HB 0861, Engrossed 1

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A bill to be entitled

2003

2 An act relating to homeowners' associations; amending s. 3 712.05, F.S.; providing that a recorded notice to preserve 4 a claim of right or covenant or restriction, or a part 5 thereof, may be filed by a homeowners' association upon 6 approval by two-thirds of that association's board of 7 directors; amending s. 712.06, F.S.; providing that 8 content requirements of a recorded notice to preserve a 9 claim of right may be satisfied by a homeowners' 10 association's affidavit affirming the delivery of a 11 statement to its members; providing a form of said 12 statement of marketable title action; providing that 13 recorded notice of a claim of right is deemed sufficient 14 description of property if it cites official records 15 describing said property by book and page; amending s. 16 720.303, F.S.; providing powers for associations 17 controlled by unit owners other than the developer; 18 providing a limitation on the ability to initiate certain 19 litigation; amending s. 720.306, F.S.; prohibiting certain 20 amendments to bylaws of the associations; providing for a 21 limitation on the applicability of certain provisions of 22 the act; providing an effective date. 23 24 Be It Enacted by the Legislature of the State of Florida: 25 26 Section 1. Subsection (1) of section 712.05, Florida

27 Statutes, is amended to read:

28 712.05. Effect of filing notice.--

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29 Any person claiming an interest in land or a (1)30 homeowners' association desiring to preserve any covenant or 31 restriction may preserve and protect the same from 32 extinguishment by the operation of this act by filing for 33 record, during the 30-year period immediately following the 34 effective date of the root of title, a notice, in writing, in 35 accordance with the provisions hereof, which notice shall have the effect of so preserving such claim of right or such covenant 36 37 or restriction or portion of such covenant or restriction for a 38 period of not longer than 30 years after filing the same unless 39 again filed as required herein. No disability or lack of 40 knowledge of any kind on the part of anyone shall delay the 41 commencement of or suspend the running of said 30-year period. 42 Such notice may be filed for record by the claimant or by any 43 other person acting on behalf of any claimant who is: 44 (a) Under a disability, 45 (b) Unable to assert a claim on his or her behalf, or 46 One of a class, but whose identity cannot be (C) 47 established or is uncertain at the time of filing such notice of 48 claim for record. 49 50 Such notice may be filed by a homeowners' association only if 51 the preservation of such covenant or restriction or portion of 52 such covenant or restriction is approved by at least two-thirds 53 of the members of the board of directors of an incorporated homeowners' association at a meeting for which a notice, stating 54 55 the meeting's time and place and containing the statement of 56 marketable title action described in s. 712.06(1)(b), was mailed

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57	or hand delivered to members of the homeowners' association not
58	less than 7 days prior to such meeting a majority vote at a
59	meeting of the membership where a quorum is present.
60	Section 2. Paragraphs (b) and (e) of subsection (1) of
61	section 712.06, Florida Statutes, are amended to read:
62	712.06 Contents of notice; recording and indexing
63	(1) To be effective, the notice $\frac{1}{1}$ above referred to $\frac{1}{1}$ s.
64	712.05 shall contain:
65	(b) The name and post office address of an owner, or the
66	name and post office address of the person in whose name said
67	property is assessed on the last completed tax assessment roll
68	of the county at the time of filing, who, for purpose of such
69	notice, shall be deemed to be an owner; provided, however, if a
70	homeowners' association is filing the notice, then the
71	requirements of this paragraph may be satisfied by attaching to
72	and recording with the notice an affidavit executed by the
73	appropriate member of the board of directors of the homeowners'
74	association affirming that the board of directors of the
75	homeowners' association caused a statement in substantially the
76	following form to be mailed or hand delivered to the members of
77	that homeowners' association:
78	
79	STATEMENT OF MARKETABLE TITLE ACTION
80	The [name of homeowners' association] (the "Association")
81	has taken action to ensure that the [name of declaration,
82	covenant, or restriction], recorded in Official Records Book
83	, Page, of the public records of County,
84	Florida, as may be amended from time to time, currently

