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1	A bill to be entitled
2	An act relating to community associations; amending s.
3	194.011, F.S.; specifying that a condominium,
4	cooperative, or homeowners' association may represent
5	unit or parcel owners in certain proceedings;
6	requiring notice to unit or parcel owners of such
7	proceedings; amending s. 194.181, F.S.; specifying
8	that a condominium, cooperative, or homeowners'
9	association may be a party to an action contesting the
10	assessment of ad valorem taxes; amending s. 718.111,
11	F.S.; revising condominium association recordkeeping
12	and financial reporting requirements; revising record
13	retention policies; revising the list of documents
14	that the association is required to post online;
15	limiting an association's liability for inadvertent
16	disclosure of protected or restricted information;
17	amending s. 718.112, F.S.; revising provisions
18	relating to required association bylaws; revising
19	board term limits; authorizing an association to adopt
20	rules for posting certain notices on a website;
21	providing responsibilities for unit owners who receive
22	electronic notices; revising and providing board
23	member recall and challenge requirements; authorizing
24	the recovery of attorney fees and costs in an action
25	to challenge the validity of a board member recall;
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26 amending s. 718.113, F.S.; revising voting 27 requirements relating to alterations and additions to 28 certain common elements or association property; 29 providing legislative findings; providing that an 30 association may not prohibit a unit owner from installing an electronic vehicle charging station; 31 32 providing requirements for installing such charging station; amending s. 718.121, F.S.; providing when the 33 installation of an electronic vehicle charging station 34 35 may be the basis of a lien; amending s. 718.3026, 36 F.S.; removing a provision relating to certain 37 contracts or transactions regarding conflicts of interest; amending s. 718.3027, F.S.; providing 38 39 requirements for proposed activity that is identified as a conflict of interest; amending s. 718.303, F.S.; 40 revising fine and suspension requirements; amending s. 41 718.707, F.S.; revising the time period for 42 classification as a bulk assignee or bulk buyer; 43 amending s. 719.104, F.S.; revising cooperative 44 association recordkeeping requirements; amending s. 45 719.106, F.S.; revising requirements to serve as a 46 47 board member; prohibiting a board member from voting via e-mail; authorizing an association to adopt rules 48 49 for posting certain notices on a website; providing 50 responsibilities for unit owners who receive

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51 electronic notices; providing that directors or 52 officers who are delinguent in certain payments owed 53 in excess of certain periods of time be deemed to have abandoned their offices; amending s. 719.107, F.S.; 54 55 specifying that certain services which are obtained 56 pursuant to a bulk contract are deemed a common 57 expense; amending s. 719.303, F.S.; revising fine and 58 suspension requirements; amending s. 720.303, F.S.; 59 prohibiting a board member from voting via e-mail; 60 amending s. 720.305, F.S.; revising fine and 61 suspension requirements; amending s. 720.306, F.S.; 62 requiring an association to follow certain procedures when amending a governing document; providing 63 64 limitations on and exceptions for associations when a parcel owner attempts to rent or lease his or her 65 66 home; requiring certain notices to parcel owners be 67 delivered in specified ways; revising election requirements; amending s. 720.3085, F.S.; providing 68 69 applicability; providing an effective date. 70 71 Be It Enacted by the Legislature of the State of Florida: 72 73 Section 1. Paragraph (e) of subsection (3) of section 74 194.011, Florida Statutes, is amended to read: 75 194.011 Assessment notice; objections to assessments.-

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76 (3) A petition to the value adjustment board must be in 77 substantially the form prescribed by the department. 78 Notwithstanding s. 195.022, a county officer may not refuse to 79 accept a form provided by the department for this purpose if the 80 taxpayer chooses to use it. A petition to the value adjustment 81 board must be signed by the taxpayer or be accompanied at the 82 time of filing by the taxpayer's written authorization or power 83 of attorney, unless the person filing the petition is listed in s. 194.034(1)(a). A person listed in s. 194.034(1)(a) may file a 84 petition with a value adjustment board without the taxpayer's 85 signature or written authorization by certifying under penalty 86 87 of perjury that he or she has authorization to file the petition 88 on behalf of the taxpayer. If a taxpayer notifies the value 89 adjustment board that a petition has been filed for the 90 taxpayer's property without his or her consent, the value adjustment board may require the person filing the petition to 91 92 provide written authorization from the taxpayer authorizing the 93 person to proceed with the appeal before a hearing is held. If 94 the value adjustment board finds that a person listed in s. 95 194.034(1)(a) willfully and knowingly filed a petition that was 96 not authorized by the taxpayer, the value adjustment board shall require such person to provide the taxpayer's written 97 authorization for representation to the value adjustment board 98 clerk before any petition filed by that person is heard, for 1 99 100 year after imposition of such requirement by the value

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101 adjustment board. A power of attorney or written authorization 102 is valid for 1 assessment year, and a new power of attorney or 103 written authorization by the taxpayer is required for each 104 subsequent assessment year. A petition shall also describe the 105 property by parcel number and shall be filed as follows:

106 (e)1. A condominium association as defined in s. 718.103, 107 a cooperative association as defined in s. 719.103, or any 108 homeowners' association as defined in s. 723.075, with approval 109 of its board of administration or directors, may file with the value adjustment board a single joint petition on behalf of any 110 association members who own units or parcels of property which 111 112 the property appraiser determines are substantially similar with 113 respect to location, proximity to amenities, number of rooms, 114 living area, and condition. The condominium association, 115 cooperative association, or homeowners' association as defined in s. 723.075 shall provide the unit or parcel owners with 116 117 notice of its intent to petition the value adjustment board and 118 shall provide at least 20 days for a unit or parcel owner to 119 elect, in writing, that his or her unit or parcel not be included in the petition. 120

121 <u>2. An association that has filed a single joint petition</u>
 122 <u>may continue to represent the unit or parcel owners through any</u>
 123 <u>related subsequent proceeding, including judicial review under</u>
 124 <u>part II of this chapter and any appeal thereof. This</u>

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subparagraph is intended to clarify existing law and applies to

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126	any pending action. The condominium association, cooperative
127	association, or homeowners' association shall provide the unit
128	or parcel owners with notice of the property appraiser's appeal
129	of a value adjustment board decision to circuit court and
130	provide the unit or parcel owner at least 7 days to elect, in
131	writing, that his or her unit or parcel not be included in the
132	association's defense.
133	Section 2. Subsection (2) of section 194.181, Florida
134	Statutes, is amended to read:
135	194.181 Parties to a tax suit
136	(2) In any case brought by the taxpayer, or brought by a
137	<u>condominium or cooperative</u> <del>or</del> association <u>on behalf of some or</u>
138	all owners, contesting the assessment of any property, the
139	county property appraiser shall be party defendant. In any case
140	brought by the property appraiser pursuant to s. 194.036(1)(a)
141	or (b), the taxpayer, condominium association, or cooperative
142	association shall be party defendant. In any case brought by the
143	property appraiser pursuant to s. 194.036(1)(c), the value
144	adjustment board shall be party defendant.
145	Section 3. Subsection (3), paragraphs (a), (b), and (g) of
146	subsection (12), and paragraph (e) of subsection (13) of section
147	718.111, Florida Statutes, are amended to read:
148	718.111 The association
149	(3) POWER TO MANAGE CONDOMINIUM PROPERTY AND TO CONTRACT,
150	SUE, AND BE SUED <del>; CONFLICT OF INTEREST</del>
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(a) The association may contract, sue, or be sued with respect to the exercise or nonexercise of its powers. For these purposes, the powers of the association include, but are not limited to, the maintenance, management, and operation of the condominium property.

(b) After control of the association is obtained by unit
 owners other than the developer, the association may:

158 Institute, maintain, settle, or appeal actions or 1. hearings in its name on behalf of all unit owners concerning 159 matters of common interest to most or all unit owners, 160 including, but not limited to, the common elements; the roof and 161 162 structural components of a building or other improvements; mechanical, electrical, and plumbing elements serving an 163 164 improvement or a building; representations of the developer 165 pertaining to any existing or proposed commonly used facilities;

166 <u>2. Protest</u> and protesting ad valorem taxes on commonly 167 used facilities and on units; and may

168 <u>3.</u> Defend actions <u>pertaining to ad valorem taxation of</u> 169 <u>commonly used facilities or units</u>, or related to <u>in</u> eminent 170 domain<u>;</u> or

171

4. Bring inverse condemnation actions.

(c) If the association has the authority to maintain a
 class action, the association may be joined in an action as
 representative of that class with reference to litigation and
 disputes involving the matters for which the association could

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176 bring a class action.

177 The association, in its own name, or on behalf of some (d) 178 or all unit owners, may institute, file, protest, maintain, or defend any administrative challenge, lawsuit, appeal, or other 179 180 challenge to ad valorem taxes assessed on units or that values 181 commonly used facilities or common elements. The affected 182 association members are not necessary or indispensable parties 183 to any such action. This paragraph is intended to clarify 184 existing law and applies to any pending action.

(e) Nothing herein limits any statutory or common-law
 right of any individual unit owner or class of unit owners to
 bring any action without participation by the association which
 may otherwise be available.

189 (b) An association may not hire an attorney who represents
 190 the management company of the association.

191

(12) OFFICIAL RECORDS.-

(a) From the inception of the association, the association
shall maintain each of the following items, if applicable, which
constitutes the official records of the association:

195 1. A copy of the plans, permits, warranties, and other 196 items provided by the developer pursuant to s. 718.301(4).

197 2. A photocopy of the recorded declaration of condominium
198 of each condominium operated by the association and each
199 amendment to each declaration.

200

3. A photocopy of the recorded bylaws of the association

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201 and each amendment to the bylaws.

4. A certified copy of the articles of incorporation of
the association, or other documents creating the association,
and each amendment thereto.

5. A copy of the current rules of the association.

A book or books that contain the minutes of all
meetings of the association, the board of administration, and
the unit owners, which minutes must be retained for at least 7
years.

210 7. A current roster of all unit owners and their mailing addresses, unit identifications, voting certifications, and, if 211 212 known, telephone numbers. The association shall also maintain 213 the e-mail electronic mailing addresses and facsimile numbers of 214 unit owners consenting to receive notice by electronic 215 transmission. The e-mail electronic mailing addresses and facsimile numbers are not accessible to unit owners if consent 216 217 to receive notice by electronic transmission is not provided in 218 accordance with sub-subparagraph (c)3.e. However, the 219 association is not liable for an inadvertent disclosure of the 220 e-mail electronic mail address or facsimile number for receiving 221 electronic transmission of notices.

8. All current insurance policies of the association andcondominiums operated by the association.

9. A current copy of any management agreement, lease, or
other contract to which the association is a party or under

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which the association or the unit owners have an obligation or responsibility.

10. Bills of sale or transfer for all property owned bythe association.

Accounting records for the association and separate 230 11. 231 accounting records for each condominium that the association 232 operates. All accounting records must be maintained for at least 233 7 years. Any person who knowingly or intentionally defaces or 234 destroys such records, or who knowingly or intentionally fails to create or maintain such records, with the intent of causing 235 236 harm to the association or one or more of its members, is 237 personally subject to a civil penalty pursuant to s. 238 718.501(1)(d). The accounting records must include, but are not 239 limited to:

a. Accurate, itemized, and detailed records of allreceipts and expenditures.

b. A current account and a monthly, bimonthly, or quarterly statement of the account for each unit designating the name of the unit owner, the due date and amount of each assessment, the amount paid on the account, and the balance due.

c. All audits, reviews, accounting statements, andfinancial reports of the association or condominium.

d. All contracts for work to be performed. Bids for work
to be performed are also considered official records and must be
maintained by the association.

