

1  
2 An act relating to condominiums and  
3 cooperatives; amending s. 718.103, F.S.;  
4 defining the terms "buyer" and "division";  
5 amending s. 718.111, F.S.; providing for the  
6 operation of certain condominiums created prior  
7 to 1977 as single associations; permitting  
8 consolidated financial operation; requiring a  
9 developer-controlled association to exercise  
10 due diligence to obtain and maintain insurance;  
11 providing that failure to obtain and maintain  
12 adequate insurance shall constitute a breach of  
13 fiduciary responsibility by the  
14 developer-appointed members of the board of  
15 directors; requiring adequate insurance or  
16 fidelity bonding to cover funds in the custody  
17 of an association; providing for financial  
18 reporting requirements; providing for the  
19 commingling of reserve and operating funds;  
20 amending s. 718.112, F.S.; providing  
21 requirements for eligibility to be a candidate  
22 for the board; providing for the validity of  
23 certain actions by the board; amending  
24 procedures for elections; amending procedures  
25 for recall of board members; amending  
26 procedures for mailing of notices; amending  
27 procedures for annual budgets; deleting  
28 fidelity bonding requirements; amending s.  
29 718.115, F.S.; providing procedures that  
30 allocate cable television services as a common  
31 expense; amending ss. 718.503, 718.504, F.S.;

1 requiring disclosure of financial information;  
2 amending s. 718.116, F.S.; providing for unit  
3 owners and the developer to be assessed in  
4 accordance with their ownership interest in  
5 losses resulting from a natural disaster or an  
6 act of God; amending s. 719.103, F.S.; defining  
7 the terms "buyer" and "division"; amending s.  
8 719.1035, F.S.; requiring filing of  
9 information; amending s. 719.104, F.S.;  
10 requiring notification; amending s. 719.106,  
11 F.S.; providing requirements relating to  
12 association meetings; amending s. 719.301,  
13 F.S.; providing rulemaking authority; amending  
14 s. 719.403, F.S.; requiring filing of  
15 information; amending s. 719.502, F.S.;  
16 providing conditions precedent to closing on a  
17 contract for sale or specified contracts for  
18 lease; providing rulemaking authority; amending  
19 s. 719.503, F.S.; providing conditions for  
20 closing within the 15-day voidability period;  
21 creating s. 719.621, F.S.; providing rulemaking  
22 authority; amending s. 721.05, F.S.; conforming  
23 a cross-reference; amending s. 721.97, F.S. as  
24 created by CS for CS for SB 626 (1998);  
25 providing a 1997 statutory reference; providing  
26 for contingent retroactive application;  
27 providing an effective date.

28  
29 Be It Enacted by the Legislature of the State of Florida:  
30  
31

1           Section 1. Section 718.103, Florida Statutes, is  
2 amended to read:

3           718.103 Definitions.--As used in this chapter, the  
4 term:

5           (1) "Assessment" means a share of the funds which are  
6 required for the payment of common expenses, which from time  
7 to time is assessed against the unit owner.

8           (2) "Association" means, in addition to those entities  
9 responsible for the operation of common elements owned in  
10 undivided shares by unit owners, any entity which operates or  
11 maintains other real property in which condominium unit owners  
12 have use rights, where unit owner membership in the entity is  
13 composed exclusively of condominium unit owners or their  
14 elected or appointed representatives, and where membership in  
15 the entity is a required condition of unit ownership.

16           (3) "Association property" means that property, real  
17 and personal, which is owned or leased by, or is dedicated by  
18 a recorded plat to, the association for the use and benefit of  
19 its members.

20           (4) "Board of administration" means the board of  
21 directors or other representative body which is responsible  
22 for administration of the association.

23           (5) "Buyer" means a person who purchases a  
24 condominium. The term "purchaser" may be used interchangeably  
25 with the term "buyer."

26           ~~(6)(5)~~ "Bylaws" means the bylaws of the association as  
27 they exist from time to time.

28           ~~(7)(6)~~ "Committee" means a group of board members,  
29 unit owners, or board members and unit owners appointed by the  
30 board or a member of the board to make recommendations to the  
31

1 board regarding the association budget or take action on  
2 behalf of the board.

3 (8)~~(7)~~ "Common elements" means the portions of the  
4 condominium property which are not included in the units.

5 (9)~~(8)~~ "Common expenses" means all expenses and  
6 assessments which are properly incurred by the association for  
7 the condominium.

8 (10)~~(9)~~ "Common surplus" means the excess of all  
9 receipts of the association collected on behalf of a  
10 condominium (including, but not limited to, assessments,  
11 rents, profits, and revenues on account of the common  
12 elements) over the common expenses.

13 (11)~~(10)~~ "Condominium" means that form of ownership of  
14 real property which is created pursuant to the provisions of  
15 this chapter, which is comprised of units that may be owned by  
16 one or more persons, and in which there is, appurtenant to  
17 each unit, an undivided share in common elements.

18 (12)~~(11)~~ "Condominium parcel" means a unit, together  
19 with the undivided share in the common elements which is  
20 appurtenant to the unit.

21 (13)~~(12)~~ "Condominium property" means the lands,  
22 leaseholds, and personal property that are subjected to  
23 condominium ownership, whether or not contiguous, and all  
24 improvements thereon and all easements and rights appurtenant  
25 thereto intended for use in connection with the condominium.

26 (14)~~(13)~~ "Conspicuous type" means type in capital  
27 letters no smaller than the largest type, exclusive of  
28 headings, on the page on which it appears and, in all cases,  
29 at least 10-point type. Where conspicuous type is required,  
30 it must be separated on all sides from other type and print.

31

1 Conspicuous type may be used in contracts for purchase or  
2 public offering statements only where required by law.

3 (15)~~(14)~~ "Declaration" or "declaration of condominium"  
4 means the instrument or instruments by which a condominium is  
5 created, as they are from time to time amended.

6 (16)~~(15)~~ "Developer" means a person who creates a  
7 condominium or offers condominium parcels for sale or lease in  
8 the ordinary course of business, but does not include an owner  
9 or lessee of a condominium or cooperative unit who has  
10 acquired the unit for his or her own occupancy, nor does it  
11 include a cooperative association which creates a condominium  
12 by conversion of an existing residential cooperative after  
13 control of the association has been transferred to the unit  
14 owners if, following the conversion, the unit owners will be  
15 the same persons who were unit owners of the cooperative and  
16 no units are offered for sale or lease to the public as part  
17 of the plan of conversion.

18 (17) "Division" means the Division of Florida Land  
19 Sales, Condominiums, and Mobile Homes of the Department of  
20 Business and Professional Regulation.

21 (18)~~(16)~~ "Land" means, unless otherwise defined in the  
22 declaration as hereinafter provided, the surface of a legally  
23 described parcel of real property and includes, unless  
24 otherwise specified in the declaration and whether separate  
25 from or including such surface, airspace lying above and  
26 subterranean space lying below such surface. However, if so  
27 defined in the declaration, the term "land" may mean all or  
28 any portion of the airspace or subterranean space between two  
29 legally identifiable elevations and may exclude the surface of  
30 a parcel of real property and may mean any combination of the  
31 foregoing, whether or not contiguous.

1           (19)~~(17)~~ "Limited common elements" means those common  
2 elements which are reserved for the use of a certain  
3 condominium unit or units to the exclusion of other units, as  
4 specified in the declaration of condominium.

5           (20)~~(18)~~ "Operation" or "operation of the condominium"  
6 includes the administration and management of the condominium  
7 property.

8           (21)~~(19)~~ "Rental agreement" means any written  
9 agreement, or oral agreement if for less duration than 1 year,  
10 providing for use and occupancy of premises.

11           (22)~~(20)~~ "Residential condominium" means a condominium  
12 consisting of condominium units, any of which are intended for  
13 use as a private temporary or permanent residence, except that  
14 a condominium is not a residential condominium if the use for  
15 which the units are intended is primarily commercial or  
16 industrial and not more than three units are intended to be  
17 used for private residence, and are intended to be used as  
18 housing for maintenance, managerial, janitorial, or other  
19 operational staff of the condominium. With respect to a  
20 condominium that is not a timeshare condominium, a residential  
21 unit includes a unit intended as a private temporary or  
22 permanent residence as well as a unit not intended for  
23 commercial or industrial use. With respect to a timeshare  
24 condominium, the timeshare instrument as defined in s.  
25 721.05(28) shall govern the intended use of each unit in the  
26 condominium. If a condominium is a residential condominium but  
27 contains units intended to be used for commercial or  
28 industrial purposes, then, with respect to those units which  
29 are not intended for or used as private residences, the  
30 condominium is not a residential condominium. A condominium  
31 which contains both commercial and residential units is a

1 mixed-use condominium subject to the requirements of s.  
2 718.404.

3 (23)~~(21)~~ "Special assessment" means any assessment  
4 levied against unit owners other than the assessment required  
5 by a budget adopted annually.

6 (24)~~(22)~~ "Timeshare estate" means any interest in a  
7 unit under which the exclusive right of use, possession, or  
8 occupancy of the unit circulates among the various purchasers  
9 of a timeshare plan pursuant to chapter 721 on a recurring  
10 basis for a period of time.

11 (25)~~(23)~~ "Timeshare unit" means a unit in which  
12 timeshare estates have been created.

13 (26)~~(24)~~ "Unit" means a part of the condominium  
14 property which is subject to exclusive ownership. A unit may  
15 be in improvements, land, or land and improvements together,  
16 as specified in the declaration.

17 (27)~~(25)~~ "Unit owner" or "owner of a unit" means a  
18 record owner of legal title to a condominium parcel.

19 (28)~~(26)~~ "Voting certificate" means a document which  
20 designates one of the record title owners, or the corporate,  
21 partnership, or entity representative, who is authorized to  
22 vote on behalf of a condominium unit that is owned by more  
23 than one owner or by any entity.

24 (29)~~(27)~~ "Voting interest" means the voting rights  
25 distributed to the association members pursuant to s.  
26 718.104(4)(i).

27 Section 2. Subsections (6) and (11), paragraph (c) of  
28 subsection (12), and subsection (15) of section 718.111,  
29 Florida Statutes, are amended to read:

30 718.111 The association.--

31

1           (6) OPERATION OF ~~PHASE~~ CONDOMINIUMS CREATED PRIOR TO  
2 1977.--Notwithstanding any provision of this chapter, an  
3 association may operate two or more residential condominiums  
4 in which the initial condominium declaration was recorded  
5 prior to January 1, 1977, ~~a phase project initially created~~  
6 ~~pursuant to former s. 711.64~~ and may continue to so operate  
7 such condominiums project ~~as though it were~~ a single  
8 condominium for purposes of financial matters, including  
9 budgets, assessments, accounting, recordkeeping, and similar  
10 matters, if provision is made for such consolidated operation  
11 in the applicable declarations of each such condominium ~~as~~  
12 ~~initially recorded~~ or in the bylaws ~~as initially adopted~~. An  
13 association for such condominiums may also provide for  
14 consolidated financial operation as described in this section  
15 either by amending its declaration pursuant to s.  
16 718.110(1)(a) or by amending its bylaws and having the  
17 amendment approved by not less than two-thirds of the total  
18 voting interests.Notwithstanding any provision in this  
19 chapter, common expenses for residential condominiums in such  
20 a project being operated by a single association may be  
21 assessed against all unit owners in such project pursuant to  
22 the proportions or percentages established therefor in the  
23 declarations as initially recorded or in the bylaws as  
24 initially adopted, subject, however, to the limitations of ss.  
25 718.116 and 718.302.

26           (11) INSURANCE.--

27           (a) A unit-owner controlled ~~The~~ association shall use  
28 its best efforts to obtain and maintain adequate insurance to  
29 protect the association, the association property, the common  
30 elements, and the condominium property required to be insured  
31 by the association pursuant to paragraph (b). If the



1 association is developer-controlled, the association shall  
2 exercise due diligence to obtain and maintain such insurance.  
3 Failure to obtain and maintain adequate insurance during any  
4 period of developer control shall constitute a breach of  
5 fiduciary responsibility by the developer appointed members of  
6 the board of directors of the association, unless said members  
7 can show that despite such failure, they have exercised due  
8 diligence. An ~~The~~ association may also obtain and maintain  
9 liability insurance for directors and officers, insurance for  
10 the benefit of association employees, and flood insurance for  
11 common elements, association property, and units. An  
12 association or group of associations may self-insure against  
13 claims against the association, the association property, and  
14 the condominium property required to be insured by an  
15 association, upon compliance with ss. 624.460-624.488. A copy  
16 of each policy of insurance in effect shall be made available  
17 for inspection by unit owners at reasonable times.

