A bill to be entitled

An act relating to improvements to real property; amending s. 163.08, F.S.; providing and revising definitions; prohibiting financing agreements for qualifying improvements to fund ancillary work unless specified criteria are met; prohibiting financing agreements for qualifying improvements from being approved unless specified criteria are met; requiring the program administrator or other entity to use specified information provided by the property owner to determine the owner's ability to pay the annual non-ad valorem assessment; providing criteria to be used in making the determination; requiring the local government or program administrator to develop a written disclosure form to be given to property owners that meets specified criteria; requiring the local government or program administrator to provide a printed cancellation form to and conduct an oral, recorded telephone call with the property owner at a specified time and containing specified information; requiring the local government or program administrator to develop procedures to address the needs of elderly persons; specifying the total amount of any non-ad valorem assessment that may be assessed on properties as a result of qualifying improvements;

prohibiting local governments or program administrators from offering financing for certain qualifying improvements if those financing agreements meet certain criteria; providing criteria that must be met before a local government or program administrator may enroll a PACE contractor to offer financing for residential properties; specifying criteria that must be met before a PACE contractor may receive funds for qualifying improvements on residential properties; providing market and communications guidelines that must be met when communicating with residential real property owners; specifying the types of contracts that are unenforceable and for which PACE contractors may not begin work; providing procedures for the return of chattel and fixtures that were installed in an unenforceable contract; prohibiting PACE contractors from engaging in specified activities concerning PACE contractors; requiring local governments that have authorized qualifying improvement programs to post specified information on their websites on an annual basis; providing an effective date.

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

Section 1. Section 163.08, Florida Statutes, is amended to read:

163.08 Supplemental authority for improvements to real property.—

(1)(a) In chapter 2008-227, Laws of Florida, the Legislature amended the energy goal of the state comprehensive plan to provide, in part, that the state shall reduce its energy requirements through enhanced conservation and efficiency measures in all end-use sectors and reduce atmospheric carbon dioxide by promoting an increased use of renewable energy resources. That act also declared it the public policy of the state to play a leading role in developing and instituting energy management programs that promote energy conservation, energy security, and the reduction of greenhouse gases. In addition to establishing policies to promote the use of renewable energy, the Legislature provided for a schedule of increases in energy performance of buildings subject to the Florida Energy Efficiency Code for Building Construction. In chapter 2008-191, Laws of Florida, the Legislature adopted new energy conservation and greenhouse gas reduction comprehensive planning requirements for local governments. In the 2008 general election, the voters of this state approved a constitutional amendment authorizing the Legislature, by general law, to prohibit consideration of any change or improvement made for the purpose of improving a property's resistance to wind damage or

the installation of a renewable energy source device in the determination of the assessed value of residential real property.

(b) The Legislature finds that all energy-consuming-improved properties that are not using energy conservation strategies contribute to the burden affecting all improved property resulting from fossil fuel energy production. Improved property that has been retrofitted with energy-related qualifying improvements receives the special benefit of alleviating the property's burden from energy consumption. All improved properties not protected from wind damage by wind resistance qualifying improvements contribute to the burden affecting all improved property resulting from potential wind damage. Improved property that has been retrofitted with wind resistance qualifying improvements receives the special benefit of reducing the property's burden from potential wind damage. Further, the installation and operation of qualifying improvements not only benefit the affected properties for which the improvements are made, but also assist in fulfilling the goals of the state's energy and hurricane mitigation policies. In order to make qualifying improvements more affordable and assist property owners who wish to undertake such improvements, the Legislature finds that there is a compelling state interest in enabling property owners to voluntarily finance such improvements with local government assistance.

(c) The Legislature determines that the actions authorized under this section, including, but not limited to, the financing of qualifying improvements through the execution of financing agreements and the related imposition of voluntary assessments are reasonable and necessary to serve and achieve a compelling state interest and are necessary for the prosperity and welfare of the state and its property owners and inhabitants.

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

(a) "Facility" means any portion of a building, structure, or site improvement located on a site as defined in s. 202 of the 2020 Florida Building Code.

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

(c) "PACE contractor" means an independent contractor who is authorized under this section to contract with a property owner to install qualifying improvements on real property and who is not the owner of such property.

(d) "Program administrator" means a for-profit or not-for-profit entity which administers a qualifying improvement program on behalf and at the discretion of a local government.