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251 12. Ballots, sign-in sheets, voting proxies, and all other 252 papers and electronic records relating to voting by unit owners, 253 which must be maintained for 1 year from the date of the 254 election, vote, or meeting to which the document relates, 255 notwithstanding paragraph (b). 256 All rental records if the association is acting as 13. 257 agent for the rental of condominium units. 258 14. A copy of the current question and answer sheet as 259 described in s. 718.504. 15. All other written records of the association not 260 specifically included in the foregoing which are related to the 261 operation of the association. 262 16. A copy of the inspection report as described in s. 263 264 718.301(4)(p). 265 Bids for materials, equipment, or services. 17. 266 The official records specified in subparagraphs (a)1.-(b) 267 6. must be permanently maintained from the inception of the association. All other official records of the association must 268 269 be maintained within the state for at least 7 years, unless 270 otherwise provided by general law. The records of the 271 association shall be made available to a unit owner within 45 272 miles of the condominium property or within the county in which the condominium property is located within 10  $\frac{5}{5}$  working days 273 274 after receipt of a written request by the board or its designee. 275 However, such distance requirement does not apply to an

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276 association governing a timeshare condominium. This paragraph 277 may be complied with by having a copy of the official records of 278 the association available for inspection or copying on the 279 condominium property or association property, or the association 280 may offer the option of making the records available to a unit 281 owner electronically via the Internet or by allowing the records 282 to be viewed in electronic format on a computer screen and 283 printed upon request. The association is not responsible for the use or misuse of the information provided to an association 284 285 member or his or her authorized representative pursuant to the compliance requirements of this chapter unless the association 286 287 has an affirmative duty not to disclose such information 288 pursuant to this chapter.

(g)1. By <u>January</u> July 1, <u>2019</u> <del>2018,</del> an association managing a condominium with 150 or more units which does not <u>contain</u> manage timeshare units shall post digital copies of the documents specified in subparagraph 2. on its website.

293

a. The association's website must be:

(I) An independent website or web portal wholly owned andoperated by the association; or

(II) A website or web portal operated by a third-party provider with whom the association owns, leases, rents, or otherwise obtains the right to operate a web page, subpage, web portal, or collection of subpages or web portals dedicated to the association's activities and on which required notices,

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301 records, and documents may be posted by the association. The association's website must be accessible through 302 b. 303 the Internet and must contain a subpage, web portal, or other 304 protected electronic location that is inaccessible to the general public and accessible only to unit owners and employees 305 306 of the association. 307 c. Upon a unit owner's written request, the association 308 must provide the unit owner with a username and password and 309 access to the protected sections of the association's website that contain any notices, records, or documents that must be 310 electronically provided. 311 2. A current copy of the following documents must be 312 313 posted in digital format on the association's website: The recorded declaration of condominium of each 314 a. 315 condominium operated by the association and each amendment to each declaration. 316 317 b. The recorded bylaws of the association and each 318 amendment to the bylaws. 319 The articles of incorporation of the association, or с. other documents creating the association, and each amendment 320 321 thereto. The copy posted pursuant to this sub-subparagraph must 322 be a copy of the articles of incorporation filed with the Department of State. 323 d. The rules of the association. 324 325 A list of all executory contracts or documents Any e. Page 13 of 77

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326 management agreement, lease, or other contract to which the 327 association is a party or under which the association or the 328 unit owners have an obligation or responsibility and, after 329 bidding for the related materials, equipment, or services has 330 closed, a list of bids received by the association within the 331 past year. Summaries of bids for materials, equipment, or 332 services which exceed \$500 must be maintained on the website for 1 year. In lieu of summaries, complete copies of the bids may be 333 334 posted. 335 f. The annual budget required by s. 718.112(2)(f) and any 336 proposed budget to be considered at the annual meeting. 337 The financial report required by subsection (13) and q. 338 any monthly income or expense statement proposed financial 339 report to be considered at a meeting. 340 The certification of each director required by s. h. 341 718.112(2)(d)4.b. 342 i. All contracts or transactions between the association 343 and any director, officer, corporation, firm, or association 344 that is not an affiliated condominium association or any other 345 entity in which an association director is also a director or 346 officer and financially interested. 347 j. Any contract or document regarding a conflict of 348 interest or possible conflict of interest as provided in ss.

349 468.436(2)(b)6. and 718.3027(3) ss. 468.436(2) and 718.3026(3).

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k.

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The notice of any unit owner meeting and the agenda for

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351 the meeting, as required by s. 718.112(2)(d)3., no later than 14 352 days before the meeting. The notice must be posted in plain view 353 on the front page of the website, or on a separate subpage of 354 the website labeled "Notices" which is conspicuously visible and 355 linked from the front page. The association must also post on 356 its website any document to be considered and voted on by the 357 owners during the meeting or any document listed on the agenda 358 at least 7 days before the meeting at which the document or the information within the document will be considered. 359

360 l. Notice of any board meeting, the agenda, and any other 361 document required for the meeting as required by s. 362 718.112(2)(c), which must be posted no later than the date 363 required for notice pursuant to s. 718.112(2)(c).

364 3. The association shall ensure that the information and 365 records described in paragraph (c), which are not allowed 366 permitted to be accessible to unit owners, are not posted on the 367 association's website. If protected information or information 368 restricted from being accessible to unit owners is included in 369 documents that are required to be posted on the association's 370 website, the association shall ensure the information is 371 redacted before posting the documents online. Notwithstanding 372 the foregoing, the association or its agent is not liable for 373 disclosing information that is protected or restricted pursuant to this paragraph unless such disclosure was made with a knowing 374 375 or intentional disregard of the protected or restricted nature

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376 of such information.

377 <u>4. The failure of the association to post information</u>
378 required under subparagraph 2. is not in and of itself
379 <u>sufficient to invalidate any action or decision of the</u>
380 <u>association's board or its committees.</u>

381 (13) FINANCIAL REPORTING.-Within 90 days after the end of 382 the fiscal year, or annually on a date provided in the bylaws, 383 the association shall prepare and complete, or contract for the preparation and completion of, a financial report for the 384 preceding fiscal year. Within 21 days after the final financial 385 386 report is completed by the association or received from the 387 third party, but not later than 120 days after the end of the 388 fiscal year or other date as provided in the bylaws, the 389 association shall mail to each unit owner at the address last 390 furnished to the association by the unit owner, or hand deliver 391 to each unit owner, a copy of the most recent financial report 392 or a notice that a copy of the most recent financial report will 393 be mailed or hand delivered to the unit owner, without charge, 394 within 5 business days after receipt of a written request from 395 the unit owner. The division shall adopt rules setting forth 396 uniform accounting principles and standards to be used by all 397 associations and addressing the financial reporting requirements for multicondominium associations. The rules must include, but 398 not be limited to, standards for presenting a summary of 399 400 association reserves, including a good faith estimate disclosing

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401 the annual amount of reserve funds that would be necessary for 402 the association to fully fund reserves for each reserve item 403 based on the straight-line accounting method. This disclosure is 404 not applicable to reserves funded via the pooling method. In 405 adopting such rules, the division shall consider the number of 406 members and annual revenues of an association. Financial reports 407 shall be prepared as follows:

408 (e) A unit owner may provide written notice to the division of the association's failure to mail or hand deliver 409 410 him or her a copy of the most recent financial report within 5 business days after he or she submitted a written request to the 411 412 association for a copy of such report. If the division determines that the association failed to mail or hand deliver a 413 414 copy of the most recent financial report to the unit owner, the 415 division shall provide written notice to the association that 416 the association must mail or hand deliver a copy of the most 417 recent financial report to the unit owner and the division 418 within 5 business days after it receives such notice from the 419 division. An association that fails to comply with the 420 division's request may not waive the financial reporting 421 requirement provided in paragraph (d) for the fiscal year in 422 which the unit owner's request was made and the following fiscal year. A financial report received by the division pursuant to 423 424 this paragraph shall be maintained, and the division shall 425 provide a copy of such report to an association member upon his

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426 or her request.

427 Section 4. Paragraphs (a), (c), (d), and (j) of subsection
428 (2) of section 718.112, Florida Statutes, are amended to read:
429 718.112 Bylaws.-

430 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
431 following and, if they do not do so, shall be deemed to include
432 the following:

433

(a) Administration.-

The form of administration of the association shall be 434 1. described indicating the title of the officers and board of 435 436 administration and specifying the powers, duties, manner of 437 selection and removal, and compensation, if any, of officers and boards. In the absence of such a provision, the board of 438 439 administration shall be composed of five members, unless the 440 except in the case of a condominium which has five or fewer 441 units. The board shall consist of not fewer than three members 442 in condominiums with five or fewer units that are not-for-profit 443 corporations, in which case in a not-for-profit corporation the 444 board shall consist of not fewer than three members. In the 445 absence of provisions to the contrary in the bylaws, the board 446 of administration shall have a president, a secretary, and a 447 treasurer, who shall perform the duties of such officers customarily performed by officers of corporations. Unless 448 prohibited in the bylaws, the board of administration may 449 450 appoint other officers and grant them the duties it deems

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451 appropriate. Unless otherwise provided in the bylaws, the 452 officers shall serve without compensation and at the pleasure of 453 the board of administration. Unless otherwise provided in the 454 bylaws, the members of the board shall serve without 455 compensation.

456 2. When a unit owner of a residential condominium files a 457 written inquiry by certified mail with the board of 458 administration, the board shall respond in writing to the unit 459 owner within 30 days after receipt of the inquiry. The board's response shall either give a substantive response to the 460 461 inquirer, notify the inquirer that a legal opinion has been 462 requested, or notify the inquirer that advice has been requested 463 from the division. If the board requests advice from the 464 division, the board shall, within 10 days after its receipt of 465 the advice, provide in writing a substantive response to the 466 inquirer. If a legal opinion is requested, the board shall, 467 within 60 days after the receipt of the inquiry, provide in 468 writing a substantive response to the inquiry. The failure to 469 provide a substantive response to the inquiry as provided herein 470 precludes the board from recovering attorney fees and costs in 471 any subsequent litigation, administrative proceeding, or 472 arbitration arising out of the inquiry. The association may through its board of administration adopt reasonable rules and 473 474 regulations regarding the frequency and manner of responding to 475 unit owner inquiries, one of which may be that the association

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476 is only obligated to respond to one written inquiry per unit in 477 any given 30-day period. In such a case, any additional inquiry 478 or inquiries must be responded to in the subsequent 30-day 479 period, or periods, as applicable.

480 (c) Board of administration meetings.-Meetings of the 481 board of administration at which a quorum of the members is 482 present are open to all unit owners. Members of the board of 483 administration may use e-mail as a means of communication but 484 may not cast a vote on an association matter via e-mail. A unit 485 owner may tape record or videotape the meetings. The right to 486 attend such meetings includes the right to speak at such 487 meetings with reference to all designated agenda items. The 488 division shall adopt reasonable rules governing the tape 489 recording and videotaping of the meeting. The association may 490 adopt written reasonable rules governing the frequency, 491 duration, and manner of unit owner statements.

