

1 A bill to be entitled
2 An act relating to community associations; amending s.
3 718.1255, F.S.; removing presuit mediation
4 requirements; amending s. 720.302, F.S.; conforming a
5 provision to changes made by the act; amending s.
6 720.303, F.S.; requiring associations to include a
7 specified statement in the governing documents or to
8 hold a meeting by a date certain to vote to amend the
9 governing documents to include such statement;
10 requiring a vote held at such meetings to be approved
11 by a certain amount of the voting interests; amending
12 s. 720.306, F.S.; conforming a cross-reference;
13 amending s. 720.311, F.S.; removing presuit mediation
14 requirements; requiring that specified arbitrators
15 conduct arbitration proceedings; creating s. 720.319,
16 F.S.; providing a short title; providing legislative
17 findings; authorizing a homeowners' association to be
18 terminated; providing requirements for the termination
19 of a homeowners' association; providing conditions for
20 a plan of termination; requiring an approved plan of
21 termination be submitted to a community association
22 court program and recorded in the public records of
23 each county in which the association is located;
24 providing duties and responsibilities of a termination
25 trustee; authorizing a member to file a petition with

26 a community association court program under certain
27 circumstances; authorizing a community association
28 court program to take certain actions; providing
29 responsibilities of the board after approval of a plan
30 of termination; providing for the distribution of
31 assets and paying of lawful debts after an association
32 is terminated; specifying unlawful actions by an
33 association or its officers or directors; providing
34 penalties; creating s. 720.32, F.S.; providing
35 legislative intent; authorizing circuit courts to
36 create and administer a community association court
37 program; providing duties of the chief judge;
38 providing the jurisdiction of the community
39 association court program; authorizing the community
40 association court program to take certain actions;
41 requiring the chief judge of certain judicial circuits
42 to submit to the Legislature a specified report
43 annually by a specified date; providing duties of the
44 Office of the State Courts Administrator; providing
45 that certain costs associated with the community
46 association court program be funded through an
47 appropriation to the Department of Business and
48 Professional Regulation; amending s. 34.01, F.S.;
49 conforming a provision to changes made by the act;
50 providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (6) and (7) of section 718.1255, Florida Statutes, are renumbered as subsections (5) and (6), respectively, and paragraphs (a), (h), (k), and (m) of subsection (4) and present subsection (5) of that section are amended, to read:

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

(4) NONBINDING ARBITRATION AND MEDIATION OF DISPUTES.—The Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation may employ full-time attorneys to act as arbitrators to conduct the arbitration hearings provided by this chapter. The division may also certify attorneys who are not employed by the division to act as arbitrators to conduct the arbitration hearings provided by this chapter. A person may not be employed by the department as a full-time arbitrator unless he or she is a member in good standing of The Florida Bar. A person may only be certified by the division to act as an arbitrator if he or she has been a member in good standing of The Florida Bar for at least 5 years and has mediated or arbitrated at least 10 disputes involving condominiums in this state during the 3 years immediately preceding the date of application, mediated or arbitrated at

76 | least 30 disputes in any subject area in this state during the 3
77 | years immediately preceding the date of application, or attained
78 | board certification in real estate law or condominium and
79 | planned development law from The Florida Bar. Arbitrator
80 | certification is valid for 1 year. An arbitrator who does not
81 | maintain the minimum qualifications for initial certification
82 | may not have his or her certification renewed. The department
83 | may not enter into a legal services contract for an arbitration
84 | hearing under this chapter with an attorney who is not a
85 | certified arbitrator unless a certified arbitrator is not
86 | available within 50 miles of the dispute. The department shall
87 | adopt rules of procedure to govern such arbitration hearings
88 | including mediation incident thereto. The decision of an
89 | arbitrator is final; however, a decision is not deemed final
90 | agency action. Nothing in this provision shall be construed to
91 | foreclose parties from proceeding in a trial de novo unless the
92 | parties have agreed that the arbitration is binding. If judicial
93 | proceedings are initiated, the final decision of the arbitrator
94 | is admissible in evidence in the trial de novo.