(e) ~~(b)~~ "Qualifying improvement" includes any:

1. Energy conservation and efficiency improvement, which is a measure to reduce consumption through conservation or a more efficient use of electricity, natural gas, propane, or

other forms of energy on the property, including, but not limited to, air sealing; installation of insulation; installation of energy-efficient heating, cooling, or ventilation systems; building modifications to increase the use of daylight; replacement of windows; installation of energy controls or energy recovery systems; installation of electric vehicle charging equipment; and installation of efficient lighting equipment.

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

3. Wind resistance improvement, which includes the products and installation for~~, but is not limited to~~:

a. Improving the strength of the roof deck attachment;

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

c. Installing wind-resistant shingles;

d. Installing gable-end bracing;

e. Reinforcing roof-to-wall connections;

f. Installing storm shutters; or

g. Installing opening protections.

(f) "Qualifying improvement program" means a program that includes the financing and administration activities undertaken

by a local government or program administrator for property owners to purchase and install qualifying improvements on a building or facility.

(g) "Residential property" means real property upon which any of the following is located:

1. One single-family residential unit or one multifamily structure containing one to four residential units; or

2. Single-family residential units such as condominiums, townhouses, timeshares, mobile homes, or houses in a subdivision that may be legally sold, leased, or otherwise conveyed on a unit-by-unit basis, regardless of whether the units are a part of a larger building or parcel containing more than four residential units.

(3) A local government may levy non-ad valorem assessments to fund qualifying improvements.

(4) Subject to local government ordinance or resolution, a property owner may apply to the local government for funding to finance a qualifying improvement and enter into a financing agreement with the local government. Costs incurred by the local government for such purpose may be collected as a non-ad valorem assessment. A non-ad valorem assessment shall be collected pursuant to s. 197.3632 and, notwithstanding s. 197.3632(8)(a), shall not be subject to discount for early payment. However, the notice and adoption requirements of s. 197.3632(4) do not apply if this section is used and complied with, and the intent

resolution, publication of notice, and mailed notices to the property appraiser, tax collector, and Department of Revenue required by s. 197.3632(3)(a) may be provided on or before August 15 in conjunction with any non-ad valorem assessment authorized by this section, if the property appraiser, tax collector, and local government agree.

(5) Pursuant to this section or as otherwise provided by law or pursuant to a local government's home rule power, a local government may enter into a partnership with one or more local governments for the purpose of providing and financing qualifying improvements.

(6) A qualifying improvement program may be administered by a for-profit entity or a not-for-profit organization on behalf of and at the discretion of the local government.

(7) A local government may incur debt for the purpose of providing such improvements, payable from revenues received from the improved property, or any other available revenue source authorized by law.

(8) A local government may enter into a financing agreement only with the record owner of the affected property. Any financing agreement entered into pursuant to this section or a summary memorandum of such agreement shall be recorded in the public records of the county within which the property is located by the sponsoring unit of local government within 5 days after execution of the agreement. The recorded agreement shall

provide constructive notice that the non-ad valorem assessment to be levied on the property constitutes a lien of equal dignity to county taxes and assessments from the date of recordation.

(9) A financing agreement may not be used to fund ancillary work unless the scope of the ancillary work is directly related to and necessary for the installation and safe operation of a qualifying improvement and the cost of the ancillary work does not exceed the cost of the individual qualifying improvement to which it is directly related.

(10) ~~(9)~~ A ~~Before entering into a~~ financing agreement for a qualifying improvement may not be approved unless~~,~~ the local government or program administrator, as applicable, has ~~shall~~ reasonably determined ~~determine~~ that:

(a) All property taxes and any other assessments levied on the same bill as property taxes are paid and have not been delinquent for the preceding 3 years or the property owner's period of ownership, whichever is less; ~~that~~

(b) There are no involuntary liens, including, but not limited to, construction liens on the property; ~~that~~

(c) No notices of default or other evidence of property-based debt delinquency have been recorded during the preceding 3 years or the property owner's period of ownership, whichever is less; ~~and that~~

(d) The property owner is current on all mortgage debt on the property and has had no more than one late payment exceeding

30 days during the 12 months immediately preceding the application date; ~~The property owner is current on all mortgage debt on the property.~~

(e) The holders or loan servicers of any mortgage encumbering or otherwise secured by the property have received the written notice required by subsection (16);