492 1. Adequate notice of all board meetings, which must 493 specifically identify all agenda items, must be posted 494 conspicuously on the condominium property at least 48 continuous 495 hours before the meeting except in an emergency. If 20 percent 496 of the voting interests petition the board to address an item of 497 business, the board, within 60 days after receipt of the petition, shall place the item on the agenda at its next regular 498 board meeting or at a special meeting called for that purpose. 499 500 An item not included on the notice may be taken up on an

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501 emergency basis by a vote of at least a majority plus one of the 502 board members. Such emergency action must be noticed and 503 ratified at the next regular board meeting. However, Written 504 notice of a meeting at which a nonemergency special assessment 505 or an amendment to rules regarding unit use will be considered 506 must be mailed, delivered, or electronically transmitted to the 507 unit owners and posted conspicuously on the condominium property 508 at least 14 days before the meeting. Evidence of compliance with 509 this 14-day notice requirement must be made by an affidavit 510 executed by the person providing the notice and filed with the official records of the association. Notice of any meeting in 511 512 which regular or special assessments against unit owners are to be considered must specifically state that assessments will be 513 514 considered and provide the estimated cost and description of the 515 purposes for such assessments. Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific 516 517 location on the condominium or association property where all 518 notices of board meetings must be posted. If there is no 519 condominium property or association property where notices can 520 be posted, notices shall be mailed, delivered, or electronically 521 transmitted to each unit owner at least 14 days before the 522 meeting. In lieu of or in addition to the physical posting of the notice on the condominium property, the association may, by 523 reasonable rule, adopt a procedure for conspicuously posting and 524 525 repeatedly broadcasting the notice and the agenda on a closed-

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526 circuit cable television system serving the condominium 527 association. However, if broadcast notice is used in lieu of a 528 notice physically posted on condominium property, the notice and 529 agenda must be broadcast at least four times every broadcast 530 hour of each day that a posted notice is otherwise required 531 under this section. If broadcast notice is provided, the notice 532 and agenda must be broadcast in a manner and for a sufficient 533 continuous length of time so as to allow an average reader to 534 observe the notice and read and comprehend the entire content of 535 the notice and the agenda. In addition to any of the authorized 536 means of providing notice of a meeting of the board, the 537 association may, by rule, adopt a procedure for conspicuously 538 posting the meeting notice and the agenda on a website serving 539 the condominium association for at least the minimum period of 540 time for which a notice of a meeting is also required to be 541 physically posted on the condominium property. Any rule adopted 542 shall, in addition to other matters, include a requirement that 543 the association send an electronic notice in the same manner as 544 a notice for a meeting of the members, which must include a 545 hyperlink to the website where the notice is posted, to unit 546 owners whose e-mail addresses are included in the association's 547 official records. Notice of any meeting in which regular or 548 special assessments against unit owners are to be considered 549 must specifically state that assessments will be considered and 550 provide the nature, estimated cost, and description of the

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551	purposes for such assessments.
552	2. Meetings of a committee to take final action on behalf
553	of the board or make recommendations to the board regarding the
554	association budget are subject to this paragraph. Meetings of a
555	committee that does not take final action on behalf of the board
556	or make recommendations to the board regarding the association
557	budget are subject to this section, unless those meetings are
558	exempted from this section by the bylaws of the association.
559	3. Notwithstanding any other law, the requirement that
560	board meetings and committee meetings be open to the unit owners
561	does not apply to:
562	a. Meetings between the board or a committee and the
563	association's attorney, with respect to proposed or pending
564	litigation, if the meeting is held for the purpose of seeking or
565	rendering legal advice; or
566	b. Board meetings held for the purpose of discussing
567	personnel matters.
568	(d) Unit owner meetings
569	1. An annual meeting of the unit owners <u>must</u> shall be held
570	at the location provided in the association bylaws and, if the
571	bylaws are silent as to the location, the meeting must shall be
572	held within 45 miles of the condominium property. However, such
573	distance requirement does not apply to an association governing
574	a timeshare condominium.
575	2. Unless the bylaws provide otherwise, a vacancy on the
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576 board caused by the expiration of a director's term must shall 577 be filled by electing a new board member, and the election must 578 be by secret ballot. An election is not required if the number 579 of vacancies equals or exceeds the number of candidates. For 580 purposes of this paragraph, the term "candidate" means an 581 eligible person who has timely submitted the written notice, as 582 described in sub-subparagraph 4.a., of his or her intention to 583 become a candidate. Except in a timeshare or nonresidential 584 condominium, or if the staggered term of a board member does not 585 expire until a later annual meeting, or if all members' terms 586 would otherwise expire but there are no candidates, the terms of 587 all board members expire at the annual meeting, and such members may stand for reelection unless prohibited by the bylaws. Board 588 589 members may serve 2-year terms longer than 1 year if permitted by the bylaws or articles of incorporation. A board member may 590 591 not serve more than 8 consecutive years four consecutive 2-year 592 terms, unless approved by an affirmative vote of unit owners 593 representing two-thirds of all votes cast in the election the 594 total voting interests of the association or unless there are 595 not enough eligible candidates to fill the vacancies on the board at the time of the vacancy. If the number of board members 596 whose terms expire at the annual meeting equals or exceeds the 597 number of candidates, the candidates become members of the board 598 effective upon the adjournment of the annual meeting. Unless the 599 600 bylaws provide otherwise, any remaining vacancies shall be

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601 filled by the affirmative vote of the majority of the directors 602 making up the newly constituted board even if the directors 603 constitute less than a quorum or there is only one director. In 604 a residential condominium association of more than 10 units or 605 in a residential condominium association that does not include 606 timeshare units or timeshare interests, coowners of a unit may 607 not serve as members of the board of directors at the same time 608 unless they own more than one unit or unless there are not 609 enough eligible candidates to fill the vacancies on the board at 610 the time of the vacancy. A unit owner in a residential condominium desiring to be a candidate for board membership must 611 612 comply with sub-subparagraph 4.a. and must be eligible to be a candidate to serve on the board of directors at the time of the 613 614 deadline for submitting a notice of intent to run in order to 615 have his or her name listed as a proper candidate on the ballot 616 or to serve on the board. A person who has been suspended or 617 removed by the division under this chapter, or who is delinquent 618 in the payment of any monetary obligation due to the 619 association, is not eligible to be a candidate for board membership and may not be listed on the ballot. A person who has 620 621 been convicted of any felony in this state or in a United States 622 District or Territorial Court, or who has been convicted of any offense in another jurisdiction which would be considered a 623 felony if committed in this state, is not eligible for board 624 625 membership unless such felon's civil rights have been restored

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for at least 5 years as of the date such person seeks election to the board. The validity of an action by the board is not affected if it is later determined that a board member is ineligible for board membership due to having been convicted of a felony. This subparagraph does not limit the term of a member of the board of a nonresidential or timeshare condominium.

632 3. The bylaws must provide the method of calling meetings 633 of unit owners, including annual meetings. Written notice must 634 include an agenda, must be mailed, hand delivered, or 635 electronically transmitted to each unit owner at least 14 days before the annual meeting, and must be posted in a conspicuous 636 637 place on the condominium property at least 14 continuous days 638 before the annual meeting. Upon notice to the unit owners, the 639 board shall, by duly adopted rule, designate a specific location 640 on the condominium property or association property where all 641 notices of unit owner meetings must shall be posted. This 642 requirement does not apply if there is no condominium property 643 or association property for posting notices. In lieu of, or in 644 addition to, the physical posting of meeting notices, the 645 association may, by reasonable rule, adopt a procedure for 646 conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving 647 the condominium association. However, if broadcast notice is 648 used in lieu of a notice posted physically on the condominium 649 650 property, the notice and agenda must be broadcast at least four

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times every broadcast hour of each day that a posted notice is

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652 otherwise required under this section. If broadcast notice is 653 provided, the notice and agenda must be broadcast in a manner 654 and for a sufficient continuous length of time so as to allow an 655 average reader to observe the notice and read and comprehend the 656 entire content of the notice and the agenda. In addition to any 657 of the authorized means of providing notice of a meeting of the board, the association may, by rule, adopt a procedure for 658 659 conspicuously posting the meeting notice and the agenda on a 660 website serving the condominium association for at least the 661 minimum period of time for which a notice of a meeting is also 662 required to be physically posted on the condominium property. 663 Any rule adopted shall, in addition to other matters, include a 664 requirement that the association send an electronic notice in 665 the same manner as a notice for a meeting of the members, which 666 must include a hyperlink to the website where the notice is 667 posted, to unit owners whose e-mail addresses are included in 668 the association's official records. Unless a unit owner waives 669 in writing the right to receive notice of the annual meeting, 670 such notice must be hand delivered, mailed, or electronically 671 transmitted to each unit owner. Notice for meetings and notice 672 for all other purposes must be mailed to each unit owner at the 673 address last furnished to the association by the unit owner, or 674 hand delivered to each unit owner. However, if a unit is owned 675 by more than one person, the association must provide notice to

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676 the address that the developer identifies for that purpose and thereafter as one or more of the owners of the unit advise the 677 678 association in writing, or if no address is given or the owners 679 of the unit do not agree, to the address provided on the deed of 680 record. An officer of the association, or the manager or other 681 person providing notice of the association meeting, must provide 682 an affidavit or United States Postal Service certificate of 683 mailing, to be included in the official records of the 684 association affirming that the notice was mailed or hand 685 delivered in accordance with this provision.

4. The members of the board of a residential condominium shall be elected by written ballot or voting machine. Proxies may not be used in electing the board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise, unless otherwise provided in this chapter. This subparagraph does not apply to an association governing a timeshare condominium.

693 At least 60 days before a scheduled election, the a. 694 association shall mail, deliver, or electronically transmit, by 695 separate association mailing or included in another association 696 mailing, delivery, or transmission, including regularly 697 published newsletters, to each unit owner entitled to a vote, a first notice of the date of the election. A unit owner or other 698 eligible person desiring to be a candidate for the board must 699 700 give written notice of his or her intent to be a candidate to

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701 the association at least 40 days before a scheduled election. 702 Together with the written notice and agenda as set forth in 703 subparagraph 3., the association shall mail, deliver, or 704 electronically transmit a second notice of the election to all 705 unit owners entitled to vote, together with a ballot that lists 706 all candidates. Upon request of a candidate, an information 707 sheet, no larger than 8 1/2 inches by 11 inches, which must be 708 furnished by the candidate at least 35 days before the election, 709 must be included with the mailing, delivery, or transmission of 710 the ballot, with the costs of mailing, delivery, or electronic 711 transmission and copying to be borne by the association. The 712 association is not liable for the contents of the information 713 sheets prepared by the candidates. In order to reduce costs, the 714 association may print or duplicate the information sheets on 715 both sides of the paper. The division shall by rule establish voting procedures consistent with this sub-subparagraph, 716 717 including rules establishing procedures for giving notice by 718 electronic transmission and rules providing for the secrecy of 719 ballots. Elections shall be decided by a plurality of ballots 720 cast. There is no quorum requirement; however, at least 20 721 percent of the eligible voters must cast a ballot in order to 722 have a valid election. A unit owner may not authorize permit any other person to vote his or her ballot, and any ballots 723 724 improperly cast are invalid. A unit owner who violates this 725 provision may be fined by the association in accordance with s.

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726 718.303. A unit owner who needs assistance in casting the ballot 727 for the reasons stated in s. 101.051 may obtain such assistance. 728 The regular election must occur on the date of the annual 729 meeting. Notwithstanding this sub-subparagraph, an election is 730 not required unless more candidates file notices of intent to 731 run or are nominated than board vacancies exist.

