

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 657 (2026)

Amendment No.1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u>      </u> (Y/N)
ADOPTED AS AMENDED	<u>      </u> (Y/N)
ADOPTED W/O OBJECTION	<u>      </u> (Y/N)
FAILED TO ADOPT	<u>      </u> (Y/N)
WITHDRAWN	<u>      </u> (Y/N)
OTHER	<u>      </u>

---

1 Committee/Subcommittee hearing bill: Civil Justice & Claims  
2 Subcommittee

3 Representative Porras offered the following:

4

5 **Amendment**

6 Remove lines 162-769 and insert:

7 in paragraph (a). In order to amend the governing documents  
8 under this paragraph, the association must, at a meeting of the  
9 membership at which a quorum has been attained, obtain the  
10 affirmative approval of the owners of two-thirds of the units.

11 **Section 3. Subsections (6) and (7) of section 718.1255,**  
12 **Florida Statutes, are renumbered as subsections (5) and (6),**  
13 **respectively, and paragraphs (a), (h), (k), and (m) of**  
14 **subsection (4) and present subsection (5) of that section are**  
15 **amended, to read:**

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16        718.1255 Alternative dispute resolution; mediation;  
17 nonbinding arbitration; applicability.—

18        (4) NONBINDING ARBITRATION AND MEDIATION OF DISPUTES.—The  
19 Division of Florida Condominiums, Timeshares, and Mobile Homes  
20 of the Department of Business and Professional Regulation may  
21 employ full-time attorneys to act as arbitrators to conduct the  
22 arbitration hearings provided by this chapter. The division may  
23 also certify attorneys who are not employed by the division to  
24 act as arbitrators to conduct the arbitration hearings provided  
25 by this chapter. A person may not be employed by the department  
26 as a full-time arbitrator unless he or she is a member in good  
27 standing of The Florida Bar. A person may only be certified by  
28 the division to act as an arbitrator if he or she has been a  
29 member in good standing of The Florida Bar for at least 5 years  
30 and has mediated or arbitrated at least 10 disputes involving  
31 condominiums in this state during the 3 years immediately  
32 preceding the date of application, mediated or arbitrated at  
33 least 30 disputes in any subject area in this state during the 3  
34 years immediately preceding the date of application, or attained  
35 board certification in real estate law or condominium and  
36 planned development law from The Florida Bar. Arbitrator  
37 certification is valid for 1 year. An arbitrator who does not  
38 maintain the minimum qualifications for initial certification  
39 may not have his or her certification renewed. The department  
40 may not enter into a legal services contract for an arbitration

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41 hearing under this chapter with an attorney who is not a  
42 certified arbitrator unless a certified arbitrator is not  
43 available within 50 miles of the dispute. The department shall  
44 adopt rules of procedure to govern such arbitration hearings  
45 including mediation incident thereto. The decision of an  
46 arbitrator is final; however, a decision is not deemed final  
47 agency action. Nothing in this provision shall be construed to  
48 foreclose parties from proceeding in a trial de novo unless the  
49 parties have agreed that the arbitration is binding. If judicial  
50 proceedings are initiated, the final decision of the arbitrator  
51 is admissible in evidence in the trial de novo.

52 (a) Before the institution of court litigation, a party to  
53 a dispute, other than an election or recall dispute, must shall  
54 ~~either~~ petition the division for nonbinding arbitration or  
request that the case be referred to mediation ~~initiate presuit~~  
~~mediation as provided in subsection (5)~~. Arbitration is binding  
55 on the parties if all parties in arbitration agree to be bound  
56 in a writing filed in arbitration. The petition must be  
57 accompanied by a filing fee in the amount of \$50. Filing fees  
58 collected under this section must be used to defray the expenses  
59 of the alternative dispute resolution program.