95 | (a) Before the institution of court litigation, a party to
96 | a dispute, other than an election or recall dispute, must ~~shall~~
97 | ~~either~~ petition the division for nonbinding arbitration or
98 | request that the case be referred to mediation ~~initiate presuit~~
99 | ~~mediation as provided in subsection (5)~~. Arbitration is binding
100 | on the parties if all parties in arbitration agree to be bound

101 in a writing filed in arbitration. The petition must be
102 accompanied by a filing fee in the amount of \$50. Filing fees
103 collected under this section must be used to defray the expenses
104 of the alternative dispute resolution program.

105 (h) Mediation proceedings must generally be conducted in
106 accordance with the Florida Rules of Civil Procedure, and these
107 proceedings are privileged and confidential to the same extent
108 as court-ordered mediation. Persons who are not parties to the
109 dispute are not allowed to attend the mediation conference
110 without the consent of all parties, with the exception of
111 counsel for the parties and corporate representatives designated
112 to appear for a party. If the mediator declares an impasse after
113 a mediation conference has been held, the arbitration proceeding
114 terminates, unless all parties agree in writing to continue the
115 arbitration proceeding, in which case the arbitrator's decision
116 shall be binding or nonbinding, as agreed upon by the parties;
117 in the arbitration proceeding, the arbitrator shall not consider
118 any evidence relating to the unsuccessful mediation except in a
119 proceeding to impose sanctions for failure to appear at the
120 mediation conference. If the parties do not agree to continue
121 arbitration, the arbitrator shall enter an order of dismissal,
122 and either party may institute a suit in a community association
123 court program under s. 720.32 or a court of competent
124 jurisdiction. The parties may seek to recover any costs and
125 attorney fees incurred in connection with arbitration and

126 mediation proceedings under this section as part of the costs
127 and fees that may be recovered by the prevailing party in any
128 subsequent litigation.

129 (k) The arbitration decision shall be rendered within 30
130 days after the hearing and presented to the parties in writing.
131 An arbitration decision is final in those disputes in which the
132 parties have agreed to be bound. An arbitration decision is also
133 final if a complaint for a trial de novo is not filed in a
134 community association court program under s. 720.32 or a court
135 of competent jurisdiction in which the condominium is located
136 within 30 days. The right to file for a trial de novo entitles
137 the parties to file a complaint in the appropriate trial court
138 for a judicial resolution of the dispute. The prevailing party
139 in an arbitration proceeding shall be awarded the costs of the
140 arbitration and reasonable attorney fees in an amount determined
141 by the arbitrator. Such an award shall include the costs and
142 reasonable attorney fees incurred in the arbitration proceeding
143 as well as the costs and reasonable attorney fees incurred in
144 preparing for and attending any scheduled mediation. An
145 arbitrator's failure to render a written decision within 30 days
146 after the hearing may result in the cancellation of his or her
147 arbitration certification.

148 (m) Any party to an arbitration proceeding may enforce an
149 arbitration award by filing a petition in a community
150 association court program under s. 720.32 or a court of

competent jurisdiction in which the condominium is located. A petition may not be granted unless the time for appeal by the filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed. If the petition for enforcement is granted, the petitioner shall recover reasonable attorney fees and costs incurred in enforcing the arbitration award. A mediation settlement may also be enforced through the county or circuit court or a community association court program, as applicable, and any costs and fees incurred in the enforcement of a settlement agreement reached at mediation must be awarded to the prevailing party in any enforcement action.

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

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

720.302 Purposes, scope, and application.—

(2) The Legislature recognizes that it is not in the best interest of homeowners' associations or the individual association members thereof to create or impose a bureau or

other agency of state government to regulate the affairs of homeowners' associations. However, in accordance with s. 720.311, the Legislature finds that homeowners' associations and their individual members will benefit from an expedited alternative process for resolution of election and recall disputes ~~and presuit mediation of other disputes involving covenant enforcement~~ and authorizes the department to hear, administer, and determine these disputes as more fully set forth in this chapter. Further, the Legislature recognizes that certain contract rights have been created for the benefit of homeowners' associations and members thereof before the effective date of this act and that ss. 720.301-720.407 are not intended to impair such contract rights, including, but not limited to, the rights of the developer to complete the community as initially contemplated.

