

Committee on Regulated Industries

CS/SB 1520 — Termination of Condominium Association

by Regulated Industries Committee and Senator Latvala

The bill revises the requirements for the optional termination of a condominium. Regarding optional terminations, current law requires 80 percent of a condominium's voting interests must approve a plan of optional termination, regardless of what a condominium's governing documents may provide. The bill reduces from 10 percent to 5 percent the percentage of voting interests necessary to veto a termination plan.

The bill also increases the minimum time periods between successive votes on a termination plan. If 5 percent or more of the voting interests of a condominium reject a plan of termination, a subsequent plan may not be considered for 24 months, instead of 18 months as under current law.

The bill also expands the requirement that a termination plan disclose to the unit owners when a person owns a significant portion of the condominium. Specifically, the plan must include written, sworn disclosures of the identity of any person or entity that owns or controls at least 25 percent (instead of 50 percent, as in current law) of the condominium units. Moreover, the bill also requires the written, sworn disclosures of any natural person or persons who, directly or indirectly, own or control 10 percent (instead of 20 percent as under current law) or more of the artificial entity or entities that constitute the bulk owner.

Regarding optional terminations, the bill increases consumer protections by:

- Entitling all persons whose condominium unit is their homestead to be paid at least the original purchase price paid for their units; and
- Requiring approval of a termination plan by the Department of Business and Professional Regulation.

Additionally, the bill expressly states the amendments made by the bill to s. 718.117, F.S., are intended to clarify existing law, are remedial in nature, and are intended to address the rights and liabilities of the affected parties, and apply to all condominiums created under the Condominium Act.

For Fiscal Year 2017-2018, the bill appropriates \$85,006 in recurring funds and \$4,046 in nonrecurring funds from the Division of Condominiums, Timeshares, and Mobile Homes Trust Fund to the Department of Business and Professional Regulation. The bill also authorizes one full-time equivalent position with an associated salary rate of \$56,791 per year to implement the bill.

CS/CS/CS/HB 653 (CS/CS/SB 744 by Judiciary Committee, Regulated Industries Committee, and Senator Passidomo) also revises the requirements for the optional termination of a condominium.

If approved by the Governor, these provisions take effect July 1, 2017.

Vote: Senate 37-0; House 119-0