732 b. Within 90 days after being elected or appointed to the 733 board of an association of a residential condominium, each newly 734 elected or appointed director shall certify in writing to the 735 secretary of the association that he or she has read the 736 association's declaration of condominium, articles of 737 incorporation, bylaws, and current written policies; that he or 738 she will work to uphold such documents and policies to the best 739 of his or her ability; and that he or she will faithfully 740 discharge his or her fiduciary responsibility to the 741 association's members. In lieu of this written certification, 742 within 90 days after being elected or appointed to the board, 743 the newly elected or appointed director may submit a certificate 744 of having satisfactorily completed the educational curriculum 745 administered by a division-approved condominium education 746 provider within 1 year before or 90 days after the date of 747 election or appointment. The written certification or educational certificate is valid and does not have to be 748 resubmitted as long as the director serves on the board without 749 750 interruption. A director of an association of a residential

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751 condominium who fails to timely file the written certification 752 or educational certificate is suspended from service on the 753 board until he or she complies with this sub-subparagraph. The 754 board may temporarily fill the vacancy during the period of 755 suspension. The secretary shall cause the association to retain 756 a director's written certification or educational certificate 757 for inspection by the members for 5 years after a director's 758 election or the duration of the director's uninterrupted tenure, 759 whichever is longer. Failure to have such written certification 760 or educational certificate on file does not affect the validity 761 of any board action.

762 c. Any challenge to the election process must be commenced763 within 60 days after the election results are announced.

764 5. Any approval by unit owners called for by this chapter 765 or the applicable declaration or bylaws, including, but not 766 limited to, the approval requirement in s. 718.111(8), must be 767 made at a duly noticed meeting of unit owners and is subject to 768 all requirements of this chapter or the applicable condominium 769 documents relating to unit owner decisionmaking, except that 770 unit owners may take action by written agreement, without 771 meetings, on matters for which action by written agreement 772 without meetings is expressly allowed by the applicable bylaws or declaration or any law that provides for such action. 773

6. Unit owners may waive notice of specific meetings ifallowed by the applicable bylaws or declaration or any law.

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776 Notice of meetings of the board of administration, unit owner 777 meetings, except unit owner meetings called to recall board 778 members under paragraph (j), and committee meetings may be given 779 by electronic transmission to unit owners who consent to receive notice by electronic transmission. A unit owner who consents to 780 781 receiving notices by electronic transmission is solely 782 responsible for removing or bypassing filters that block receipt 783 of mass emails sent to members on behalf of the association in 784 the course of giving electronic notices.

785 7. Unit owners have the right to participate in meetings
786 of unit owners with reference to all designated agenda items.
787 However, the association may adopt reasonable rules governing
788 the frequency, duration, and manner of unit owner participation.

8. A unit owner may tape record or videotape a meeting of
the unit owners subject to reasonable rules adopted by the
division.

792 9. Unless otherwise provided in the bylaws, any vacancy 793 occurring on the board before the expiration of a term may be 794 filled by the affirmative vote of the majority of the remaining 795 directors, even if the remaining directors constitute less than 796 a quorum, or by the sole remaining director. In the alternative, 797 a board may hold an election to fill the vacancy, in which case the election procedures must conform to sub-subparagraph 4.a. 798 unless the association governs 10 units or fewer and has opted 799 800 out of the statutory election process, in which case the bylaws

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801 of the association control. Unless otherwise provided in the 802 bylaws, a board member appointed or elected under this section 803 shall fill the vacancy for the unexpired term of the seat being 804 filled. Filling vacancies created by recall is governed by 805 paragraph (j) and rules adopted by the division.

10. This chapter does not limit the use of general or limited proxies, require the use of general or limited proxies, or require the use of a written ballot or voting machine for any agenda item or election at any meeting of a timeshare condominium association or nonresidential condominium association.

812

Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an 813 814 association of 10 or fewer units may, by affirmative vote of a 815 majority of the total voting interests, provide for different 816 voting and election procedures in its bylaws, which may be by a 817 proxy specifically delineating the different voting and election 818 procedures. The different voting and election procedures may 819 provide for elections to be conducted by limited or general 820 proxy.

(j) Recall of board members.-Subject to s. 718.301, any member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all the voting interests. A special meeting of the unit owners to recall a member or

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826 members of the board of administration may be called by 10 827 percent of the voting interests giving notice of the meeting as 828 required for a meeting of unit owners, and the notice shall 829 state the purpose of the meeting. Electronic transmission may 830 not be used as a method of giving notice of a meeting called in 831 whole or in part for this purpose.

832 1. If the recall is approved by a majority of all voting 833 interests by a vote at a meeting, the recall will be effective 834 as provided in this paragraph. The board shall duly notice and hold a board meeting within 5 full business days after the 835 836 adjournment of the unit owner meeting to recall one or more 837 board members. Such member or members shall be recalled effective immediately upon conclusion of the board meeting 838 839 provided that the recall is facially valid. A recalled member 840 must and shall turn over to the board, within 10 full business 841 days after the vote, any and all records and property of the 842 association in their possession.

843 2. If the proposed recall is by an agreement in writing by 844 a majority of all voting interests, the agreement in writing or 845 a copy thereof shall be served on the association by certified 846 mail or by personal service in the manner authorized by chapter 847 48 and the Florida Rules of Civil Procedure. The board of administration shall duly notice and hold a meeting of the board 848 within 5 full business days after receipt of the agreement in 849 850 writing. Such member or members shall be recalled effective

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immediately <u>upon the conclusion of the board meeting provided</u> that the recall is facially valid. A recalled member must and shall turn over to the board, within 10 full business days, any and all records and property of the association in their possession.

3. If the board fails to duly notice and hold a board meeting within 5 full business days after service of an agreement in writing or within 5 full business days after the adjournment of the unit owner recall meeting, the recall shall be deemed effective and the board members so recalled shall turn over to the board within 10 full business days after the vote any and all records and property of the association.

If the board fails to duly notice and hold the required 863 4. 864 meeting or at the conclusion of the meeting determines that the 865 recall is not facially valid fails to file the required 866 petition, the unit owner representative may file a petition 867 pursuant to s. 718.1255 challenging the board's failure to act 868 or challenging the board's determination on facial validity. The 869 petition must be filed within 60 days after the expiration of 870 the applicable 5-full-business-day period. The review of a 871 petition under this subparagraph is limited to the sufficiency 872 of service on the board and the facial validity of the written agreement or ballots filed. 873

5. If a vacancy occurs on the board as a result of a recall or removal and less than a majority of the board members

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876 are removed, the vacancy may be filled by the affirmative vote 877 of a majority of the remaining directors, notwithstanding any 878 provision to the contrary contained in this subsection. If 879 vacancies occur on the board as a result of a recall and a 880 majority or more of the board members are removed, the vacancies 881 shall be filled in accordance with procedural rules to be 882 adopted by the division, which rules need not be consistent with 883 this subsection. The rules must provide procedures governing the 884 conduct of the recall election as well as the operation of the 885 association during the period after a recall but before the 886 recall election.

887 6. A board member who has been recalled may file a petition pursuant to s. 718.1255 challenging the validity of the 888 889 recall. The petition must be filed within 60 days after the 890 recall. The association and the unit owner representative shall 891 be named as the respondents. The petition may challenge the 892 facial validity of the written agreement or ballots filed or the 893 substantial compliance with the procedural requirements for the 894 recall. If the arbitrator determines the recall was invalid, the 895 petitioning board member shall immediately be reinstated and the 896 recall is null and void. A board member who is successful in challenging a recall is entitled to recover reasonable attorney 897 898 fees and costs from the respondents. The arbitrator may award reasonable attorney fees and costs to the respondents if they 899 900 prevail, if the arbitrator makes a finding that the petitioner's

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901	<u>claim is frivolous.</u>
902	7. The division may not accept for filing a recall
903	petition, whether filed pursuant to subparagraph 1.,
904	subparagraph 2., subparagraph 4., or subparagraph 6. when there
905	are 60 or fewer days until the scheduled reelection of the board
906	member sought to be recalled or when 60 or fewer days have
907	elapsed since the election of the board member sought to be
908	recalled.
909	Section 5. Subsection (2) of section 718.113, Florida
910	Statutes, is amended, and a new subsection (8) is added to that
911	section, to read:
912	718.113 Maintenance; limitation upon improvement; display
913	of flag; hurricane shutters and protection; display of religious
914	decorations
915	(2)(a) Except as otherwise provided in this section, there
916	shall be no material alteration or substantial additions to the
917	common elements or to real property which is association
918	property, except in a manner provided in the declaration as
919	originally recorded or as amended under the procedures provided
920	therein. If the declaration as originally recorded or as amended
921	under the procedures provided therein does not specify the
922	procedure for approval of material alterations or substantial
923	additions, 75 percent of the total voting interests of the
924	association must approve the alterations or additions before the
925	material alterations or substantial additions are commenced.

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926 This paragraph is intended to clarify existing law and applies 927 to associations existing on July 1, 2018 October 1, 2008. 928 There shall not be any material alteration of, or (b) 929 substantial addition to, the common elements of any condominium 930 operated by a multicondominium association unless approved in 931 the manner provided in the declaration of the affected 932 condominium or condominiums as originally recorded or as amended 933 under the procedures provided therein. If a declaration as 934 originally recorded or as amended under the procedures provided therein does not specify a procedure for approving such an 935 936 alteration or addition, the approval of 75 percent of the total 937 voting interests of each affected condominium is required before 938 the material alterations or substantial additions are commenced. 939 This subsection does not prohibit a provision in any 940 declaration, articles of incorporation, or bylaws as originally 941 recorded or as amended under the procedures provided therein 942 requiring the approval of unit owners in any condominium 943 operated by the same association or requiring board approval 944 before a material alteration or substantial addition to the 945 common elements is permitted. This paragraph is intended to 946 clarify existing law and applies to associations existing on 947 July 1, 2018 the effective date of this act.

948 (c) There shall not be any material alteration or
949 substantial addition made to association real property operated
950 by a multicondominium association, except as provided in the

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951 declaration, articles of incorporation, or bylaws as originally 952 recorded or as amended under the procedures provided therein. If 953 the declaration, articles of incorporation, or bylaws as 954 originally recorded or as amended under the procedures provided 955 therein do not specify the procedure for approving an alteration 956 or addition to association real property, the approval of 75 957 percent of the total voting interests of the association is 958 required before the material alterations or substantial 959 additions are commenced. This paragraph is intended to clarify 960 existing law and applies to associations existing on July 1, 961 2018 the effective date of this act. 962 The Legislature finds that the use of electric (8) 963 vehicles conserves and protects the state's environmental 964 resources, provides significant economic savings to drivers, and 965 serves an important public interest. The participation of 966 condominium associations is essential to the state's efforts to 967 conserve and protect the state's environmental resources and 968 provide economic savings to drivers. Therefore, the installation 969 of an electric vehicle charging station shall be governed as 970 follows: 971 (a) A declaration of condominium or restrictive covenant 972 may not prohibit or be enforced so as to prohibit any unit owner 973 from installing an electric vehicle charging station within the 974 boundaries of the unit owner's limited common element parking 975 area. The board of administration of a condominium association

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976 may not prohibit a unit owner from installing an electric 977 vehicle charging station for an electric vehicle, as defined in 978 s. 320.01, within the boundaries of his or her limited common 979 element parking area. The installation of such charging stations 980 are subject to the provisions of this subsection. 981 The installation may not cause irreparable damage to (b) 982 the condominium property. 983 The electricity for the electric vehicle charging (C) 984 station must be separately metered and payable by the unit owner 985 installing such charging station. 986 The unit owner who is installing an electric vehicle (d) 987 charging station is responsible for the costs of installation, 988 operation, maintenance, and repair, including, but not limited 989 to, hazard and liability insurance. The association may enforce 990 payment of such costs pursuant to s. 718.116. 991 (e) If the unit owner or his or her successor decides 992 there is no longer a need for the electronic vehicle charging 993 station, such person is responsible for the cost of removal of 994 the electronic vehicle charging station. The association may 995 enforce payment of such costs pursuant to s. 718.116. 996 (f) The association may require the unit owner to: 1. Comply with bona fide safety requirements, consistent 997 998 with applicable building codes or recognized safety standards, 999 for the protection of persons and property. 1000 Comply with reasonable architectural standards adopted 2.

