costs.

623 (19) For residential property, a local government or
624 program administrator:

625 (a) May not enroll a qualifying improvement contractor who
626 contracts with residential property owners to install qualifying
627 improvements unless:

628 1. The local government or program administrator, as
629 applicable, determines that the qualifying improvement
630 contractor maintains in good standing an appropriate license
631 from the state, if applicable, as well as any other permits,
632 licenses, or registrations required for engaging in its business
633 in the jurisdiction in which it operates and maintains all
634 state-required bond and insurance coverage.

635 2. The local government or program administrator, as
636 applicable, obtains the qualifying improvement contractor's
637 written agreement that the qualifying improvement contractor
638 will comply with all applicable laws, including applicable
639 advertising and marketing laws and regulations and the
640 requirements of this section.

641 (b) Must maintain a process to enroll new qualifying
642 improvement contractors which includes review of the following
643 for each contractor:

644 1. Relevant work or project history.
645 2. Financial and reputational background checks.
646 3. The contractor's status on the Better Business Bureau
647 platform or other online platform that tracks contractor
648 reviews.

649 (c) Must establish and maintain a process for monitoring



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650 qualifying improvement contractors with regard to performance
651 and compliance with program policies and must implement policies
652 for suspending, reinstating, and terminating qualifying
653 improvement contractors based on violations of program policies
654 or unscrupulous behavior.

655
656 A program administrator, either directly or through an
657 affiliate, may not be enrolled as a qualifying improvement
658 contractor.

659 (20) (a) Before disbursing final funds to a qualifying
660 improvement contractor for a qualifying improvement on
661 residential property, the local government or program
662 administrator, as applicable, must confirm that the applicable
663 work or service has been completed or that the final permit for
664 the qualifying improvement has been closed with all permit
665 requirements satisfied.

666 (b) A local government or program administrator, as
667 applicable, may not disclose the maximum financing amount for
668 which a residential property owner is eligible to a qualifying
669 improvement contractor or to a third party engaged in soliciting
670 financing agreements financed pursuant to this section.

671 (21) When communicating with residential property owners, a
672 local government, program administrator or qualifying
673 improvement contractor must comply with the following marketing
674 and communication guidelines and may not:

675 (a) Suggest or imply:

676 1. That a non-ad valorem assessment authorized under this
677 section is a government assistance program;

678 2. That qualifying improvements are free or provided at no



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679 cost, or that the financing related to a non-ad valorem
680 assessment authorized under this section is free or provided at
681 no cost; or

682 3. That the financing of a qualifying improvement using the
683 program authorized pursuant to this section does not require the
684 property owner to repay the financial obligation.

685 (b) Make any representation as to the tax deductibility of
686 a non-ad valorem assessment on residential property. A local
687 government, program administrator, or qualifying improvement
688 contractor, or a third party engaged in marketing on behalf of
689 such entities, may encourage a property owner to seek the advice
690 of a tax professional regarding tax matters related to
691 assessments.

692 (22) (a) A qualifying improvement contractor may not
693 advertise the availability of financing agreements for, or
694 solicit residential property owners on behalf of, the local
695 government or program administrator unless:

696 1. The qualifying improvement contractor maintains the
697 appropriate registration or certification from the Construction
698 Industry Licensing Board or any other permit, license, or
699 registration required to conduct business in the jurisdiction in
700 which it operates, and provides proof of having the required
701 bond and insurance coverage amounts.

702 2. The local government or program administrator, as
703 applicable, obtains the qualifying improvement contractor's
704 written agreement that the qualifying improvement contractor
705 will comply with applicable laws and rules and qualifying
706 improvement program policies and procedures, including those on
707 advertising and marketing.



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708 (b) A local government or program administrator may not
709 provide any payment, fee, or kickback to a qualifying
710 improvement contractor for referring financing business relating
711 to a specific financing agreement on a residential property.
712 However, a local government or program administrator may provide
713 information or services to a qualifying improvement contractor
714 to facilitate the installation of a qualifying improvement for a
715 property owner.

716 (c) A local government or program administrator may
717 reimburse a qualifying improvement contractor or third party for
718 its expenses in advertising and marketing campaigns and
719 materials.

720 (d) A local government or program administrator may not
721 provide to a qualifying improvement contractor any information
722 that discloses the amount of funds for which a property owner is
723 eligible for qualifying improvements or the amount of equity in
724 a property.

