

1 A bill to be entitled
2 An act relating to community associations; creating s.
3 712.13, F.S.; providing legislative findings and
4 intent; providing definitions; providing that the
5 recorded governing documents of a dissolved
6 homeowners' association are deemed terminated and
7 unenforceable; requiring the clerk of the circuit
8 court to indicate in the county records that a
9 dissolved association's governing documents are
10 terminated and inactive; requiring certain exclusive
11 easements to revert to the servient estate upon
12 dissolution of a homeowners' association under certain
13 circumstances; providing for the extinguishment of
14 such easement; prohibiting an easement held by a
15 dissolved association from becoming a public right-of-
16 way, trail, or access route unless the easement is
17 separately recorded for public use; providing
18 construction; providing retroactive applicability;
19 amending s. 718.104, F.S.; requiring condominium
20 associations to include a specified statement in the
21 governing documents or to hold a meeting by a date
22 certain to vote to amend the governing documents to
23 include such statement; requiring a vote held at such
24 meeting to be approved by a certain amount of the
25 voting interests; amending s. 718.1255, F.S.; removing

26 presuit mediation requirements; amending s. 720.302,
27 F.S.; conforming a provision to changes made by the
28 act; amending s. 720.303, F.S.; requiring homeowners'
29 associations to include a specified statement in the
30 governing documents or to hold a meeting by a date
31 certain to vote to amend the governing documents to
32 include such statement; requiring a vote held at such
33 meeting to be approved by a certain amount of the
34 voting interests; providing that directors, officers,
35 and committee members of a homeowners' association owe
36 a duty of loyalty to such association and its members;
37 requiring a director, an officer, or a committee
38 member who has a conflict of interest to disclose to
39 the board such conflict in writing; prohibiting such
40 director, officer, or member from participating in any
41 discussion or vote on such matter; authorizing an
42 association to void a transaction involving a conflict
43 of interest; providing an exception; providing a
44 rebuttable presumption; providing construction;
45 amending s. 720.306, F.S.; conforming a cross-
46 reference; amending s. 720.311, F.S.; removing presuit
47 mediation requirements; requiring that specified
48 arbitrators conduct arbitration proceedings; creating
49 s. 720.319, F.S.; providing a short title; providing
50 legislative findings; authorizing a homeowners'

51 association to be terminated; providing requirements
52 for the termination of a homeowners' association;
53 providing conditions for a plan of termination;
54 requiring an approved plan of termination be submitted
55 to a community association court program and recorded
56 in the public records of each county in which the
57 association is located; providing duties and
58 responsibilities of a termination trustee; authorizing
59 a member to file a petition with a community
60 association court program under certain circumstances;
61 authorizing a community association court program to
62 take certain actions; providing responsibilities of
63 the board after approval of a plan of termination;
64 providing for the distribution of assets and paying of
65 lawful debts after an association is terminated;
66 specifying unlawful actions by an association or its
67 officers or directors; providing penalties; creating
68 s. 720.32, F.S.; providing legislative intent;
69 authorizing circuit courts to create and administer a
70 community association court program; providing duties
71 of the chief judge; providing the jurisdiction of the
72 community association court program; authorizing the
73 community association court program to take certain
74 actions; requiring the chief judge of certain judicial
75 circuits to submit to the Legislature a specified

76 report annually by a specified date; providing duties
77 of the Office of the State Courts Administrator;
78 providing that certain costs associated with the
79 community association court program be funded through
80 an appropriation to the Department of Business and
81 Professional Regulation; amending s. 34.01, F.S.;
82 conforming a provision to changes made by the act;
83 providing an effective date.
84

85 Be It Enacted by the Legislature of the State of Florida:
86

87 **Section 1. Section 712.13, Florida Statutes, is created to**
88 **read:**

89 712.13 Governing documents associated with dissolved
90 homeowners' associations.—

91 (1) The Legislature finds that when a homeowners'
92 association has been dissolved, voluntarily or involuntarily,
93 the recorded governing documents created solely for the
94 association's benefit may remain in the county records
95 indefinitely, imposing an undue burden on private property
96 owners. It is the intent of the Legislature to restore and
97 protect private property rights by ensuring that such
98 encumbrances are properly extinguished or removed from the
99 official records of the county when the association ceases to
100 exist.