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1001 by the association that govern the dimensions, placement, or 1002 external appearance of the electric vehicle charging station, 1003 provided that such standards may not prohibit the installation 1004 of such charging station or substantially increase the cost 1005 thereof. 1006 3. Engage the services of a licensed and registered 1007 electrical contractor or engineer familiar with the installation 1008 and core requirements of an electric vehicle charging station. 1009 4. Provide a certificate of insurance naming the 1010 association as an additional insured on the owner's insurance policy for any claim related to the installation, maintenance, 1011 1012 or use of the electric vehicle charging station within 14 days 1013 after receiving the association's approval to install such 1014 charging station. 1015 5. Reimburse the association for the actual cost of any 1016 increased insurance premium amount attributable to the electric 1017 vehicle charging station within 14 days after receiving the 1018 association's insurance premium invoice. 1019 The association provides an implied easement across (q) 1020 the common elements of the condominium property to the unit 1021 owner for purposes of the installation of the electric vehicle 1022 charging station and the furnishing of electrical power, 1023 including any necessary equipment, to such charging station, 1024 subject to the requirements of this subsection. 1025 Section 6. Subsection (2) of section 718.121, Florida

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1026 Statutes, is amended to read:

Liens.-

1027

718.121

1028 Labor performed on or materials furnished to a unit (2) 1029 shall not be the basis for the filing of a lien pursuant to part 1030 I of chapter 713, the Construction Lien Law, against the unit or 1031 condominium parcel of any unit owner not expressly consenting to 1032 or requesting the labor or materials. Labor performed on or 1033 materials furnished for the installation of an electronic 1034 vehicle charging station pursuant to s. 718.113(8) may not be 1035 the basis for filing a lien under part I of chapter 713 against the association, but such a lien may filed against the unit 1036 1037 owner. Labor performed on or materials furnished to the common 1038 elements are not the basis for a lien on the common elements, 1039 but if authorized by the association, the labor or materials are 1040 deemed to be performed or furnished with the express consent of each unit owner and may be the basis for the filing of a lien 1041 1042 against all condominium parcels in the proportions for which the 1043 owners are liable for common expenses.

1044 Section 7. Subsection (3) of section 718.3026, Florida 1045 Statutes, is amended to read:

1046 718.3026 Contracts for products and services; in writing; 1047 bids; exceptions.—Associations with 10 or fewer units may opt 1048 out of the provisions of this section if two-thirds of the unit 1049 owners vote to do so, which opt-out may be accomplished by a 1050 proxy specifically setting forth the exception from this

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1051 section.

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to read:

1052 (3) As to any contract or other transaction between an association and one or more of its directors or any other corporation, firm, association, or entity in which one or more of its directors are directors or officers or are financially interested:

1057 (a) The association shall comply with the requirements of 1058 s. 617.0832.

1059 (b) The disclosures required by s. 617.0832 shall be
 1060 entered into the written minutes of the meeting.

1061 (c) Approval of the contract or other transaction shall 1062 require an affirmative vote of two-thirds of the directors 1063 present.

1064 (d) At the next regular or special meeting of the members, 1065 the existence of the contract or other transaction shall be 1066 disclosed to the members. Upon motion of any member, the contract or transaction shall be brought up for a vote and may 1067 1068 be canceled by a majority vote of the members present. Should 1069 the members cancel the contract, the association shall only be 1070 liable for the reasonable value of goods and services provided 1071 up to the time of cancellation and shall not be liable for any 1072 termination fee, liquidated damages, or other form of penalty for such cancellation. 1073 Section 8. Section 718.3027, Florida Statutes, is amended 1074

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718.3027 Conflicts of interest.-

(1) Directors and officers of a board of an association that is not a timeshare condominium association, and the relatives of such directors and officers, must disclose to the board any activity that may reasonably be construed to be a conflict of interest. A rebuttable presumption of a conflict of interest exists if any of the following occurs without prior notice, as required in subsection <u>(5)-(4)</u>:

.084 (a) A director or an officer, or a relative of a director .085 or an officer, enters into a contract for goods or services with .086 the association.

(b) A director or an officer, or a relative of a director
or an officer, holds an interest in a corporation, limited
liability corporation, partnership, limited liability
partnership, or other business entity that conducts business
with the association or proposes to enter into a contract or
other transaction with the association.

(2) If a director or an officer, or a relative of a director or an officer, proposes to engage in an activity that is a conflict of interest, as described in subsection (1), the proposed activity must be listed on, and all contracts and transactional documents related to the proposed activity must be attached to, the meeting agenda. <u>The association shall comply</u> with the requirements of s. 617.0832, and the disclosures required by s. 617.0832 shall be entered into the written

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1101 minutes of the meeting. Approval of the contract or other 1102 transaction requires an affirmative vote of two-thirds of all 1103 other directors present. At the next regular or special meeting 1104 of the members, the existence of the contract or other 1105 transaction shall be disclosed to the members. Upon motion of 1106 any member, the contract or transaction shall be brought up for 1107 a vote and may be canceled by a majority vote of the members 1108 present. If the contract is canceled, the association is only 1109 liable for the reasonable value of the goods and services 1110 provided up to the time of cancellation and is not liable for any termination fee, liquidated damages, or other form of 1111 1112 penalty for such cancellation.

1113 (3) If the board votes against the proposed activity, the 1114 director or officer, or the relative of the director or officer, 1115 must notify the board in writing of his or her intention not to 1116 pursue the proposed activity or to withdraw from office. If the 1117 board finds that an officer or a director has violated this 1118 subsection, the officer or director shall be deemed removed from 1119 office. The vacancy shall be filled according to general law.

1120 <u>(4)</u> (3) A director or an officer, or a relative of a 1121 director or an officer, who is a party to, or has an interest 1122 in, an activity that is a possible conflict of interest, as 1123 described in subsection (1), may attend the meeting at which the 1124 activity is considered by the board and is authorized to make a 1125 presentation to the board regarding the activity. After the

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1126 presentation, the director or officer, or the relative of the 1127 director or officer, must leave the meeting during the 1128 discussion of, and the vote on, the activity. A director or an 1129 officer who is a party to, or has an interest in, the activity 1130 must recuse himself or herself from the vote.

1131 (5) (4) A contract entered into between a director or an 1132 officer, or a relative of a director or an officer, and the 1133 association, which is not a timeshare condominium association, 1134 that has not been properly disclosed as a conflict of interest or potential conflict of interest as required by s. 1135 1136 718.111(12)(g) is voidable and terminates upon the filing of a 1137 written notice terminating the contract with the board of 1138 directors which contains the consent of at least 20 percent of 1139 the voting interests of the association.

1140 (6) (5) As used in this section, the term "relative" means 1141 a relative within the third degree of consanguinity by blood or 1142 marriage.

1143 Section 9. Paragraph (b) of subsection (3) of section 1144 718.303, Florida Statutes, is amended to read:

1145 718.303 Obligations of owners and occupants; remedies.1146 (3) The association may levy reasonable fines for the
1147 failure of the owner of the unit or its occupant, licensee, or
1148 invitee to comply with any provision of the declaration, the
1149 association bylaws, or reasonable rules of the association. A
1150 fine may not become a lien against a unit. A fine may be levied

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1151 by the board on the basis of each day of a continuing violation, 1152 with a single notice and opportunity for hearing before a 1153 committee as provided in paragraph (b). However, the fine may 1154 not exceed \$100 per violation, or \$1,000 in the aggregate.

1155 A fine or suspension levied by the board of (b) 1156 administration may not be imposed unless the board first 1157 provides at least 14 days' written notice and an opportunity for 1158 a hearing to the unit owner and, if applicable, any its 1159 occupant, licensee, or invitee of the unit owner sought to be 1160 fined or suspended and an opportunity for a hearing. The hearing must be held before a committee of at least three members 1161 1162 appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, 1163 1164 brother, or sister of an officer, director, or employee other 1165 unit owners who are neither board members nor persons residing in a board member's household. The role of the committee is 1166 1167 limited to determining whether to confirm or reject the fine or 1168 suspension levied by the board. If the committee does not 1169 approve agree, the proposed fine or suspension by majority vote, 1170 the fine or suspension may not be imposed. If the proposed fine 1171 or suspension is approved by the committee, the fine payment is 1172 due 5 days after the date of the committee meeting at which the fine is approved. The association must provide written notice of 1173 such fine or suspension by mail or hand delivery to the unit 1174 1175 owner and, if applicable, to any tenant, licensee, or invitee of

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1176 the unit owner. 1177 Section 10. Section 718.707, Florida Statutes, is amended 1178 to read: 718.707 Time limitation for classification as bulk 1179 1180 assignee or bulk buyer.-A person acquiring condominium parcels may not be classified as a bulk assignee or bulk buyer unless 1181 1182 the condominium parcels were acquired on or after July 1,  $2010_{T}$ 1183 but before July 1, 2018. The date of such acquisition shall be 1184 determined by the date of recording a deed or other instrument 1185 of conveyance for such parcels in the public records of the county in which the condominium is located, or by the date of 1186 1187 issuing a certificate of title in a foreclosure proceeding with 1188 respect to such condominium parcels. 1189 Section 11. Paragraphs (a) and (b) of subsection (2) of 1190 section 719.104, Florida Statutes, are amended to read: 1191 719.104 Cooperatives; access to units; records; financial 1192 reports; assessments; purchase of leases.-1193 (2)OFFICIAL RECORDS.-1194 From the inception of the association, the association (a) 1195 shall maintain a copy of each of the following, where 1196 applicable, which shall constitute the official records of the 1197 association: The plans, permits, warranties, and other items 1198 1. provided by the developer pursuant to s. 719.301(4). 1199 1200 A photocopy of the cooperative documents. 2.

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1201 A copy of the current rules of the association. 3. 1202 A book or books containing the minutes of all meetings 4. 1203 of the association, of the board of directors, and of the unit 1204 owners, which minutes shall be retained for a period of not <del>less</del> 1205 than 7 years. 1206 5. A current roster of all unit owners and their mailing 1207 addresses, unit identifications, voting certifications, and, if 1208 known, telephone numbers. The association shall also maintain 1209 the e-mail electronic mailing addresses and the numbers 1210 designated by unit owners for receiving notice sent by electronic transmission of those unit owners consenting to 1211 1212 receive notice by electronic transmission. The e-mail electronic 1213 mailing addresses and numbers provided by unit owners to receive 1214 notice by electronic transmission shall be removed from 1215 association records when consent to receive notice by electronic 1216 transmission is revoked. However, the association is not liable 1217 for an erroneous disclosure of the e-mail electronic mail 1218 address or the number for receiving electronic transmission of 1219 notices. 1220 6. All current insurance policies of the association. 1221 A current copy of any management agreement, lease, or 7.

