

By the Committee on Finance and Tax; and Senators Rodriguez, Burgess, Hutson, Gruters, and Hooper

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1 A bill to be entitled
2 An act relating to Resiliency Energy Environment
3 Florida programs; amending s. 163.08, F.S.; defining
4 terms; providing that a property owner may apply to a
5 Resiliency Energy Environment Florida (REEF) program
6 for funding to finance a qualifying improvement and
7 may enter into an assessment financing agreement with
8 a local government; providing that REEF program costs
9 may be collected as non-ad valorem assessments;
10 authorizing a local government to enter into an
11 agreement with a program administrator to administer a
12 REEF program on the local government's behalf;
13 revising and specifying public recording requirements
14 for assessment financing agreements and notices of
15 lien; revising requirements that apply to local
16 governments or program administrators in determining
17 eligibility for assessment financing; revising
18 requirements for qualifying improvements; revising the
19 calculation of non-ad valorem assessment limits;
20 providing construction; specifying underwriting,
21 financing estimate, disclosure, and confirmation
22 requirements for program administrators relating to
23 residential real property; authorizing a residential
24 real property owner, under certain circumstances and
25 within a certain timeframe, to cancel an assessment
26 financing agreement without financial penalty;
27 specifying limitations on assessment financing
28 agreement terms for residential real property;
29 prohibiting certain financing terms for residential

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30 real property; specifying requirements for, and
31 certain prohibited acts by, program administrators
32 relating to assessment financing agreements and
33 contractors for qualifying improvements to residential
34 real property; specifying additional annual reporting
35 requirements for program administrators; specifying
36 requirements for, and limitations on, assessment
37 financing agreements relating to government-leased
38 property; providing construction and applicability;
39 conforming provisions to changes made by the act;
40 providing an effective date.

41

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

43

44 Section 1. Present subsection (16) of section 163.08,
45 Florida Statutes, is redesignated as subsection (33), a new
46 subsection (16) and subsections (17) through (32) are added to
47 that section, and subsections (1), (2), (4), (6) through (10),
48 (12), (13), and (14) of that section are amended, to read:

49 163.08 Supplemental authority for improvements to real
50 property.—

51 (1) (a) In chapter 2008-227, Laws of Florida, the
52 Legislature amended the energy goal of the state comprehensive
53 plan to provide, in part, that the state shall reduce its energy
54 requirements through enhanced conservation and efficiency
55 measures in all end-use sectors and reduce atmospheric carbon
56 dioxide by promoting an increased use of renewable energy
57 resources. That act also declared it the public policy of the
58 state to play a leading role in developing and instituting

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59 energy management programs that promote energy conservation,
60 energy security, and the reduction of greenhouse gases. In
61 addition to establishing policies to promote the use of
62 renewable energy, the Legislature provided for a schedule of
63 increases in energy performance of buildings subject to the
64 Florida Energy Efficiency Code for Building Construction. In
65 chapter 2008-191, Laws of Florida, the Legislature adopted new
66 energy conservation and greenhouse gas reduction comprehensive
67 planning requirements for local governments. In the 2008 general
68 election, the voters of this state approved a constitutional
69 amendment authorizing the Legislature, by general law, to
70 prohibit consideration of any change or improvement made for the
71 purpose of improving a property's resistance to wind damage or
72 the installation of a renewable energy source device in the
73 determination of the assessed value of residential real
74 property.

75 (b) The Legislature finds that all energy-consuming-
76 improved properties that are not using energy conservation
77 strategies contribute to the burden affecting all improved
78 property resulting from fossil fuel energy production. Improved
79 property that has been retrofitted with energy-related
80 qualifying improvements receives the special benefit of
81 alleviating the property's burden from energy consumption. All
82 improved properties not protected from wind damage by wind
83 resistance qualifying improvements contribute to the burden
84 affecting all improved property resulting from potential wind
85 damage. Improved property that has been retrofitted with wind
86 resistance qualifying improvements receives the special benefit
87 of reducing the property's burden from potential wind damage.