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

102 (a) "Dissolved association" means a homeowners'
103 association that has filed articles of dissolution with the
104 Department of State under chapter 617 or has otherwise ceased
105 its legal operation and existence.

106 (b) "Exclusive easement" means an easement recorded for
107 the sole benefit or use of a homeowners' association or its
108 members.

109 (c) "Governing documents" has the same meaning as in s.
110 720.301.

111 (d) "Servient estate" means the real property burdened by
112 an easement.

113 (3) (a) Upon the dissolution of a homeowners' association,
114 the governing documents of the association, which were recorded
115 in the official records of a county and created solely for the
116 operation or benefit of the dissolved association or its
117 members, are deemed terminated and are unenforceable.

118 (b) The recorded governing documents may not be construed
119 to create any rights for the general public or for any successor
120 entity unless expressly provided by law.

121 (c) The clerk of the circuit court shall, upon receipt of
122 a certified copy of the association's articles of dissolution,
123 mark or otherwise indicate in the county's official records that
124 the governing documents for the dissolved association are
125 terminated and inactive.

126 (4) (a) An exclusive easement created for the benefit of a
127 homeowners' association or its members must revert to the
128 servient estate upon dissolution of the association if the owner
129 of the servient estate has continuously paid his or her ad
130 valorem taxes on the land encumbered by the easement.

131 (b) Upon reversion, the exclusive easement is extinguished
132 and the owner of the servient estate regains full rights of
133 ownership, possession, and control of the land encumbered by the
134 easement.

135 (c) An easement formerly held by a homeowners' association
136 may not become a public right-of-way, trail, or access route
137 unless a separate, valid written notice in accordance with s.
138 712.06 has been recorded to preserve the easement for the
139 benefit of the public.

140 (5) This section does not impair or extinguish easements,
141 covenants, or restrictions benefiting individual property owners
142 which were separately recorded or preserved under this chapter.

143 (6) This section applies both prospectively and
144 retroactively to homeowners' associations dissolved before, on,
145 or after July 1, 2026.

146 **Section 2. Subsection (8) is added to section 718.104,**
147 **Florida Statutes, to read:**

148 718.104 Creation of condominiums; contents of
149 declaration.—Every condominium created in this state shall be
150 created pursuant to this chapter.

151 (8) (a) Each association formed on or after July 1, 2026,
152 must include the following statement in the governing documents:

153
154 This association and the association's governing
155 documents are governed by the Florida Condominium Act,
156 as amended from time to time.

157
158 (b) By January 1, 2027, each association in existence
159 before July 1, 2026, must hold a meeting of the members in
160 accordance with s. 718.112 to vote whether to amend the
161 governing documents of the association to include the statement
162 in paragraph (a). The association must obtain the affirmative
163 approval of a majority of the voting interests at a meeting of
164 the membership at which a quorum has been attained in order to
165 amend the governing documents under this paragraph.

166 **Section 3. Subsections (6) and (7) of section 718.1255,**
167 **Florida Statutes, are renumbered as subsections (5) and (6),**
168 **respectively, and paragraphs (a), (h), (k), and (m) of**
169 **subsection (4) and present subsection (5) of that section are**
170 **amended, to read:**

171 718.1255 Alternative dispute resolution; mediation;
172 nonbinding arbitration; applicability.—

173 (4) NONBINDING ARBITRATION AND MEDIATION OF DISPUTES.—The
174 Division of Florida Condominiums, Timeshares, and Mobile Homes
175 of the Department of Business and Professional Regulation may