(f) Any property owner whose real property taxes are paid through an escrow account has notified the holder of the escrow account that a non-ad valorem assessment will be imposed upon the property pursuant to this section;

(g) The term of the financing agreement does not exceed the estimated useful life of the qualifying improvement. The local government or program administrator, as applicable, shall determine the useful life using established third-party standards, including certification criteria from government agencies or nationally recognized standards and testing organizations;

(h) The property owner has acknowledged in writing the disclosure statements required by paragraph (12)(b);

(i) For residential properties, the property owner has not been subject to a bankruptcy proceeding within the last 7 years unless it was discharged or dismissed more than 2 years before the date that the property owner applied for funding as set forth in subsection (4);

(j) For residential properties, the property owner is

current on nonmortgage debt excluding medical debt, and has had no more than one late payment exceeding 30 days during the 12 months immediately preceding the date that the property owner applied for funding as set forth in subsection (4);

(k) The property is within the geographic boundaries of the applicable qualifying improvement program; and

(l) The local government or program administrator, as applicable, has asked if the property owner has obtained or sought to obtain additional qualifying improvements on the same property that have not yet been recorded. The failure of a property owner to disclose information set forth in this subsection does not invalidate a financing agreement or any obligation thereunder, even if the total financed amount of the qualifying improvement exceeds the amount that would otherwise be authorized under subsection (15).

The existence of a prior qualifying improvement non-ad valorem assessment or a prior financing agreement is not evidence that the financing agreement under consideration is affordable or meets other program requirements.

(11) In addition to obtaining the information in subsection (10), and before a local government or program administrator, as applicable, approves a qualifying improvement on residential property, he or she must use information contained in the property owner's application, reasonably

reliable third-party records, or an automated verification system to reasonably determine whether the property owner has the ability to pay the annual non-ad valorem assessment for the qualifying improvement. The local government or program administrator, as applicable, must review the property owner's household income, housing expenses, assets, and other debt obligations. If the local government or program administrator, as applicable, uses an automated verification system, it must be a system that can verify the property owner's income, is not based on predictive or estimation methodologies, and has been determined sufficient for such verification purposes by a federal mortgage lending authority or regulator. In reviewing the property owner's ability to pay, the local government or program administrator, as applicable:

(a) When determining the household income, may include the income of any property owner aged 18 years old or older whose name is on the property title. If a person's income is considered, that person's debt obligations must also be considered.

(b) May not consider the equity in the property that will secure the non-ad valorem assessment.

(c) Shall determine the property owner's debt obligations using reasonably reliable third-party records, including at least, one consumer credit report from an agency that meets the requirements of 15 U.S.C. s. 1681a(p). Debt obligations to be

reviewed include:

1. Secured and unsecured debt.

2. Housing expenses. The local government or program administrator, as applicable, shall make a reasonable estimate of the basic housing expenses based on the number of persons in the household.

3. Stated alimony or child support obligations.

(d) Shall determine whether the property owner has sufficient income to pay the annual non-ad valorem assessment and that he or she has sufficient residual income to meet his or her household living expenses.

(12) Each local government or program administrator that offers a qualifying improvement program must:

(a) Develop a written disclosure form that must be provided to the property owner before he or she executes the financing agreement and which contains the key terms of the agreement, including:

1. A description of the qualifying improvement;

2. The total financed amount, including the cost of the qualifying improvement, ancillary work, installation, program fees, and prepaid interest, if any;

3. The annual non-ad valorem assessment process and yearly payment schedule;

4. The amount of the annual non-ad valorem assessment;

5. The term of the total financed amount;

6. The interest rate for the financed amount;

7. The annual percentage rate;

8. The total estimated annual costs that the residential real property owner will have to pay under the assessment contract, including applicable fees;

9. The total estimated average monthly equivalent amount of funds the residential real property owner would have to save in order to pay the annual costs of the non-ad valorem assessment, including applicable fees; and

10. The estimated due date of the residential real property owner's first property tax payment that includes the non-ad valorem assessment.

(b) Include the following statements in the written disclosure form, using the same order as listed in this paragraph, each of which must be individually acknowledged in writing by the property owner:

1. "I UNDERSTAND THAT IF I SELL OR REFINANCE THE PROPERTY, I MAY BE REQUIRED TO PAY OFF THE OUTSTANDING FINANCED AMOUNT AS A CONDITION OF THE SALE OR THE REFINANCE OF THE PROPERTY."