1221 other contract to which the association is a party or under 1223 which the association or the unit owners have an obligation or 1224 responsibility.

1225

8. Bills of sale or transfer for all property owned by the

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association.

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1227 Accounting records for the association and separate 9. 1228 accounting records for each unit it operates, according to good 1229 accounting practices. All accounting records shall be maintained 1230 for a period of not less than 7 years. The accounting records 1231 shall include, but not be limited to: 1232

a. Accurate, itemized, and detailed records of all 1233 receipts and expenditures.

1234 A current account and a monthly, bimonthly, or b. 1235 quarterly statement of the account for each unit designating the 1236 name of the unit owner, the due date and amount of each 1237 assessment, the amount paid upon the account, and the balance 1238 due.

1239 c. All audits, reviews, accounting statements, and 1240 financial reports of the association.

1241 d. All contracts for work to be performed. Bids for work 1242 to be performed shall also be considered official records and 1243 shall be maintained for a period of 1 year.

1244 Ballots, sign-in sheets, voting proxies, and all other 10. papers and electronic records relating to voting by unit owners, 1245 1246 which shall be maintained for a period of 1 year after the date 1247 of the election, vote, or meeting to which the document relates.

1248 11. All rental records where the association is acting as agent for the rental of units. 1249

1250

12. A copy of the current question and answer sheet as

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1251 described in s. 719.504.

1252 13. All other written records of the association not 1253 specifically included in the foregoing which are related to the 1254 operation of the association.

1255 (b) The official records of the association must be 1256 maintained within the state for at least 7 years. The records of 1257 the association shall be made available to a unit owner within 1258 45 miles of the cooperative property or within the county in 1259 which the cooperative property is located within 10  $\frac{1}{2}$  working 1260 days after receipt of written request by the board or its designee. This paragraph may be complied with by having a copy 1261 1262 of the official records of the association available for 1263 inspection or copying on the cooperative property or the 1264 association may offer the option of making the records available 1265 to a unit owner electronically via the Internet or by allowing the records to be viewed in an electronic format on a computer 1266 1267 screen and printed upon request. The association is not 1268 responsible for the use or misuse of the information provided to 1269 an association member or his or her authorized representative 1270 pursuant to the compliance requirements of this chapter unless 1271 the association has an affirmative duty not to disclose such 1272 information pursuant to this chapter.

1273 Section 12. Paragraphs (a), (c), and (d) of subsection (1) 1274 of section 719.106, Florida Statutes, are amended, and paragraph 1275 (m) is added to that subsection, to read:

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1276 719.106 Bylaws; cooperative ownership.-1277 MANDATORY PROVISIONS.-The bylaws or other cooperative (1)1278 documents shall provide for the following, and if they do not, 1279 they shall be deemed to include the following: 1280 (a) Administration.-1281 1. The form of administration of the association shall be 1282 described, indicating the titles of the officers and board of 1283 administration and specifying the powers, duties, manner of 1284 selection and removal, and compensation, if any, of officers and 1285 board members. In the absence of such a provision, the board of 1286 administration shall be composed of five members, unless the 1287 cooperative except in the case of cooperatives has having five 1288 or fewer units., in which case in not-for-profit corporations, 1289 The board shall consist of not fewer than three members in 1290 cooperatives with five or fewer units that are not-for-profit 1291 corporations. In a residential cooperative association of more than 10 units, co-owners of a unit may not serve as members of 1292 1293 the board of directors at the same time unless the co-owners own 1294 more than one unit or unless there are not enough eligible 1295 candidates to fill the vacancies on the board at the time of the 1296 vacancy. In the absence of provisions to the contrary, the board 1297 of administration shall have a president, a secretary, and a treasurer, who shall perform the duties of those offices 1298 customarily performed by officers of corporations. Unless 1299 1300 prohibited in the bylaws, the board of administration may

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appoint other officers and grant them those duties it deems appropriate. Unless otherwise provided in the bylaws, the officers shall serve without compensation and at the pleasure of the board. Unless otherwise provided in the bylaws, the members of the board shall serve without compensation.

1306 A person who has been suspended or removed by the 2. 1307 division under this chapter, or who is delinquent in the payment 1308 of any monetary obligation due to the association, is not 1309 eligible to be a candidate for board membership and may not be 1310 listed on the ballot. A director or officer charged by 1311 information or indictment with a felony theft or embezzlement 1312 offense involving the association's funds or property is 1313 suspended from office. The board shall fill the vacancy 1314 according to general law until the end of the period of the 1315 suspension or the end of the director's term of office, 1316 whichever occurs first. However, if the charges are resolved 1317 without a finding of guilt or without acceptance of a plea of 1318 guilty or nolo contendere, the director or officer shall be 1319 reinstated for any remainder of his or her term of office. A member who has such criminal charges pending may not be 1320 1321 appointed or elected to a position as a director or officer. A 1322 person who has been convicted of any felony in this state or in 1323 any United States District Court, or who has been convicted of any offense in another jurisdiction which would be considered a 1324 1325 felony if committed in this state, is not eligible for board

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membership unless such felon's civil rights have been restored for at least 5 years as of the date such person seeks election to the board. The validity of an action by the board is not affected if it is later determined that a board member is ineligible for board membership due to having been convicted of a felony.

1332 3. When a unit owner files a written inquiry by certified 1333 mail with the board of administration, the board shall respond 1334 in writing to the unit owner within 30 days of receipt of the 1335 inquiry. The board's response shall either give a substantive response to the inquirer, notify the inquirer that a legal 1336 1337 opinion has been requested, or notify the inquirer that advice has been requested from the division. If the board requests 1338 1339 advice from the division, the board shall, within 10 days of its receipt of the advice, provide in writing a substantive response 1340 to the inquirer. If a legal opinion is requested, the board 1341 1342 shall, within 60 days after the receipt of the inquiry, provide 1343 in writing a substantive response to the inquirer. The failure 1344 to provide a substantive response to the inquirer as provided herein precludes the board from recovering attorney's fees and 1345 1346 costs in any subsequent litigation, administrative proceeding, or arbitration arising out of the inquiry. The association may, 1347 through its board of administration, adopt reasonable rules and 1348 regulations regarding the frequency and manner of responding to 1349 the unit owners' inquiries, one of which may be that the 1350

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1351 association is obligated to respond to only one written inquiry 1352 per unit in any given 30-day period. In such case, any 1353 additional inquiry or inquiries must be responded to in the 1354 subsequent 30-day period, or periods, as applicable.

1355 Board of administration meetings.-Members of the board (C) 1356 of administration may use e-mail as a means of communication but 1357 may not cast a vote on an association matter via e-mail. 1358 Meetings of the board of administration at which a quorum of the 1359 members is present shall be open to all unit owners. Any unit 1360 owner may tape record or videotape meetings of the board of administration. The right to attend such meetings includes the 1361 1362 right to speak at such meetings with reference to all designated 1363 agenda items. The division shall adopt reasonable rules 1364 governing the tape recording and videotaping of the meeting. The 1365 association may adopt reasonable written rules governing the frequency, duration, and manner of unit owner statements. 1366 1367 Adequate notice of all meetings shall be posted in a conspicuous 1368 place upon the cooperative property at least 48 continuous hours 1369 preceding the meeting, except in an emergency. Any item not 1370 included on the notice may be taken up on an emergency basis by 1371 at least a majority plus one of the members of the board. Such 1372 emergency action shall be noticed and ratified at the next regular meeting of the board. Notice of any meeting in which 1373 regular or special assessments against unit owners are to be 1374 considered must specifically state that assessments will be 1375

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1376 considered and provide the estimated cost and description of the 1377 purpose for such assessments. However, Written notice of any 1378 meeting at which nonemergency special assessments, or at which 1379 amendment to rules regarding unit use, will be considered shall 1380 be mailed, delivered, or electronically transmitted to the unit 1381 owners and posted conspicuously on the cooperative property not 1382 less than 14 days before the meeting. Evidence of compliance 1383 with this 14-day notice shall be made by an affidavit executed 1384 by the person providing the notice and filed among the official 1385 records of the association. Upon notice to the unit owners, the board shall by duly adopted rule designate a specific location 1386 1387 on the cooperative property upon which all notices of board meetings shall be posted. In lieu of or in addition to the 1388 1389 physical posting of notice of any meeting of the board of 1390 administration on the cooperative property, the association may, by reasonable rule, adopt a procedure for conspicuously posting 1391 1392 and repeatedly broadcasting the notice and the agenda on a 1393 closed-circuit cable television system serving the cooperative 1394 association. However, if broadcast notice is used in lieu of a 1395 notice posted physically on the cooperative property, the notice 1396 and agenda must be broadcast at least four times every broadcast 1397 hour of each day that a posted notice is otherwise required under this section. When broadcast notice is provided, the 1398 notice and agenda must be broadcast in a manner and for a 1399 1400 sufficient continuous length of time so as to allow an average

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1401 reader to observe the notice and read and comprehend the entire 1402 content of the notice and the agenda. In addition to any of the 1403 authorized means of providing notice of a meeting of the board, 1404 the association may, by rule, adopt a procedure for conspicuously posting the meeting notice and the agenda on a 1405 1406 website serving the cooperative association for at least the 1407 minimum period of time for which a notice of a meeting is also 1408 required to be physically posted on the cooperative property. 1409 Any rule adopted shall, in addition to other matters, include a 1410 requirement that the association send an electronic notice in 1411 the same manner as a notice for a meeting of the members, which 1412 must include a hyperlink to the website where the notice is 1413 posted, to unit owners whose e-mail addresses are included in 1414 the association's official records. Notice of any meeting in 1415 which regular assessments against unit owners are to be 1416 considered for any reason shall specifically contain a statement 1417 that assessments will be considered and the nature of any such 1418 assessments. Meetings of a committee to take final action on 1419 behalf of the board or to make recommendations to the board regarding the association budget are subject to the provisions 1420 1421 of this paragraph. Meetings of a committee that does not take final action on behalf of the board or make recommendations to 1422 1423 the board regarding the association budget are subject to the provisions of this section, unless those meetings are exempted 1424 1425 from this section by the bylaws of the association.

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Notwithstanding any other law to the contrary, the requirement that board meetings and committee meetings be open to the unit owners does not apply to board or committee meetings held for the purpose of discussing personnel matters or meetings between the board or a committee and the association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice.