725 (e) For residential properties, a qualifying improvement
726 contractor may not provide a different price for a qualifying
727 improvement financed under this section than the price that the
728 qualifying improvement contractor would otherwise provide if the
729 qualifying improvement was not being financed through an
730 assessment financing agreement.

731 (f) A local government or program administrator may not
732 provide any direct cash payment or other thing of material value
733 to a residential property owner explicitly conditioned upon the
734 property owner entering into a financing agreement. However, a
735 local government or program administrator may offer programs or
736 promotions that provide reduced fees or interest rates if the



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737 reduced fees or interest rates are reflected in the financing
738 agreements and are not provided to the property owners as cash
739 consideration.

740 (g) A local government or program administrator must
741 conduct regular reviews of qualifying improvement contractors to
742 confirm ongoing compliance with all requirements of this
743 subsection. In the event that the local government or program
744 administrator determines a substantial violation by a qualifying
745 improvement contractor, the local government or program
746 administrator must provide the contractor with notice of the
747 violation and place the contractor on a probationary program.

748 (23) Each local government and program administrator must
749 develop and implement policies and procedures for responding to,
750 tracking, and resolving questions and complaints about its
751 qualifying improvement program for residential properties.

752 (24) Each local government that has authorized a qualifying
753 improvement program for residential properties shall post on its
754 website an annual report for the period ending December 31 each
755 year containing the following information:

756 (a) The number of qualifying improvements funded.

757 (b) The aggregate, average, and median dollar amounts of
758 annual non-ad valorem assessments and the total number of non-ad
759 valorem assessments that funded qualifying improvements.

760 (c) The percentage, number, and dollar value of non-ad
761 valorem assessments that funded qualifying improvements,
762 aggregated by the following category types: energy efficiency,
763 renewable energy, wind resistance, residential property
764 wastewater, commercial property resiliency, and other commercial
765 property qualifying improvements.



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766 (d) The number of defaulted non-ad valorem assessments,
767 including the total number and defaulted amount, the number and
768 dates of missed payments, the total number of parcels defaulted
769 and the years in default, and the percentage of defaults by
770 total assessments.

771 (e) A summary of all reported complaints received by the
772 local government and its program administrators related to
773 authorized qualifying improvements programs, including the
774 resolution of each complaint.

775 (f) The estimated number of jobs created.

776 (g) The number and percentage of homeowners 60 years of age
777 or older participating in a qualifying improvement program.

778
779 This report must be posted no later than April 1 of the year
780 following the calendar year covered by the report.

781 (25) Each local government or program administrator that
782 offers a qualifying improvement program for residential
783 properties may finance qualifying improvements on commercial
784 property if the estimated amount of financing on the commercial
785 property does not exceed \$750,000, subject to the requirements
786 in paragraph (10) (f).

787
788 ===== T I T L E A M E N D M E N T =====

789 And the title is amended as follows:

790 Delete lines 5 - 133

791 and insert:

792 definitions; authorizing a residential or commercial
793 property owner to apply to the appropriate qualifying
794 improvement program for funding to finance an



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795 improvement and to enter into a financing agreement
796 with the local government under certain circumstances;
797 providing that a non-ad valorem assessment on certain
798 commercial property is subject to a certain fee;
799 requiring the local government to include certain
800 rights in any contract with the program administrator;
801 requiring the local government to provide the program
802 administrator a notice of violation and place the
803 program administrator in a probationary program under
804 certain circumstances; authorizing a local government
805 to incur debt for the purpose of providing financing
806 for qualifying improvements; specifying requirements
807 of a financing agreement for government commercial
808 property; authorizing a local government to enter into
809 a financing agreement to finance or refinance a
810 qualifying improvement; providing that, for government
811 commercial property, the financing agreement must meet
812 specified conditions; revising and specifying public
813 recording requirements for assessment financing
814 agreements and notices of lien; providing that a
815 financing agreement for a residential property may not
816 be approved unless certain conditions are met;
817 providing that a financing agreement for a commercial
818 property may not be approved unless certain conditions
819 are met; authorizing certain determinations,
820 considerations, and confirmations by the local
821 government or program administrator, as applicable,
822 regarding the owner's ability to pay; authorizing the
823 local government or program administrator to consider



