

CHAMBER ACTION

1 The State Administration Appropriations Committee recommends the
2 following:

3
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to community associations; creating s.
8 712.11, F.S.; authorizing certain associations to revive
9 lapsed covenants; amending s. 718.114, F.S.; providing
10 that certain leaseholds, memberships, or other possessory
11 or use interests shall be considered a material alteration
12 or substantial addition to certain real property; amending
13 s. 720.302, F.S.; revising application; amending s.
14 720.303, F.S.; authorizing associations to charge
15 specified fees for providing certain information to
16 prospective purchasers or lienholders; limiting liability
17 for providing such information; revising what must be
18 included in an association's annual budget; providing for
19 reserve accounts for capital expenditures and deferred
20 maintenance; revising certain time requirements relating
21 to annual reports of associations; amending s. 720.306,
22 F.S.; providing that certain mergers or consolidations do
23 not alter specified voting interests; amending s. 720.307,

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24 F.S.; providing additional documents that the developer
 25 must deliver at the time the association members elect the
 26 board of directors; amending s. 720.308, F.S.; providing
 27 that a guarantee of common expenses shall be effective
 28 under certain circumstances; requiring the guarantee to
 29 meet certain requirements; authorizing the guarantee to
 30 provide certain requirements; requiring the stated dollar
 31 amount of the guarantee to be an exact dollar amount for
 32 each parcel identified in the declaration; providing
 33 payments required from the guarantor to be determined in a
 34 certain manner; providing a formula to determine the
 35 guarantor's total financial obligation to the association;
 36 providing that certain expenses incurred in the production
 37 of certain revenues shall not be included in the operating
 38 expenses; amending s. 720.402, F.S., relating to
 39 publication of false or misleading information; clarifying
 40 that the section does not limit common-law rights;
 41 providing an effective date.

42
 43 Be It Enacted by the Legislature of the State of Florida:

44
 45 Section 1. Section 712.11, Florida Statutes, is created to
 46 read:
 47 712.11 Covenant revitalization.--A homeowners' association
 48 that is not subject to chapter 720 may use the procedures in ss.
 49 720.403-720.407 to revive covenants that have lapsed pursuant to
 50 this chapter.

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51 Section 2. Section 718.114, Florida Statutes, is amended
52 to read:

53 718.114 Association powers.--An association has the power
54 to enter into agreements, to acquire leaseholds, memberships,
55 and other possessory or use interests in lands or facilities
56 such as country clubs, golf courses, marinas, and other
57 recreational facilities. It has this power whether or not the
58 lands or facilities are contiguous to the lands of the
59 condominium, if they are intended to provide enjoyment,
60 recreation, or other use or benefit to the unit owners. All of
61 these leaseholds, memberships, and other possessory or use
62 interests existing or created at the time of recording the
63 declaration must be stated and fully described in the
64 declaration. Subsequent to the recording of the declaration,
65 agreements acquiring these leaseholds, memberships, or other
66 possessory or use interests not entered into within 12 months
67 following the recording of the declaration shall be considered a
68 material alteration or substantial addition to the real property
69 that is association property, and the association may not
70 acquire or enter into agreements acquiring these leaseholds,
71 memberships, or other possessory or use interests except as
72 authorized by the declaration as provided in s. 718.113. The
73 declaration may provide that the rental, membership fees,
74 operations, replacements, and other expenses are common expenses
75 and may impose covenants and restrictions concerning their use
76 and may contain other provisions not inconsistent with this
77 chapter. A condominium association may conduct bingo games as
78 provided in s. 849.0931.

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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79 Section 3. Subsections (3) and (5) of section 720.302,
80 Florida Statutes, are amended to read:

81 720.302 Purposes, scope, and application.--

82 (3) Except as specifically provided in this chapter, this
83 chapter does not apply to:

84 (a) A community that is composed of property primarily
85 intended for commercial, industrial, or other nonresidential
86 use; or

87 (b) The commercial or industrial parcels in a community
88 that contains both residential parcels and parcels intended for
89 commercial or industrial use.

90 (5) Unless expressly stated to the contrary, corporations
91 ~~not for profit~~ that operate residential homeowners' associations
92 in this state shall be governed by and subject to chapter 617
93 and this chapter or chapter 607 if incorporated under that
94 chapter. This subsection is intended to clarify existing law.