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88 Further, the installation and operation of qualifying
89 improvements not only benefit the affected properties for which
90 the improvements are made, but also assist in fulfilling the
91 goals of the state's energy and hurricane mitigation policies.

92 (c) In order to make qualifying improvements more
93 affordable and assist property owners who wish to undertake such
94 improvements, the Legislature finds that there is a compelling
95 state interest in enabling property owners to voluntarily
96 finance such improvements with local government assistance.

97 (d)~~(e)~~ The Legislature determines that the actions
98 authorized under this section, including, but not limited to,
99 the financing of qualifying improvements through the execution
100 of assessment financing agreements and the related imposition of
101 voluntary assessments, are reasonable and necessary to serve and
102 achieve a compelling state interest and are necessary for the
103 prosperity and welfare of the state and its property owners and
104 inhabitants.

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

106 (a) "Assessment financing agreement" means the financing
107 agreement, under a REEF program, between a local government and
108 a property owner for the acquisition or installation of
109 qualifying improvements.

110 (b) "Government-leased property" means real property owned
111 by a local government which has become subject to taxation due
112 to lease of the property to a nongovernmental lessee.

113 (c)~~(a)~~ "Local government" means a county, a municipality, a
114 dependent special district as defined in s. 189.012, or a
115 separate legal entity created pursuant to s. 163.01(7).

116 (d) "Non-ad valorem assessment" or "assessment" has the

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117 same meaning as the term "non-ad valorem assessment" as defined
118 in s. 197.3632(1).

119 (e) "Nongovernmental lessee" means a person or an entity,
120 other than a local government, which is the lessee of
121 government-leased property.

122 (f) "Nonresidential real property" means any property not
123 defined as residential real property and which will be or has
124 been improved by a qualifying improvement. The term includes,
125 but is not limited to, the following:

126 1. Multifamily residential property composed of five or
127 more dwelling units.

128 2. Office property.

129 3. Commercial real property.

130 4. Industrial property.

131 5. Agricultural property.

132 6. Government-leased property.

133 (g) "Program administrator" means an entity, including, but
134 not limited to, a for-profit or not-for-profit entity, with
135 which a local government may contract to administer a REEF
136 program.

137 (h) ~~(b)~~ "Qualifying improvement" includes any:

138 1. Energy conservation and efficiency improvement, which is
139 a measure to reduce consumption through conservation or a more
140 efficient use of electricity, natural gas, propane, or other
141 forms of energy on the property, including, but not limited to,
142 air sealing; installation of insulation; installation of energy-
143 efficient heating, cooling, or ventilation systems; building
144 modifications to increase the use of daylight; replacement of
145 windows; installation of energy controls or energy recovery

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146 systems; installation of electric vehicle charging equipment;
147 and installation of efficient lighting equipment.

148 2. Renewable energy improvement, which is the installation
149 of any system in which the electrical, mechanical, or thermal
150 energy is produced from a method that uses one or more of the
151 following fuels or energy sources: hydrogen, solar energy,
152 geothermal energy, bioenergy, and wind energy.

153 3. Wind resistance improvement, which includes, but is not
154 limited to:

155 a. Improving the strength of the roof deck attachment;

156 b. Creating a secondary water barrier to prevent water
157 intrusion;

158 c. Installing wind-resistant shingles;

159 d. Installing gable-end bracing;

160 e. Reinforcing roof-to-wall connections;

161 f. Installing storm shutters; or

162 g. Installing opening protections.

163 (i) "Residential real property" means a residential real
164 property composed of four or fewer dwelling units which has been
165 or will be improved by a qualifying improvement.

166 (j) "Resiliency Energy Environment Florida (REEF) program"
167 means a program established by a local government, alone or in
168 partnership with other local governments or a program
169 administrator, to finance qualifying improvements on
170 nonresidential real property or residential real property.

171 (4) Subject to local government ordinance or resolution, a
172 property owner may apply to the REEF program ~~local government~~
173 for funding to finance a qualifying improvement and enter into
174 an assessment ~~a~~ financing agreement with the local government.