18 (b) Every hazard policy which is issued to protect a  
19 condominium building shall provide that the word "building"  
20 wherever used in the policy include, but not necessarily be  
21 limited to, fixtures, installations, or additions comprising  
22 that part of the building within the unfinished interior  
23 surfaces of the perimeter walls, floors, and ceilings of the  
24 individual units initially installed, or replacements thereof  
25 of like kind or quality, in accordance with the original plans  
26 and specifications, or as they existed at the time the unit  
27 was initially conveyed if the original plans and  
28 specifications are not available. However, unless prior to  
29 October 1, 1986, the association is required by the  
30 declaration to provide coverage therefor, the word "building"  
31 does not include unit floor coverings, wall coverings, or

1 ceiling coverings, and, as to contracts entered into after  
2 July 1, 1992, does not include the following equipment if it  
3 is located within a unit and the unit owner is required to  
4 repair or replace such equipment: electrical fixtures,  
5 appliances, air conditioner or heating equipment, water  
6 heaters, or built-in cabinets. With respect to the coverage  
7 provided for by this paragraph, the unit owners shall be  
8 considered additional insureds under the policy.

9 (c) Every insurance policy issued to an individual  
10 unit owner shall provide that the coverage afforded by such  
11 policy is excess over the amount recoverable under any other  
12 policy covering the same property without rights of  
13 subrogation against the association.

14 (d) The association shall obtain and maintain adequate  
15 insurance or fidelity bonding of all persons who control or  
16 disburse funds of the association. The insurance policy or  
17 fidelity bond must cover the maximum funds that will be in the  
18 custody of the association or its management agent at any one  
19 time. As used in this paragraph, the term "persons who control  
20 or disburse funds of the association" includes, but is not  
21 limited to, those individuals authorized to sign checks and  
22 the president, secretary, and treasurer of the association.  
23 The association shall bear the cost of bonding.

24 (12) OFFICIAL RECORDS.--

25 (c) The official records of the association are open  
26 to inspection by any association member or the authorized  
27 representative of such member at all reasonable times. The  
28 right to inspect the records includes the right to make or  
29 obtain copies, at the reasonable expense, if any, of the  
30 association member. The association may adopt reasonable  
31 rules regarding the frequency, time, location, notice, and

1 manner of record inspections and copying. The failure of an  
2 association to provide the records within 10 working days  
3 after receipt of a written request shall create a rebuttable  
4 presumption that the association willfully failed to comply  
5 with this paragraph. A unit owner who is denied access to  
6 official records is entitled to the actual damages or minimum  
7 damages for the association's willful failure to comply with  
8 this paragraph. The minimum damages shall be \$50 per calendar  
9 day up to 10 days, the calculation to begin on the 11th  
10 working day after receipt of the written request. The failure  
11 to permit inspection of the association records as provided  
12 herein entitles any person prevailing in an enforcement action  
13 to recover reasonable attorney's fees from the person in  
14 control of the records who, directly or indirectly, knowingly  
15 denied access to the records for inspection. The association  
16 shall maintain an adequate number of copies of the  
17 declaration, articles of incorporation, bylaws, and rules, and  
18 all amendments to each of the foregoing, as well as the  
19 question and answer sheet provided for in s. 718.504 and  
20 year-end financial information required in this section on the  
21 condominium property to ensure their availability to unit  
22 owners and prospective purchasers, and may charge its actual  
23 costs for preparing and furnishing these documents to those  
24 requesting the same. Notwithstanding the provisions of this  
25 paragraph, the following records shall not be accessible to  
26 unit owners:

27       1. A record which was prepared by an association  
28 attorney or prepared at the attorney's express direction,  
29 which reflects a mental impression, conclusion, litigation  
30 strategy, or legal theory of the attorney or the association,  
31 and which was prepared exclusively for civil or criminal

1 litigation or for adversarial administrative proceedings, or  
2 which was prepared in anticipation of imminent civil or  
3 criminal litigation or imminent adversarial administrative  
4 proceedings until the conclusion of the litigation or  
5 adversarial administrative proceedings.

6           2. Information obtained by an association in  
7 connection with the approval of the lease, sale, or other  
8 transfer of a unit.

9           3. Medical records of unit owners.

10           (15) COMMINGLING.--All funds shall be maintained  
11 separately in the association's name. Reserve and operating  
12 funds of the association shall not be commingled unless  
13 combined for investment purposes. This subsection is not meant  
14 to prohibit prudent investment of association funds even if  
15 combined with operating or other reserve funds of the same  
16 association, but such funds must be accounted for separately,  
17 and the combined account balance may not, at any time, be less  
18 than the amount identified as reserve funds in the combined  
19 account.No manager or business entity required to be licensed  
20 or registered under s. 468.432, and no agent, employee,  
21 officer, or director of a condominium association shall  
22 commingle any association funds with his or her funds or with  
23 the funds of any other condominium association or community  
24 association as defined in s. 468.431.

25           Section 3. Subsection (2) of section 718.112, Florida  
26 Statutes, is amended to read:

27           718.112 Bylaws.--

28           (2) REQUIRED PROVISIONS.--The bylaws shall provide for  
29 the following and, if they do not do so, shall be deemed to  
30 include the following:

31           (a) Administration.--

1           1. The form of administration of the association shall  
2 be described indicating the title of the officers and board of  
3 administration and specifying the powers, duties, manner of  
4 selection and removal, and compensation, if any, of officers  
5 and boards. In the absence of such a provision, the board of  
6 administration shall be composed of five members, except in  
7 the case of a condominium which has five or fewer units, in  
8 which case in a not-for-profit corporation the board shall  
9 consist of not fewer than three members. In the absence of  
10 provisions to the contrary in the bylaws, the board of  
11 administration shall have a president, a secretary, and a  
12 treasurer, who shall perform the duties of such officers  
13 customarily performed by officers of corporations. Unless  
14 prohibited in the bylaws, the board of administration may  
15 appoint other officers and grant them the duties it deems  
16 appropriate. Unless otherwise provided in the bylaws, the  
17 officers shall serve without compensation and at the pleasure  
18 of the board of administration. Unless otherwise provided in  
19 the bylaws, the members of the board shall serve without  
20 compensation.

21           2. When a unit owner files a written inquiry by  
22 certified mail with the board of administration, the board  
23 shall respond in writing to the unit owner within 30 days of  
24 receipt of the inquiry. The board's response shall either  
25 give a substantive response to the inquirer, notify the  
26 inquirer that a legal opinion has been requested, or notify  
27 the inquirer that advice has been requested from the division.  
28 If the board requests advice from the division, the board  
29 shall, within 10 days of its receipt of the advice, provide in  
30 writing a substantive response to the inquirer. If a legal  
31 opinion is requested, the board shall, within 60 days after

1 the receipt of the inquiry, provide in writing a substantive  
2 response to the inquiry. The failure to provide a substantive  
3 response to the inquiry as provided herein precludes the board  
4 from recovering attorney's fees and costs in any subsequent  
5 litigation, administrative proceeding, or arbitration arising  
6 out of the inquiry. The association may through its board of  
7 administration adopt reasonable rules and regulations  
8 regarding the frequency and manner of responding to unit owner  
9 inquiries, one of which may be that the association is only  
10 obligated to respond to one written inquiry per unit in any  
11 given 30-day period. In such a case, any additional inquiry  
12 or inquiries must be responded to in the subsequent 30-day  
13 period, or periods, as applicable.

14 (b) Quorum; voting requirements; proxies.--

15 1. Unless a lower number is provided in the bylaws,  
16 the percentage of voting interests required to constitute a  
17 quorum at a meeting of the members shall be a majority of the  
18 voting interests. Unless otherwise provided in this chapter or  
19 in the declaration, articles of incorporation, or bylaws, and  
20 except as provided in subparagraph (d)3., decisions shall be  
21 made by owners of a majority of the voting interests  
22 represented at a meeting at which a quorum is present.

23 2. Except as specifically otherwise provided herein,  
24 after January 1, 1992, unit owners may not vote by general  
25 proxy, but may vote by limited proxies substantially  
26 conforming to a limited proxy form adopted by the division.  
27 Limited proxies and general proxies may be used to establish a  
28 quorum. Limited proxies shall be used for votes taken to  
29 waive or reduce reserves in accordance with subparagraph  
30 (f)2.; for votes taken to waive financial statement  
31 requirements as provided by s. 718.111(14); for votes taken to

1 amend the declaration pursuant to s. 718.110; for votes taken  
2 to amend the articles of incorporation or bylaws pursuant to  
3 this section; and for any other matter for which this chapter  
4 requires or permits a vote of the unit owners. Except as  
5 provided in paragraph (d), after January 1, 1992, no proxy,  
6 limited or general, shall be used in the election of board  
7 members. General proxies may be used for other matters for  
8 which limited proxies are not required, and may also be used  
9 in voting for nonsubstantive changes to items for which a  
10 limited proxy is required and given. Notwithstanding the  
11 provisions of this subparagraph, unit owners may vote in  
12 person at unit owner meetings. Nothing contained herein shall  
13 limit the use of general proxies or require the use of limited  
14 proxies for any agenda item or election at any meeting of a  
15 timeshare condominium association.

16 3. Any proxy given shall be effective only for the  
17 specific meeting for which originally given and any lawfully  
18 adjourned meetings thereof. In no event shall any proxy be  
19 valid for a period longer than 90 days after the date of the  
20 first meeting for which it was given. Every proxy is  
21 revocable at any time at the pleasure of the unit owner  
22 executing it.

23 (c) Board of administration meetings.--Meetings of the  
24 board of administration at which a quorum of the members is  
25 present shall be open to all unit owners. Any unit owner may  
26 tape record or videotape meetings of the board of  
27 administration. The right to attend such meetings includes  
28 the right to speak at such meetings with reference to all  
29 designated agenda items. The division shall adopt reasonable  
30 rules governing the tape recording and videotaping of the  
31 meeting. The association may adopt reasonable rules governing

1 the frequency, duration, and manner of unit owner statements.  
2 Adequate notice of all meetings, which notice shall  
3 specifically incorporate an identification of agenda items,  
4 shall be posted conspicuously on the condominium property at  
5 least 48 continuous hours preceding the meeting except in an  
6 emergency. Any item not included on the notice may be taken  
7 up on an emergency basis by at least a majority plus one of  
8 the members of the board. Such emergency action shall be  
9 noticed and ratified at the next regular meeting of the board.  
10 However, written notice of any meeting at which nonemergency  
11 special assessments, or at which amendment to rules regarding  
12 unit use, will be considered shall be mailed or delivered to  
13 the unit owners and posted conspicuously on the condominium  
14 property not less than 14 days prior to the meeting. Evidence  
15 of compliance with this 14-day notice shall be made by an  
16 affidavit executed by the person providing the notice and  
17 filed among the official records of the association. Upon  
18 notice to the unit owners, the board shall by duly adopted  
19 rule designate a specific location on the condominium property  
20 or association property upon which all notices of board  
21 meetings shall be posted. If there is no condominium property  
22 or association property upon which notices can be posted,  
23 notices of board meetings shall be mailed or delivered at  
24 least 14 days before the meeting to the owner of each unit.  
25 Notice of any meeting in which regular assessments against  
26 unit owners are to be considered for any reason shall  
27 specifically contain a statement that assessments will be  
28 considered and the nature of any such assessments. Meetings of  
29 a committee to take final action on behalf of the board or  
30 make recommendations to the board regarding the association  
31 budget are subject to the provisions of this paragraph.



1 Meetings of a committee that does not take final action on  
2 behalf of the board or make recommendations to the board  
3 regarding the association budget are subject to the provisions  
4 of this section, unless those meetings are exempted from this  
5 section by the bylaws of the association. Notwithstanding any  
6 other law, the requirement that board meetings and committee  
7 meetings be open to the unit owners is inapplicable to  
8 meetings between the board or a committee and the  
9 association's attorney, with respect to proposed or pending  
10 litigation, when the meeting is held for the purpose of  
11 seeking or rendering legal advice.