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85 burdening the property of each and every member of the 86 Association, retains its status as the source of marketable 87 title with regard to the transfer of a member's residence. To 88 this end, the Association shall cause the notice required by 89 chapter 712, Florida Statutes, to be recorded in the public 90 records of \_\_\_\_ \_ County, Florida. Copies of this notice and its 91 attachments are available through the Association pursuant to 92 the Association's governing documents regarding official records 93 of the Association. 94 (e) If such claim is based upon an instrument of record or 95 a recorded covenant or restriction, such instrument of record or recorded covenant or restriction shall be deemed shall be 96 97 sufficiently described to identify the same if the notice 98 includes a, including reference to the book and page in which 99 the same is recorded. 100 Section 3. Subsection (1) of section 720.303, Florida 101 Statutes, is amended to read: 102 720.303 Association powers and duties; meetings of board; 103 official records; budgets; financial reporting. --104 (1) POWERS AND DUTIES. -- An association which operates a 105 community as defined in s. 720.301, must be operated by an 106 association that is a Florida corporation. After October 1, 107 1995, the association must be incorporated and the initial 108 governing documents must be recorded in the official records of 109 the county in which the community is located. An association may 110 operate more than one community. The officers and directors of 111 an association have a fiduciary relationship to the members who 112 are served by the association. The powers and duties of an

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113 association include those set forth in this chapter and, except 114 as expressly limited or restricted in this chapter, those set 115 forth in the governing documents. After control of the association is obtained by unit owners other than the developer, 116 117 the association may institute, maintain, settle, or appeal 118 actions or hearings in its name on behalf of all members 119 concerning matters of common interest to the members, including, 120 but not limited to, the common areas; roof or structural 121 components of a building, or other improvements for which the 122 association is responsible; mechanical, electrical, or plumbing 123 elements serving an improvement or building for which the 124 association is responsible; representations of the developer 125 pertaining to any existing or proposed commonly used facility; 126 and protesting ad valorem taxes on commonly used facilities. The 127 association may defend actions in eminent domain or bring inverse condemnation actions. Before commencing litigation 128 129 against any party in the name of the association involving 130 amounts in controversy in excess of \$100,000, the association 131 must obtain the affirmative approval of a majority of the voting 132 interests at a meeting of the membership at which a quorum has 133 been attained. This subsection does not limit any statutory or 134 common-law right of any individual member or class of members to 135 bring any action without participation by the association. A 136 member does not have authority to act for the association by 137 virtue of being a member. An association may have more than one 138 class of members and may issue membership certificates. 139 Section 4. Subsection (1) of section 720.306, Florida 140 Statutes, is amended to read:

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141 720.306 Meetings of members; voting and election
142 procedures; amendments.--

143 (1) QUORUM; AMENDMENTS.--

(a) Unless a lower number is provided in the bylaws, the 144 145 percentage of voting interests required to constitute a quorum 146 at a meeting of the members shall be 30 percent of the total 147 voting interests. Unless otherwise provided in this chapter or in the articles of incorporation or bylaws, decisions that 148 149 require a vote of the members must be made by the concurrence of 150 at least a majority of the voting interests present, in person 151 or by proxy, at a meeting at which a quorum has been attained.

(b) Unless otherwise provided in the governing documents or required by law, and other than those matters set forth in paragraph (c), any governing document of an association may be amended by the affirmative vote of two-thirds of the voting interests of the association.

157 (c) Unless otherwise provided in the governing documents 158 as originally recorded or permitted by this chapter or chapter 159 617, an amendment may not materially and adversely alter the 160 proportionate voting interest appurtenant to a parcel or 161 increase the proportion or percentage by which a parcel shares 162 in the common expenses of the association affect vested rights 163 unless the record parcel owner of the affected parcel and all 164 record owners of liens on the affected parcels join in the 165 execution of the amendment. For purposes of this section, a 166 change in quorum requirements is not an alteration of voting 167 interests.

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168	Section 5. The amendments to s. 720.306, Florida Statutes,				
169	provided in this act shall not apply to or affect any vested				
170	rights recognized by any court order or judgment in any action				
171	commenced prior to July 1, 2003, and any such vested rights so				
172	recognized may not be subsequently altered without the consent				
173	of the affected parcel owner or owners.				
174	Section 6. This act shall take effect July 1, 2003.				