The previous statement must be made in at least 24-point boldfaced type.

2. "I understand that the annual non-ad valorem assessment will be paid when property taxes are paid and will result in a

lien being placed on my property."

3. "I understand that the annual non-ad valorem assessment will be added to my property tax bill and if I pay my property taxes through my mortgage payment using an escrow account, I must notify my mortgage lender."

4. "I understand that if I fail to pay the annual non-ad valorem assessment, I may incur penalties and fees and the local government could issue a tax certificate which might result in the loss of my property."

5. "I understand that any potential utility or insurance savings are not guaranteed and will not reduce the annual non-ad valorem assessment or total assessment amount."

6. "I understand that I have 3 days to cancel the financing agreement. The 3-day right expires at midnight of the third business day after I sign the agreement."

7. "I understand that the local government, program administrator, or PACE contractor do not provide tax advice and that I should seek professional tax advice if I have questions regarding tax credits, tax deductibility, or other tax impacts of the qualifying improvement or the assessment contract.

8. "I understand that I cannot be assessed a penalty if I prepay the outstanding financed amount."

(c) Provide a printed cancellation form to the property owner no later than the time the property owner signs the financing agreement which allows the property owner to cancel

the contract, within the 3-day period specified in subparagraph (b)6.

(d) Conduct, with at least one residential real property owner or an authorized representative, an oral, recorded telephone call during which time the local government or program administrator, as applicable, must use plain language. The local government or program administrator, as applicable, must ask the residential real property owner if he or she would like to communicate primarily in a language other than English and, if so, must conduct the call in the owner's preferred language. A local government or program administrator, as applicable may not leave a voicemail to the residential real property owner to satisfy this requirement. The owner or their representative must provide written acknowledgement that the oral confirmation was given. A local government or program administrator, as applicable, as part of this telephone call, must confirm with the residential real property owner:

1. That at least one residential real property owner has access to a copy of the assessment contract and financing estimates and disclosures.

2. The qualifying improvement that is being financed.

3. The total estimated annual costs that the residential real property owner will have to pay under the assessment contract, including applicable fees.

4. The total estimated average monthly equivalent amount

of funds the residential real property owner would have to save in order to pay the annual costs of the non-ad valorem assessment, including applicable fees.

5. The estimated due date of the residential real property owner's first property tax payment that includes the non-ad valorem assessment.

6. The term of the assessment contract.

7. That payments for the assessment contract will cause the residential real property owner's annual tax bill to increase, that payments will be made through an additional annual non-ad valorem assessment on the property, and will be paid either directly to the county tax collector's office as part of the total annual secured property tax bill or may be paid through the residential real property owner's mortgage escrow account.

8. That the qualifying residential property owner has disclosed whether the property has received or is seeking additional non-ad valorem assessments and has disclosed all other assessments or special taxes that are or are about to be placed on the property.

9. That the property will be subject to a lien during the term of the assessment contract and that the obligations under the contract may be required to be paid in full before the residential real property owner sells or refinances the property.

10. That any potential utility or insurance savings are not guaranteed and will not reduce the annual non-ad valorem assessment or total assessment amount.

11. That the local government, program administrator, or PACE contractor do not provide tax advice and that the residential real property owner should seek professional tax advice if he or she has questions regarding tax credits, tax deductibility, or other tax impacts of the qualifying improvement or the assessment contract.

(e) The local government or program administrator shall develop additional procedures under this subsection to address the needs and concerns of elderly persons.

(13) ~~(10)~~ A qualifying improvement shall be affixed or connected to a building or facility that is part of the property and shall constitute an improvement to the building or facility or a fixture attached to the building or facility. An agreement between a local government and a qualifying property owner may not cover wind-resistance improvements in buildings or facilities under new construction or construction for which a certificate of occupancy or similar evidence of substantial completion of new construction or improvement has not been issued.

(14) ~~(11)~~ Any work requiring a license under any applicable law to make or install a qualifying improvement shall be performed by a contractor properly certified or registered

pursuant ~~to part I or part II of~~ chapter 489.

(15) ~~(12)(a) Without the consent of the holders or loan servicers of any mortgage encumbering or otherwise secured by the property,~~ The total amount of any non-ad valorem assessment for a property under this section may not exceed 20 percent of the fair market value of the property ~~just value of the property as determined by the county property appraiser~~. In addition, the total of any non-ad valorem assessments plus any mortgage-related debt on the property may not exceed 97 percent of the fair market value of the property. The fair market value of the property shall be derived using any methodology commonly used in the real estate finance industry.