12 (d) Unit owner meetings.--

13 1. There shall be an annual meeting of the unit  
14 owners. Unless the bylaws provide otherwise, a vacancy on the  
15 board of administration caused by the expiration of a  
16 director's term shall be filled by electing a new board  
17 member, and the election shall be by secret ~~closed~~ ballot;  
18 however, if the number of vacancies equals or exceeds the  
19 number of candidates ~~there is only one candidate for election~~  
20 ~~to fill the vacancy~~, no election is required. If there is no  
21 provision in the bylaws for terms of the members of the board  
22 of administration, the terms of all members of the board of  
23 administration shall expire upon the election of their  
24 successors at the annual meeting. Any unit owner desiring to  
25 be a candidate for board membership shall comply with  
26 subparagraph 3. In order to be eligible for board membership a  
27 person must meet the requirements set forth in the  
28 declaration. A person who has been convicted of any felony by  
29 any court of record in the United States and who has not had  
30 his or her right to vote restored pursuant to law in the  
31 jurisdiction of his or her residence is not eligible for board

1 membership. The validity of an action by the board is not  
2 affected if it is later determined that a member of the board  
3 is ineligible for board membership due to having been  
4 convicted of a felony.

5         2. The bylaws shall provide the method of calling  
6 meetings of unit owners, including annual meetings. Written  
7 notice, which notice must include an agenda, shall be mailed  
8 or delivered to each unit owner at least 14 days prior to the  
9 annual meeting and shall be posted in a conspicuous place on  
10 the condominium property at least 14 continuous days preceding  
11 the annual meeting. Upon notice to the unit owners, the board  
12 shall by duly adopted rule designate a specific location on  
13 the condominium property or association property upon which  
14 all notices of unit owner meetings shall be posted; however,  
15 if there is no condominium property or association property  
16 upon which notices can be posted, this requirement does not  
17 apply. Unless a unit owner waives in writing the right to  
18 receive notice of the annual meeting by mail, the notice of  
19 the annual meeting shall be sent by mail to each unit owner.  
20 Where a unit is owned by more than one person, the association  
21 shall provide notice, for meetings and all other purposes, to  
22 that one address which the developer initially identifies for  
23 that purpose and thereafter as one or more of the owners of  
24 the unit shall so advise the association in writing, or if no  
25 address is given or the owners of the unit do not agree, to  
26 the address provided on the deed of record. An officer of the  
27 association, or the manager or other person providing notice  
28 of the association meeting, shall provide an affidavit or  
29 United States Postal Service certificate of mailing, to be  
30 included in the official records of the association affirming  
31 that the notice was mailed or hand delivered, in accordance

1 with this provision, to each unit owner at the address last  
2 furnished to the association.

3           3. ~~After January 1, 1992,~~The members of the board of  
4 administration shall be elected by written ballot or voting  
5 machine. Proxies shall in no event be used in electing the  
6 board of administration, either in general elections or  
7 elections to fill vacancies caused by recall, resignation, or  
8 otherwise, unless otherwise provided in this chapter. Not less  
9 than 60 days before a scheduled election, the association  
10 shall mail or deliver, whether by separate association mailing  
11 or included in another association mailing or delivery  
12 including regularly published newsletters, to each unit owner  
13 entitled to a vote, a first notice of the date of the  
14 election. Any unit owner or other eligible person desiring to  
15 be a candidate for the board of administration must give  
16 written notice to the association not less than 40 days before  
17 a scheduled election. Together with the written notice and  
18 agenda as set forth in subparagraph 2., the association shall  
19 mail or deliver a second notice of the election to all unit  
20 owners entitled to vote therein, together with a ballot which  
21 shall list all candidates. Upon request of a candidate, the  
22 association shall include an information sheet, no larger than  
23 8 1/2 inches by 11 inches, which must be furnished by the  
24 candidate not less than 35 days before the election, to be  
25 included with the mailing of the ballot, with the costs of  
26 mailing or delivery and copying to be borne by the  
27 association. However, the association has no liability for the  
28 contents of the information sheets prepared by the candidates.  
29 In order to reduce costs, the association may print or  
30 duplicate the information sheets on both sides of the paper.  
31 The division shall by rule establish voting procedures

1 consistent with the provisions contained herein, including  
2 rules providing for the secrecy of ballots. Elections shall  
3 be decided by a plurality of those ballots cast. There shall  
4 be no quorum requirement; however, at least 20 percent of the  
5 eligible voters must cast a ballot in order to have a valid  
6 election of members of the board of administration. No unit  
7 owner shall permit any other person to vote his or her ballot,  
8 and any such ballots improperly cast shall be deemed invalid.  
9 A unit owner who needs assistance in casting the ballot for  
10 the reasons stated in s. 101.051 may obtain assistance in  
11 casting the ballot. Any unit owner violating this provision  
12 may be fined by the association in accordance with s. 718.303.  
13 The regular election shall occur on the date of the annual  
14 meeting. The provisions of this subparagraph shall not apply  
15 to timeshare condominium associations. Notwithstanding the  
16 provisions of this subparagraph, an election and balloting are  
17 not required unless more candidates file notices of intent to  
18 run or are nominated than vacancies exist on the board.

19         4. Any approval by unit owners called for by this  
20 chapter or the applicable declaration or bylaws, including,  
21 but not limited to, the approval requirement in s. 718.111(8),  
22 shall be made at a duly noticed meeting of unit owners and  
23 shall be subject to all requirements of this chapter or the  
24 applicable condominium documents relating to unit owner  
25 decisionmaking, except that unit owners may take action by  
26 written agreement, without meetings, on matters for which  
27 action by written agreement without meetings is expressly  
28 allowed by the applicable bylaws or declaration or any statute  
29 that ~~which~~ provides for such action.

30  
31

1           5. Unit owners may waive notice of specific meetings  
2 if allowed by the applicable bylaws or declaration or any  
3 statute.

4           6. Unit owners shall have the right to participate in  
5 meetings of unit owners with reference to all designated  
6 agenda items. However, the association may adopt reasonable  
7 rules governing the frequency, duration, and manner of unit  
8 owner participation.

9           7. Any unit owner may tape record or videotape a  
10 meeting of the unit owners subject to reasonable rules adopted  
11 by the division.

12           8. Unless otherwise provided in the bylaws, any  
13 vacancy occurring on the board before the expiration of a term  
14 may be filled by the affirmative vote of the majority of the  
15 remaining directors, even if the remaining directors  
16 constitute less than a quorum, or by the sole remaining  
17 director. In the alternative, a board may hold an election to  
18 fill the vacancy, in which case the election procedures must  
19 conform to the requirements of subparagraph 3. unless the  
20 association has opted out of the statutory election process,  
21 in which case the bylaws of the association control. Unless  
22 otherwise provided in the bylaws, a board member appointed or  
23 elected under this section shall fill the vacancy for the  
24 unexpired term of the seat being filled. Filling vacancies  
25 created by recall is governed by paragraph (j) and rules  
26 adopted by the division.

27  
28 Notwithstanding subparagraphs (b)2. and (d)3., an association  
29 may, by the affirmative vote of a majority of the total voting  
30 interests, provide for different voting and election  
31 procedures in its bylaws, which vote may be by a proxy

1 specifically delineating the different voting and election  
2 procedures. The different voting and election procedures may  
3 provide for elections to be conducted by limited or general  
4 proxy.

5 (e) Budget meeting.--The board of administration shall  
6 ~~mail or~~ hand deliver to each unit owner, or mail to each unit  
7 owner at the address last furnished to the association, a  
8 meeting notice and copies of the proposed annual budget of  
9 common expenses not less than 14 days prior to the meeting of  
10 the unit owners or the board of administration at which the  
11 budget will be considered. Evidence of compliance with this  
12 14-day notice must be made by an affidavit executed by an  
13 officer of the association or the manager or other person  
14 providing notice of the meeting and filed among the official  
15 records of the association. The meeting must be open to the  
16 unit owners. If an adopted budget requires assessments  
17 against the unit owners in any fiscal or calendar year which  
18 exceed 115 percent of the assessments for the preceding year,  
19 the board, upon written application of 10 percent of the  
20 voting interests to the board, shall call a special meeting of  
21 the unit owners within 30 days upon not less than 10 days'  
22 written notice to each unit owner. At the special meeting,  
23 unit owners shall consider and enact a budget. Unless the  
24 bylaws require a larger vote, the adoption of the budget  
25 requires a vote of not less than a majority vote of all the  
26 voting interests. The board of administration may propose a  
27 budget to the unit owners at a meeting of members or in  
28 writing, and if the budget or proposed budget is approved by  
29 the unit owners at the meeting or by a majority of all the  
30 voting interests in writing, the budget is adopted. If a  
31 meeting of the unit owners has been called and a quorum is not

1 attained or a substitute budget is not adopted by the unit  
2 owners, the budget adopted by the board of directors goes into  
3 effect as scheduled. In determining whether assessments  
4 exceed 115 percent of similar assessments in prior years, any  
5 authorized provisions for reasonable reserves for repair or  
6 replacement of the condominium property, anticipated expenses  
7 by the condominium association which are not anticipated to be  
8 incurred on a regular or annual basis, or assessments for  
9 betterments to the condominium property must be excluded from  
10 the computation. However, as long as the developer is in  
11 control of the board of administration, the board may not  
12 impose an assessment for any year greater than 115 percent of  
13 the prior fiscal or calendar year's assessment without  
14 approval of a majority of all the voting interests.

15 (f) Annual budget.--

16 1. The proposed annual budget of common expenses shall  
17 be detailed and shall show the amounts budgeted by accounts  
18 and expense classifications, including, if applicable, but not  
19 limited to, those expenses listed in s. 718.504(20). In  
20 addition, if the association maintains limited common elements  
21 with the cost to be shared only by those entitled to use the  
22 limited common elements as provided for in s. 718.113(1), the  
23 budget or a schedule attached thereto shall show amounts  
24 budgeted therefor. If, after turnover of control of the  
25 association to the unit owners, any of the expenses listed in  
26 s. 718.504(20) are not applicable, they need not be listed.

27 2. In addition to annual operating expenses, the  
28 budget shall include reserve accounts for capital expenditures  
29 and deferred maintenance. These accounts shall include, but  
30 are not limited to, roof replacement, building painting, and  
31 pavement resurfacing, regardless of the amount of deferred

1 maintenance expense or replacement cost, and for any other  
2 item for which the deferred maintenance expense or replacement  
3 cost exceeds \$10,000. The amount to be reserved shall be  
4 computed by means of a formula which is based upon estimated  
5 remaining useful life and estimated replacement cost or  
6 deferred maintenance expense of each reserve item. The  
7 association may adjust replacement reserve assessments  
8 annually to take into account any changes in estimates or  
9 extension of the useful life of a reserve item caused by  
10 deferred maintenance. This subsection does not apply to  
11 budgets in which the members of an association have, by a  
12 majority vote at a duly called meeting of the association, and  
13 voting determined for a fiscal year to provide no reserves or  
14 reserves less adequate than required by this subsection.  
15 However, prior to turnover of control of an association by a  
16 developer to unit owners other than a developer pursuant to s.  
17 718.301, the developer may vote to waive the reserves or  
18 reduce the funding of reserves for the first 2 years of the  
19 operation of the association, after which time reserves may  
20 ~~only~~ be waived or reduced only upon the vote of a majority of  
21 all nondeveloper voting interests voting in person or by  
22 limited proxy at a duly called meeting of the association. If  
23 a meeting of the unit owners has been called to determine to  
24 provide no reserves or reserves less adequate than required,  
25 and such result is not attained or a quorum is not attained,  
26 the reserves as included in the budget shall go into effect.

27         3. Reserve funds and any interest accruing thereon  
28 shall remain in the reserve account or accounts, and shall be  
29 used only for authorized reserve expenditures unless their use  
30 for other purposes is approved in advance by a ~~vote of the~~  
31 majority vote ~~of the voting interests voting in person or by~~



1 ~~limited proxy~~ at a duly called meeting of the association.  
2 Prior to turnover of control of an association by a developer  
3 to unit owners other than the developer pursuant to s.  
4 718.301, the developer-controlled association shall not vote  
5 to use reserves for purposes other than that for which they  
6 were intended without the approval of a majority of all  
7 nondeveloper voting interests, voting in person or by limited  
8 proxy at a duly called meeting of the association.