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175 Costs incurred by the REEF program ~~local government~~ for such
176 purpose may be collected as a non-ad valorem assessment. A non-
177 ad valorem assessment shall be collected pursuant to s. 197.3632
178 and, notwithstanding s. 197.3632(8)(a), shall not be subject to
179 discount for early payment. However, the notice and adoption
180 requirements of s. 197.3632(4) do not apply if this section is
181 used and complied with, and the intent resolution, publication
182 of notice, and mailed notices to the property appraiser, tax
183 collector, and Department of Revenue required by s.
184 197.3632(3)(a) may be provided on or before August 15 in
185 conjunction with any non-ad valorem assessment authorized by
186 this section, if the property appraiser, tax collector, and
187 local government agree.

188 (6) A local government may enter into an agreement with a
189 program administrator to administer a REEF program on behalf of
190 the local government ~~A qualifying improvement program may be~~
191 ~~administered by a for-profit entity or a not-for-profit~~
192 ~~organization on behalf of and at the discretion of the local~~
193 ~~government.~~

194 (7) A local government may incur debt for the purpose of
195 providing financing for qualifying ~~such~~ improvements, which debt
196 is payable from revenues received from the improved property, or
197 from any other available revenue source authorized under this
198 section or by other law.

199 (8) A local government may enter into an assessment a
200 financing agreement to finance or refinance a qualifying
201 improvement only with the record owner of the affected property.
202 Any assessment financing agreement entered into pursuant to this
203 section or a summary memorandum of such agreement shall be

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204 submitted for recording ~~recorded~~ in the public records of the
205 county within which the property is located by the ~~sponsoring~~
206 ~~unit of~~ local government within 5 days after execution of the
207 agreement. The recorded agreement shall provide constructive
208 notice that the assessment to be levied on the property
209 constitutes a lien of equal dignity to county taxes and
210 assessments from the date of recordation. A notice of lien for
211 the full amount of the financing may be recorded in the public
212 records of the county where the property is located. Such lien
213 shall not be enforceable in a manner that results in the
214 acceleration of the remaining nondelinquent unpaid balance under
215 the assessment financing agreement.

216 (9) Before entering into an assessment ~~a~~ financing
217 agreement, the local government, or the program administrator
218 acting on its behalf, shall reasonably determine that all of the
219 following conditions are met:

220 (a) All property taxes and any other assessments levied on
221 the same bill as property taxes are current ~~paid~~ and have not
222 been delinquent for more than 30 days for the preceding 3 years
223 or the property owner's period of ownership, whichever is less. ~~†~~

224 (b) ~~that~~ There are no involuntary liens greater than
225 \$1,000, including, but not limited to, construction liens on the
226 property. ~~†~~

227 (c) ~~that~~ No notices of default or other evidence of
228 property-based debt delinquency have been recorded and not
229 released during the preceding 3 years or the property owner's
230 period of ownership, whichever is less. ~~†~~

231 (d) The local government or program administrator has asked
232 the property owner whether any other assessments under this

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233 section have been recorded or have been funded and not yet
234 recorded on the property. The failure of a property owner to
235 disclose information set forth in this paragraph does not
236 invalidate an assessment financing agreement or any obligation
237 thereunder, even if the total financed amount of the qualifying
238 improvements exceeds the amount that would otherwise be
239 authorized under paragraph (12) (a).

240 (e) and that The property owner is current on all mortgage
241 debt on the property.

242 (f) The residential property is not subject to an existing
243 home equity conversion mortgage or reverse mortgage product.
244 This paragraph does not apply to nonresidential real properties.

245 (g) The property is not currently a residential property
246 gifted to a homeowner for free by a nonprofit entity as may be
247 disclosed by the property owner. The failure of a property owner
248 to disclose information set forth in this paragraph does not
249 invalidate an assessment financing agreement or any obligation
250 thereunder. This paragraph does not apply to nonresidential real
251 properties.