60 (h) Mediation proceedings must generally be conducted in  
61 accordance with the Florida Rules of Civil Procedure, and these  
62 proceedings are privileged and confidential to the same extent  
63 as court-ordered mediation. Persons who are not parties to the

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66 dispute are not allowed to attend the mediation conference  
67 without the consent of all parties, with the exception of  
68 counsel for the parties and corporate representatives designated  
69 to appear for a party. If the mediator declares an impasse after  
70 a mediation conference has been held, the arbitration proceeding  
71 terminates, unless all parties agree in writing to continue the  
72 arbitration proceeding, in which case the arbitrator's decision  
73 shall be binding or nonbinding, as agreed upon by the parties;  
74 in the arbitration proceeding, the arbitrator shall not consider  
75 any evidence relating to the unsuccessful mediation except in a  
76 proceeding to impose sanctions for failure to appear at the  
77 mediation conference. If the parties do not agree to continue  
78 arbitration, the arbitrator shall enter an order of dismissal,  
79 and either party may institute a suit in a community association  
80 court program under s. 720.32 or a court of competent  
81 jurisdiction. The parties may seek to recover any costs and  
82 attorney fees incurred in connection with arbitration and  
83 mediation proceedings under this section as part of the costs  
84 and fees that may be recovered by the prevailing party in any  
85 subsequent litigation.

86 (k) The arbitration decision shall be rendered within 30  
87 days after the hearing and presented to the parties in writing.  
88 An arbitration decision is final in those disputes in which the  
89 parties have agreed to be bound. An arbitration decision is also  
90 final if a complaint for a trial de novo is not filed in a

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91     community association court program under s. 720.32 or a court  
92     of competent jurisdiction in which the condominium is located  
93     within 30 days. The right to file for a trial de novo entitles  
94     the parties to file a complaint in the appropriate trial court  
95     for a judicial resolution of the dispute. The prevailing party  
96     in an arbitration proceeding shall be awarded the costs of the  
97     arbitration and reasonable attorney fees in an amount determined  
98     by the arbitrator. Such an award shall include the costs and  
99     reasonable attorney fees incurred in the arbitration proceeding  
100    as well as the costs and reasonable attorney fees incurred in  
101    preparing for and attending any scheduled mediation. An  
102    arbitrator's failure to render a written decision within 30 days  
103    after the hearing may result in the cancellation of his or her  
104    arbitration certification.

105       (m) Any party to an arbitration proceeding may enforce an  
106       arbitration award by filing a petition in a community  
107       association court program under s. 720.32 or a court of  
108       competent jurisdiction in which the condominium is located. A  
109       petition may not be granted unless the time for appeal by the  
110       filing of a complaint for trial de novo has expired. If a  
111       complaint for a trial de novo has been filed, a petition may not  
112       be granted with respect to an arbitration award that has been  
113       stayed. If the petition for enforcement is granted, the  
114       petitioner shall recover reasonable attorney fees and costs  
115       incurred in enforcing the arbitration award. A mediation

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116 settlement may also be enforced through the county or circuit  
117 court or a community association court program, as applicable,  
118 and any costs and fees incurred in the enforcement of a  
119 settlement agreement reached at mediation must be awarded to the  
120 prevailing party in any enforcement action.

121 ~~(5) PRESUIT MEDIATION. In lieu of the initiation of~~  
122 ~~nonbinding arbitration as provided in subsections (1)-(4), a~~  
123 ~~party may submit a dispute to presuit mediation in accordance~~  
124 ~~with s. 720.311; however, election and recall disputes are not~~  
125 ~~eligible for mediation and such disputes must be arbitrated by~~  
126 ~~the division or filed in a court of competent jurisdiction.~~

127 **Section 4. Subsection (2) of section 720.302, Florida  
128 Statutes, is amended to read:**

129 720.302 Purposes, scope, and application.—

130 (2) The Legislature recognizes that it is not in the best  
131 interest of homeowners' associations or the individual  
132 association members thereof to create or impose a bureau or  
133 other agency of state government to regulate the affairs of  
134 homeowners' associations. However, in accordance with s.  
135 720.311, the Legislature finds that homeowners' associations and  
136 their individual members will benefit from an expedited  
137 alternative process for resolution of election and recall  
138 disputes and ~~presuit mediation of other disputes involving~~  
139 ~~covenant enforcement~~ and authorizes the department to hear,  
140 administer, and determine these disputes as more fully set forth

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141 in this chapter. Further, the Legislature recognizes that  
142 certain contract rights have been created for the benefit of  
143 homeowners' associations and members thereof before the  
144 effective date of this act and that ss. 720.301-720.407 are not  
145 intended to impair such contract rights, including, but not  
146 limited to, the rights of the developer to complete the  
147 community as initially contemplated.