Section 3. Subsection (1) of section 720.303, Florida Statutes, is amended to read:

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

(1) POWERS AND DUTIES.—

(a) An association that operates a community as defined in s. 720.301 must be operated by an association that is a Florida corporation. After October 1, 1995, the association must be incorporated and the initial governing documents must be

recorded in the official records of the county in which the community is located. An association may operate more than one community.

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

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

1. Beginning July 1, 2026, each newly formed and incorporated association must include the following statement in the governing documents:

This association and the association's governing documents are governed by the Florida Condominium Act, as amended from time to time.

2. By January 1, 2027, each association in existence on or before July 1, 2026, must hold a meeting of the members in accordance with s. 720.306 to vote whether to amend the governing documents of the association to include the statement in subparagraph 1. The association must obtain the affirmative approval of a majority of the voting interests at a meeting of the membership at which a quorum has been attained in order to

226 amend the governing documents under this subparagraph.

227 (d) After control of the association is obtained by
228 members other than the developer, the association may institute,
229 maintain, settle, or appeal actions or hearings in its name on
230 behalf of all members concerning matters of common interest to
231 the members, including, but not limited to, the common areas;
232 roof or structural components of a building, or other
233 improvements for which the association is responsible;
234 mechanical, electrical, or plumbing elements serving an
235 improvement or building for which the association is
236 responsible; representations of the developer pertaining to any
237 existing or proposed commonly used facility; and protest of ad
238 valorem taxes on commonly used facilities. The association may
239 defend actions in eminent domain or bring inverse condemnation
240 actions. Before commencing litigation against any party in the
241 name of the association involving amounts in controversy in
242 excess of \$100,000, the association must obtain the affirmative
243 approval of a majority of the voting interests at a meeting of
244 the membership at which a quorum has been attained. This
245 paragraph ~~subsection~~ does not limit any statutory or common-law
246 right of any individual member or class of members to bring any
247 action without participation by the association.

248 (e) A member does not have authority to act for the
249 association by virtue of being a member. An association may have
250 more than one class of members and may issue membership

certificates.

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

Section 4. Paragraph (h) of subsection (1) of section 720.306, Florida Statutes, is amended to read:

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

(1) QUORUM; AMENDMENTS.—

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

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

3. This paragraph does not affect the amendment restrictions for associations of 15 or fewer parcel owners under

276 s. 720.303(1)(f) ~~s. 720.303(1)~~.

277 4. For purposes of this paragraph, a change of ownership
278 does not occur when a parcel owner conveys the parcel to an
279 affiliated entity, when beneficial ownership of the parcel does
280 not change, or when an heir becomes the parcel owner. For
281 purposes of this subparagraph, the term "affiliated entity"
282 means an entity that controls, is controlled by, or is under
283 common control with the parcel owner or that becomes a parent or
284 successor entity by reason of transfer, merger, consolidation,
285 public offering, reorganization, dissolution or sale of stock,
286 or transfer of membership partnership interests. For a
287 conveyance to be recognized as one made to an affiliated entity,
288 the entity must furnish to the association a document certifying
289 that this subparagraph applies and provide any organizational
290 documents for the parcel owner and the affiliated entity which
291 support the representations in the certificate, as requested by
292 the association.

293 5. For purposes of this paragraph, a change of ownership
294 does occur when, with respect to a parcel owner that is a
295 business entity, every person that owned an interest in the real
296 property at the time of the enactment of the amendment or rule
297 conveys their interest in the real property to an unaffiliated
298 entity.