252 (10) Before final funding may be provided, a qualifying
253 improvement must ~~shall~~ be affixed or planned to be affixed to a
254 nonresidential real property or residential real building or
255 facility that is part of the property and constitutes ~~shall~~
256 ~~constitute~~ an improvement to that property ~~the building or~~
257 ~~facility or a fixture attached to the building or facility.~~ An
258 assessment financing agreement ~~may~~ ~~between a local government~~
259 ~~and a qualifying property owner may not~~ cover qualifying wind-
260 ~~resistance~~ improvements on nonresidential real property under
261 new construction or residential real property ~~in buildings or~~

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262 ~~facilities under new construction or construction for which a~~
263 ~~certificate of occupancy or similar evidence of substantial~~
264 ~~completion of new construction or improvement has not been~~
265 ~~issued.~~

266 (12) (a) Without the consent of the holders or loan
267 servicers of any mortgage encumbering or otherwise secured by
268 the property, the total amount of any non-ad valorem assessment
269 for a property under this section may not exceed 20 percent of
270 the fair market just value of the real property as determined by
271 the county property appraiser. The combined mortgage-related
272 debt and total amount of any non-ad valorem assessments funded
273 under this section for residential real property may not exceed
274 100 percent of the fair market value of the residential real
275 property. However, the failure of a property owner to disclose
276 information set forth in paragraph (9) (d) does not invalidate an
277 assessment financing agreement or any obligation thereunder,
278 even if the total financed amount of the qualifying improvements
279 exceeds the amount that would otherwise be authorized under this
280 paragraph. For purposes of this paragraph, fair market value may
281 be determined using reputable third parties.

282 (b) Notwithstanding paragraph (a), a non-ad valorem
283 assessment for a qualifying improvement defined in subparagraph
284 (2) (h)1. ~~(2) (b)1.~~ or subparagraph (2) (h)2. which ~~(2) (b)2.~~ that
285 is supported by an energy audit is not subject to the limits in
286 this subsection if the audit demonstrates that the annual energy
287 savings from the qualified improvement equals or exceeds the
288 annual repayment amount of the non-ad valorem assessment.

289 (13) At least 30 days before entering into an assessment a
290 financing agreement, the property owner shall provide to the

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291 holders or loan servicers of any existing mortgages encumbering
292 or otherwise secured by the property a notice of the owner's
293 intent to enter into an assessment ~~a~~ financing agreement
294 together with the maximum principal amount to be financed and
295 the maximum annual assessment necessary to repay that amount. A
296 verified copy or other proof of such notice shall be provided to
297 the local government. A provision in any agreement between a
298 mortgagee or other lienholder and a property owner, or otherwise
299 now or hereafter binding upon a property owner, which allows for
300 acceleration of payment of the mortgage, note, or lien or other
301 unilateral modification solely as a result of entering into an
302 assessment ~~a~~ financing agreement as provided for in this section
303 is not enforceable. This subsection does not limit the authority
304 of the holder or loan servicer to increase the required monthly
305 escrow by an amount necessary to ~~annually~~ pay the annual
306 ~~qualifying improvement~~ assessment.

307 (14) At or before the time a seller ~~purchaser~~ executes a
308 contract for the sale ~~and purchase~~ of any property for which a
309 non-ad valorem assessment has been levied under this section and
310 has an unpaid balance due, the seller must ~~shall~~ give the
311 prospective purchaser a written disclosure statement in the
312 following form, which shall be set forth in the contract or in a
313 separate writing:

314
315 QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY,
316 RENEWABLE ENERGY, OR WIND RESISTANCE.—The property
317 being purchased is located within the jurisdiction of
318 a local government that has placed an assessment on
319 the property pursuant to s. 163.08, Florida Statutes.

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320 The assessment is for a qualifying improvement to the
321 property relating to energy efficiency, renewable
322 energy, or wind resistance, and is not based on the
323 value of property. You are encouraged to contact the
324 county property appraiser's office to learn more about
325 this and other assessments that may be provided by
326 law.