95 Section 4. Subsections (5), (6), and (7) of section
96 720.303, Florida Statutes, are amended to read:

97 720.303 Association powers and duties; meetings of board;
98 official records; budgets; financial reporting; association
99 funds; recalls.--

100 (5) INSPECTION AND COPYING OF RECORDS.--The official
101 records shall be maintained within the state and must be open to
102 inspection and available for photocopying by members or their
103 authorized agents at reasonable times and places within 10
104 business days after receipt of a written request for access.
105 This subsection may be complied with by having a copy of the
106 official records available for inspection or copying in the

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107 community. If the association has a photocopy machine available
108 where the records are maintained, it must provide parcel owners
109 with copies on request during the inspection if the entire
110 request is limited to no more than 25 pages.

111 (a) The failure of an association to provide access to the
112 records within 10 business days after receipt of a written
113 request creates a rebuttable presumption that the association
114 willfully failed to comply with this subsection.

115 (b) A member who is denied access to official records is
116 entitled to the actual damages or minimum damages for the
117 association's willful failure to comply with this subsection.
118 The minimum damages are to be \$50 per calendar day up to 10
119 days, the calculation to begin on the 11th business day after
120 receipt of the written request.

121 (c) The association may adopt reasonable written rules
122 governing the frequency, time, location, notice, records to be
123 inspected, and manner of inspections, but may not impose a
124 requirement that a parcel owner demonstrate any proper purpose
125 for the inspection, state any reason for the inspection, or
126 limit a parcel owner's right to inspect records to less than one
127 8-hour business day per month. The association may impose fees
128 to cover the costs of providing copies of the official records,
129 including, without limitation, the costs of copying. The
130 association may charge up to 50 cents per page for copies made
131 on the association's photocopier. If the association does not
132 have a photocopy machine available where the records are kept,
133 or if the records requested to be copied exceed 25 pages in
134 length, the association may have copies made by an outside

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135 vendor and may charge the actual cost of copying. The
136 association shall maintain an adequate number of copies of the
137 recorded governing documents, to ensure their availability to
138 members and prospective members. Notwithstanding the provisions
139 of this paragraph, the following records shall not be accessible
140 to members or parcel owners:

141 1. Any record protected by the lawyer-client privilege as
142 described in s. 90.502 and any record protected by the work-
143 product privilege, including, but not limited to, any record
144 prepared by an association attorney or prepared at the
145 attorney's express direction which reflects a mental impression,
146 conclusion, litigation strategy, or legal theory of the attorney
147 or the association and was prepared exclusively for civil or
148 criminal litigation or for adversarial administrative
149 proceedings or which was prepared in anticipation of imminent
150 civil or criminal litigation or imminent adversarial
151 administrative proceedings until the conclusion of the
152 litigation or adversarial administrative proceedings.

153 2. Information obtained by an association in connection
154 with the approval of the lease, sale, or other transfer of a
155 parcel.

156 3. Disciplinary, health, insurance, and personnel records
157 of the association's employees.

158 4. Medical records of parcel owners or community
159 residents.

160 (d) The association is not required to give a prospective
161 purchaser or lienholder information about the subdivision or the
162 association other than that required to be disclosed under this

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163 chapter. It may charge the prospective purchaser, lienholder, or
164 current parcel owner or member a reasonable fee not to exceed
165 \$150 to provide such information, other than information
166 required by law, plus the reasonable cost of photocopying and
167 attorney's fees incurred by the association in connection with
168 the response.

169 (e) An association is not liable for providing such
170 information in good faith pursuant to a written request if the
171 person providing the information includes a written statement in
172 substantially the following form: "The responses herein are made
173 in good faith and to the best of my ability as to their
174 accuracy."

175 (6) BUDGETS.--

176 (a) The association shall prepare an annual budget that
177 sets out the annual operating expenses. The budget must reflect
178 the estimated revenues and expenses for that year and the
179 estimated surplus or deficit as of the end of the current year.
180 The budget must set out separately all fees or charges paid for
181 by the association for recreational amenities, whether owned by
182 the association, the developer, or another person. The
183 association shall provide each member with a copy of the annual
184 budget or a written notice that a copy of the budget is
185 available upon request at no charge to the member. The copy must
186 be provided to the member within the time limits set forth in
187 subsection (5).