299 **Section 5. Section 720.311, Florida Statutes, is amended**
300 **to read:**

720.311 Dispute resolution.—

(1) The Legislature finds that alternative dispute resolution has made progress in reducing court dockets and trials and in offering a more efficient, cost-effective option to litigation. The filing of any petition for arbitration tolls ~~or the serving of a demand for presuit mediation as provided for in this section shall toll~~ the applicable statute of limitations. Any recall dispute filed with the department under s. 720.303(10) must ~~shall~~ be conducted by the department in accordance with ~~the provisions of~~ ss. 718.112(2)(1) and 718.1255 and the rules adopted by the division. In addition, the department shall conduct binding arbitration of election disputes between a member and an association in accordance with s. 718.1255 and rules adopted by the division. Election disputes and recall disputes ~~are not eligible for presuit mediation; these disputes~~ must be arbitrated by the department or filed in a court of competent jurisdiction. The arbitration proceeding must be conducted by a department arbitrator or by a private arbitrator certified by the department. At the conclusion of an arbitration proceeding, the department shall charge the parties a fee in an amount adequate to cover all costs and expenses incurred by the department in conducting the proceeding. Initially, the petitioner shall remit a filing fee of at least \$200 to the department. The fees paid to the department shall become a recoverable cost in the arbitration proceeding, and the

326 prevailing party in an arbitration proceeding shall recover its
327 reasonable costs and attorney fees in an amount found reasonable
328 by the arbitrator. The department shall adopt rules to
329 effectuate the purposes of this section.

330 ~~(2)(a) Disputes between an association and a parcel owner~~
331 ~~regarding use of or changes to the parcel or the common areas~~
332 ~~and other covenant enforcement disputes, disputes regarding~~
333 ~~amendments to the association documents, disputes regarding~~
334 ~~meetings of the board and committees appointed by the board,~~
335 ~~membership meetings not including election meetings, and access~~
336 ~~to the official records of the association shall be the subject~~
337 ~~of a demand for presuit mediation served by an aggrieved party~~
338 ~~before the dispute is filed in court. Presuit mediation~~
339 ~~proceedings must be conducted in accordance with the applicable~~
340 ~~Florida Rules of Civil Procedure, and these proceedings are~~
341 ~~privileged and confidential to the same extent as court-ordered~~
342 ~~mediation. Disputes subject to presuit mediation under this~~
343 ~~section shall not include the collection of any assessment,~~
344 ~~fine, or other financial obligation, including attorney's fees~~
345 ~~and costs, claimed to be due or any action to enforce a prior~~
346 ~~mediation settlement agreement between the parties. Also, in any~~
347 ~~dispute subject to presuit mediation under this section where~~
348 ~~emergency relief is required, a motion for temporary injunctive~~
349 ~~relief may be filed with the court without first complying with~~
350 ~~the presuit mediation requirements of this section. After any~~

~~issues regarding emergency or temporary relief are resolved, the court may either refer the parties to a mediation program administered by the courts or require mediation under this section. An arbitrator or judge may not consider any information or evidence arising from the presuit mediation proceeding except in a proceeding to impose sanctions for failure to attend a presuit mediation session or to enforce a mediated settlement agreement. Persons who are not parties to the dispute may not attend the presuit mediation conference without the consent of all parties, except for counsel for the parties and a corporate representative designated by the association. When mediation is attended by a quorum of the board, such mediation is not a board meeting for purposes of notice and participation set forth in s. 720.303. An aggrieved party shall serve on the responding party a written demand to participate in presuit mediation in substantially the following form:~~

~~STATUTORY OFFER TO PARTICIPATE~~

~~IN PRESUIT MEDIATION~~

~~The alleged aggrieved party,, hereby demands that, as the responding party, engage in mandatory presuit mediation in connection with the following disputes, which by statute are of a type that are subject to presuit mediation:~~

~~(List specific nature of the dispute or disputes to be~~

mediated and the authority supporting a finding of a violation as to each dispute.)

Pursuant to section 720.311, Florida Statutes, this demand to resolve the dispute through presuit mediation is required before a lawsuit can be filed concerning the dispute. Pursuant to the statute, the parties are required to engage in presuit mediation with a neutral third-party mediator in order to attempt to resolve this dispute without court action, and the aggrieved party demands that you likewise agree to this process. If you fail to participate in the mediation process, suit may be brought against you without further warning.