1433 Shareholder meetings.-There shall be an annual meeting (d) of the shareholders. All members of the board of administration 1434 1435 shall be elected at the annual meeting unless the bylaws provide 1436 for staggered election terms or for their election at another 1437 meeting. Any unit owner desiring to be a candidate for board 1438 membership must comply with subparagraph 1. The bylaws must 1439 provide the method for calling meetings, including annual meetings. Written notice, which must incorporate an 1440 identification of agenda items, shall be given to each unit 1441 1442 owner at least 14 days before the annual meeting and posted in a 1443 conspicuous place on the cooperative property at least 14 1444 continuous days preceding the annual meeting. Upon notice to the unit owners, the board must by duly adopted rule designate a 1445 1446 specific location on the cooperative property upon which all notice of unit owner meetings are posted. In lieu of or in 1447 addition to the physical posting of the meeting notice, the 1448 association may, by reasonable rule, adopt a procedure for 1449 1450 conspicuously posting and repeatedly broadcasting the notice and

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1451 the agenda on a closed-circuit cable television system serving 1452 the cooperative association. However, if broadcast notice is 1453 used in lieu of a posted notice, the notice and agenda must be 1454 broadcast at least four times every broadcast hour of each day 1455 that a posted notice is otherwise required under this section. 1456 If broadcast notice is provided, the notice and agenda must be 1457 broadcast in a manner and for a sufficient continuous length of 1458 time to allow an average reader to observe the notice and read 1459 and comprehend the entire content of the notice and the agenda. 1460 In addition to any of the authorized means of providing notice 1461 of a meeting of the shareholders, the association may, by rule, 1462 adopt a procedure for conspicuously posting the meeting notice 1463 and the agenda on a website serving the cooperative association 1464 for at least the minimum period of time for which a notice of a 1465 meeting is also required to be physically posted on the 1466 cooperative property. Any rule adopted shall, in addition to 1467 other matters, include a requirement that the association send 1468 an electronic notice in the same manner as a notice for a 1469 meeting of the members, which must include a hyperlink to the 1470 website where the notice is posted, to unit owners whose e-mail 1471 addresses are included in the association's official records. 1472 Unless a unit owner waives in writing the right to receive 1473 notice of the annual meeting, the notice of the annual meeting 1474 must be sent by mail, hand delivered, or electronically 1475 transmitted to each unit owner. An officer of the association

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1476 must provide an affidavit or United States Postal Service 1477 certificate of mailing, to be included in the official records 1478 of the association, affirming that notices of the association 1479 meeting were mailed, hand delivered, or electronically 1480 transmitted, in accordance with this provision, to each unit 1481 owner at the address last furnished to the association.

1482 1. The board of administration shall be elected by written 1483 ballot or voting machine. A proxy may not be used in electing 1484 the board of administration in general elections or elections to 1485 fill vacancies caused by recall, resignation, or otherwise 1486 unless otherwise provided in this chapter.

1487 a. At least 60 days before a scheduled election, the 1488 association shall mail, deliver, or transmit, whether by 1489 separate association mailing, delivery, or electronic 1490 transmission or included in another association mailing, delivery, or electronic transmission, including regularly 1491 1492 published newsletters, to each unit owner entitled to vote, a 1493 first notice of the date of the election. Any unit owner or 1494 other eligible person desiring to be a candidate for the board 1495 of administration must give written notice to the association at 1496 least 40 days before a scheduled election. Together with the 1497 written notice and agenda as set forth in this section, the 1498 association shall mail, deliver, or electronically transmit a second notice of election to all unit owners entitled to vote, 1499 1500 together with a ballot that lists all candidates. Upon request

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1501 of a candidate, the association shall include an information 1502 sheet, no larger than 8 1/2 inches by 11 inches, which must be 1503 furnished by the candidate at least 35 days before the election, 1504 to be included with the mailing, delivery, or electronic 1505 transmission of the ballot, with the costs of mailing, delivery, 1506 or transmission and copying to be borne by the association. The 1507 association is not liable for the contents of the information 1508 sheets provided by the candidates. In order to reduce costs, the 1509 association may print or duplicate the information sheets on 1510 both sides of the paper. The division shall by rule establish voting procedures consistent with this subparagraph, including 1511 1512 rules establishing procedures for giving notice by electronic 1513 transmission and rules providing for the secrecy of ballots. 1514 Elections shall be decided by a plurality of those ballots cast. There is no quorum requirement. However, at least 20 percent of 1515 the eligible voters must cast a ballot in order to have a valid 1516 1517 election. A unit owner may not permit any other person to vote 1518 his or her ballot, and any such ballots improperly cast are 1519 invalid. A unit owner who needs assistance in casting the ballot 1520 for the reasons stated in s. 101.051 may obtain assistance in 1521 casting the ballot. Any unit owner violating this provision may 1522 be fined by the association in accordance with s. 719.303. The 1523 regular election must occur on the date of the annual meeting. This subparagraph does not apply to timeshare cooperatives. 1524 1525 Notwithstanding this subparagraph, an election and balloting are

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1526 not required unless more candidates file a notice of intent to 1527 run or are nominated than vacancies exist on the board. Any 1528 challenge to the election process must be commenced within 60 1529 days after the election results are announced.

1530 Within 90 days after being elected or appointed to the b. 1531 board, each new director shall certify in writing to the 1532 secretary of the association that he or she has read the 1533 association's bylaws, articles of incorporation, proprietary 1534 lease, and current written policies; that he or she will work to 1535 uphold such documents and policies to the best of his or her 1536 ability; and that he or she will faithfully discharge his or her 1537 fiduciary responsibility to the association's members. Within 90 1538 days after being elected or appointed to the board, in lieu of 1539 this written certification, the newly elected or appointed 1540 director may submit a certificate of having satisfactorily 1541 completed the educational curriculum administered by an 1542 education provider as approved by the division pursuant to the 1543 requirements established in chapter 718 within 1 year before or 1544 90 days after the date of election or appointment. The 1545 educational certificate is valid and does not have to be 1546 resubmitted as long as the director serves on the board without 1547 interruption. A director who fails to timely file the written 1548 certification or educational certificate is suspended from service on the board until he or she complies with this sub-1549 1550 subparagraph. The board may temporarily fill the vacancy during

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1551 the period of suspension. The secretary of the association shall cause the association to retain a director's written 1552 1553 certification or educational certificate for inspection by the 1554 members for 5 years after a director's election or the duration 1555 of the director's uninterrupted tenure, whichever is longer. 1556 Failure to have such written certification or educational 1557 certificate on file does not affect the validity of any board 1558 action.

1559 2. Any approval by unit owners called for by this chapter, 1560 or the applicable cooperative documents, must be made at a duly noticed meeting of unit owners and is subject to this chapter or 1561 1562 the applicable cooperative documents relating to unit owner 1563 decisionmaking, except that unit owners may take action by 1564 written agreement, without meetings, on matters for which action by written agreement without meetings is expressly allowed by 1565 1566 the applicable cooperative documents or law which provides for 1567 the unit owner action.

1568 Unit owners may waive notice of specific meetings if 3. 1569 allowed by the applicable cooperative documents or law. Notice 1570 of meetings of the board of administration, shareholder 1571 meetings, except shareholder meetings called to recall board 1572 members under paragraph (f), and committee meetings may be given by electronic transmission to unit owners who consent to receive 1573 notice by electronic transmission. A unit owner who consents to 1574 receiving notices by electronic transmission is solely 1575

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1576 responsible for removing or bypassing filters that may block 1577 receipt of mass emails sent to members on behalf of the 1578 association in the course of giving electronic notices. 1579 Unit owners have the right to participate in meetings 4. 1580 of unit owners with reference to all designated agenda items. 1581 However, the association may adopt reasonable rules governing 1582 the frequency, duration, and manner of unit owner participation. 1583 Any unit owner may tape record or videotape meetings of 5. 1584 the unit owners subject to reasonable rules adopted by the 1585 division. 1586 6. Unless otherwise provided in the bylaws, a vacancy 1587 occurring on the board before the expiration of a term may be 1588 filled by the affirmative vote of the majority of the remaining 1589 directors, even if the remaining directors constitute less than 1590 a quorum, or by the sole remaining director. In the alternative, 1591 a board may hold an election to fill the vacancy, in which case 1592 the election procedures must conform to the requirements of 1593 subparagraph 1. unless the association has opted out of the 1594 statutory election process, in which case the bylaws of the 1595 association control. Unless otherwise provided in the bylaws, a 1596 board member appointed or elected under this subparagraph shall 1597 fill the vacancy for the unexpired term of the seat being filled. Filling vacancies created by recall is governed by 1598 1599 paragraph (f) and rules adopted by the division. 1600

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1601 Notwithstanding subparagraphs (b)2. and (d)1., an association 1602 may, by the affirmative vote of a majority of the total voting 1603 interests, provide for a different voting and election procedure 1604 in its bylaws, which vote may be by a proxy specifically 1605 delineating the different voting and election procedures. The 1606 different voting and election procedures may provide for 1607 elections to be conducted by limited or general proxy. 1608 Director or officer delinquencies.-A director or (m) 1609 officer more than 90 days delinquent in the payment of any 1610 monetary obligation due the association shall be deemed to have abandoned the office, creating a vacancy in the office to be 1611 1612 filled according to law. 1613 Section 13. Paragraph (b) of subsection (1) of section 1614 719.107, Florida Statutes, is amended to read: 1615 719.107 Common expenses; assessment.-1616 (1)1617 (b) If so provided in the bylaws, the cost of 1618 communications services as defined in chapter 202, information 1619 services or Internet services a master antenna television system 1620 or duly franchised cable television service obtained pursuant to 1621 a bulk contract shall be deemed a common expense, and if not 1622 obtained pursuant to a bulk contract, such cost shall be 1623 considered common expense if it is designated as such in a written contract between the board of administration and the 1624 1625 company providing the communications services as defined in

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1626 <u>chapter 202, information services or Internet services master</u> 1627 <u>television antenna system or the cable television service</u>. The 1628 contract shall be for a term of not less than 2 years.

1629 Any contract made by the board after April 2, 1992, for 1. 1630 a community antenna system or duly franchised cable television 1631 service, communications services as defined in chapter 202, 1632 information services or Internet services may be canceled by a 1633 majority of the voting interests present at the next regular or 1634 special meeting of the association. Any member may make a motion 1635 to cancel the contract, but if no motion is made or if such motion fails to obtain the required majority at the next regular 1636 1637 or special meeting, whichever is sooner, following the making of 1638 the contract, then such contract shall be deemed ratified for 1639 the term therein expressed.

2. Any such contract shall provide, and shall be deemed to 1640 1641 provide if not expressly set forth, that any hearing impaired or 1642 legally blind unit owner who does not occupy the unit with a 1643 nonhearing impaired or sighted person may discontinue the 1644 service without incurring disconnect fees, penalties, or 1645 subsequent service charges, and as to such units, the owners 1646 shall not be required to pay any common expenses charge related to such service. If less than all members of an association 1647 1648 share the expenses of cable television, the expense shall be shared equally by all participating unit owners. The association 1649 1650 may use the provisions of s. 719.108 to enforce payment of the

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1651 shares of such costs by the unit owners receiving cable 1652 television.

1653 Section 14. Paragraph (b) of subsection (3) of section 1654 719.303, Florida Statutes, is amended to read:

1655

719.303 Obligations of owners.-

1656 The association may levy reasonable fines for failure (3) 1657 of the unit owner or the unit's occupant, licensee, or invitee 1658 to comply with any provision of the cooperative documents or 1659 reasonable rules of the association. A fine may not become a 1660 lien against a unit. A fine may be levied by the board on the basis of each day of a continuing violation, with a single 1661 1662 notice and opportunity for hearing before a committee as 1663 provided in paragraph (b). However, the fine may not exceed \$100 1664 per violation, or \$1,000 in the aggregate.

1665 A fine or suspension levied by the board of (b) administration may not be imposed unless the board first 1666 1667 provides at least 14 days' written notice and an opportunity for 1668 a hearing to the unit owner and, if applicable, any its 1669 occupant, licensee, or invitee of the unit owner sought to be 1670 fined or suspended and an opportunity for a hearing. The hearing 1671 must be held before a committee of at least three members 1672 appointed by the board who are not officers, directors, or employees of the association, or the spouse, parent, child, 1673 brother, or sister of an officer, director, or employee other 1674 1675 unit owners who are neither board members nor persons residing

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1676 in a board member's household. The role of the committee is 1677 limited to determining whether to confirm or reject the fine or 1678 suspension levied by the board. If the committee does not 1679 approve agree with the proposed fine or suspension by majority 1680 vote, the fine or suspension it may not be imposed. If the 1681 proposed fine or suspension is approved by the committee, the 1682 fine payment is due 5 days after the date of the committee 1683 meeting at which the fine is approved. The association must 1684 provide written notice of such fine or suspension by mail or 1685 hand delivery to the unit owner and, if applicable, to any 1686 tenant, licensee, or invitee of the unit owner.