188 (b) In addition to annual operating expenses, the budget
189 may include reserve accounts for capital expenditures and
190 deferred maintenance for which the association is responsible to

191 the extent that the governing documents do not limit increases
192 in assessments, including reserves. If the budget of the
193 association includes reserve accounts, such reserves shall be
194 determined, maintained, and waived in the manner provided in
195 this subsection. Once an association provides for reserve
196 accounts in the budget, the association shall thereafter
197 determine, maintain, and waive reserves in compliance with the
198 provisions of this subsection.

199 (c) If the budget of the association does not provide for
200 reserve accounts governed by this subsection and is responsible
201 for the repair and maintenance of capital improvements that may
202 result in a special assessment, each financial report for the
203 preceding fiscal year required by subsection (7) shall contain
204 the following statement in conspicuous type: THE BUDGET OF THE
205 ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL
206 EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL
207 ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS
208 PURSUANT TO THE PROVISIONS OF SECTION 720.303(6), FLORIDA
209 STATUTES, UPON THE APPROVAL OF NOT LESS THAN A MAJORITY OF THE
210 TOTAL VOTING INTERESTS OF THE ASSOCIATION.

211 (d) An association shall be deemed to have provided for
212 reserve accounts when reserve accounts have been initially
213 established by the developer or when the membership of the
214 association affirmatively elects to provide for reserves. If
215 reserve accounts are not initially provided for by the
216 developer, the membership of the association may elect to do so
217 upon the affirmative approval of not less than a majority of the
218 total voting interests of the association. Such approval may be

219 attained by vote of the members at a duly called meeting of the
220 membership or upon a written consent executed by not less than a
221 majority of the total voting interests in the community. The
222 approval action of the membership shall state that reserve
223 accounts shall be provided for in the budget and shall designate
224 the components for which the reserve accounts are to be
225 established. Upon approval by the membership, the board of
226 directors shall provide for the required reserve accounts to be
227 included in the budget in the next fiscal year following the
228 approval and in each year thereafter. Once established as
229 provided in this paragraph, the reserve accounts shall be funded
230 or maintained or shall have their funding waived in the manner
231 provided in paragraph (f).

232 (e) The amount to be reserved in any account established
233 shall be computed by means of a formula that is based upon
234 estimated remaining useful life and estimated replacement cost
235 or deferred maintenance expense of each reserve item. The
236 association may adjust replacement reserve assessments annually
237 to take into account any changes in estimates of cost or useful
238 life of a reserve item.

239 (f) Once a reserve account is established, the membership
240 of the association, upon a majority vote at a meeting at which a
241 quorum is present, may provide for no reserves or less reserves
242 than required by this section. If a meeting of the unit owners
243 has been called to determine whether to waive or reduce the
244 funding of reserves and no such result is achieved or a quorum
245 is not attained, the reserves as included in the budget shall go
246 into effect. After the turnover of control of an association by

247 a developer to parcel owners, the developer may vote its voting
248 interest to waive or reduce the funding of reserves. Any vote
249 taken pursuant to this paragraph to waive or reduce reserves
250 shall be applicable only to one budget year.

251 (g) Funding formulas for reserves authorized by this
252 subsection shall be based on either a separate analysis of each
253 of the required assets or a pooled analysis of two or more of
254 the required assets.

255 1. If the association maintains separate reserve accounts
256 for each of the required assets, the amount of the contribution
257 to each reserve account shall be the sum of the following two
258 calculations:

259 a. The total amount necessary, if any, to bring a negative
260 component balance to zero.

261 b. The total estimated deferred maintenance expense or
262 estimated replacement cost of the reserve component less the
263 estimated balance of the reserve component as of the beginning
264 of the period for which the budget will be in effect. The
265 remainder, if greater than zero, shall be divided by the
266 estimated remaining useful life of the component. The formula
267 may be adjusted each year for changes in estimates and deferred
268 maintenance performed during the year and may consider factors
269 such as inflation and earnings on invested funds.

270 2. If the association maintains a pooled account of two or
271 more of the required reserve assets, the amount of the
272 contribution to the pooled reserve account as disclosed in the
273 proposed budget shall be not less than that required to ensure
274 that the balance on hand at the beginning of the period for

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275 which the budget will go into effect plus the projected annual
276 cash inflows over the remaining estimated useful lives of all of
277 the assets that make up the reserve pool are equal to or greater
278 than the projected annual cash outflows over the remaining
279 estimated useful life of all of the assets that make up the
280 reserve pool, based on the current reserve analysis. The
281 projected annual cash inflows may include estimated earnings
282 from investment of principal. The reserve funding formula shall
283 not include any type of balloon payments.