148 **Section 5. Subsections (11) through (15) of section  
149 720.303, Florida Statutes, are renumbered as subsections (12)  
150 through (16), respectively, subsection (1) is amended, and a new  
151 subsection (11) is added to that section, to read:**

152 720.303 Association powers and duties; meetings of board;  
153 official records; budgets; financial reporting; association  
154 funds; recalls.—

155 (1) POWERS AND DUTIES.—

156 (a) An association that operates a community as defined in  
157 s. 720.301 must be operated by an association that is a Florida  
158 corporation. After October 1, 1995, the association must be  
159 incorporated and the initial governing documents must be  
160 recorded in the official records of the county in which the  
161 community is located. An association may operate more than one  
162 community.

163 (b) The officers and directors of an association are  
164 subject to s. 617.0830 and have a fiduciary relationship to the  
165 members who are served by the association.

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166       (c) The powers and duties of an association include those  
167 set forth in this chapter and, except as expressly limited or  
168 restricted in this chapter, those set forth in the governing  
169 documents.

170       1. Each association formed on or after July 1, 2026, must  
171 include the following statement in the governing documents:

173       This association and the association's governing  
174 documents are governed by the Florida Homeowners'  
175 Association Act, as amended from time to time.

177       2. By January 1, 2027, each association in existence  
178 before July 1, 2026, must hold a meeting of the members in  
179 accordance with s. 720.306 to vote whether to amend the  
180 governing documents of the association to include the statement  
181 in subparagraph 1. In order to amend the governing documents  
182 under this subparagraph, the association must, at a meeting of  
183 the membership at which a quorum has been attained, obtain the  
184 affirmative approval of two-thirds of the voting interests of  
185 the association.

186       (d) After control of the association is obtained by  
187 members other than the developer, the association may institute,  
188 maintain, settle, or appeal actions or hearings in its name on  
189 behalf of all members concerning matters of common interest to  
190 the members, including, but not limited to, the common areas;

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191 roof or structural components of a building, or other  
192 improvements for which the association is responsible;  
193 mechanical, electrical, or plumbing elements serving an  
194 improvement or building for which the association is  
195 responsible; representations of the developer pertaining to any  
196 existing or proposed commonly used facility; and protest of ad  
197 valorem taxes on commonly used facilities. The association may  
198 defend actions in eminent domain or bring inverse condemnation  
199 actions. Before commencing litigation against any party in the  
200 name of the association involving amounts in controversy in  
201 excess of \$100,000, the association must obtain the affirmative  
202 approval of a majority of the voting interests at a meeting of  
203 the membership at which a quorum has been attained. This  
204 paragraph subsection does not limit any statutory or common-law  
205 right of any individual member or class of members to bring any  
206 action without participation by the association.

207 (e) A member does not have authority to act for the  
208 association by virtue of being a member. An association may have  
209 more than one class of members and may issue membership  
210 certificates.

211 (f) An association of 15 or fewer parcel owners may  
212 enforce only the requirements of those deed restrictions  
213 established prior to the purchase of each parcel upon an  
214 affected parcel owner or owners.

215 (11) CONFLICTS OF INTEREST.-

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216        (a) A director, an officer, or a committee member of an  
217        association owes a duty of loyalty to the association and its  
218        members.

219        (b) A conflict of interest exists when a director, an  
220        officer, or a committee member has a direct or an indirect  
221        financial interest in a transaction, contract, or decision under  
222        consideration by the association.