1687Section 15. Paragraphs (a) and (c) of subsection (2) of1688section 720.303, Florida Statutes, are amended, to read:

1689 720.303 Association powers and duties; meetings of board; 1690 official records; budgets; financial reporting; association 1691 funds; recalls.-

1692

(2) BOARD MEETINGS.-

1693 Members of the board of administration may use e-mail (a) 1694 as a means of communication, but may not cast a vote on an association matter via e-mail. A meeting of the board of 1695 1696 directors of an association occurs whenever a quorum of the 1697 board gathers to conduct association business. Meetings of the 1698 board must be open to all members, except for meetings between the board and its attorney with respect to proposed or pending 1699 1700 litigation where the contents of the discussion would otherwise

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1701 be governed by the attorney-client privilege. A meeting of the board must be held at a location that is accessible to a 1702 1703 physically handicapped person if requested by a physically 1704 handicapped person who has a right to attend the meeting. The 1705 provisions of this subsection shall also apply to the meetings 1706 of any committee or other similar body when a final decision 1707 will be made regarding the expenditure of association funds and 1708 to meetings of any body vested with the power to approve or 1709 disapprove architectural decisions with respect to a specific 1710 parcel of residential property owned by a member of the 1711 community.

(c) The bylaws shall provide <u>the following</u> for giving notice to parcel owners and members of all board meetings and, if they do not do so, shall be deemed to <u>include</u> <del>provide</del> the following:

Notices of all board meetings must be posted in a 1716 1. 1717 conspicuous place in the community at least 48 hours in advance 1718 of a meeting, except in an emergency. In the alternative, if 1719 notice is not posted in a conspicuous place in the community, 1720 notice of each board meeting must be mailed or delivered to each 1721 member at least 7 days before the meeting, except in an 1722 emergency. Notwithstanding this general notice requirement, for communities with more than 100 members, the association bylaws 1723 may provide for a reasonable alternative to posting or mailing 1724 1725 of notice for each board meeting, including publication of

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1726 notice, provision of a schedule of board meetings, or the conspicuous posting and repeated broadcasting of the notice on a 1727 1728 closed-circuit cable television system serving the homeowners' 1729 association. However, if broadcast notice is used in lieu of a 1730 notice posted physically in the community, the notice must be 1731 broadcast at least four times every broadcast hour of each day 1732 that a posted notice is otherwise required. When broadcast 1733 notice is provided, the notice and agenda must be broadcast in a 1734 manner and for a sufficient continuous length of time so as to 1735 allow an average reader to observe the notice and read and 1736 comprehend the entire content of the notice and the agenda. The 1737 association may provide notice by electronic transmission in a 1738 manner authorized by law for meetings of the board of directors, 1739 committee meetings requiring notice under this section, and annual and special meetings of the members to any member who has 1740 1741 provided a facsimile number or e-mail address to the association 1742 to be used for such purposes; however, a member must consent in 1743 writing to receiving notice by electronic transmission.

2. An assessment may not be levied at a board meeting unless the notice of the meeting includes a statement that assessments will be considered and the nature of the assessments. Written notice of any meeting at which special assessments will be considered or at which amendments to rules regarding parcel use will be considered must be mailed, delivered, or electronically transmitted to the members and

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1751 parcel owners and posted conspicuously on the property or 1752 broadcast on closed-circuit cable television not less than 14 1753 days before the meeting.

1754 Directors may not vote by proxy or by secret ballot at 3. 1755 board meetings, except that secret ballots may be used in the 1756 election of officers. This subsection also applies to the 1757 meetings of any committee or other similar body, when a final 1758 decision will be made regarding the expenditure of association 1759 funds, and to any body vested with the power to approve or 1760 disapprove architectural decisions with respect to a specific parcel of residential property owned by a member of the 1761 1762 community.

1763 Section 16. Paragraph (b) of subsection (2) of section 1764 720.305, Florida Statutes, is amended to read:

1765 720.305 Obligations of members; remedies at law or in 1766 equity; levy of fines and suspension of use rights.-

1767 (2) The association may levy reasonable fines. A fine may 1768 not exceed \$100 per violation against any member or any member's 1769 tenant, guest, or invitee for the failure of the owner of the 1770 parcel or its occupant, licensee, or invitee to comply with any 1771 provision of the declaration, the association bylaws, or 1772 reasonable rules of the association unless otherwise provided in the governing documents. A fine may be levied by the board for 1773 each day of a continuing violation, with a single notice and 1774 opportunity for hearing, except that the fine may not exceed 1775

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1776 \$1,000 in the aggregate unless otherwise provided in the 1777 governing documents. A fine of less than \$1,000 may not become a 1778 lien against a parcel. In any action to recover a fine, the 1779 prevailing party is entitled to reasonable attorney fees and 1780 costs from the nonprevailing party as determined by the court.

1781 A fine or suspension levied may not be imposed by the (b) 1782 board of administration may not be imposed unless the board 1783 first provides without at least 14 days' notice to the parcel 1784 owner and, if applicable, any occupant, licensee, or invitee of the parcel owner, person sought to be fined or suspended and an 1785 opportunity for a hearing before a committee of at least three 1786 1787 members appointed by the board who are not officers, directors, 1788 or employees of the association, or the spouse, parent, child, 1789 brother, or sister of an officer, director, or employee. If the 1790 committee, by majority vote, does not approve a proposed fine or suspension, the proposed fine or suspension it may not be 1791 1792 imposed. The role of the committee is limited to determining 1793 whether to confirm or reject the fine or suspension levied by 1794 the board. If the proposed board of administration imposes a 1795 fine or suspension levied by the board is approved by the 1796 committee, the fine payment is due 5 days after the date of the 1797 committee meeting at which the fine is approved. The association must provide written notice of such fine or suspension by mail 1798 or hand delivery to the parcel owner and, if applicable, to any 1799 1800 tenant, licensee, or invitee of the parcel owner.

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1801 Section 17. Paragraph (a) of subsection (9) of section 1802 720.306, Florida Statutes, is amended, and paragraphs (e) 1803 through (h) are added to subsection (1) of that section, to 1804 read: 1805 720.306 Meetings of members; voting and election 1806 procedures; amendments.-1807 (1) QUORUM; AMENDMENTS.-1808 (e) A proposal to amend the governing documents must 1809 contain the full text of the provision to be amended and may not 1810 be revised or amended by reference solely to the title or number. Proposed new language must be underlined and proposed 1811 1812 deleted language must be stricken. If the proposed change is so 1813 extensive that underlining and striking through language would 1814 hinder, rather than assist, the understanding of the proposed 1815 amendment, a notation must be inserted immediately preceding the 1816 proposed amendment in substantially the following form: 1817 "Substantial rewording. See governing documents for current 1818 text." An amendment to a governing document is effective when 1819 recorded in the public records of the county in which the 1820 community is located. 1821 (f) An immaterial error or omission in the amendment 1822 process does not invalidate an otherwise properly adopted 1823 amendment. Except as provided in this paragraph, an amendment to 1824 (g) 1825 any governing document enacted after July 1, 2018, that

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1826	prohibits a parcel owner from renting the parcel, altering the
1827	authorized duration of a rental term, or specifying or limiting
1828	the number of times that a parcel owner may rent his or her
1829	parcel during a specified term, applies only to a parcel owner
1830	who acquires title to the parcel after the effective date of the
1831	amendment, or to a parcel owner who consents, individually or
1832	through a representative, to the amendment.
1833	1. Except as provided in this paragraph, an association
1834	may amend its governing documents to prohibit or regulate
1835	rentals for terms of less than 6 months and may amend its
1836	governing documents to prohibit rentals more than three times in
1837	a calendar year, and such amendments shall apply to all parcel
1838	owners.
1839	2. Nothing in this paragraph shall affect the amendment
1840	restrictions for associations of 15 or fewer parcel owners as
1841	provided in s. 720.303(1).
1842	3. For purposes of this paragraph, a change of ownership
1843	does not occur when a parcel owner conveys the parcel to an
1844	affiliated entity or when beneficial ownership of the parcel
1845	does not change. For purposes of this paragraph, the term
1846	"affiliated entity" means an entity which controls, is
1847	controlled by, or is under common control with the parcel owner
1848	or that becomes a parent or successor entity by reason of
1849	transfer, merger, consolidation, public offering,
1850	reorganization, dissolution or sale of stock, or transfer of
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1851	membership partnership interests. For a conveyance to be
1852	recognized as one made to an affiliated entity, the entity must
1853	furnish the association a document certifying that this
1854	paragraph applies, as well as providing any organizational
1855	documents for the parcel owner and the affiliated entity that
1856	support the representations in the certificate, as requested by
1857	the association.
1858	(h) A notice required under this section must be mailed or
1859	delivered to the address identified as the parcel owner's
1860	mailing address on the property appraiser's website for the
1861	county in which the parcel is located, or electronically
1862	transmitted in a manner authorized by the association if the
1863	parcel owner has consented, in writing, to receive notice by
1864	electronic transmission.
1865	(9) ELECTIONS AND BOARD VACANCIES.—
1866	(a) Elections of directors must be conducted in accordance
1867	with the procedures set forth in the governing documents of the
1868	association. Except as provided in paragraph (b), all members of
1869	the association are eligible to serve on the board of directors,
1870	and a member may nominate himself or herself as a candidate for
1871	the board at a meeting where the election is to be held;
1872	provided, however, that if the election process allows
1873	candidates to be nominated in advance of the meeting, the
1874	association is not required to allow nominations at the meeting.
1875	An election is not required unless more candidates are nominated
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1876 than vacancies exist. If an election is not required because 1877 there are either an equal number or fewer qualified candidates 1878 than vacancies exist, and if nominations from the floor are not 1879 required pursuant to this section or the bylaws, write-in 1880 nominations are not permitted and such qualified candidates 1881 shall commence service on the board of directors, regardless of 1882 whether a quorum is attained at the annual meeting. Except as 1883 otherwise provided in the governing documents, boards of directors must be elected by a plurality of the votes cast by 1884 1885 eligible voters. Any challenge to the election process must be commenced within 60 days after the election results are 1886 1887 announced.

Section 18. Paragraph (b) of subsection (3) of section 1889 720.3085, Florida Statutes, is amended to read:

1890

720.3085 Payment for assessments; lien claims.-

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed by law. If no rate is provided in the declaration or bylaws, interest accrues at the rate of 18 percent per year.

(b) Any payment received by an association and accepted shall be applied first to any interest accrued, then to any administrative late fee, then to any costs and reasonable attorney fees incurred in collection, and then to the delinquent

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1901	assessment. This paragraph applies notwithstanding any
1902	restrictive endorsement, designation, or instruction placed on
1903	or accompanying a payment. A late fee is not subject to the
1904	provisions of chapter 687 and is not a fine. The foregoing is
1905	applicable notwithstanding s. 673.3111, any purported accord and
1906	satisfaction, or any restrictive endorsement, designation, or
1907	instruction placed on or accompanying a payment. The preceding
1908	sentence is intended to clarify existing law.
1909	Section 19. This act shall take effect July 1, 2018.

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