9 (g) Assessments.--The manner of collecting from the  
10 unit owners their shares of the common expenses shall be  
11 stated in the bylaws. Assessments shall be made against units  
12 not less frequently than quarterly in an amount which is not  
13 less than that required to provide funds in advance for  
14 payment of all of the anticipated current operating expenses  
15 and for all of the unpaid operating expenses previously  
16 incurred. Nothing in this paragraph shall preclude the right  
17 of an association to accelerate assessments of an owner  
18 delinquent in payment of common expenses. Accelerated  
19 assessments shall be due and payable on the date the claim of  
20 lien is filed. Such accelerated assessments shall include the  
21 amounts due for the remainder of the budget year in which the  
22 claim of lien was filed.

23 (h) Amendment of bylaws.--

24 1. The method by which the bylaws may be amended  
25 consistent with the provisions of this chapter shall be  
26 stated. If the bylaws fail to provide a method of amendment,  
27 the bylaws may be amended if the amendment is approved by the  
28 owners of not less than two-thirds of the voting interests.

29 2. No bylaw shall be revised or amended by reference  
30 to its title or number only. Proposals to amend existing  
31 bylaws shall contain the full text of the bylaws to be

1 amended; new words shall be inserted in the text underlined,  
2 and words to be deleted shall be lined through with hyphens.  
3 However, if the proposed change is so extensive that this  
4 procedure would hinder, rather than assist, the understanding  
5 of the proposed amendment, it is not necessary to use  
6 underlining and hyphens as indicators of words added or  
7 deleted, but, instead, a notation must be inserted immediately  
8 preceding the proposed amendment in substantially the  
9 following language: "Substantial rewording of bylaw. See  
10 bylaw .... for present text."

11           3. Nonmaterial errors or omissions in the bylaw  
12 process will not invalidate an otherwise properly promulgated  
13 amendment.

14           (i) Transfer fees.--No charge shall be made by the  
15 association or any body thereof in connection with the sale,  
16 mortgage, lease, sublease, or other transfer of a unit unless  
17 the association is required to approve such transfer and a fee  
18 for such approval is provided for in the declaration,  
19 articles, or bylaws. Any such fee may be preset, but in no  
20 event may such fee exceed \$100 per applicant other than  
21 husband/wife or parent/dependent child, which are considered  
22 one applicant. However, if the lease or sublease is a renewal  
23 of a lease or sublease with the same lessee or sublessee, no  
24 charge shall be made. The foregoing notwithstanding, an  
25 association may, if the authority to do so appears in the  
26 declaration or bylaws, require that a prospective lessee place  
27 a security deposit, in an amount not to exceed the equivalent  
28 of 1 month's rent, into an escrow account maintained by the  
29 association. The security deposit shall protect against  
30 damages to the common elements or association property.  
31 Payment of interest, claims against the deposit, refunds, and

1 disputes under this paragraph shall be handled in the same  
2 fashion as provided in part II of chapter 83.

3 ~~(j) Fidelity bonds.--The association shall obtain and~~  
4 ~~maintain adequate fidelity bonding of all persons who control~~  
5 ~~or disburse funds of the association. As used in this~~  
6 ~~section, the term "persons who control or disburse funds of~~  
7 ~~the association" means those individuals authorized to sign~~  
8 ~~checks, and the president, secretary, and treasurer of the~~  
9 ~~association. If an association's annual gross receipts do not~~  
10 ~~exceed \$100,000, the bond shall be in the principal sum of not~~  
11 ~~less than \$10,000 for each such person. If an association's~~  
12 ~~annual gross receipts exceed \$100,000, but do not exceed~~  
13 ~~\$300,000, the bond shall be in the principal sum of \$30,000~~  
14 ~~for each such person. If an association's annual gross~~  
15 ~~receipts exceed \$300,000, the bond shall be in the principal~~  
16 ~~sum of not less than \$50,000 for each such person. The~~  
17 ~~association shall bear the cost of bonding.~~

18 (j)~~(k)~~ Recall of board members.--Subject to the  
19 provisions of s. 718.301, any member of the board of  
20 administration may be recalled and removed from office with or  
21 without cause by the vote or agreement in writing by a  
22 majority of all the voting interests. A special meeting of the  
23 unit owners to recall a member or members of the board of  
24 administration may be called by 10 percent of the voting  
25 interests giving notice of the meeting as required for a  
26 meeting of unit owners, and the notice shall state the purpose  
27 of the meeting.

28 1. If the recall is approved by a majority of all  
29 voting interests by a vote at a meeting, the recall will be  
30 effective as provided herein. The board shall duly notice and  
31 hold a board meeting within 5 full business days of the

1 adjournment of the unit owner meeting to recall one or more  
2 board members. At the meeting, the board shall either certify  
3 the recall, in which case such member or members shall be  
4 recalled effective immediately and shall turn over to the  
5 board within 5 full business days any and all records and  
6 property of the association in their possession, or shall  
7 proceed as set forth in subparagraph 3.

8           2. If the proposed recall is by an agreement in  
9 writing by a majority of all voting interests, the agreement  
10 in writing or a copy thereof shall be served on the  
11 association by certified mail or by personal service in the  
12 manner authorized by chapter 48 and the Florida Rules of Civil  
13 Procedure. The board of administration shall duly notice and  
14 hold a meeting of the board within 5 full business days after  
15 receipt of the agreement in writing. At the meeting, the board  
16 shall either certify the written agreement to recall a member  
17 or members of the board, in which case such member or members  
18 shall be recalled effective immediately and shall turn over to  
19 the board within 5 full business days any and all records and  
20 property of the association in their possession, or proceed as  
21 described in subparagraph 3.

22           3. If the board determines not to certify the written  
23 agreement to recall a member or members of the board, or does  
24 not certify the recall by a vote at a meeting, the board  
25 shall, within 5 full business days after the meeting, file  
26 with the division a petition for arbitration pursuant to the  
27 procedures in s. 718.1255. For the purposes of this section,  
28 the unit owners who voted at the meeting or who executed the  
29 agreement in writing shall constitute one party under the  
30 petition for arbitration. If the arbitrator certifies the  
31 recall as to any member or members of the board, the recall

1 will be effective upon mailing of the final order of  
2 arbitration to the association. If the association fails to  
3 comply with the order of the arbitrator, the division may take  
4 action pursuant to s. 718.501. Any member or members so  
5 recalled shall deliver to the board any and all records of the  
6 association in their possession within 5 full business days of  
7 the effective date of the recall.

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

15           5. If a vacancy occurs on the board as a result of a  
16 recall and less than a majority of the board members are  
17 removed, the vacancy may be filled by the affirmative vote of  
18 a majority of the remaining directors, notwithstanding any  
19 provision to the contrary contained in this subsection. If  
20 vacancies occur on the board as a result of a recall and a  
21 majority or more of the board members are removed, the  
22 vacancies shall be filled in accordance with procedural rules  
23 to be adopted by the division, which rules need not be  
24 consistent with this subsection. The rules must provide  
25 procedures governing the conduct of the recall election as  
26 well as the operation of the association during the period  
27 after a recall but prior to the recall election.

28           (k)~~(l)~~ Arbitration.--There shall be a provision for  
29 mandatory nonbinding arbitration as provided for in s.  
30 718.1255.

31

1           ~~(l)(m)~~ Certificate of compliance.--There shall be a  
2 provision that a certificate of compliance from a licensed  
3 electrical contractor or electrician may be accepted by the  
4 association's board as evidence of compliance of the  
5 condominium units to the applicable fire and life safety code.

6           ~~(m)(n)~~ Common elements; limited power to convey.--

7           1. With respect to condominiums created on or after  
8 October 1, 1994, the bylaws shall include a provision granting  
9 the association a limited power to convey a portion of the  
10 common elements to a condemning authority for the purpose of  
11 providing utility easements, right-of-way expansion, or other  
12 public purposes, whether negotiated or as a result of eminent  
13 domain proceedings.

14           2. In any case where the bylaws are silent as to the  
15 association's power to convey common elements as described in  
16 subparagraph 1., the bylaws shall be deemed to include the  
17 provision described in subparagraph 1.

18           Section 4. Paragraph (b) of subsection (1) of section  
19 718.115, Florida Statutes, is amended to read:

20           718.115 Common expenses and common surplus.--

21           (1)

22           (b) If so provided in the declaration, the cost of a  
23 master antenna television system or duly franchised cable  
24 television service obtained pursuant to a bulk contract shall  
25 be deemed a common expense. If the declaration does not  
26 provide for the cost of a master antenna television system or  
27 duly franchised cable television service obtained under a bulk  
28 contract as a common expense, the board of administration may  
29 enter into such a contract and the cost of the service will be  
30 a common expense but allocated on a per-unit basis rather than  
31 a percentage basis if the declaration provides for other than

1 an equal sharing of common expenses and any contract entered  
2 into before July 1, 1998, in which the cost of the service is  
3 not equally divided among all unit owners, may be changed by  
4 vote of a majority of the voting interests present at a  
5 regular or special meeting of the association, to allocate the  
6 cost equally among all units., and if not, such cost shall be  
7 considered common expense if it is designated as such in a  
8 written contract between the board of administration and the  
9 company providing the master television antenna system or the  
10 cable television service. The contract shall be for a term of  
11 not less than 2 years.

12           1. Any contract made by the board after the effective  
13 date hereof for a community antenna system or duly franchised  
14 cable television service may be canceled by a majority of the  
15 voting interests present at the next regular or special  
16 meeting of the association. Any member may make a motion to  
17 cancel said contract, but if no motion is made or if such  
18 motion fails to obtain the required majority at the next  
19 regular or special meeting, whichever is sooner, following the  
20 making of the contract, then such contract shall be deemed  
21 ratified for the term therein expressed.

22           2. Any such contract shall provide, and shall be  
23 deemed to provide if not expressly set forth, that any hearing  
24 impaired or legally blind unit owner who does not occupy the  
25 unit with a non-hearing-impaired ~~nonhearing-impaired~~ or  
26 sighted person may discontinue the service without incurring  
27 disconnect fees, penalties, or subsequent service charges, and  
28 as to such units, the owners shall not be required to pay any  
29 common expenses charge related to such service. If less than  
30 all members of an association share the expenses of cable  
31 television, the expense shall be shared equally by all

1 participating unit owners. The association may use the  
2 provisions of s. 718.116 to enforce payment of the shares of  
3 such costs by the unit owners receiving cable television.

4 Section 5. Subsection (2) of section 718.503, Florida  
5 Statutes, is amended to read:

6 718.503 Developer disclosure prior to sale;  
7 nondeveloper unit owner disclosure prior to sale;  
8 voidability.--

9 (2) NONDEVELOPER DISCLOSURE.--

10 (a) Each unit owner who is not a developer as defined  
11 by this chapter shall comply with the provisions of this  
12 subsection prior to the sale of his or her unit. Each  
13 prospective purchaser who has entered into a contract for the  
14 purchase of a condominium unit is entitled, at the seller's  
15 expense, to a current copy of the declaration of condominium,  
16 articles of incorporation of the association, bylaws, and  
17 rules of the association, as well as a copy of the question  
18 and answer sheet provided for by s. 718.504 and a copy of the  
19 financial information required by s. 718.111.

20 (b) If a person licensed under part I of chapter 475  
21 provides to or otherwise obtains for a prospective purchaser  
22 the documents described in this subsection, the person is not  
23 liable for any error or inaccuracy contained in the documents.