284 (h) Reserve funds and any interest accruing thereon shall
285 remain in the reserve account or accounts and shall be used only
286 for authorized reserve expenditures unless their use for other
287 purposes is approved in advance by a majority vote at a meeting
288 at which a quorum is present. Prior to turnover of control of an
289 association by a developer to parcel owners, the developer-
290 controlled association shall not vote to use reserves for
291 purposes other than that for which they were intended without
292 the approval of a majority of all nondeveloper voting interests
293 voting in person or by limited proxy at a duly called meeting of
294 the association.

295 (7) FINANCIAL REPORTING.--Within 90 days after the end of
296 the fiscal year, or annually on the date provided in the bylaws,
297 the association shall prepare and complete, or contract for the
298 preparation and completion of, a ~~an annual~~ financial report for
299 the preceding fiscal year. Within 21 ~~60~~ days after the final
300 financial report is completed by the association or received
301 from the third party, but not later than 120 days after the end
302 of the fiscal year or other date as provided in the bylaws,

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303 ~~close of the fiscal year.~~ the association shall, within the time
304 limits set forth in subsection (5), provide each member with a
305 copy of the annual financial report or a written notice that a
306 copy of the financial report is available upon request at no
307 charge to the member. Financial reports shall be prepared as
308 follows:

309 (a) An association that meets the criteria of this
310 paragraph shall prepare or cause to be prepared a complete set
311 of financial statements in accordance with generally accepted
312 accounting principles as adopted by the Florida Board of
313 Accountancy. The financial statements shall be based upon the
314 association's total annual revenues, as follows:

315 1. An association with total annual revenues of \$100,000
316 or more, but less than \$200,000, shall prepare compiled
317 financial statements.

318 2. An association with total annual revenues of at least
319 \$200,000, but less than \$400,000, shall prepare reviewed
320 financial statements.

321 3. An association with total annual revenues of \$400,000
322 or more shall prepare audited financial statements.

323 (b)1. An association with total annual revenues of less
324 than \$100,000 shall prepare a report of cash receipts and
325 expenditures.

326 2. An association in a community of fewer than 50 parcels,
327 regardless of the association's annual revenues, may prepare a
328 report of cash receipts and expenditures in lieu of financial
329 statements required by paragraph (a) unless the governing
330 documents provide otherwise.

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331 3. A report of cash receipts and disbursement must
332 disclose the amount of receipts by accounts and receipt
333 classifications and the amount of expenses by accounts and
334 expense classifications, including, but not limited to, the
335 following, as applicable: costs for security, professional, and
336 management fees and expenses; taxes; costs for recreation
337 facilities; expenses for refuse collection and utility services;
338 expenses for lawn care; costs for building maintenance and
339 repair; insurance costs; administration and salary expenses; and
340 reserves if maintained by the association.

341 (c) If 20 percent of the parcel owners petition the board
342 for a level of financial reporting higher than that required by
343 this section, the association shall duly notice and hold a
344 meeting of members within 30 days of receipt of the petition for
345 the purpose of voting on raising the level of reporting for that
346 fiscal year. Upon approval of a majority of the total voting
347 interests of the parcel owners, the association shall prepare or
348 cause to be prepared, shall amend the budget or adopt a special
349 assessment to pay for the financial report regardless of any
350 provision to the contrary in the governing documents, and shall
351 provide within 90 days of the meeting or the end of the fiscal
352 year, whichever occurs later:

353 1. Compiled, reviewed, or audited financial statements, if
354 the association is otherwise required to prepare a report of
355 cash receipts and expenditures;

356 2. Reviewed or audited financial statements, if the
357 association is otherwise required to prepare compiled financial
358 statements; or

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359 3. Audited financial statements if the association is
360 otherwise required to prepare reviewed financial statements.

361 (d) If approved by a majority of the voting interests
362 present at a properly called meeting of the association, an
363 association may prepare or cause to be prepared:

364 1. A report of cash receipts and expenditures in lieu of a
365 compiled, reviewed, or audited financial statement;

366 2. A report of cash receipts and expenditures or a
367 compiled financial statement in lieu of a reviewed or audited
368 financial statement; or

369 3. A report of cash receipts and expenditures, a compiled
370 financial statement, or a reviewed financial statement in lieu
371 of an audited financial statement.