327
328 (16) Before final approval of an assessment financing
329 agreement for a qualifying improvement on a residential real
330 property, a program administrator shall reasonably determine
331 that the property owner has the ability to pay the estimated
332 annual assessment. To do so, the program administrator shall, at
333 a minimum, use the underwriting requirements in subsection (9),
334 confirm that the property owner is not in bankruptcy, and
335 determine that the total estimated annual payment amount for all
336 assessment financing agreements funded under this section on the
337 property does not exceed 10 percent of the property owner's
338 annual household income. Income may be confirmed using
339 information gathered from reputable third parties that provide
340 reasonably reliable evidence of the property owner's household
341 income. Income may not be confirmed solely by a property owner's
342 statement. The failure of a property owner to disclose
343 information set forth in paragraph (9) (d) does not invalidate an
344 assessment financing agreement or any obligation thereunder,
345 even if the total estimated annual payment amount exceeds the
346 amount that would otherwise be authorized under this subsection.

347 (17) Prior to or contemporaneously with a property owner
348 signing an assessment financing agreement on a residential real

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349 property, the program administrator shall provide a financing
350 estimate and disclosure to the residential real property owner
351 which includes all of the following:

352 (a) The total amount estimated to be funded, including the
353 cost of the qualifying improvements, program fees, and
354 capitalized interest, if any.

355 (b) The estimated annual assessment.

356 (c) The term of the assessment.

357 (d) The interest charged and estimated annual percentage
358 rate.

359 (e) A description of the qualifying improvement.

360 (f) A disclosure that if the property owner sells or
361 refinances the property, the property owner, as a condition of
362 the sale or the refinance, may be required by a mortgage lender
363 to pay off the full amount owed under each assessment financing
364 agreement.

365 (g) A disclosure that the assessment will be collected
366 along with the property owner's property taxes and will result
367 in a lien on the property from the date the assessment financing
368 agreement is recorded.

369 (h) A disclosure that failure to pay the assessment may
370 result in penalties and fees, along with the issuance of a tax
371 certificate that could result in the property owner losing the
372 real property.

373 (18) Before a notice to proceed is issued on residential
374 real property, the program administrator shall conduct with the
375 residential real property owner or an authorized representative
376 an oral, recorded telephone call. The program administrator
377 shall ask the residential real property owner if he or she would

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378 like to communicate primarily in a language other than English.
379 A program administrator may not leave a voicemail to the
380 residential real property owner to satisfy this requirement. A
381 program administrator, as part of such telephone call, shall
382 confirm all of the following with the residential real property
383 owner:

384 (a) That at least one residential real property owner has
385 access to a copy of the assessment financing agreement and
386 financing estimates and disclosures.

387 (b) The qualifying improvements being financed.

388 (c) The total estimated annual costs that the residential
389 real property owner will have to pay under the assessment
390 financing agreement, including applicable fees.

391 (d) The total estimated average monthly equivalent amount
392 of funds the residential real property owner would have to save
393 in order to pay the annual costs of the assessment, including
394 applicable fees.

395 (e) The estimated date the residential real property
396 owner's first property tax payment that includes the assessment
397 will be due.

398 (f) The term of the assessment financing agreement.

399 (g) That payments for the assessment financing agreement
400 will cause the residential real property owner's annual property
401 tax bill to increase, and that payments will be made through an
402 additional annual assessment on the property and either will be
403 paid directly to the county tax collector's office as part of
404 the total annual secured property tax bill or may be paid
405 through the residential real property owner's mortgage escrow
406 account.

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407 (h) That the residential real property owner has disclosed
408 whether the property has received, or the owner is seeking,
409 additional assessments funded under this section and that the
410 owner has disclosed all other assessments funded under this
411 section which are or are about to be placed on the property.

412 (i) That the property will be subject to a lien during the
413 term of the assessment financing agreement and that the
414 obligations under the agreement may be required to be paid in
415 full before the residential real property owner sells or
416 refinances the property.