176 employ full-time attorneys to act as arbitrators to conduct the
177 arbitration hearings provided by this chapter. The division may
178 also certify attorneys who are not employed by the division to
179 act as arbitrators to conduct the arbitration hearings provided
180 by this chapter. A person may not be employed by the department
181 as a full-time arbitrator unless he or she is a member in good
182 standing of The Florida Bar. A person may only be certified by
183 the division to act as an arbitrator if he or she has been a
184 member in good standing of The Florida Bar for at least 5 years
185 and has mediated or arbitrated at least 10 disputes involving
186 condominiums in this state during the 3 years immediately
187 preceding the date of application, mediated or arbitrated at
188 least 30 disputes in any subject area in this state during the 3
189 years immediately preceding the date of application, or attained
190 board certification in real estate law or condominium and
191 planned development law from The Florida Bar. Arbitrator
192 certification is valid for 1 year. An arbitrator who does not
193 maintain the minimum qualifications for initial certification
194 may not have his or her certification renewed. The department
195 may not enter into a legal services contract for an arbitration
196 hearing under this chapter with an attorney who is not a
197 certified arbitrator unless a certified arbitrator is not
198 available within 50 miles of the dispute. The department shall
199 adopt rules of procedure to govern such arbitration hearings
200 including mediation incident thereto. The decision of an

201 arbitrator is final; however, a decision is not deemed final
202 agency action. Nothing in this provision shall be construed to
203 foreclose parties from proceeding in a trial de novo unless the
204 parties have agreed that the arbitration is binding. If judicial
205 proceedings are initiated, the final decision of the arbitrator
206 is admissible in evidence in the trial de novo.

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

217 (h) Mediation proceedings must generally be conducted in
218 accordance with the Florida Rules of Civil Procedure, and these
219 proceedings are privileged and confidential to the same extent
220 as court-ordered mediation. Persons who are not parties to the
221 dispute are not allowed to attend the mediation conference
222 without the consent of all parties, with the exception of
223 counsel for the parties and corporate representatives designated
224 to appear for a party. If the mediator declares an impasse after
225 a mediation conference has been held, the arbitration proceeding

terminates, unless all parties agree in writing to continue the arbitration proceeding, in which case the arbitrator's decision shall be binding or nonbinding, as agreed upon by the parties; in the arbitration proceeding, the arbitrator shall not consider any evidence relating to the unsuccessful mediation except in a proceeding to impose sanctions for failure to appear at the mediation conference. If the parties do not agree to continue arbitration, the arbitrator shall enter an order of dismissal, and either party may institute a suit in a community association court program under s. 720.32 or a court of competent jurisdiction. The parties may seek to recover any costs and attorney fees incurred in connection with arbitration and mediation proceedings under this section as part of the costs and fees that may be recovered by the prevailing party in any subsequent litigation.

(k) The arbitration decision shall be rendered within 30 days after the hearing and presented to the parties in writing. An arbitration decision is final in those disputes in which the parties have agreed to be bound. An arbitration decision is also final if a complaint for a trial de novo is not filed in a community association court program under s. 720.32 or a court of competent jurisdiction in which the condominium is located within 30 days. The right to file for a trial de novo entitles the parties to file a complaint in the appropriate trial court for a judicial resolution of the dispute. The prevailing party

in an arbitration proceeding shall be awarded the costs of the arbitration and reasonable attorney fees in an amount determined by the arbitrator. Such an award shall include the costs and reasonable attorney fees incurred in the arbitration proceeding as well as the costs and reasonable attorney fees incurred in preparing for and attending any scheduled mediation. An arbitrator's failure to render a written decision within 30 days after the hearing may result in the cancellation of his or her arbitration certification.

(m) Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in a community 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 4. 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 5. Subsections (11) through (15) of section 720.303, Florida Statutes, are renumbered as subsections (12) through (16), respectively, subsection (1) is amended, and a new subsection (11) is added to that section, 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. Each association formed on or after July 1, 2026, must

326 include the following statement in the governing documents:

327
328 This association and the association's governing
329 documents are governed by the Florida Homeowners'
330 Association Act, as amended from time to time.

331
332 2. By January 1, 2027, each association in existence
333 before July 1, 2026, must hold a meeting of the members in
334 accordance with s. 720.306 to vote whether to amend the
335 governing documents of the association to include the statement
336 in subparagraph 1. The association must obtain the affirmative
337 approval of a majority of the voting interests at a meeting of
338 the membership at which a quorum has been attained in order to
339 amend the governing documents under this subparagraph.

