



216288

LEGISLATIVE ACTION

Senate

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House

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Floor: WD

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05/01/2023 10:06 AM

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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)c-~~ 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

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

533 2. The combined mortgage-related debt and total amount of  
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 RESILIENCE.—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.



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