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

~~If an agreement is reached, it shall be reduced to writing and becomes a binding and enforceable commitment of the parties. A resolution of one or more disputes in this fashion avoids the need to litigate these issues in court. The failure to reach an agreement, or the failure of a party to participate in the process, results in the mediator declaring an impasse in the mediation, after which the aggrieved party may proceed to court on all outstanding, unsettled disputes. If you have failed or refused to participate in the entire mediation process, you will not be entitled to recover attorney's fees, even if you prevail.~~

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

~~(List the names, addresses, telephone numbers, and~~

~~hourly rates of the mediators. Other pertinent information about the background of the mediators may be included as an attachment.)~~

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

~~Unless otherwise agreed by the parties, section 720.311(2) (b), Florida Statutes, requires that the parties share the costs of presuit mediation equally, including the fee charged by the mediator. An average mediation may require three to four hours of the mediator's time, including some preparation time, and the parties would need to share equally the mediator's fees as well as their own attorney's fees if they choose to employ an attorney in connection with the mediation. However, use of an attorney is not required and is at the option of each party. The mediators may require the advance payment of some or all of the anticipated fees. The aggrieved party hereby agrees to pay or prepay one-half of the mediator's estimated fees and to forward this amount or such other reasonable advance deposits as the mediator requires for this purpose. Any funds deposited will be returned~~

451 ~~to you if these are in excess of your share of the~~
452 ~~fees incurred.~~

453 ~~To begin your participation in presuit mediation to~~
454 ~~try to resolve the dispute and avoid further legal~~
455 ~~action, please sign below and clearly indicate which~~
456 ~~mediator is acceptable to you. We will then ask the~~
457 ~~mediator to schedule a mutually convenient time and~~
458 ~~place for the mediation conference to be held. The~~
459 ~~mediation conference must be held within ninety (90)~~
460 ~~days of this date, unless extended by mutual written~~
461 ~~agreement. In the event that you fail to respond~~
462 ~~within 20 days from the date of this letter, or if you~~
463 ~~fail to agree to at least one of the mediators that we~~
464 ~~have suggested or to pay or prepay to the mediator~~
465 ~~one-half of the costs involved, the aggrieved party~~
466 ~~will be authorized to proceed with the filing of a~~
467 ~~lawsuit against you without further notice and may~~
468 ~~seek an award of attorney's fees or costs incurred in~~
469 ~~attempting to obtain mediation.~~

470 ~~Therefore, please give this matter your immediate~~
471 ~~attention. By law, your response must be mailed by~~
472 ~~certified mail, return receipt requested, and by~~
473 ~~first class mail to the address shown on this demand.~~

474 ~~.....~~
475 ~~.....~~

~~RESPONDING PARTY: YOUR SIGNATURE INDICATES YOUR
AGREEMENT TO THAT CHOICE.~~

~~AGREEMENT TO MEDIATE~~

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

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

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

~~.....~~

~~Signature of responding party #1~~

~~.....~~

~~Telephone contact information~~

~~.....~~

~~Signature and telephone contact information of~~

~~responding party #2 (if applicable) (if property is
owned by more than one person, all owners must sign)~~

~~(b) Service of the statutory demand to participate in
presuit mediation shall be effected by sending a letter in
substantial conformity with the above form by certified mail,
return receipt requested, with an additional copy being sent by
regular first-class mail, to the address of the responding party~~