223        (c) The director, officer, or committee member with a  
224        conflict of interest must disclose the nature and extent of the  
225        conflict in writing to the board before any discussion or vote  
226        occurs on the matter.

227        (d) After disclosure of the conflict of interest, the  
228        conflicted director, officer, or committee member may not  
229        participate in any discussion or vote on the matter.

230        (e) A transaction involving a conflict of interest is  
231        voidable by the association unless the transaction was approved  
232        by a majority of the voting interests of the association after  
233        full disclosure by the conflicted director, officer, or  
234        committee member has occurred.

235        (f) Compensating or contracting with a director, an  
236        officer, or a committee member of the association, or an  
237        immediate family member thereof, creates a rebuttable  
238        presumption that a conflict of interest exists.

239        (g) This subsection may not be waived or limited by the  
240        governing documents of the association.

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241       **Section 6. Paragraph (h) of subsection (1) of section**  
242       **720.306, Florida Statutes, is amended to read:**

243       720.306 Meetings of members; voting and election  
244       procedures; amendments.—

245       (1) QUORUM; AMENDMENTS.—

246       (h)1. Except as otherwise provided in this paragraph, any  
247       governing document, or amendment to a governing document, that  
248       is enacted after July 1, 2021, and that prohibits or regulates  
249       rental agreements applies only to a parcel owner who acquires  
250       title to the parcel after the effective date of the governing  
251       document or amendment, or to a parcel owner who consents,  
252       individually or through a representative, to the governing  
253       document or amendment.

254       2. Notwithstanding subparagraph 1., an association may  
255       amend its governing documents to prohibit or regulate rental  
256       agreements for a term of less than 6 months and may prohibit the  
257       rental of a parcel for more than three times in a calendar year,  
258       and such amendments shall apply to all parcel owners.

259       3. This paragraph does not affect the amendment  
260       restrictions for associations of 15 or fewer parcel owners under  
261       s. 720.303(1)(f) ~~s. 720.303(1)~~.

262       4. For purposes of this paragraph, a change of ownership  
263       does not occur when a parcel owner conveys the parcel to an  
264       affiliated entity, when beneficial ownership of the parcel does  
265       not change, or when an heir becomes the parcel owner. For

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266 purposes of this subparagraph, the term "affiliated entity"  
267 means an entity that controls, is controlled by, or is under  
268 common control with the parcel owner or that becomes a parent or  
269 successor entity by reason of transfer, merger, consolidation,  
270 public offering, reorganization, dissolution or sale of stock,  
271 or transfer of membership partnership interests. For a  
272 conveyance to be recognized as one made to an affiliated entity,  
273 the entity must furnish to the association a document certifying  
274 that this subparagraph applies and provide any organizational  
275 documents for the parcel owner and the affiliated entity which  
276 support the representations in the certificate, as requested by  
277 the association.

278 5. For purposes of this paragraph, a change of ownership  
279 does occur when, with respect to a parcel owner that is a  
280 business entity, every person that owned an interest in the real  
281 property at the time of the enactment of the amendment or rule  
282 conveys their interest in the real property to an unaffiliated  
283 entity.

284 **Section 7. Section 720.311, Florida Statutes, is amended  
285 to read:**

286 720.311 Dispute resolution.—

287 (1) The Legislature finds that alternative dispute  
288 resolution has made progress in reducing court dockets and  
289 trials and in offering a more efficient, cost-effective option  
290 to litigation. The filing of any petition for arbitration tolls