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824 certain statements by the property owner regarding his
825 or her income, but requiring additional confirmation;
826 authorizing a reduction in the annual assessment
827 payment under certain circumstances; providing
828 construction; requiring the local government or
829 program administrator to use generally accepted
830 underwriting criteria under certain circumstances;
831 specifying certain requirements for a local government
832 or program administrator that offers a qualifying
833 improvement program for residential properties;
834 authorizing a residential property owner, under
835 certain circumstances and within a certain timeframe,
836 to cancel a financing agreement without financial
837 penalty; providing that certain contracts are
838 unenforceable and prohibiting a qualifying improvement
839 contractor from initiating work under such contracts;
840 specifying certain requirements if a qualifying
841 improvement contractor initiates work on a residential
842 property under an unenforceable agreement; providing a
843 procedure that must be followed if a qualifying
844 improvement contractor has delivered chattel or
845 fixtures to a residential property pursuant to an
846 unenforceable contract; providing that a residential
847 property owner may retain such chattel or fixtures in
848 a certain circumstance; providing that an
849 unenforceable contract is enforceable under certain
850 circumstances; providing that a financing agreement
851 may be executed for qualifying improvements in the
852 construction of a commercial property before a



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853 certificate of occupancy or similar evidence of
854 substantial completion of new construction or
855 improvement is issued; authorizing specified payments
856 for commercial properties under certain circumstances;
857 providing that a financing agreement with a commercial
858 property owner may cover resiliency improvements in
859 certain buildings or facilities; prohibiting wind-
860 resistance improvements in certain buildings or
861 facilities between a local government and a
862 residential property owner; authorizing execution of
863 an assessment financing agreement before a certificate
864 of occupancy or certain evidence is issued;
865 authorizing progress payments before completion of a
866 qualifying improvement on a commercial property if the
867 property owner provides certain information;
868 authorizing an assessment financing agreement to cover
869 certain qualifying improvements; requiring certain
870 work to be performed by properly certified or
871 registered contractors; revising the calculation of
872 non-ad valorem assessment limits; providing
873 construction; requiring the local government or
874 program administrator to be in receipt of the written
875 consent of the holders or loan servicers of certain
876 mortgages at a specified time; requiring the property
877 owner to provide written notice within a specified
878 timeframe to the holders or loan servicers of any
879 existing mortgages; revising the seller's disclosure
880 statement for residential and commercial properties
881 offered for sale; prohibiting certain items in a



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882 financing agreement for residential property;
883 prohibiting a local government or program
884 administrator from enrolling a qualifying improvement
885 contractor that contracts with residential property
886 owners to install qualifying improvements; providing
887 exceptions; prohibiting a program administrator from
888 being enrolled as a qualifying improvement contractor;
889 requiring the local government or program
890 administrator to confirm certain information before
891 disbursing funds financed under a residential program
892 to a qualifying improvement contractor; prohibiting a
893 local government or program administrator from
894 disclosing maximum financing amounts to certain
895 persons; requiring that, in communicating with
896 residential property owners, the local government or
897 program administrator comply with certain marketing
898 and communications guidelines and prohibiting such
899 entities from certain communication; prohibiting a
900 qualifying improvement contractor from advertising the
901 availability of assessment financing agreements or
902 soliciting residential property owners; providing
903 exceptions; prohibiting a local government or program
904 administrator from providing certain payments, fees,
905 or kickbacks; requiring a local government or program
906 administrator to conduct certain reviews of qualifying
907 improvement contractors; requiring the local
908 government or program administrator to provide such
909 contractors with a certain notice and place such
910 contractors in a probationary program under certain



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911 circumstances; authorizing a local government or
912 program administrator to provide information or
913 services to a qualifying improvement contractor to
914 facilitate certain installations; authorizing a local
915 government or program administrator to reimburse a
916 qualifying improvement contractor or third party for
917 certain expenses; prohibiting a local government or
918 program administrator from providing certain
919 information to a qualifying improvement contractor;
920 prohibiting a qualifying improvement contractor from
921 providing certain prices for a qualifying improvement;
922 prohibiting a local government or program
923 administrator from providing cash payment or anything
924 of material value to a residential property owner
925 explicitly on certain conditions; authorizing a local
926 government or program administrator to offer certain
927 programs or promotions; requiring each local
928 government and program administrator to develop and
929 implement certain policies and procedures; requiring a
930 local government that has authorized a qualifying
931 improvement program for residential properties to post
932 on its website a certain report; specifying the
933 requirements for such report; authorizing each local
934 government or program administrator to finance
935 qualifying improvements on commercial properties under
936 certain circumstances; providing