417 (j) That any potential utility or insurance savings are not
418 guaranteed and will not reduce the assessment or total
419 assessment amount.

420 (k) That the program administrator does not provide tax
421 advice, and the residential real property owner should seek
422 professional tax advice if he or she has questions regarding tax
423 credits, tax deductibility, or other tax impacts of the
424 qualifying improvement or the assessment financing agreement.

425 (19) A residential real property owner may cancel an
426 assessment financing agreement within 3 business days after
427 signing the assessment financing agreement without any financial
428 penalty from the program administrator for doing so.

429 (20) The term of an assessment financing agreement on
430 residential real property may not exceed the lesser of:

431 (a) Thirty years; or

432 (b) The greater of either the weighted average estimated
433 useful life of all qualifying improvements being financed or the
434 estimated useful life of the qualifying improvements to which
435 the greatest portion of funds is disbursed.

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436 (21) An assessment financing agreement authorized under
437 this section on residential real property may not include any of
438 the following financing terms:

439 (a) A negative amortization schedule. Capitalized interest
440 included in the original balance of the assessment financing
441 agreement does not constitute negative amortization.

442 (b) A balloon payment.

443 (c) Prepayment fees, other than nominal administrative
444 costs.

445 (22) For residential real property, a program
446 administrator:

447 (a) May not enroll a contractor who contracts with
448 residential real property owners to install qualifying
449 improvements unless:

450 1. The program administrator makes a reasonable effort to
451 review that the contractor maintains in good standing an
452 appropriate license from the state, if applicable, as well as
453 any other permit, license, or registration required for engaging
454 in business in the jurisdiction in which he or she operates and
455 that the contractor maintains all state-required bond and
456 insurance coverage; and

457 2. The program administrator obtains the contractor's
458 written agreement that the contractor will act in accordance
459 with all applicable laws, including applicable advertising and
460 marketing laws and regulations.

461 (b) Shall maintain a process to enroll new contractors
462 which includes reasonable review of the following for each
463 contractor:

464 1. Relevant work or project history.

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465 2. Financial and reputational background checks.

466 3. A criminal background check.

467 4. Status on the Better Business Bureau online platform or
468 another online platform that tracks contractor reviews.

469 (c) A program administrator may pay or reimburse
470 contractors for any expense allowable under applicable state law
471 and not otherwise prohibited under this section, including, but
472 not limited to, marketing, training, and promotions.

473 (23) (a) Before disbursing funds to a contractor for a
474 qualifying improvement on residential real property, a program
475 administrator must first confirm that the applicable work or
476 service has been completed through any of the following:

477 1. A written certification from the property owner;

478 2. A recorded telephone call with the property owner;

479 3. A review of geotagged and time-stamped photographs;

480 4. A review of a final permit; or

481 5. A site inspection through third-party means.

482 (b) A program administrator may not disclose to a
483 contractor or to a third party engaged in soliciting an
484 assessment financing agreement the maximum financing amount for
485 which a residential real property owner is eligible.

486 (24) A program administrator shall comply with the
487 following marketing and communications guidelines when
488 communicating with residential real property owners:

489 (a) A program administrator may not represent:

490 1. That the REEF program or assessment financing is a
491 government assistance program;

492 2. That qualifying improvements are free or that assessment
493 financing is a free program; or

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494 3. That the financing of a qualifying improvement using the
495 REEF program does not require the property owner to repay the
496 financial obligation.

497 (b) A program administrator may not make any representation
498 as to the tax deductibility of an assessment authorized under
499 this section. A program administrator may encourage a property
500 owner to seek the advice of a tax professional regarding tax
501 matters related to assessments.

502 (25) A contractor should not present a higher price for a
503 qualifying improvement on residential real property financed by
504 an assessment financing agreement than the contractor would
505 otherwise reasonably present if the qualifying improvement was
506 not being financed through an assessment financing agreement.

507 (26) A program administrator shall use appropriate
508 methodologies or technologies to identify and verify the
509 identity of the residential real property owner who executes an
510 assessment financing agreement.