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291 ~~or the serving of a demand for presuit mediation as provided for~~  
292 ~~in this section shall toll~~ the applicable statute of  
293 limitations. Any recall dispute filed with the department under  
294 s. 720.303(10) ~~must~~ shall be conducted by the department in  
295 accordance with ~~the provisions of~~ ss. 718.112(2)(1) and 718.1255  
296 and the rules adopted by the division. In addition, the  
297 department shall conduct binding arbitration of election  
298 disputes between a member and an association in accordance with  
299 s. 718.1255 and rules adopted by the division. Election disputes  
300 and recall disputes ~~are not eligible for presuit mediation;~~  
301 ~~these disputes~~ must be arbitrated by the department or filed in  
302 a court of competent jurisdiction. The arbitration proceeding  
303 must be conducted by a department arbitrator or by a private  
304 arbitrator certified by the department. At the conclusion of an  
305 arbitration proceeding, the department shall charge the parties  
306 a fee in an amount adequate to cover all costs and expenses  
307 incurred by the department in conducting the proceeding.  
308 Initially, the petitioner shall remit a filing fee of at least  
309 \$200 to the department. The fees paid to the department shall  
310 become a recoverable cost in the arbitration proceeding, and the  
311 prevailing party in an arbitration proceeding shall recover its  
312 reasonable costs and attorney fees in an amount found reasonable  
313 by the arbitrator. The department shall adopt rules to  
314 effectuate the purposes of this section.

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315       (2) (a) Disputes between an association and a parcel owner  
316 regarding use of or changes to the parcel or the common areas  
317 and other covenant enforcement disputes, disputes regarding  
318 amendments to the association documents, disputes regarding  
319 meetings of the board and committees appointed by the board,  
320 membership meetings not including election meetings, and access  
321 to the official records of the association shall be the subject  
322 of a demand for presuit mediation served by an aggrieved party  
323 before the dispute is filed in court. Presuit mediation  
324 proceedings must be conducted in accordance with the applicable  
325 Florida Rules of Civil Procedure, and these proceedings are  
326 privileged and confidential to the same extent as court-ordered  
327 mediation. Disputes subject to presuit mediation under this  
328 section shall not include the collection of any assessment,  
329 fine, or other financial obligation, including attorney's fees  
330 and costs, claimed to be due or any action to enforce a prior  
331 mediation settlement agreement between the parties. Also, in any  
332 dispute subject to presuit mediation under this section where  
333 emergency relief is required, a motion for temporary injunctive  
334 relief may be filed with the court without first complying with  
335 the presuit mediation requirements of this section. After any  
336 issues regarding emergency or temporary relief are resolved, the  
337 court may either refer the parties to a mediation program  
338 administered by the courts or require mediation under this  
339 section. An arbitrator or judge may not consider any information

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340 or evidence arising from the presuit mediation proceeding except  
341 in a proceeding to impose sanctions for failure to attend a  
342 presuit mediation session or to enforce a mediated settlement  
343 agreement. Persons who are not parties to the dispute may not  
344 attend the presuit mediation conference without the consent of  
345 all parties, except for counsel for the parties and a corporate  
346 representative designated by the association. When mediation is  
347 attended by a quorum of the board, such mediation is not a board  
348 meeting for purposes of notice and participation set forth in s.  
349 720.303. An aggrieved party shall serve on the responding party  
350 a written demand to participate in presuit mediation in  
351 substantially the following form:

352 ~~STATUTORY OFFER TO PARTICIPATE~~

353 ~~IN PRESUIT MEDIATION~~

354 The alleged aggrieved party, ....., hereby  
355 demands that ....., as the responding  
356 party, engage in mandatory presuit mediation in  
357 connection with the following disputes, which by  
358 statute are of a type that are subject to presuit  
359 mediation:

360 (List specific nature of the dispute or disputes to be  
361 mediated and the authority supporting a finding of a  
362 violation as to each dispute.)

363 Pursuant to section 720.311, Florida Statutes, this  
364 demand to resolve the dispute through presuit

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365 mediation is required before a lawsuit can be filed  
366 concerning the dispute. Pursuant to the statute, the  
367 parties are required to engage in presuit mediation  
368 with a neutral third party mediator in order to  
369 attempt to resolve this dispute without court action,  
370 and the aggrieved party demands that you likewise  
371 agree to this process. If you fail to participate in  
372 the mediation process, suit may be brought against you  
373 without further warning.