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

(16) ~~(13)~~ At least 30 days before entering into a financing agreement, the property owner shall provide to the holders or loan servicers of any existing mortgages encumbering or otherwise secured by the property a notice of the owner's intent to enter into a financing agreement together with the maximum principal amount to be financed and the maximum annual

assessment necessary to repay that amount. A verified copy or other proof of such notice shall be provided to the local government or program administrator, as applicable. A provision in any agreement between the ~~a~~ mortgagee or other lienholder and a property owner, or otherwise now or hereafter binding upon a property owner, which allows for acceleration of payment of the mortgage, note, or lien or other unilateral modification solely as a result of entering into a financing agreement as provided for in this section is not enforceable. This subsection does not limit the authority of the holder or loan servicer to increase the required monthly escrow by an amount necessary to annually pay the qualifying improvement assessment.

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

QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY, RENEWABLE ENERGY, OR WIND RESISTANCE.—The property being purchased is located within the jurisdiction of a local government that has placed an non-ad valorem assessment on the property pursuant to s. 163.08, Florida Statutes. The non-ad valorem assessment is for a

qualifying improvement to the property relating to energy efficiency, renewable energy, or wind resistance, and is not based on the value of property. You are encouraged to contact the county property appraiser's office to learn more about this and other assessments that may be provided by law.

(18) ~~(15)~~ A provision in any agreement between a local government and a public or private power or energy provider or other utility provider is not enforceable to limit or prohibit any local government from exercising its authority under this section.

(19) ~~(16)~~ This section is additional and supplemental to county and municipal home rule authority and not in derogation of such authority or a limitation upon such authority.

(20) A local government or program administrator, as applicable, may not offer financing for a qualifying improvement authorized pursuant to this section on any residential real property that includes any of the following:

(a) A negative amortization schedule;

(b) A balloon payment; or

(c) Pre-payment fees, other than nominal administrative costs.

(21) For residential real property, a local government or program administrator, as applicable:

(a) May not enroll a PACE contractor who offers financing on residential real property unless:

1. The local government or program administrator, as applicable, determines that the PACE contractor maintains in good standing an appropriate license from the state, if applicable, as well as any other permits, licenses, or registrations required for engaging in its business in the jurisdiction where it operates and maintains all state required bond and insurance coverage.

2. A local government or program administrator, as applicable, obtains the PACE contractor's written agreement that the PACE contractor will comply with all applicable laws, including applicable advertising and marketing laws and regulations and the requirements of subsection (23).

(b) Must maintain a process to enroll new PACE contractors that includes reasonable review of the following for each contractor:

1. Relevant work or project history.

2. Financial and reputational background checks.

3. The contractor's status on the Better Business Bureau platform or other online platforms that track contractor reviews.

(22)(a) Before disbursing funds to a PACE contractor for a qualifying improvement on residential real property, the local government or program administrator, as applicable, must first confirm that the applicable work or service has been completed and the local government has determined the work complies with

applicable codes and standards, including, but not limited to, the Florida Building Code and the Florida Fire Prevention Code.

(b) A local government or program administrator, as applicable, may not disclose the maximum financing amount for which a residential real property owner is eligible to a PACE contractor or to a third party engaged in soliciting assessment contracts financed pursuant to this section.

(23) When communicating with residential real property owners, a local government, program administrator, PACE contractor, or a third party engaged in marketing on behalf of these entities, must comply with the following marketing and communications guidelines and may not:

(a) Suggest or imply:

1. That a non-ad valorem assessment authorized under this section is a government assistance program;

2. That qualifying improvements are free or provided at no cost, or that the financing related to a non-ad valorem assessment authorized under this section is free or provided at no cost; or

3. That the financing of a qualifying improvement using the program authorized pursuant to this section does not require the property owner to repay the financial obligation.

(b) Make any representation as to the tax deductibility of a non-ad valorem assessment on residential real property. A local government, program administrator, or PACE contractor, or

a third party engaged in marketing on behalf of these entities, may encourage a property owner to seek the advice of a tax professional regarding tax matters related to assessments.