340 (d) After control of the association is obtained by
341 members other than the developer, the association may institute,
342 maintain, settle, or appeal actions or hearings in its name on
343 behalf of all members concerning matters of common interest to
344 the members, including, but not limited to, the common areas;
345 roof or structural components of a building, or other
346 improvements for which the association is responsible;
347 mechanical, electrical, or plumbing elements serving an
348 improvement or building for which the association is
349 responsible; representations of the developer pertaining to any
350 existing or proposed commonly used facility; and protest of ad

351 valorem taxes on commonly used facilities. The association may
352 defend actions in eminent domain or bring inverse condemnation
353 actions. Before commencing litigation against any party in the
354 name of the association involving amounts in controversy in
355 excess of \$100,000, the association must obtain the affirmative
356 approval of a majority of the voting interests at a meeting of
357 the membership at which a quorum has been attained. This
358 paragraph ~~subsection~~ does not limit any statutory or common-law
359 right of any individual member or class of members to bring any
360 action without participation by the association.

361 (e) A member does not have authority to act for the
362 association by virtue of being a member. An association may have
363 more than one class of members and may issue membership
364 certificates.

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

369 (11) CONFLICTS OF INTEREST.—

370 (a) A director, an officer, or a committee member of an
371 association owes a duty of loyalty to the association and its
372 members.

373 (b) A conflict of interest exists when a director, an
374 officer, or a committee member has a direct or an indirect
375 financial interest in a transaction, contract, or decision under

376 consideration by the association.

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

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

384 (e) A transaction involving a conflict of interest is
385 voidable by the association unless the transaction was approved
386 by a majority of the voting interests of the association after
387 full disclosure by the conflicted director, officer, or
388 committee member has occurred.

389 (f) Compensating or contracting with a director, an
390 officer, or a committee member of the association, or an
391 immediate family member thereof, creates a rebuttable
392 presumption that a conflict of interest exists.

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

395 **Section 6. Paragraph (h) of subsection (1) of section**
396 **720.306, Florida Statutes, is amended to read:**

397 720.306 Meetings of members; voting and election
398 procedures; amendments.—

399 (1) QUORUM; AMENDMENTS.—

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

4. For purposes of this paragraph, a change of ownership does not occur when a parcel owner conveys the parcel to an affiliated entity, when beneficial ownership of the parcel does not change, or when an heir becomes the parcel owner. For purposes of this subparagraph, the term "affiliated entity" means an entity that controls, is controlled by, or is under common control with the parcel owner or that becomes a parent or successor entity by reason of transfer, merger, consolidation, public offering, reorganization, dissolution or sale of stock, or transfer of membership partnership interests. For a

conveyance to be recognized as one made to an affiliated entity, the entity must furnish to the association a document certifying that this subparagraph applies and provide any organizational documents for the parcel owner and the affiliated entity which support the representations in the certificate, as requested by the association.

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

Section 7. Section 720.311, Florida Statutes, is amended 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 prevailing party in an arbitration proceeding shall recover its reasonable costs and attorney fees in an amount found reasonable by the arbitrator. The department shall adopt rules to effectuate the purposes of this section.

~~(2)(a) Disputes between an association and a parcel owner regarding use of or changes to the parcel or the common areas and other covenant enforcement disputes, disputes regarding amendments to the association documents, disputes regarding meetings of the board and committees appointed by the board, membership meetings not including election meetings, and access to the official records of the association shall be the subject~~

~~of a demand for presuit mediation served by an aggrieved party before the dispute is filed in court. Presuit mediation proceedings must be conducted in accordance with the applicable Florida Rules of Civil Procedure, and these proceedings are privileged and confidential to the same extent as court-ordered mediation. Disputes subject to presuit mediation under this section shall not include the collection of any assessment, fine, or other financial obligation, including attorney's fees and costs, claimed to be due or any action to enforce a prior mediation settlement agreement between the parties. Also, in any dispute subject to presuit mediation under this section where emergency relief is required, a motion for temporary injunctive relief may be filed with the court without first complying with 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~~

501 ~~attended by a quorum of the board, such mediation is not a board~~
502 ~~meeting for purposes of notice and participation set forth in s.~~
503 ~~720.303. An aggrieved party shall serve on the responding party~~
504 ~~a written demand to participate in presuit mediation in~~
505 ~~substantially the following form:~~