374 The process of mediation involves a supervised  
375 negotiation process in which a trained, neutral third-  
376 party mediator meets with both parties and assists  
377 them in exploring possible opportunities for resolving  
378 part or all of the dispute. By agreeing to participate  
379 in presuit mediation, you are not bound in any way to  
380 change your position. Furthermore, the mediator has no  
381 authority to make any decisions in this matter or to  
382 determine who is right or wrong and merely acts as a  
383 facilitator to ensure that each party understands the  
384 position of the other party and that all options for  
385 reasonable settlement are fully explored.

386 If an agreement is reached, it shall be reduced to  
387 writing and becomes a binding and enforceable  
388 commitment of the parties. A resolution of one or more  
389 disputes in this fashion avoids the need to litigate

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390 these issues in court. The failure to reach an  
391 agreement, or the failure of a party to participate in  
392 the process, results in the mediator declaring an  
393 impasse in the mediation, after which the aggrieved  
394 party may proceed to court on all outstanding,  
395 unsettled disputes. If you have failed or refused to  
396 participate in the entire mediation process, you will  
397 not be entitled to recover attorney's fees, even if  
398 you prevail.

399 The aggrieved party has selected and hereby lists five  
400 certified mediators who we believe to be neutral and  
401 qualified to mediate the dispute. You have the right  
402 to select any one of these mediators. The fact that  
403 one party may be familiar with one or more of the  
404 listed mediators does not mean that the mediator  
405 cannot act as a neutral and impartial facilitator. Any  
406 mediator who cannot act in this capacity is required  
407 ethically to decline to accept engagement. The  
408 mediators that we suggest, and their current hourly  
409 rates, are as follows:

410 (List the names, addresses, telephone numbers, and  
411 hourly rates of the mediators. Other pertinent  
412 information about the background of the mediators may  
413 be included as an attachment.)

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414 You may contact the offices of these mediators to  
415 confirm that the listed mediators will be neutral and  
416 will not show any favoritism toward either party. The  
417 Florida Supreme Court can provide you a list of  
418 certified mediators.

419 Unless otherwise agreed by the parties, section  
420 720.311(2)(b), Florida Statutes, requires that the  
421 parties share the costs of presuit mediation equally,  
422 including the fee charged by the mediator. An average  
423 mediation may require three to four hours of the  
424 mediator's time, including some preparation time, and  
425 the parties would need to share equally the mediator's  
426 fees as well as their own attorney's fees if they  
427 choose to employ an attorney in connection with the  
428 mediation. However, use of an attorney is not required  
429 and is at the option of each party. The mediators may  
430 require the advance payment of some or all of the  
431 anticipated fees. The aggrieved party hereby agrees to  
432 pay or prepay one half of the mediator's estimated  
433 fees and to forward this amount or such other  
434 reasonable advance deposits as the mediator requires  
435 for this purpose. Any funds deposited will be returned  
436 to you if these are in excess of your share of the  
437 fees incurred.

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438 To begin your participation in presuit mediation to  
439 try to resolve the dispute and avoid further legal  
440 action, please sign below and clearly indicate which  
441 mediator is acceptable to you. We will then ask the  
442 mediator to schedule a mutually convenient time and  
443 place for the mediation conference to be held. The  
444 mediation conference must be held within ninety (90)  
445 days of this date, unless extended by mutual written  
446 agreement. In the event that you fail to respond  
447 within 20 days from the date of this letter, or if you  
448 fail to agree to at least one of the mediators that we  
449 have suggested or to pay or prepay to the mediator  
450 one-half of the costs involved, the aggrieved party  
451 will be authorized to proceed with the filing of a  
452 lawsuit against you without further notice and may  
453 seek an award of attorney's fees or costs incurred in  
454 attempting to obtain mediation.

455 Therefore, please give this matter your immediate  
456 attention. By law, your response must be mailed by  
457 certified mail, return receipt requested, and by  
458 first-class mail to the address shown on this demand.

459 .....

460 .....