511 (27) A program administrator may not provide a contractor
512 with any payment, fee, or kickback in exchange for referring
513 assessment financing business relating to a specific assessment
514 financing agreement on residential real property.

515 (28) A program administrator shall develop and implement
516 policies and procedures for responding to, tracking, and helping
517 to resolve questions and property owner complaints as soon as
518 reasonably practicable.

519 (29) A program administrator shall maintain a process for
520 monitoring enrolled contractors that contract with residential
521 real property owners to install qualifying improvements with
522 regard to performance and compliance with program policies and

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523 shall implement policies for suspending and terminating enrolled
524 contractors based on violations of program policies or
525 unscrupulous behavior. A program administrator shall maintain a
526 policy for determining the conditions on which a contractor may
527 be reinstated to the program.

528 (30) A program administrator shall provide, at a reasonable
529 time following the end of the prior calendar year, an annual
530 report to the dependent special district as defined in s.
531 189.012 or a separate legal entity created pursuant to s.
532 163.01(7) which it has contracted with to administer a REEF
533 program and shall include information and data related to the
534 following:

535 (a) The total number of property owner complaints received
536 which are associated with project funding in the report year.

537 (b) Of the total number of property owner complaints
538 received associated with project funding in the report year:

539 1. The number and percentage of complaints that relate to
540 the assessment financing.

541 2. The number and percentage of complaints that relate to a
542 contractor or the workmanship of a contractor and are not
543 related to assessment financing.

544 3. The number and percentage of complaints that relate to
545 both a contractor and the assessment financing.

546 4. The number and percentage of complaints identified in
547 subparagraphs 1., 2., and 3. which were resolved and the number
548 and percentage of property owner complaints that were not
549 resolved.

550 (c) The percentage of property owner complaints in
551 subparagraphs (b)1., 2., and 3. expressed as a total of all

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552 projects funded in the report year.

553 (31) Notwithstanding any provision of this section to the
554 contrary, the following applies to government-leased property:

555 (a) The assessment financing agreement must be executed by
556 either:

557 1. The local government and the nongovernmental lessee; or

558 2. Solely by the nongovernmental lessee but with the
559 written consent of the local government. Evidence of such
560 consent must be provided to the program administrator or REEF
561 program.

562 (b) The assessment financing agreement must provide that
563 the nongovernmental lessee is the only party obligated to pay
564 the assessment.

565 (c) A delinquent assessment must be enforced in the manner
566 provided in ss. 196.199(8) and 197.432(10).

567 (d) The recorded assessment financing agreement, or a
568 summary memorandum of such recorded agreement, must provide
569 constructive notice that the assessment to be levied on the
570 property is subject to enforcement in the manner provided in ss.
571 196.199(8) and 197.432(10).

572 (e) For purposes of subsections (9) and (13) only,
573 references to the property owner are deemed to refer to the
574 nongovernmental lessee and references to the period of ownership
575 are deemed to refer to the period that the nongovernmental
576 lessee has been leasing the property from the local government.

577 (f) The term of the assessment financing agreement on
578 government-leased property may not exceed the lesser of:

579 1. Thirty years;

580 2. The remaining term of the lease on the government-leased

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581 property; or

582 3. The greater of either the weighted average estimated
583 useful life of all qualifying improvements being financed or the
584 estimated useful life of the qualifying improvements to which
585 the greatest portion of funds is disbursed.

586 (32) (a) Subsections (16) through (30) do not apply to
587 residential real property if the program administrator
588 reasonably determines that:

589 1. The residential real property is owned by a business
590 entity that owns more than four residential real properties; and

591 2. The business entity's managing member, partner, or
592 beneficial owner does not reside in the residential real
593 property.

594 (b) Subsections (16) through (30) apply to a program
595 administrator only when administering a REEF program for
596 qualifying improvements on residential real property.

597 Subsections (16) through (30) do not apply with respect to a
598 local government, to residential property owned by a local
599 government, or to nonresidential real property.

600 Section 2. This act shall take effect July 1, 2022.