24 (c) Each contract entered into after July 1, 1992, for  
25 the resale of a residential unit shall contain in conspicuous  
26 type either:

27 1. A clause which states: THE BUYER HEREBY  
28 ACKNOWLEDGES THAT BUYER HAS BEEN PROVIDED A CURRENT COPY OF  
29 THE DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION OF  
30 THE ASSOCIATION, BYLAWS, RULES OF THE ASSOCIATION, A COPY OF  
31 THE MOST RECENT YEAR-END FINANCIAL INFORMATION AND THE



1 QUESTION AND ANSWER SHEET MORE THAN 3 DAYS, EXCLUDING  
2 SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, PRIOR TO EXECUTION OF  
3 THIS CONTRACT; or

4           2. A clause which states: THIS AGREEMENT IS VOIDABLE  
5 BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION  
6 TO CANCEL WITHIN 3 DAYS, EXCLUDING SATURDAYS, SUNDAYS, AND  
7 LEGAL HOLIDAYS, AFTER THE DATE OF EXECUTION OF THIS AGREEMENT  
8 BY THE BUYER AND RECEIPT BY BUYER OF A CURRENT COPY OF THE  
9 DECLARATION OF CONDOMINIUM, ARTICLES OF INCORPORATION, BYLAWS,  
10 AND RULES OF THE ASSOCIATION, A COPY OF THE MOST RECENT  
11 YEAR-END FINANCIAL INFORMATION AND QUESTION AND ANSWER SHEET  
12 IF SO REQUESTED IN WRITING. ANY PURPORTED WAIVER OF THESE  
13 VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND  
14 THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 3 DAYS,  
15 EXCLUDING SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS, AFTER THE  
16 BUYER RECEIVES THE DECLARATION, ARTICLES OF INCORPORATION,  
17 BYLAWS, RULES, AND QUESTION AND ANSWER SHEET IF REQUESTED IN  
18 WRITING. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE  
19 AT CLOSING.

20

21 A contract that does not conform to the requirements of this  
22 paragraph is voidable at the option of the purchaser prior to  
23 closing.

24           Section 6. Section 718.504, Florida Statutes, is  
25 amended to read:

26           718.504 Prospectus or offering circular.--Every  
27 developer of a residential condominium which contains more  
28 than 20 residential units, or which is part of a group of  
29 residential condominiums which will be served by property to  
30 be used in common by unit owners of more than 20 residential  
31 units, shall prepare a prospectus or offering circular and

1 file it with the Division of Florida Land Sales, Condominiums,  
2 and Mobile Homes prior to entering into an enforceable  
3 contract of purchase and sale of any unit or lease of a unit  
4 for more than 5 years and shall furnish a copy of the  
5 prospectus or offering circular to each buyer. In addition to  
6 the prospectus or offering circular, each buyer shall be  
7 furnished a separate page entitled "Frequently Asked Questions  
8 and Answers," which shall be in accordance with a format  
9 approved by the division and a copy of the financial  
10 information required by s. 718.111. This page shall, in  
11 readable language, inform prospective purchasers regarding  
12 their voting rights and unit use restrictions, including  
13 restrictions on the leasing of a unit; shall indicate whether  
14 and in what amount the unit owners or the association is  
15 obligated to pay rent or land use fees for recreational or  
16 other commonly used facilities; shall contain a statement  
17 identifying that amount of assessment which, pursuant to the  
18 budget, would be levied upon each unit type, exclusive of any  
19 special assessments, and which shall further identify the  
20 basis upon which assessments are levied, whether monthly,  
21 quarterly, or otherwise; shall state and identify any court  
22 cases in which the association is currently a party of record  
23 in which the association may face liability in excess of  
24 \$100,000; and which shall further state whether membership in  
25 a recreational facilities association is mandatory, and if so,  
26 shall identify the fees currently charged per unit type. The  
27 division shall by rule require such other disclosure as in its  
28 judgment will assist prospective purchasers. The prospectus or  
29 offering circular may include more than one condominium,  
30 although not all such units are being offered for sale as of  
31 the date of the prospectus or offering circular. The

1 prospectus or offering circular must contain the following  
2 information:

3 (1) The front cover or the first page must contain  
4 only:

5 (a) The name of the condominium.

6 (b) The following statements in conspicuous type:

7 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS  
8 IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM  
9 UNIT.

10 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN  
11 NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL  
12 REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND  
13 SALES MATERIALS.

14 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS  
15 CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER  
16 TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR  
17 CORRECT REPRESENTATIONS.

18 (2) Summary: The next page must contain all  
19 statements required to be in conspicuous type in the  
20 prospectus or offering circular.

21 (3) A separate index of the contents and exhibits of  
22 the prospectus.

23 (4) Beginning on the first page of the text (not  
24 including the summary and index), a description of the  
25 condominium, including, but not limited to, the following  
26 information:

27 (a) Its name and location.

28 (b) A description of the condominium property,  
29 including, without limitation:

30 1. The number of buildings, the number of units in  
31 each building, the number of bathrooms and bedrooms in each

1 unit, and the total number of units, if the condominium is not  
2 a phase condominium, or the maximum number of buildings that  
3 may be contained within the condominium, the minimum and  
4 maximum numbers of units in each building, the minimum and  
5 maximum numbers of bathrooms and bedrooms that may be  
6 contained in each unit, and the maximum number of units that  
7 may be contained within the condominium, if the condominium is  
8 a phase condominium.

9           2. The page in the condominium documents where a copy  
10 of the plot plan and survey of the condominium is located.

11           3. The estimated latest date of completion of  
12 constructing, finishing, and equipping. In lieu of a date,  
13 the description shall include a statement that the estimated  
14 date of completion of the condominium is in the purchase  
15 agreement and a reference to the article or paragraph  
16 containing that information.

17           (c) The maximum number of units that will use  
18 facilities in common with the condominium. If the maximum  
19 number of units will vary, a description of the basis for  
20 variation and the minimum amount of dollars per unit to be  
21 spent for additional recreational facilities or enlargement of  
22 such facilities. If the addition or enlargement of facilities  
23 will result in a material increase of a unit owner's  
24 maintenance expense or rental expense, if any, the maximum  
25 increase and limitations thereon shall be stated.

26           (5)(a) A statement in conspicuous type describing  
27 whether the condominium is created and being sold as fee  
28 simple interests or as leasehold interests. If the condominium  
29 is created or being sold on a leasehold, the location of the  
30 lease in the disclosure materials shall be stated.

31

1 (b) If timeshare estates are or may be created with  
2 respect to any unit in the condominium, a statement in  
3 conspicuous type stating that timeshare estates are created  
4 and being sold in units in the condominium.

5 (6) A description of the recreational and other  
6 commonly used facilities that will be used only by unit owners  
7 of the condominium, including, but not limited to, the  
8 following:

9 (a) Each room and its intended purposes, location,  
10 approximate floor area, and capacity in numbers of people.

11 (b) Each swimming pool, as to its general location,  
12 approximate size and depths, approximate deck size and  
13 capacity, and whether heated.

14 (c) Additional facilities, as to the number of each  
15 facility, its approximate location, approximate size, and  
16 approximate capacity.

17 (d) A general description of the items of personal  
18 property and the approximate number of each item of personal  
19 property that the developer is committing to furnish for each  
20 room or other facility or, in the alternative, a  
21 representation as to the minimum amount of expenditure that  
22 will be made to purchase the personal property for the  
23 facility.

24 (e) The estimated date when each room or other  
25 facility will be available for use by the unit owners.

26 (f)1. An identification of each room or other facility  
27 to be used by unit owners that will not be owned by the unit  
28 owners or the association;

29 2. A reference to the location in the disclosure  
30 materials of the lease or other agreements providing for the  
31 use of those facilities; and

1           3. A description of the terms of the lease or other  
2 agreements, including the length of the term; the rent  
3 payable, directly or indirectly, by each unit owner, and the  
4 total rent payable to the lessor, stated in monthly and annual  
5 amounts for the entire term of the lease; and a description of  
6 any option to purchase the property leased under any such  
7 lease, including the time the option may be exercised, the  
8 purchase price or how it is to be determined, the manner of  
9 payment, and whether the option may be exercised for a unit  
10 owner's share or only as to the entire leased property.

11           (g) A statement as to whether the developer may  
12 provide additional facilities not described above; their  
13 general locations and types; improvements or changes that may  
14 be made; the approximate dollar amount to be expended; and the  
15 maximum additional common expense or cost to the individual  
16 unit owners that may be charged during the first annual period  
17 of operation of the modified or added facilities.

18  
19 Descriptions as to locations, areas, capacities, numbers,  
20 volumes, or sizes may be stated as approximations or minimums.

21           (7) A description of the recreational and other  
22 facilities that will be used in common with other  
23 condominiums, community associations, or planned developments  
24 which require the payment of the maintenance and expenses of  
25 such facilities, either directly or indirectly, by the unit  
26 owners. The description shall include, but not be limited to,  
27 the following:

28           (a) Each building and facility committed to be built.

29           (b) Facilities not committed to be built except under  
30 certain conditions, and a statement of those conditions or  
31 contingencies.

1 (c) As to each facility committed to be built, or  
2 which will be committed to be built upon the happening of one  
3 of the conditions in paragraph (b), a statement of whether it  
4 will be owned by the unit owners having the use thereof or by  
5 an association or other entity which will be controlled by  
6 them, or others, and the location in the exhibits of the lease  
7 or other document providing for use of those facilities.

8 (d) The year in which each facility will be available  
9 for use by the unit owners or, in the alternative, the maximum  
10 number of unit owners in the project at the time each of all  
11 of the facilities is committed to be completed.

12 (e) A general description of the items of personal  
13 property, and the approximate number of each item of personal  
14 property, that the developer is committing to furnish for each  
15 room or other facility or, in the alternative, a  
16 representation as to the minimum amount of expenditure that  
17 will be made to purchase the personal property for the  
18 facility.

19 (f) If there are leases, a description thereof,  
20 including the length of the term, the rent payable, and a  
21 description of any option to purchase.

22  
23 Descriptions shall include location, areas, capacities,  
24 numbers, volumes, or sizes and may be stated as approximations  
25 or minimums.

26 (8) Recreation lease or associated club membership:

27 (a) If any recreational facilities or other facilities  
28 offered by the developer and available to, or to be used by,  
29 unit owners are to be leased or have club membership  
30 associated, the following statement in conspicuous type shall  
31 be included: THERE IS A RECREATIONAL FACILITIES LEASE

1 ASSOCIATED WITH THIS CONDOMINIUM; or, THERE IS A CLUB  
2 MEMBERSHIP ASSOCIATED WITH THIS CONDOMINIUM. There shall be a  
3 reference to the location in the disclosure materials where  
4 the recreation lease or club membership is described in  
5 detail.

6 (b) If it is mandatory that unit owners pay a fee,  
7 rent, dues, or other charges under a recreational facilities  
8 lease or club membership for the use of facilities, there  
9 shall be in conspicuous type the applicable statement:

10 1. MEMBERSHIP IN THE RECREATIONAL FACILITIES CLUB IS  
11 MANDATORY FOR UNIT OWNERS; or

12 2. UNIT OWNERS ARE REQUIRED, AS A CONDITION OF  
13 OWNERSHIP, TO BE LESSEES UNDER THE RECREATIONAL FACILITIES  
14 LEASE; or

15 3. UNIT OWNERS ARE REQUIRED TO PAY THEIR SHARE OF THE  
16 COSTS AND EXPENSES OF MAINTENANCE, MANAGEMENT, UPKEEP,  
17 REPLACEMENT, RENT, AND FEES UNDER THE RECREATIONAL FACILITIES  
18 LEASE (OR THE OTHER INSTRUMENTS PROVIDING THE FACILITIES); or

19 4. A similar statement of the nature of the  
20 organization or the manner in which the use rights are  
21 created, and that unit owners are required to pay.

22  
23 Immediately following the applicable statement, the location  
24 in the disclosure materials where the development is described  
25 in detail shall be stated.

26 (c) If the developer, or any other person other than  
27 the unit owners and other persons having use rights in the  
28 facilities, reserves, or is entitled to receive, any rent,  
29 fee, or other payment for the use of the facilities, then  
30 there shall be the following statement in conspicuous type:  
31 THE UNIT OWNERS OR THE ASSOCIATION(S) MUST PAY RENT OR LAND



1 USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES.  
2 Immediately following this statement, the location in the  
3 disclosure materials where the rent or land use fees are  
4 described in detail shall be stated.

5 (d) If, in any recreation format, whether leasehold,  
6 club, or other, any person other than the association has the  
7 right to a lien on the units to secure the payment of  
8 assessments, rent, or other exactions, there shall appear a  
9 statement in conspicuous type in substantially the following  
10 form:

11 1. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO  
12 SECURE THE PAYMENT OF RENT AND OTHER EXACTIONS UNDER THE  
13 RECREATION LEASE. THE UNIT OWNER'S FAILURE TO MAKE THESE  
14 PAYMENTS MAY RESULT IN FORECLOSURE OF THE LIEN; or

15 2. THERE IS A LIEN OR LIEN RIGHT AGAINST EACH UNIT TO  
16 SECURE THE PAYMENT OF ASSESSMENTS OR OTHER EXACTIONS COMING  
17 DUE FOR THE USE, MAINTENANCE, UPKEEP, OR REPAIR OF THE  
18 RECREATIONAL OR COMMONLY USED FACILITIES. THE UNIT OWNER'S  
19 FAILURE TO MAKE THESE PAYMENTS MAY RESULT IN FORECLOSURE OF  
20 THE LIEN.