~~as it last appears on the books and records of the association.
The responding party has 20 days from the date of the mailing of
the statutory demand to serve a response to the aggrieved party
in writing. The response shall be served by certified mail,
return receipt requested, with an additional copy being sent by
regular first-class mail, to the address shown on the statutory
demand. Notwithstanding the foregoing, once the parties have
agreed on a mediator, the mediator may reschedule the mediation
for a date and time mutually convenient to the parties. The
parties shall share the costs of presuit mediation equally,
including the fee charged by the mediator, if any, unless the
parties agree otherwise, and the mediator may require advance
payment of its reasonable fees and costs. The failure of any
party to respond to a demand or response, to agree upon a
mediator, to make payment of fees and costs within the time
established by the mediator, or to appear for a scheduled
mediation session without the approval of the mediator, shall
constitute the failure or refusal to participate in the
mediation process and shall operate as an impasse in the presuit
mediation by such party, entitling the other party to proceed in
court and to seek an award of the costs and fees associated with
the mediation. Additionally, notwithstanding the provisions of
any other law or document, persons who fail or refuse to
participate in the entire mediation process may not recover
attorney's fees and costs in subsequent litigation relating to~~

526 ~~the dispute. If any presuit mediation session cannot be~~
527 ~~scheduled and conducted within 90 days after the offer to~~
528 ~~participate in mediation was filed, an impasse shall be deemed~~
529 ~~to have occurred unless both parties agree to extend this~~
530 ~~deadline.~~

531 (2)(c) ~~In If presuit mediation as described in paragraph~~
532 ~~(a) is not successful in resolving~~ all issues between the
533 parties, the parties may file the ~~unresolved~~ dispute in a court
534 of competent jurisdiction or elect to enter into binding or
535 nonbinding arbitration pursuant to the procedures set forth in
536 s. 718.1255 and rules adopted by the division, with the
537 arbitration proceeding to be conducted by a department
538 arbitrator or by a private arbitrator certified by the
539 department. If all parties do not agree to arbitration
540 ~~proceedings following an unsuccessful presuit mediation~~, any
541 party may file the dispute in court. A final order resulting
542 from nonbinding arbitration is final and enforceable in the
543 courts if a complaint for trial de novo is not filed in a court
544 of competent jurisdiction within 30 days after entry of the
545 order. As to any issue or dispute that is not resolved at
546 arbitration ~~presuit mediation~~, and as to any issue that is
547 settled at arbitration ~~presuit mediation~~ but is thereafter
548 subject to an action seeking enforcement of the ~~mediation~~
549 settlement, the prevailing party in any subsequent arbitration
550 or litigation proceeding may ~~shall be entitled to~~ seek recovery

of all costs and attorney ~~attorney's~~ fees incurred in the
arbitration ~~presuit mediation~~ process.

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

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

**Section 6. Section 720.319, Florida Statutes, is created
to read:**

720.319 Dissolution of homeowners' association.—

(1) This section may be cited as the "Homeowners'
Association Dissolution and Accountability Act."

(2) The Legislature finds that:

(a) Homeowners' associations are created as authorized by

576 general law and are subject to covenants that encumber the land
577 and restrict the use of real property.

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

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

587 (d) It is in the best interest of this state to provide
588 for termination of the declaration of covenants in certain
589 circumstances in order to:

590 1. Prevent covenants from impairing the continued
591 productive use of the property.

592 2. Provide fair treatment and just compensation for parcel
593 owners and preserve property values and the local property tax
594 base.

595 3. Preserve the state's long history of protecting
596 homestead property rights by ensuring that such protection is
597 extended to parcel owners whose parcel is their homestead in the
598 context of a termination of a declaration of covenants for an
599 association.

600 (3) A homeowners' association may be terminated by a plan

601 of termination that meets the requirements of this section and
602 is approved by a community association court program under s.
603 720.32.

604 (4) A plan of termination is subject to the following
605 conditions:

606 (a) The total voting interests of the association must
607 include all voting interests for the purpose of considering a
608 plan of termination. A voting interest of the association may
609 not be suspended for any reason when voting on termination under
610 this section.

611 (b) If the members reject a plan of termination, a
612 subsequent plan of termination under this section may not be
613 considered for at least 18 months after the date of the
614 rejection.

615 (5)(a) A parcel owner who wishes to terminate a
616 homeowners' association in which he or she is a member must
617 provide to the board of administration a petition for a plan of
618 termination that is signed by at least 20 percent of the voting
619 members of the association. The board must hold a meeting of the
620 members within 60 days after receipt of the signed petition.