461 RESPONDING PARTY: YOUR SIGNATURE INDICATES YOUR  
462 AGREEMENT TO THAT CHOICE.

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463 AGREEMENT TO MEDIATE

464 ~~The undersigned hereby agrees to participate in~~  
465 ~~presuit mediation and agrees to attend a mediation~~  
466 ~~conducted by the following mediator or mediators who~~  
467 ~~are listed above as someone who would be acceptable to~~  
468 ~~mediate this dispute:~~

469 ~~(List acceptable mediator or mediators.)~~

470 ~~I/we further agree to pay or prepay one-half of the~~  
471 ~~mediator's fees and to forward such advance deposits~~  
472 ~~as the mediator may require for this purpose.~~

473 .....  
474 ~~Signature of responding party #1~~

475 .....  
476 ~~Telephone contact information~~

477 .....  
478 ~~Signature and telephone contact information of~~  
479 ~~responding party #2 (if applicable) (if property is~~  
480 ~~owned by more than one person, all owners must sign)~~  
481 ~~(b) Service of the statutory demand to participate in~~  
482 ~~presuit mediation shall be effected by sending a letter in~~  
483 ~~substantial conformity with the above form by certified mail,~~  
484 ~~return receipt requested, with an additional copy being sent by~~  
485 ~~regular first class mail, to the address of the responding party~~  
486 ~~as it last appears on the books and records of the association.~~  
487 ~~The responding party has 20 days from the date of the mailing of~~

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488 the statutory demand to serve a response to the aggrieved party  
489 in writing. The response shall be served by certified mail,  
490 return receipt requested, with an additional copy being sent by  
491 regular first class mail, to the address shown on the statutory  
492 demand. Notwithstanding the foregoing, once the parties have  
493 agreed on a mediator, the mediator may reschedule the mediation  
494 for a date and time mutually convenient to the parties. The  
495 parties shall share the costs of presuit mediation equally,  
496 including the fee charged by the mediator, if any, unless the  
497 parties agree otherwise, and the mediator may require advance  
498 payment of its reasonable fees and costs. The failure of any  
499 party to respond to a demand or response, to agree upon a  
500 mediator, to make payment of fees and costs within the time  
501 established by the mediator, or to appear for a scheduled  
502 mediation session without the approval of the mediator, shall  
503 constitute the failure or refusal to participate in the  
504 mediation process and shall operate as an impasse in the presuit  
505 mediation by such party, entitling the other party to proceed in  
506 court and to seek an award of the costs and fees associated with  
507 the mediation. Additionally, notwithstanding the provisions of  
508 any other law or document, persons who fail or refuse to  
509 participate in the entire mediation process may not recover  
510 attorney's fees and costs in subsequent litigation relating to  
511 the dispute. If any presuit mediation session cannot be  
512 scheduled and conducted within 90 days after the offer to

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513 ~~participate in mediation was filed, an impasse shall be deemed~~  
514 ~~to have occurred unless both parties agree to extend this~~  
515 ~~deadline.~~

516 ~~(2)(e) In If presuit mediation as described in paragraph~~  
517 ~~(a) is not successful in resolving all issues between the~~  
518 ~~parties, the parties may file the unresolved dispute in a court~~  
519 ~~of competent jurisdiction or elect to enter into binding or~~  
520 ~~nonbinding arbitration pursuant to the procedures set forth in~~  
521 ~~s. 718.1255 and rules adopted by the division, with the~~  
522 ~~arbitration proceeding to be conducted by a department~~  
523 ~~arbitrator or by a private arbitrator certified by the~~  
524 ~~department. If all parties do not agree to arbitration~~  
525 ~~proceedings following an unsuccessful presuit mediation, any~~  
526 ~~party may file the dispute in court. A final order resulting~~  
527 ~~from nonbinding arbitration is final and enforceable in the~~  
528 ~~courts if a complaint for trial de novo is not filed in a court~~  
529 ~~of competent jurisdiction within 30 days after entry of the~~  
530 ~~order. As to any issue or dispute that is not resolved at~~  
531 ~~arbitration presuit mediation, and as to any issue that is~~  
532 ~~settled at arbitration presuit mediation but is thereafter~~  
533 ~~subject to an action seeking enforcement of the mediation~~  
534 ~~settlement, the prevailing party in any subsequent arbitration~~  
535 ~~or litigation proceeding may shall be entitled to seek recovery~~  
536 ~~of all costs and attorney attorney's fees incurred in the~~  
537 ~~arbitration presuit mediation process.~~