506 ~~STATUTORY OFFER TO PARTICIPATE~~

507 ~~IN PRESUIT MEDIATION~~

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

514 ~~(List specific nature of the dispute or disputes to be~~
515 ~~mediated and the authority supporting a finding of a~~
516 ~~violation as to each dispute.)~~

517 ~~Pursuant to section 720.311, Florida Statutes, this~~
518 ~~demand to resolve the dispute through presuit~~
519 ~~mediation is required before a lawsuit can be filed~~
520 ~~concerning the dispute. Pursuant to the statute, the~~
521 ~~parties are required to engage in presuit mediation~~
522 ~~with a neutral third-party mediator in order to~~
523 ~~attempt to resolve this dispute without court action,~~
524 ~~and the aggrieved party demands that you likewise~~
525 ~~agree to this process. If you fail to participate in~~

526 ~~the mediation process, suit may be brought against you~~
527 ~~without further warning.~~

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

540 ~~If an agreement is reached, it shall be reduced to~~
541 ~~writing and becomes a binding and enforceable~~
542 ~~commitment of the parties. A resolution of one or more~~
543 ~~disputes in this fashion avoids the need to litigate~~
544 ~~these issues in court. The failure to reach an~~
545 ~~agreement, or the failure of a party to participate in~~
546 ~~the process, results in the mediator declaring an~~
547 ~~impasse in the mediation, after which the aggrieved~~
548 ~~party may proceed to court on all outstanding,~~
549 ~~unsettled disputes. If you have failed or refused to~~
550 ~~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 to you if these are in excess of your share of the fees incurred.~~

~~To begin your participation in presuit mediation to try to resolve the dispute and avoid further legal action, please sign below and clearly indicate which mediator is acceptable to you. We will then ask the mediator to schedule a mutually convenient time and place for the mediation conference to be held. The mediation conference must be held within ninety (90) days of this date, unless extended by mutual written agreement. In the event that you fail to respond~~

~~within 20 days from the date of this letter, or if you fail to agree to at least one of the mediators that we have suggested or to pay or prepay to the mediator one-half of the costs involved, the aggrieved party will be authorized to proceed with the filing of a lawsuit against you without further notice and may seek an award of attorney's fees or costs incurred in attempting to obtain mediation.~~

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

~~.....~~

~~.....~~

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

~~(2)(c)~~ In ~~If presuit mediation as described in paragraph (a) is not successful in resolving~~ all issues between the parties, the parties may file the ~~unresolved~~ dispute in a court of competent jurisdiction or elect to enter into binding or nonbinding arbitration pursuant to the procedures set forth in s. 718.1255 and rules adopted by the division, with the

676 arbitration proceeding to be conducted by a department
677 arbitrator or by a private arbitrator certified by the
678 department. If all parties do not agree to arbitration
679 ~~proceedings following an unsuccessful presuit mediation~~, any
680 party may file the dispute in court. A final order resulting
681 from nonbinding arbitration is final and enforceable in the
682 courts if a complaint for trial de novo is not filed in a court
683 of competent jurisdiction within 30 days after entry of the
684 order. As to any issue or dispute that is not resolved at
685 arbitration ~~presuit mediation~~, and as to any issue that is
686 settled at arbitration ~~presuit mediation~~ but is thereafter
687 subject to an action seeking enforcement of the ~~mediation~~
688 settlement, the prevailing party in any subsequent arbitration
689 or litigation proceeding ~~may~~ shall be entitled to seek recovery
690 of all costs and attorney ~~attorney's~~ fees incurred in the
691 arbitration ~~presuit mediation~~ process.

692 ~~(3)(d)~~ An ~~A mediator or~~ arbitrator is ~~shall be~~ authorized
693 to conduct ~~mediation or~~ arbitration under this section only if
694 he or she has been certified as a circuit court civil ~~mediator~~
695 ~~or arbitrator, respectively,~~ pursuant to the requirements
696 established by the Florida Supreme Court. ~~Settlement agreements~~
697 ~~resulting from mediation shall not have precedential value in~~
698 ~~proceedings involving parties other than those participating in~~
699 ~~the mediation to support either a claim or defense in other~~
700 ~~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 8. 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 general law and are subject to covenants that encumber the land and restrict the use of real property.