621 (b) Notice of such meeting must be made in accordance with
622 s. 720.303(2) and include the following information:

- 623 1. A copy of the proposed plan of dissolution.
624 2. An explanation of how the common areas and the assets
625 of the association will be managed or transferred.

626 3. The manner in which voting will take place.

627 (c) If the board fails to call a meeting within the 60-day
628 time period, any member may petition a community association
629 court program under s. 720.32 or, if a community association
630 court program does not exist in the judicial circuit in which
631 the association is located, a court of competent jurisdiction
632 for an order compelling compliance with this section.

633 (6) (a) A plan of termination must be approved by at least
634 two-thirds of the total voting interests of the association.

635 (b) A parcel owner desiring to reject the plan of
636 termination must do so by either voting to reject the plan in
637 person or by proxy or by delivering a written objection to the
638 association before or at the meeting called under subsection
639 (5).

640 (7) If a plan of termination is approved, the board must
641 submit such plan to the community association court program in
642 the judicial circuit in which the association is located or, if
643 a community association court program does not exist, a court of
644 competent jurisdiction. The court shall examine the plan of
645 termination and determine its procedural sufficiency and, within
646 45 days after receipt of the plan, notify the association by
647 mail of any procedural deficiencies or that the plan is
648 accepted. If notice is not provided within the 45-day time
649 period, the plan of termination is presumed to be accepted. If
650 the court determines that the conditions required by this

651 section have been met and that the plan of termination complies
652 with the procedural requirements of this section, the court must
653 authorize the termination and the termination may proceed as
654 authorized in this section.

655 (8)(a) A plan of termination and the consents or joinders
656 of parcel owners must be recorded in the public records of each
657 county in which any portion of the association is located. The
658 plan is effective only upon recordation or at a later date
659 specified in the plan.

660 (b) Upon recordation or at a later date specified in the
661 plan of termination, title to the association property vests in
662 a termination trustee. The board serves as such trustee unless
663 another person is appointed in the plan of termination. If the
664 board is not the termination trustee, the board must transfer
665 any association property to such trustee. The termination
666 trustee is vested with the powers given by the declaration and
667 bylaws of the association and subsection (10). If the board is
668 unable, unwilling, or fails to act as termination trustee, a
669 parcel owner may petition the community association court
670 program to appoint a termination trustee.

671 (9) If the board fails to hold the meeting under
672 subsection (5), obstructs the termination process, or refuses to
673 record the decision of the members to terminate, a member may
674 file a petition with the community association court program in
675 the judicial circuit in which the association is located or, if

676 a community association court program does not exist, a court of
677 competent jurisdiction. A community association court program
678 may do all of the following:

679 (a) Verify compliance with the procedural requirements of
680 this section and all statutory voting requirements.

681 (b) Order the Department of State to dissolve the
682 homeowners' association.

683 (c) Appoint a receiver to manage the distribution of
684 assets and resolution of liabilities.

685 (10) The approval of the plan of termination does not
686 terminate the board of administration, which shall continue in
687 existence following approval of the plan of termination with all
688 powers and duties such board had before approval of the plan.
689 Notwithstanding any provision to the contrary in the declaration
690 or bylaws, after approval of the plan of termination the board
691 must:

692 (a) Employ directors, agents, attorneys, and other
693 professionals to liquidate or conclude the board's affairs.

694 (b) Conduct the affairs of the association as necessary
695 for the liquidation or termination.

696 (c) Carry out contracts and collect, pay, and settle debts
697 and claims for and against the association.

698 (d) Defend suits brought against the association.

699 (e) Sue in the name of the association for all sums due or
700 owed to the association or to recover any association property.

701 (f) Perform any act necessary to maintain, repair, or
702 demolish unsafe or uninhabitable improvements or other
703 association property in compliance with applicable codes.