(24)(a) A contract to sell or install a qualifying improvement that is related to an application for financing in a qualifying improvement program for a residential property is unenforceable and a PACE contractor may not begin work under such a contract if:

1. The property owner would not have entered into the contract but for the belief that the qualifying improvement or its installation would be paid under the financing agreement; or

2. The property owner applied for, accepted, and canceled a qualifying improvement financing agreement within the 3-day right-to-cancel period set forth in subparagraph (12)(b)6.

(b) If a PACE contractor has initiated work on a residential property under an unenforceable contract as determined under paragraph (a), the PACE contractor:

1. May not receive compensation for that work under the financing agreement.

2. Shall restore the property to its original condition at no cost to the property owner.

3. Shall immediately return any money, property, and other consideration given by the property owner. If the property owner provided any property and the PACE contractor does not or cannot return it, the PACE contractor shall immediately return the fair

market value of the property or its value as designated in the contract, whichever is greater.

(c) If the PACE contractor has delivered chattel or fixtures to the residential property pursuant to an unenforceable contract, the PACE contractor shall have 90 days from the date the contract was executed to retrieve the chattel or fixtures provided that:

1. The PACE contractor has fulfilled the requirements of subparagraphs (b)2. and 3.

2. The chattel and fixtures can be removed at the PACE contractor's expense without damaging the property owner's property and practically returned.

(d) The residential property owner may retain any chattel or fixtures provided pursuant to an unenforceable contract if a PACE contractor fails to comply with the provisions of this subsection.

(e) A contract which is otherwise unenforceable under this subsection remains enforceable if the residential property owner waives his or her right to cancel the contract, allows the PACE contractor to proceed with the installation of the qualifying improvement, and cancels the financing agreement.

(25)(a) A PACE contractor or third party may not advertise the availability of financing agreements or solicit property owners on behalf of the local government or program administrator unless:

1. The PACE contractor or third party maintains the appropriate registration or certification from the Construction Industry Licensing Board or any other permit, license, or registration required to conduct business in the jurisdiction where it operates, and provides proof of having the required bond and insurance coverage amounts.

2. The local government or program administrator, as applicable, obtains the PACE contractor's or third party's written agreement that the PACE contractor or third party will meet applicable laws and rules and qualifying improvement program policies and procedures, including those on advertising and marketing.

(b) A local government or program administrator may not provide any direct or indirect cash payment or thing of material value to a PACE contractor or third party in excess of the actual price charged by that PACE contractor for the sale and installation of the qualifying improvements that are financed by a financing agreement. However, a program administrator may provide information or services to a PACE contractor to facilitate the installation of a qualifying improvement for a property owner.

(c) A local government or program administrator may not reimburse a PACE contractor or third party for its expenses in advertising and marketing campaigns and materials. A local government or program administrator, as applicable, and a PACE

contractor may share expenses in connection with joint advertising and marketing campaigns and materials, if the expenses are shared on a commercially reasonable basis.

(d) A local government or program administrator may not provide to a PACE contractor engaged in soliciting financing agreements on its behalf any information that discloses the amount of funds for which a property owner is eligible for qualifying improvements or the amount of equity in a property.

(e) For residential properties, a PACE contractor may not provide a different price for a qualifying improvement financed under this section than the PACE contractor would provide if the property owner paid for the improvement in cash.

(f) A program administrator may not provide any direct cash payment or other thing of material value to a property owner explicitly conditioned upon the property owner entering into a financing agreement. However, a program administrator may offer programs or promotions that provide reduced fees or interest rates if the reduced fees or interest rates are reflected in the financing agreements and are not provided to the property owners as cash consideration.

(26) Each local government that has authorized a qualifying improvement program shall post on its website an annual report for the period ending December 31 each year containing the following information:

(a) The number of qualifying improvements funded.

(b) The aggregate, average, and median dollar amounts of annual and total number of assessments that funded qualifying improvements.

(c) The percentage, the number, and the dollar value of assessments that funded qualifying improvements, represented by the category types consisting of energy efficiency, renewable energy, and wind resistance.

(d) The number of defaulted assessments including the total number and defaulted amount, the number and dates of missed payments, the total number of parcels defaulted and years in default, and the percentage of defaults by total assessments.

(e) A summary of all reported violations of this section, including the resolution of each.

(f) Estimated number of jobs created.

(g) The number and percentage of homeowners 60 years of age or older participating in a qualifying improvement program.

This report shall be posted no later than April 1 of the year following the calendar year covered by the report.

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