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

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

726 (d) It is in the best interest of this state to provide
727 for termination of the declaration of covenants in certain
728 circumstances in order to:

729 1. Prevent covenants from impairing the continued
730 productive use of the property.

731 2. Provide fair treatment and just compensation for parcel
732 owners and preserve property values and the local property tax
733 base.

734 3. Preserve the state's long history of protecting
735 homestead property rights by ensuring that such protection is
736 extended to parcel owners whose parcel is their homestead in the
737 context of a termination of a declaration of covenants for an
738 association.

739 (3) A homeowners' association may be terminated by a plan
740 of termination that meets the requirements of this section and
741 is approved by a community association court program under s.
742 720.32.

743 (4) A plan of termination is subject to the following
744 conditions:

745 (a) The total voting interests of the association must
746 include all voting interests for the purpose of considering a
747 plan of termination. A voting interest of the association may
748 not be suspended for any reason when voting on termination under
749 this section.

750 (b) If the members reject a plan of termination, a

751 subsequent plan of termination under this section may not be
752 considered for at least 18 months after the date of the
753 rejection.

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

756 (d) A parcel owner desiring to reject a plan of
757 termination must do so by either voting in person or by proxy to
758 reject the plan or by delivering a written objection to the
759 association before or at the meeting called under subsection
760 (5).

761 (5) (a) A parcel owner who wishes to terminate a
762 homeowners' association in which he or she is a member must
763 provide to the board of administration a petition for a plan of
764 termination that is signed by at least 20 percent of the voting
765 members of the association. The board must hold a meeting of the
766 members within 60 days after receipt of the signed petition. A
767 voting interest of the association may not be suspended for any
768 reason for purposes of signing the petition or determining
769 whether the 20 percent threshold for such petition has been met
770 under this paragraph.

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

773 1. A copy of the proposed plan of dissolution.

774 2. An explanation of how the common areas and the assets
775 of the association will be managed or transferred.

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

777 (c) If the board fails to call a meeting within the 60-day
778 time period, any member may petition a community association
779 court program under s. 720.32 or, if a community association
780 court program does not exist in the judicial circuit in which
781 the association is located, another court of competent
782 jurisdiction for an order compelling compliance with this
783 section.

784 (6) If a plan of termination is approved, the board must
785 submit such plan to the community association court program in
786 the judicial circuit in which the association is located or, if
787 a community association court program does not exist, another
788 court of competent jurisdiction. The court shall examine the
789 plan of termination and determine its procedural sufficiency
790 and, within 45 days after receipt of the plan, notify the
791 association by mail of any procedural deficiencies or that the
792 plan is accepted. If notice is not provided within the 45-day
793 time period, the plan of termination is deemed accepted. If the
794 court determines that the conditions required by this section
795 have been met and that the plan of termination complies with the
796 procedural requirements of this section, the court must
797 authorize the termination and the termination may proceed as
798 authorized in this section.

799 (7) (a) A plan of termination and the consents or joinders
800 of parcel owners must be recorded in the public records of each

801 county in which any portion of the association is located. The
802 plan is effective only upon recordation or at a later date
803 specified in the plan.

804 (b) Upon recordation or at a later date specified in the
805 plan of termination, title to the association property vests in
806 a termination trustee. The board serves as such trustee unless
807 another person is appointed in the plan of termination. If the
808 board is not the termination trustee, the board must transfer
809 any association property to such trustee. The termination
810 trustee is vested with the powers given by the declaration and
811 bylaws of the association and subsection (9). If the board is
812 unable, unwilling, or fails to act as termination trustee, a
813 parcel owner may petition the community association court
814 program to appoint a termination trustee.

815 (8) If the board fails to hold the meeting under
816 subsection (5), obstructs the termination process, or refuses to
817 record the decision of the members to terminate, a member may
818 file a petition with the community association court program in
819 the judicial circuit in which the association is located or, if
820 a community association court program does not exist, another
821 court of competent jurisdiction. A community association court
822 program may do all of the following:

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

825 (b) Order the Department of State to dissolve the

826 homeowners' association.