21  
22 Immediately following the applicable statement, the location  
23 in the disclosure materials where the lien or lien right is  
24 described in detail shall be stated.

25 (9) If the developer or any other person has the right  
26 to increase or add to the recreational facilities at any time  
27 after the establishment of the condominium whose unit owners  
28 have use rights therein, without the consent of the unit  
29 owners or associations being required, there shall appear a  
30 statement in conspicuous type in substantially the following  
31 form: RECREATIONAL FACILITIES MAY BE EXPANDED OR ADDED

1 WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION(S).

2 Immediately following this statement, the location in the  
3 disclosure materials where such reserved rights are described  
4 shall be stated.

5 (10) A statement of whether the developer's plan  
6 includes a program of leasing units rather than selling them,  
7 or leasing units and selling them subject to such leases. If  
8 so, there shall be a description of the plan, including the  
9 number and identification of the units and the provisions and  
10 term of the proposed leases, and a statement in boldfaced type  
11 that: **THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

12 (11) The arrangements for management of the  
13 association and maintenance and operation of the condominium  
14 property and of other property that will serve the unit owners  
15 of the condominium property, and a description of the  
16 management contract and all other contracts for these purposes  
17 having a term in excess of 1 year, including the following:

18 (a) The names of contracting parties.

19 (b) The term of the contract.

20 (c) The nature of the services included.

21 (d) The compensation, stated on a monthly and annual  
22 basis, and provisions for increases in the compensation.

23 (e) A reference to the volumes and pages of the  
24 condominium documents and of the exhibits containing copies of  
25 such contracts.

26

27 Copies of all described contracts shall be attached as  
28 exhibits. If there is a contract for the management of the  
29 condominium property, then a statement in conspicuous type in  
30 substantially the following form shall appear, identifying the  
31 proposed or existing contract manager: **THERE IS (IS TO BE) A**

1 CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH  
2 (NAME OF THE CONTRACT MANAGER). Immediately following this  
3 statement, the location in the disclosure materials of the  
4 contract for management of the condominium property shall be  
5 stated.

6 (12) If the developer or any other person or persons  
7 other than the unit owners has the right to retain control of  
8 the board of administration of the association for a period of  
9 time which can exceed 1 year after the closing of the sale of  
10 a majority of the units in that condominium to persons other  
11 than successors or alternate developers, then a statement in  
12 conspicuous type in substantially the following form shall be  
13 included: THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO  
14 RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE  
15 UNITS HAVE BEEN SOLD. Immediately following this statement,  
16 the location in the disclosure materials where this right to  
17 control is described in detail shall be stated.

18 (13) If there are any restrictions upon the sale,  
19 transfer, conveyance, or leasing of a unit, then a statement  
20 in conspicuous type in substantially the following form shall  
21 be included: THE SALE, LEASE, OR TRANSFER OF UNITS IS  
22 RESTRICTED OR CONTROLLED. Immediately following this  
23 statement, the location in the disclosure materials where the  
24 restriction, limitation, or control on the sale, lease, or  
25 transfer of units is described in detail shall be stated.

26 (14) If the condominium is part of a phase project,  
27 the following information shall be stated:

28 (a) A statement in conspicuous type in substantially  
29 the following form: THIS IS A PHASE CONDOMINIUM. ADDITIONAL  
30 LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM. Immediately  
31

1 following this statement, the location in the disclosure  
2 materials where the phasing is described shall be stated.

3 (b) A summary of the provisions of the declaration  
4 which provide for the phasing.

5 (c) A statement as to whether or not residential  
6 buildings and units which are added to the condominium may be  
7 substantially different from the residential buildings and  
8 units originally in the condominium. If the added residential  
9 buildings and units may be substantially different, there  
10 shall be a general description of the extent to which such  
11 added residential buildings and units may differ, and a  
12 statement in conspicuous type in substantially the following  
13 form shall be included: BUILDINGS AND UNITS WHICH ARE ADDED TO  
14 THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER  
15 BUILDINGS AND UNITS IN THE CONDOMINIUM. Immediately following  
16 this statement, the location in the disclosure materials where  
17 the extent to which added residential buildings and units may  
18 substantially differ is described shall be stated.

19 (d) A statement of the maximum number of buildings  
20 containing units, the maximum and minimum numbers of units in  
21 each building, the maximum number of units, and the minimum  
22 and maximum square footage of the units that may be contained  
23 within each parcel of land which may be added to the  
24 condominium.

25 (15) If the condominium is created by conversion of  
26 existing improvements, the following information shall be  
27 stated:

28 (a) The information required by s. 718.616.

29 (b) A caveat that there are no express warranties  
30 unless they are stated in writing by the developer.

31

1           (16) A summary of the restrictions, if any, to be  
2 imposed on units concerning the use of any of the condominium  
3 property, including statements as to whether there are  
4 restrictions upon children and pets, and reference to the  
5 volumes and pages of the condominium documents where such  
6 restrictions are found, or if such restrictions are contained  
7 elsewhere, then a copy of the documents containing the  
8 restrictions shall be attached as an exhibit.

9           (17) If there is any land that is offered by the  
10 developer for use by the unit owners and that is neither owned  
11 by them nor leased to them, the association, or any entity  
12 controlled by unit owners and other persons having the use  
13 rights to such land, a statement shall be made as to how such  
14 land will serve the condominium. If any part of such land  
15 will serve the condominium, the statement shall describe the  
16 land and the nature and term of service, and the declaration  
17 or other instrument creating such servitude shall be included  
18 as an exhibit.

19           (18) The manner in which utility and other services,  
20 including, but not limited to, sewage and waste disposal,  
21 water supply, and storm drainage, will be provided and the  
22 person or entity furnishing them.

23           (19) An explanation of the manner in which the  
24 apportionment of common expenses and ownership of the common  
25 elements has been determined.

26           (20) An estimated operating budget for the condominium  
27 and the association, and a schedule of the unit owner's  
28 expenses shall be attached as an exhibit and shall contain the  
29 following information:  
30  
31

1 (a) The estimated monthly and annual expenses of the  
2 condominium and the association that are collected from unit  
3 owners by assessments.

4 (b) The estimated monthly and annual expenses of each  
5 unit owner for a unit, other than common expenses paid by all  
6 unit owners, payable by the unit owner to persons or entities  
7 other than the association, as well as to the association,  
8 including fees assessed pursuant to s. 718.113(1) for  
9 maintenance of limited common elements where such costs are  
10 shared only by those entitled to use the limited common  
11 element, and the total estimated monthly and annual expense.  
12 There may be excluded from this estimate expenses which are  
13 not provided for or contemplated by the condominium documents,  
14 including, but not limited to, the costs of private telephone;  
15 maintenance of the interior of condominium units, which is not  
16 the obligation of the association; maid or janitorial services  
17 privately contracted for by the unit owners; utility bills  
18 billed directly to each unit owner for utility services to his  
19 or her unit; insurance premiums other than those incurred for  
20 policies obtained by the condominium; and similar personal  
21 expenses of the unit owner. A unit owner's estimated payments  
22 for assessments shall also be stated in the estimated amounts  
23 for the times when they will be due.

24 (c) The estimated items of expenses of the condominium  
25 and the association, except as excluded under paragraph (b),  
26 including, but not limited to, the following items, which  
27 shall be stated either as an association expense collectible  
28 by assessments or as unit owners' expenses payable to persons  
29 other than the association:

- 30 1. Expenses for the association and condominium:  
31 a. Administration of the association.

- 1           b. Management fees.
- 2           c. Maintenance.
- 3           d. Rent for recreational and other commonly used
- 4 facilities.
- 5           e. Taxes upon association property.
- 6           f. Taxes upon leased areas.
- 7           g. Insurance.
- 8           h. Security provisions.
- 9           i. Other expenses.
- 10          j. Operating capital.
- 11          k. Reserves.
- 12          l. Fees payable to the division.
- 13          2. Expenses for a unit owner:
- 14           a. Rent for the unit, if subject to a lease.
- 15           b. Rent payable by the unit owner directly to the
- 16 lessor or agent under any recreational lease or lease for the
- 17 use of commonly used facilities, which use and payment is a
- 18 mandatory condition of ownership and is not included in the
- 19 common expense or assessments for common maintenance paid by
- 20 the unit owners to the association.
- 21          (d) The estimated amounts shall be stated for a period
- 22 of at least 12 months and may distinguish between the period
- 23 prior to the time unit owners other than the developer elect a
- 24 majority of the board of administration and the period after
- 25 that date.
- 26          (21) A schedule of estimated closing expenses to be
- 27 paid by a buyer or lessee of a unit and a statement of whether
- 28 title opinion or title insurance policy is available to the
- 29 buyer and, if so, at whose expense.
- 30          (22) The identity of the developer and the chief
- 31 operating officer or principal directing the creation and sale

1 of the condominium and a statement of its and his or her  
2 experience in this field.

3 (23) Copies of the following, to the extent they are  
4 applicable, shall be included as exhibits:

5 (a) The declaration of condominium, or the proposed  
6 declaration if the declaration has not been recorded.

7 (b) The articles of incorporation creating the  
8 association.

9 (c) The bylaws of the association.

10 (d) The ground lease or other underlying lease of the  
11 condominium.

12 (e) The management agreement and all maintenance and  
13 other contracts for management of the association and  
14 operation of the condominium and facilities used by the unit  
15 owners having a service term in excess of 1 year.

16 (f) The estimated operating budget for the condominium  
17 and the required schedule of unit owners' expenses.

18 (g) A copy of the floor plan of the unit and the plot  
19 plan showing the location of the residential buildings and the  
20 recreation and other common areas.

21 (h) The lease of recreational and other facilities  
22 that will be used only by unit owners of the subject  
23 condominium.

24 (i) The lease of facilities used by owners and others.

25 (j) The form of unit lease, if the offer is of a  
26 leasehold.

27 (k) A declaration of servitude of properties serving  
28 the condominium but not owned by unit owners or leased to them  
29 or the association.

30

31



1           (1) The statement of condition of the existing  
2 building or buildings, if the offering is of units in an  
3 operation being converted to condominium ownership.

4           (m) The statement of inspection for termite damage and  
5 treatment of the existing improvements, if the condominium is  
6 a conversion.

7           (n) The form of agreement for sale or lease of units.

8           (o) A copy of the agreement for escrow of payments  
9 made to the developer prior to closing.

10          (p) A copy of the documents containing any  
11 restrictions on use of the property required by subsection  
12 (16).

13          (24) Any prospectus or offering circular complying,  
14 prior to the effective date of this act, with the provisions  
15 of former ss. 711.69 and 711.802 may continue to be used  
16 without amendment or may be amended to comply with the  
17 provisions of this chapter.

18          (25) A brief narrative description of the location and  
19 effect of all existing and intended easements located or to be  
20 located on the condominium property other than those described  
21 in the declaration.

22          (26) If the developer is required by state or local  
23 authorities to obtain acceptance or approval of any dock or  
24 marina facilities intended to serve the condominium, a copy of  
25 any such acceptance or approval acquired by the time of filing  
26 with the division under s. 718.502(1) or a statement that such  
27 acceptance or approval has not been acquired or received.

28          (27) Evidence demonstrating that the developer has an  
29 ownership, leasehold, or contractual interest in the land upon  
30 which the condominium is to be developed.