704 (g) Sell at public or private sale or exchange, convey, or
705 otherwise dispose of assets of the association for an amount
706 deemed to be in the best interests of the association, and
707 execute bills of sale and deeds of conveyance in the name of the
708 association.

709 (h) Collect and receive rents, profits, accounts
710 receivable, income, maintenance fees, special assessments, or
711 insurance proceeds for the association.

712 (i) Contract and do anything in the name of the
713 association which is proper or convenient to terminate the
714 affairs of the association.

715 (11) (a) All remaining association assets after the payment
716 of any lawful debts must be distributed equally among members or
717 as otherwise provided in the plan of termination.

718 (b) A member may not be subject to personal liability for
719 unpaid obligations beyond the member's regular assessments or
720 special assessments that existed before the vote for
721 termination.

722 (12) (a) The following actions by an association or the
723 officers or directors thereof are unlawful:

724 1. Failing to call or notice a meeting after receipt of a
725 valid petition for a plan of termination.

726 2. Spending association funds to campaign for or against
727 the plan of termination.

728 3. Concealing any financial or property records relevant
729 to the plan of termination.

730 (b) An officer or a director who violates paragraph (a) is
731 subject to any of the following:

732 1. A civil penalty of up to \$5,000 per violation.

733 2. Removal from office by court order.

734 3. Personal liability for legal fees incurred by the
735 petitioners.

736 **Section 7. Section 720.32, Florida Statutes, is created to**
737 **read:**

738 720.32 Community association court program.—

739 (1) It is the intent of the Legislature to encourage and
740 support the judicial circuits of the state to create and
741 maintain a community association court program in each judicial
742 circuit. The purpose of a community association court program is
743 to address disputes that arise between community associations
744 and the members thereof or between members within a community
745 association. It is the intent of the Legislature that this
746 section provide a detailed statewide standard for the creation,
747 operation, and procedures for community association court
748 programs.

749 (2) A circuit court may create and administer a community
750 association court program. The chief judge shall designate at

751 least one judge to preside over the community association court
752 program. The chief judge may issue administrative orders
753 concerning the community association court program.

754 (3) The community association court program has
755 jurisdiction over disputes, including any related termination or
756 enforcement proceedings, arising under any of the following:

757 (a) Chapter 718, the Condominium Act.

758 (b) Chapter 719, the Cooperative Act.

759 (c) Chapter 720, the Homeowners' Association Act.

760 (4) The community association court program may do all of
761 the following:

762 (a) Enforce all statutory rights of unit owners and parcel
763 owners.

764 (b) Verify and compel compliance with all statutory
765 requirements by community associations, boards of
766 administration, and officers or directors of such boards.

767 (c) Order the Department of State to dissolve a community
768 association.

769 (d) Appoint a receiver to manage the distribution of
770 association assets and resolution of liabilities.

771 (e) Impose civil penalties for violations of statutory
772 rights.

773 (f) Issue injunctive relief as appropriate.

774 (g) Award reasonable attorney fees and costs as
775 appropriate.

776 (5) By January 1 of each year, the chief judge in each
777 judicial circuit in which a community association court program
778 is created shall submit to the President of the Senate and the
779 Speaker of the House of Representatives a report that summarizes
780 the caseload of each community association court program and the
781 outcomes of such caseload.

782 (6) The Office of the State Courts Administrator shall
783 establish procedure, staffing, and reporting requirements for
784 the operation of the community association court program.

785 (7) The costs associated with the creation, operation, and
786 compliance and enforcement duties of the community association
787 court program shall be funded through a general revenue
788 appropriation to the department.

789 **Section 8. Paragraph (d) of subsection (1) of section**
790 **34.01, Florida Statutes, is amended to read:**

791 34.01 Jurisdiction of county court.—

792 (1) County courts shall have original jurisdiction:

793 (d) Of disputes occurring in ~~the~~ homeowners' associations
794 ~~as described in s. 720.311(2)(a),~~ which shall be concurrent with
795 jurisdiction of the circuit courts.

796 **Section 9.** This act shall take effect July 1, 2026.