827 (c) Appoint a termination trustee to manage the
828 distribution of assets and resolution of liabilities.

829 (9) The approval of the plan of termination does not
830 terminate the board of administration, which shall continue in
831 existence following approval of the plan of termination with all
832 powers and duties such board had before approval of the plan.
833 Notwithstanding any provision to the contrary in the declaration
834 or bylaws, after approval of the plan of termination the board
835 must:

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

838 (b) Conduct the affairs of the association as necessary
839 for the liquidation or termination.

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

842 (d) Defend suits brought against the association.

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

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

848 (g) Sell at public or private sale or exchange, convey, or
849 otherwise dispose of assets of the association for an amount
850 deemed to be in the best interests of the association, and

851 execute bills of sale and deeds of conveyance in the name of the
852 association.

853 (h) Collect and receive rents, profits, accounts
854 receivable, income, maintenance fees, special assessments, or
855 insurance proceeds for the association.

856 (i) Contract and do anything in the name of the
857 association which is proper or convenient to terminate the
858 affairs of the association.

859 (10) (a) All remaining association assets after the payment
860 of any lawful debts must be distributed equally among members or
861 as otherwise provided in the plan of termination.

862 (b) A member may not be subject to personal liability for
863 unpaid obligations beyond the member's regular assessments or
864 special assessments that existed before the vote for
865 termination.

866 (11) (a) The following actions by an association or the
867 officers or directors thereof are unlawful:

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

870 2. Spending association funds to campaign for or against
871 the plan of termination.

872 3. Concealing any financial or property records relevant
873 to the plan of termination.

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

- 876 1. A civil penalty of up to \$5,000 per violation.
877 2. Removal from office by court order.
878 3. Personal liability for legal fees incurred by the
879 petitioners.

880 **Section 9. Section 720.32, Florida Statutes, is created to**
881 **read:**

882 720.32 Community association court program.—

883 (1) It is the intent of the Legislature to encourage and
884 support the judicial circuits of the state to create and
885 maintain a community association court program in each judicial
886 circuit. The purpose of a community association court program is
887 to address disputes that arise between community associations
888 and the members thereof or between members within a community
889 association. It is the intent of the Legislature that this
890 section provides a detailed statewide standard for the creation,
891 operation, and procedures for community association court
892 programs.

893 (2) A circuit court may create and administer a community
894 association court program. The chief judge shall designate at
895 least one judge to preside over the community association court
896 program. The chief judge may issue administrative orders
897 concerning the community association court program.

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

901 (a) Chapter 718, the Condominium Act.

902 (b) Chapter 719, the Cooperative Act.

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

904 (4) The community association court program may do all of
905 the following:

906 (a) Enforce all statutory rights of unit owners and parcel
907 owners.

908 (b) Verify and compel compliance with all statutory
909 requirements by community associations, boards of
910 administration, and officers or directors of such boards.

911 (c) Order the Department of State to dissolve a community
912 association.

913 (d) Appoint a termination trustee to manage the
914 distribution of association assets and resolution of
915 liabilities.

916 (e) Impose civil penalties for violations of statutory
917 rights.

918 (f) Issue injunctive relief as appropriate.

919 (g) Award reasonable attorney fees and costs as
920 appropriate.

921 (5) By January 1 of each year, the chief judge in each
922 judicial circuit in which a community association court program
923 is created shall submit to the President of the Senate and the
924 Speaker of the House of Representatives a report that summarizes
925 the caseload of each community association court program and the

926 outcomes of such caseload.

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

930 (7) The costs associated with the creation, operation, and
931 compliance and enforcement duties of the community association
932 court program shall be funded through a general revenue
933 appropriation to the department.

934 **Section 10. Paragraph (d) of subsection (1) of section**
935 **34.01, Florida Statutes, is amended to read:**

936 34.01 Jurisdiction of county court.—

937 (1) County courts shall have original jurisdiction:

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

941 **Section 11.** This act shall take effect July 1, 2026.