31

1           Section 7. Paragraph (a) of subsection (9) of section  
2 718.116, Florida Statutes, is amended to read:

3           718.116 Assessments; liability; lien and priority;  
4 interest; collection.--

5           (9)(a) No unit owner may be excused from the payment  
6 of his or her share of the common expense of a condominium  
7 unless all unit owners are likewise proportionately excused  
8 from payment, except as provided in subsection (1) and in the  
9 following cases:

10           1. If the declaration so provides, a developer or  
11 other person who owns condominium units offered for sale may  
12 be excused from the payment of the share of the common  
13 expenses and assessments related to those units for a stated  
14 period of time subsequent to the recording of the declaration  
15 of condominium. The period must terminate no later than the  
16 first day of the fourth calendar month following the month in  
17 which the closing of the purchase and sale of the first  
18 condominium unit occurs. However, the developer must pay  
19 those ~~the portion of~~ common expenses incurred during that  
20 period which exceed the amount assessed against other unit  
21 owners. Notwithstanding this limitation, if a  
22 developer-controlled association has maintained all insurance  
23 coverages required by s. 718.111(11)(a), the common expenses  
24 incurred during the foregoing period resulting from a natural  
25 disaster or an act of God, which are not covered by insurance  
26 proceeds from the insurance maintained by the association, may  
27 be assigned against all unit owners owning units on the date  
28 of such natural disaster or act of God, and their successors  
29 and assigns, including the developer with respect to units  
30 owned by the developer. In the event of such an assessment,  
31

1 all units shall be assessed in accordance with their ownership  
2 interest in the common elements as required by s. 718.115(2).  
3         2. A developer or other person who owns condominium  
4 units or who has an obligation to pay condominium expenses may  
5 be excused from the payment of his or her share of the common  
6 expense which would have been assessed against those units  
7 during the period of time that he or she has guaranteed to  
8 each purchaser in the purchase contract, declaration, or  
9 prospectus, or by agreement between the developer and a  
10 majority of the unit owners other than the developer, that the  
11 assessment for common expenses of the condominium imposed upon  
12 the unit owners would not increase over a stated dollar amount  
13 and has obligated himself or herself to pay any amount of  
14 common expenses incurred during that period and not produced  
15 by the assessments at the guaranteed level receivable from  
16 other unit owners. Notwithstanding this limitation, if a  
17 developer-controlled association has maintained all insurance  
18 coverages required by s. 718.111(11)(a), the common expenses  
19 incurred during the guarantee period resulting from a natural  
20 disaster or an act of God, which are not covered by insurance  
21 proceeds from the insurance maintained by the association, may  
22 be assessed against all unit owners owning units on the date  
23 of such natural disaster or act of God, and their successors  
24 and assigns, including the developer with respect to units  
25 owned by the developer. In the event of such an assessment,  
26 all units shall be assessed in accordance with their ownership  
27 interest in the common elements as required by s. 718.115(2).  
28 The guarantee may provide that after an initial stated period,  
29 the developer has an option or options to extend the guarantee  
30 for one or more additional stated periods.  
31

1           Section 8. Section 719.103, Florida Statutes, is  
2 amended to read:

3           719.103 Definitions.--As used in this chapter:

4           (1) "Assessment" means a share of the funds required  
5 for the payment of common expenses, which from time to time is  
6 assessed against the unit owner.

7           (2) "Association" means the corporation for profit or  
8 not for profit that owns the record interest in the  
9 cooperative property or a leasehold of the property of a  
10 cooperative and that is responsible for the operation of the  
11 cooperative.

12           (3) "Board of administration" means the board of  
13 directors or other representative body responsible for  
14 administration of the association.

15           (4) "Buyer" means a person who purchases a  
16 cooperative. The term "purchaser" may be used interchangeably  
17 with the term "buyer."

18           ~~(5)~~(4) "Bylaws" means the bylaws of the association  
19 existing from time to time.

20           ~~(6)~~(5) "Committee" means a group of board members,  
21 unit owners, or board members and unit owners appointed by the  
22 board or a member of the board to make recommendations to the  
23 board regarding the association budget or take action on  
24 behalf of the board.

25           ~~(7)~~(6) "Common areas" means the portions of the  
26 cooperative property not included in the units.

27           (8) "Common areas" includes within its meaning the  
28 following:

29           (a) The cooperative property which is not included  
30 within the units.

31

1           (b) Easements through units for conduits, ducts,  
2 plumbing, wiring, and other facilities for the furnishing of  
3 utility services to units and the common areas.

4           (c) An easement of support in every portion of a unit  
5 which contributes to the support of a building.

6           (d) The property and installations required for the  
7 furnishing of utilities and other services to more than one  
8 unit or to the common areas.

9           (e) Any other part of the cooperative property  
10 designated in the cooperative documents as common areas.

11           (9)(7) "Common expenses" means all expenses and  
12 assessments properly incurred by the association for the  
13 cooperative.

14           (10)(8) "Common surplus" means the excess of all  
15 receipts of the association--including, but not limited to,  
16 assessments, rents, profits, and revenues on account of the  
17 common areas--over the amount of common expenses.

18           (11) "Conspicuous type" means type in capital letters  
19 no smaller than the largest type on the page on which it  
20 appears.

21           (12)(9) "Cooperative" means that form of ownership of  
22 real property wherein legal title is vested in a corporation  
23 or other entity and the beneficial use is evidenced by an  
24 ownership interest in the association and a lease or other  
25 muniment of title or possession granted by the association as  
26 the owner of all the cooperative property.

27           (13)(10) "Cooperative documents" means:

28           (a) The documents that create a cooperative,  
29 including, but not limited to, articles of incorporation of  
30 the association, bylaws, and the ground lease or other  
31 underlying lease, if any.

1           (b) The document evidencing a unit owner's membership  
2 or share in the association.

3           (c) The document recognizing a unit owner's title or  
4 right of possession to his or her unit.

5           ~~(14)(11)~~ "Cooperative parcel" means the shares or  
6 other evidence of ownership in a cooperative representing an  
7 undivided share in the assets of the association, together  
8 with the lease or other muniment of title or possession.

9           ~~(15)(12)~~ "Cooperative property" means the lands,  
10 leaseholds, and personal property owned by a cooperative  
11 association.

12           ~~(16)(13)~~ "Developer" means a person who creates a  
13 cooperative or who offers cooperative parcels for sale or  
14 lease in the ordinary course of business, but does not include  
15 the owner or lessee of a unit who has acquired or leased the  
16 unit for his or her own occupancy, nor does it include a  
17 condominium association which creates a cooperative by  
18 conversion of an existing residential condominium after  
19 control of the association has been transferred to the unit  
20 owners if, following the conversion, the unit owners will be  
21 the same persons.

22           (17) "Division" means the Division of Florida Land  
23 Sales, Condominiums and Mobile Homes of the Department of  
24 Business and Professional Regulation.

25           (18) "Limited common areas" means those common areas  
26 which are reserved for the use of a certain cooperative unit  
27 or units to the exclusion of other units, as specified in the  
28 cooperative documents.

29           ~~(19)(14)~~ "Operation" or "operation of the cooperative"  
30 includes the administration and management of the cooperative  
31 property.

1           (20) "Rental agreement" means any written agreement,  
2 or oral agreement if for less duration than 1 year, providing  
3 for use and occupancy of premises.

4           (21) "Residential cooperative" means a cooperative  
5 consisting of cooperative units, any of which are intended for  
6 use as a private residence. A cooperative is not a residential  
7 cooperative if the use of the units is intended as primarily  
8 commercial or industrial and not more than three units are  
9 intended to be used for private residence, domicile, or  
10 homestead, or if the units are intended to be used as housing  
11 for maintenance, managerial, janitorial, or other operational  
12 staff of the cooperative. If a cooperative is a residential  
13 cooperative under this definition, but has units intended to  
14 be commercial or industrial, then the cooperative is a  
15 residential cooperative with respect to those units intended  
16 for use as a private residence, domicile, or homestead, but  
17 not a residential cooperative with respect to those units  
18 intended for use commercially or industrially.

19           ~~(22)(15)~~ "Unit" means a part of the cooperative  
20 property which is subject to exclusive use and possession. A  
21 unit may be improvements, land, or land and improvements  
22 together, as specified in the cooperative documents.

23           ~~(23)(16)~~ "Unit owner" or "owner of a unit" means the  
24 person holding a share in the cooperative association and a  
25 lease or other muniment of title or possession of a unit that  
26 is granted by the association as the owner of the cooperative  
27 property.

28           ~~(17) "Residential cooperative" means a cooperative~~  
29 ~~consisting of cooperative units, any of which are intended for~~  
30 ~~use as a private residence. A cooperative is not a~~  
31 ~~residential cooperative if the use of the units is intended as~~

1 ~~primarily commercial or industrial and not more than three~~  
2 ~~units are intended to be used for private residence, domicile,~~  
3 ~~or homestead, or if the units are intended to be used as~~  
4 ~~housing for maintenance, managerial, janitorial, or other~~  
5 ~~operational staff of the cooperative. If a cooperative is a~~  
6 ~~residential cooperative under this definition, but has units~~  
7 ~~intended to be commercial or industrial, then the cooperative~~  
8 ~~is a residential cooperative with respect to those units~~  
9 ~~intended for use as a private residence, domicile, or~~  
10 ~~homestead, but not a residential cooperative with respect to~~  
11 ~~those units intended for use commercially or industrially.~~

12 ~~(18) "Rental agreement" means any written agreement,~~  
13 ~~or oral agreement if for less duration than 1 year, providing~~  
14 ~~for use and occupancy of premises.~~

15 ~~(19) "Conspicuous type" means type in capital letters~~  
16 ~~no smaller than the largest type on the page on which it~~  
17 ~~appears.~~

18 ~~(20) "Limited common areas" means those common areas~~  
19 ~~which are reserved for the use of a certain cooperative unit~~  
20 ~~or units to the exclusion of other units, as specified in the~~  
21 ~~cooperative documents.~~

22 ~~(21) "Common areas" includes within its meaning the~~  
23 ~~following:~~

24 ~~(a) The cooperative property which is not included~~  
25 ~~within the units.~~

26 ~~(b) Easements through units for conduits, ducts,~~  
27 ~~plumbing, wiring, and other facilities for the furnishing of~~  
28 ~~utility services to units and the common areas.~~

29 ~~(c) An easement of support in every portion of a unit~~  
30 ~~which contributes to the support of a building.~~

31



1           ~~(d) The property and installations required for the~~  
2 ~~furnishing of utilities and other services to more than one~~  
3 ~~unit or to the common areas.~~

4           ~~(e) Any other part of the cooperative property~~  
5 ~~designated in the cooperative documents as common areas.~~

6           Section 9. Section 719.1035, Florida Statutes, is  
7 amended to read:

8           719.1035 Creation of cooperatives.--The date when  
9 cooperative existence shall commence is upon commencement of  
10 corporate existence of the cooperative association as provided  
11 in s. 607.0203. The cooperative documents must be recorded in  
12 the county in which the cooperative is located before property  
13 may be conveyed or transferred to the cooperative. All  
14 persons who have any record interest in any mortgage  
15 encumbering the interest in the land being submitted to  
16 cooperative ownership must either join in the execution of the  
17 cooperative documents or execute, with the requirements for  
18 deed, and record, a consent to the cooperative documents or an  
19 agreement subordinating their mortgage interest to the  
20 cooperative documents. Upon creation of a cooperative, the  
21 developer or association shall file the recording information  
22 with the division within 30 working days on a form prescribed  
23 by the division.

24           Section 10. Subsection (10) is added to section  
25 719.104, Florida Statutes, to read:

26           719.104 Cooperatives; access to units; records;  
27 financial reports; assessments; purchase of leases.--

28           (10) NOTIFICATION OF DIVISION.--When the board of  
29 directors intends to dissolve or merge the cooperative  
30 association, the board shall so notify the division before  
31

1 taking any action to dissolve or merge the cooperative  
2 association.

3 Section 11. Paragraphs (b) and (c) of subsection (1)  
4 of section 719.106, Florida Statutes, are amended to read:

5 719.106 Bylaws; cooperative ownership.--

6 (1) MANDATORY PROVISIONS.--The bylaws or other  
7 cooperative documents shall provide for the following, and if  
8 they do not, they shall be deemed to include the following:

9 (b) Quorum; voting requirements; proxies.--

10 1. Unless otherwise provided in the bylaws, the  
11 percentage of voting interests required to constitute a quorum  
12 at a meeting of the members shall be a majority of voting  
13 interests, and decisions shall be made by owners of a majority  
14 of the voting interests. Unless otherwise provided in this  
15 chapter, or in the articles of incorporation, bylaws, or other  
16 cooperative documents, and except as provided in subparagraph  
17 (d)1., decisions shall be made by owners of a majority of the  
18 voting interests represented at a meeting at which a quorum is  
19 present.