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538        ~~(3)(d) An A mediator or arbitrator is shall be authorized~~  
539 to conduct ~~mediation or~~ arbitration under this section only if  
540 he or she has been certified as a circuit court civil ~~mediator~~  
541 ~~or arbitrator, respectively,~~ pursuant to the requirements  
542 established by the Florida Supreme Court. ~~Settlement agreements~~  
543 ~~resulting from mediation shall not have precedential value in~~  
544 ~~proceedings involving parties other than those participating in~~  
545 ~~the mediation to support either a claim or defense in other~~  
546 ~~disputes.~~

547        ~~(e) The presuit mediation procedures provided by this~~  
548 ~~subsection may be used by a Florida corporation responsible for~~  
549 ~~the operation of a community in which the voting members are~~  
550 ~~parcel owners or their representatives, in which membership in~~  
551 ~~the corporation is not a mandatory condition of parcel~~  
552 ~~ownership, or which is not authorized to impose an assessment~~  
553 ~~that may become a lien on the parcel.~~

554        **Section 8. Section 720.319, Florida Statutes, is created**  
555 **to read:**

556        720.319 Dissolution of homeowners' association.—  
557        (1) This section may be cited as the "Homeowners'  
558 Association Dissolution and Accountability Act."  
559        (2) The Legislature finds that:  
560        (a) Homeowners' associations are created as authorized by  
561 general law and are subject to covenants that encumber the land  
562 and restrict the use of real property.

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563       (b) In some circumstances, the continued enforcement of  
564 those covenants may no longer serve the homeowners' or  
565 community's interest and it is the public policy of this state  
566 to provide by general law a method to preserve the value of the  
567 property interests and the rights of alienation thereof that  
568 homeowners have in their parcels before and after termination.

569       (c) It is contrary to the public policy of this state to  
570 require the continued operation of a homeowners' association  
571 when such continuation is made impossible by law or regulation.

572       (d) It is in the best interest of this state to provide  
573 for termination of the declaration of covenants in certain  
574 circumstances in order to:

575       1. Prevent covenants from impairing the continued  
576 productive use of the property.

577       2. Provide fair treatment and just compensation for parcel  
578 owners and preserve property values and the local property tax  
579 base.

580       3. Preserve the state's long history of protecting  
581 homestead property rights by ensuring that such protection is  
582 extended to parcel owners whose parcel is their homestead in the  
583 context of a termination of a declaration of covenants for an  
584 association.

585       (3) A homeowners' association may be terminated by a plan  
586 of termination that meets the requirements of this section and

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587 is approved by a community association court program under s.  
588 720.32.

589 (4) A plan of termination is subject to the following  
590 conditions:

591 (a) The total voting interests of the association must  
592 include all voting interests for the purpose of considering a  
593 plan of termination. A voting interest of the association may  
594 not be suspended for any reason when voting on termination under  
595 this section.

596 (b) If the members reject a plan of termination, a  
597 subsequent plan of termination under this section may not be  
598 considered for at least 18 months after the date of the  
599 rejection.

600 (c) A plan of termination must be approved by at least  
601 two-thirds of the total voting interests of the association.

602 (d) A parcel owner desiring to reject a plan of  
603 termination must do so by either voting in person or by proxy to  
604 reject the plan or by delivering a written objection to the  
605 association before or at the meeting called under subsection  
606 (5).

607 (5) (a) A parcel owner who wishes to terminate a  
608 homeowners' association in which he or she is a member must  
609 provide to the board of administration a petition for a plan of  
610 termination that is signed by at least 50 percent of the voting  
611 members of the association. The board must hold a meeting of the

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612 members within 60 days after receipt of the signed petition. A  
613 voting interest of the association may not be suspended for any  
614 reason for purposes of signing the petition or determining  
615 whether the 50 percent threshold for such petition has been met