20 2. Except as specifically otherwise provided herein,  
21 after January 1, 1992, unit owners may not vote by general  
22 proxy, but may vote by limited proxies substantially  
23 conforming to a limited proxy form adopted by the division.  
24 Limited proxies and general proxies may be used to establish a  
25 quorum. Limited proxies shall be used for votes taken to  
26 waive or reduce reserves in accordance with subparagraph  
27 (j)2., for votes taken to amend the articles of incorporation  
28 or bylaws pursuant to this section, and for any other matter  
29 for which this chapter requires or permits a vote of the unit  
30 owners. Except as provided in paragraph (d), after January 1,  
31 1992, no proxy, limited or general, shall be used in the

1 election of board members. General proxies may be used for  
2 other matters for which limited proxies are not required, and  
3 may also be used in voting for nonsubstantive changes to items  
4 for which a limited proxy is required and given.

5 Notwithstanding the provisions of this section, unit owners  
6 may vote in person at unit owner meetings. Nothing contained  
7 herein shall limit the use of general proxies or require the  
8 use of limited proxies or require the use of limited proxies  
9 for any agenda item or election at any meeting of a timeshare  
10 cooperative.

11         3. Any proxy given shall be effective only for the  
12 specific meeting for which originally given and any lawfully  
13 adjourned meetings thereof. In no event shall any proxy be  
14 valid for a period longer than 90 days after the date of the  
15 first meeting for which it was given. Every proxy shall be  
16 revocable at any time at the pleasure of the unit owner  
17 executing it.

18         4. A member of the board of administration or a  
19 committee may submit in writing his or her agreement or  
20 disagreement with any action taken at a meeting that the  
21 member did not attend. This agreement or disagreement may not  
22 be used as a vote for or against the action taken and may not  
23 be used for the purposes of creating a quorum.

24         5. When some or all of the board or committee members  
25 meet by telephone conference, those board or committee members  
26 attending by telephone conference may be counted toward  
27 obtaining a quorum and may vote by telephone. A telephone  
28 speaker shall be utilized so that the conversation of those  
29 board or committee members attending by telephone may be heard  
30 by the board or committee members attending in person, as well  
31 as by unit owners present at a meeting.

1           (c) Board of administration meetings.--Meetings of the  
2 board of administration at which a quorum of the members is  
3 present shall be open to all unit owners. Any unit owner may  
4 tape record or videotape meetings of the board of  
5 administration. The right to attend such meetings includes  
6 the right to speak at such meetings with reference to all  
7 designated agenda items. The division shall adopt reasonable  
8 rules governing the tape recording and videotaping of the  
9 meeting. The association may adopt reasonable written rules  
10 governing the frequency, duration, and manner of unit owner  
11 statements. Adequate notice of all meetings shall be posted in  
12 a conspicuous place upon the cooperative property at least 48  
13 continuous hours preceding the meeting, except in an  
14 emergency. Any item not included on the notice may be taken  
15 up on an emergency basis by at least a majority plus one of  
16 the members of the board. Such emergency action shall be  
17 noticed and ratified at the next regular meeting of the board.  
18 However, written notice of any meeting at which nonemergency  
19 special assessments, or at which amendment to rules regarding  
20 unit use, will be considered shall be mailed or delivered to  
21 the unit owners and posted conspicuously on the cooperative  
22 property not less than 14 days prior to the meeting. Evidence  
23 of compliance with this 14-day notice shall be made by an  
24 affidavit executed by the person providing the notice and  
25 filed among the official records of the association. Upon  
26 notice to the unit owners, the board shall by duly adopted  
27 rule designate a specific location on the cooperative property  
28 upon which all notices of board meetings shall be posted.  
29 Notice of any meeting in which regular assessments against  
30 unit owners are to be considered for any reason shall  
31 specifically contain a statement that assessments will be

1 considered and the nature of any such assessments. Meetings of  
2 a committee to take final action on behalf of the board or to  
3 make recommendations to the board regarding the association  
4 budget are subject to the provisions of this paragraph.  
5 Meetings of a committee that does not take final action on  
6 behalf of the board or make recommendations to the board  
7 regarding the association budget are subject to the provisions  
8 of this section, unless those meetings are exempted from this  
9 section by the bylaws of the association. Notwithstanding any  
10 other law to the contrary, the requirement that board meetings  
11 and committee meetings be open to the unit owners is  
12 inapplicable to meetings between the board or a committee and  
13 the association's attorney, with respect to proposed or  
14 pending litigation, when the meeting is held for the purpose  
15 of seeking or rendering legal advice.

16 Section 12. Subsection (6) is added to section  
17 719.301, Florida Statutes, to read:

18 719.301 Transfer of association control.--

19 (6) The division may adopt rules administering the  
20 provisions of this section.

21 Section 13. Subsection (7) is added to section  
22 719.403, Florida Statutes, to read:

23 719.403 Phase cooperatives.--

24 (7) Upon recording the cooperative documents or  
25 amendments adding phases pursuant to this section, the  
26 developer or association shall file the recording information  
27 with the division within 30 working days on a form prescribed  
28 by the division.

29 Section 14. Subsection (1) of section 719.502, Florida  
30 Statutes, is amended to read:

31 719.502 Filing prior to sale or lease.--

1           (1)(a) A developer of a residential cooperative shall  
2 file with the division one copy of each of the documents and  
3 items required to be furnished to a buyer or lessee by ss.  
4 719.503 and 719.504, if applicable. Until the developer has  
5 so filed, a contract for sale or lease of a unit for more than  
6 5 years shall be voidable by the purchaser or lessee prior to  
7 the closing of his or her purchase or lease of a unit. A  
8 developer shall not close on any contract for sale or contract  
9 for a lease period of more than 5 years until the developer  
10 prepares and files with the division documents complying with  
11 the requirements of this chapter and the rules promulgated by  
12 the division and until the division notifies the developer  
13 that the filing is proper. A developer shall not close on any  
14 contract for sale or contract for a lease period of more than  
15 5 years, as further provided in s. 719.503(1)(b), until the  
16 developer prepares and delivers all documents required by s.  
17 719.503(1)(b) to the prospective buyer.

18           (b) The division may by rule develop filing, review,  
19 and examination requirements and the relevant timetables  
20 necessary to ensure compliance with the notice and disclosure  
21 requirements of this section.

22           Section 15. Paragraph (b) of subsection (1) of section  
23 719.503, Florida Statutes, is amended to read:

24           719.503 Disclosure prior to sale.--

25           (1) DEVELOPER DISCLOSURE.--

26           (b) Copies of documents to be furnished to prospective  
27 buyer or lessee.--Until such time as the developer has  
28 furnished the documents listed below to a person who has  
29 entered into a contract to purchase a unit or lease it for  
30 more than 5 years, the contract may be voided by that person,  
31 entitling the person to a refund of any deposit together with

1 interest thereon as provided in s. 719.202. The contract may  
2 be terminated by written notice from the proposed buyer or  
3 lessee delivered to the developer within 15 days after the  
4 buyer or lessee receives all of the documents required by this  
5 section. The developer shall not close for 15 days following  
6 the execution of the agreement and delivery of the documents  
7 to the buyer as evidenced by a receipt for documents signed by  
8 the buyer unless the buyer is informed in the 15-day  
9 voidability period and agrees to close prior to the expiration  
10 of the 15 days. The developer shall retain in his or her  
11 records a separate signed agreement as proof of the buyer's  
12 agreement to close prior to the expiration of said voidability  
13 period. Said proof shall be retained for a period of 5 years  
14 after the date of the closing transaction.The documents to be  
15 delivered to the prospective buyer are the prospectus or  
16 disclosure statement with all exhibits, if the development is  
17 subject to the provisions of s. 719.504, or, if not, then  
18 copies of the following which are applicable:

- 19 1. The question and answer sheet described in s.  
20 719.504, and cooperative documents, or the proposed  
21 cooperative documents if the documents have not been recorded,  
22 which shall include the certificate of a surveyor  
23 approximately representing the locations required by s.  
24 719.104.
- 25 2. The documents creating the association.
- 26 3. The bylaws.
- 27 4. The ground lease or other underlying lease of the  
28 cooperative.
- 29 5. The management contract, maintenance contract, and  
30 other contracts for management of the association and  
31 operation of the cooperative and facilities used by the unit

1 owners having a service term in excess of 1 year, and any  
2 management contracts that are renewable.

3           6. The estimated operating budget for the cooperative  
4 and a schedule of expenses for each type of unit, including  
5 fees assessed to a shareholder who has exclusive use of  
6 limited common areas, where such costs are shared only by  
7 those entitled to use such limited common areas.

8           7. The lease of recreational and other facilities that  
9 will be used only by unit owners of the subject cooperative.

10           8. The lease of recreational and other common areas  
11 that will be used by unit owners in common with unit owners of  
12 other cooperatives.

13           9. The form of unit lease if the offer is of a  
14 leasehold.

15           10. Any declaration of servitude of properties serving  
16 the cooperative but not owned by unit owners or leased to them  
17 or the association.

18           11. If the development is to be built in phases or if  
19 the association is to manage more than one cooperative, a  
20 description of the plan of phase development or the  
21 arrangements for the association to manage two or more  
22 cooperatives.

23           12. If the cooperative is a conversion of existing  
24 improvements, the statements and disclosure required by s.  
25 719.616.

26           13. The form of agreement for sale or lease of units.

27           14. A copy of the floor plan of the unit and the plot  
28 plan showing the location of the residential buildings and the  
29 recreation and other common areas.

30  
31



1           15. A copy of all covenants and restrictions which  
2 will affect the use of the property and which are not  
3 contained in the foregoing.

4           16. If the developer is required by state or local  
5 authorities to obtain acceptance or approval of any dock or  
6 marina facilities intended to serve the cooperative, a copy of  
7 any such acceptance or approval acquired by the time of filing  
8 with the division pursuant to s. 719.502(1) or a statement  
9 that such acceptance or approval has not been acquired or  
10 received.

11           17. Evidence demonstrating that the developer has an  
12 ownership, leasehold, or contractual interest in the land upon  
13 which the cooperative is to be developed.

14           Section 16. Section 719.621, Florida Statutes, is  
15 created to read:

16           719.621 Rulemaking authority.--The division may adopt  
17 rules to administer and ensure compliance with a developer's  
18 obligations with respect to cooperative conversions concerning  
19 the filing and noticing of intended conversions, rental  
20 agreement extensions, rights of first refusal, and disclosures  
21 and post-purchase protections.

22           Section 17. Subsection (28) of section 721.05, Florida  
23 Statutes, is amended to read:

24           721.05 Definitions.--As used in this chapter, the  
25 term:

26           (28) "Timeshare estate" means a right to occupy a  
27 timeshare unit, coupled with a freehold estate or an estate  
28 for years with a future interest in a timeshare property or a  
29 specified portion thereof. The term shall also mean an  
30 interest in a condominium unit pursuant to s. 718.103 ~~s.~~  
31 ~~718.103(22)~~.

1           Section 18. Subsection (1) of section 721.97, Florida  
2 Statutes, as created by CS for CS for SB 626 (1998) is amended  
3 to read:

4           (1) The Governor may appoint commissioners of deeds to  
5 take acknowledgments, proofs of execution, or oaths in any  
6 foreign country. The term of office is 4 years. Commissioners  
7 of deeds shall have authority to take acknowledgments, proofs  
8 of execution, and oaths in connection with the execution of  
9 any deed, mortgage, deed of trust, contract, power of  
10 attorney, or any other writing to be used or recorded in  
11 connection with a timeshare estate, timeshare license, any  
12 property subject to a timeshare plan, or the operation of a  
13 timeshare plan located within this state; provided such  
14 instrument or writing is executed outside the United States.  
15 Such acknowledgments, proofs of execution, and oaths must be  
16 taken or made in the manner directed by the laws of this  
17 state, including but not limited to s. 117.05(4), (5)(a) and  
18 (6), Florida Statutes (1997) and certified by a commissioner  
19 of deeds. The certification must be endorsed on or annexed to  
20 the instrument or writing aforesaid and has the same effect as  
21 if made or taken by a notary public licensed in this state.

22           Section 19. The amendment to section 721.97(1),  
23 Florida Statutes, made by section 18 of this act shall take  
24 effect only if CS for HB 1125 (1998) becomes law, and shall  
25 operate retroactively to the effective date of CS for CS for  
26 SB 626 (1998).

27           Section 20. This act shall take effect upon becoming a  
28 law.

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