372 Section 5. Subsection (1) of section 720.306, Florida
373 Statutes, is amended to read:

374 720.306 Meetings of members; voting and election
375 procedures; amendments.--

376 (1) QUORUM; AMENDMENTS.--

377 (a) Unless a lower number is provided in the bylaws, the
378 percentage of voting interests required to constitute a quorum
379 at a meeting of the members shall be 30 percent of the total
380 voting interests. Unless otherwise provided in this chapter or
381 in the articles of incorporation or bylaws, decisions that
382 require a vote of the members must be made by the concurrence of
383 at least a majority of the voting interests present, in person
384 or by proxy, at a meeting at which a quorum has been attained.

385 (b) Unless otherwise provided in the governing documents
386 or required by law, and other than those matters set forth in

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387 paragraph (c), any governing document of an association may be
388 amended by the affirmative vote of two-thirds of the voting
389 interests of the association.

390 (c) Unless otherwise provided in the governing documents
391 as originally recorded or permitted by this chapter or chapter
392 617, an amendment may not materially and adversely alter the
393 proportionate voting interest appurtenant to a parcel or
394 increase the proportion or percentage by which a parcel shares
395 in the common expenses of the association unless the record
396 parcel owner and all record owners of liens on the parcels join
397 in the execution of the amendment. For purposes of this section,
398 a change in quorum requirements is not an alteration of voting
399 interests. The merger or consolidation of associations under a
400 plan of merger or consolidation pursuant to chapter 607 or
401 chapter 617 is not a material or adverse alteration of the
402 proportionate voting interest appurtenant to a parcel.

403 Section 6. Paragraph (t) is added to subsection (3) of
404 section 720.307, Florida Statutes, to read:

405 720.307 Transition of association control in a
406 community.--With respect to homeowners' associations:

407 (3) At the time the members are entitled to elect at least
408 a majority of the board of directors of the homeowners'
409 association, the developer shall, at the developer's expense,
410 within no more than 90 days deliver the following documents to
411 the board:

412 (t) The financial records, including financial statements
413 of the association, and source documents from the incorporation
414 of the association through the date of turnover. The records

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415 shall be audited by an independent certified public accountant
416 for the period from the incorporation of the association or from
417 the period covered by the last audit, if an audit has been
418 performed for each fiscal year since incorporation. All
419 financial statements shall be prepared in accordance with
420 generally accepted accounting principles and shall be audited in
421 accordance with generally accepted auditing standards, as
422 prescribed by the Florida Board of Accountancy, pursuant to
423 chapter 473. The certified public accountant performing the
424 audit shall examine to the extent necessary supporting documents
425 and records, including the cash disbursements and related paid
426 invoices, to determine if expenditures were for association
427 purposes, and the billings, cash receipts, and related records
428 to determine that the developer was charged and paid the proper
429 amounts of assessments. This paragraph applies to associations
430 with a date of incorporation after December 31, 2006.

431 Section 7. Section 720.308, Florida Statutes, is amended
432 to read:

433 720.308 Assessments and charges.--

434 (1) ASSESSMENTS.--For any community created after October
435 1, 1995, the governing documents must describe the manner in
436 which expenses are shared and specify the member's proportional
437 share thereof. Assessments levied pursuant to the annual budget
438 or special assessment must be in the member's proportional share
439 of expenses as described in the governing document, which share
440 may be different among classes of parcels based upon the state
441 of development thereof, levels of services received by the
442 applicable members, or other relevant factors. While the

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443 developer is in control of the homeowners' association, it may
444 be excused from payment of its share of the operating expenses
445 and assessments related to its parcels for any period of time
446 for which the developer has, in the declaration, obligated
447 itself to pay any operating expenses incurred that exceed the
448 assessments receivable from other members and other income of
449 the association. This section does not apply to an association,
450 no matter when created, if the association is created in a
451 community that is included in an effective development-of-
452 regional-impact development order as of the effective date of
453 this act, together with any approved modifications thereto.

454 (2) GUARANTEE OF COMMON EXPENSES.--

455 (a) Establishment of a guarantee.--If a guarantee of the
456 assessments of parcel owners is not included in the purchase
457 contracts or declaration, any agreement establishing a guarantee
458 shall be effective only upon the approval of a majority of the
459 voting interests of the members other than the developer.
460 Approval shall be expressed at a meeting of the members, voting
461 in person or by limited proxy, or by agreement in writing
462 without a meeting if provided in the bylaws. Such guarantee
463 shall meet the requirements of this section.

464 (b) Guarantee period.--The period of time for the
465 guarantee shall be indicated by a specific beginning and ending
466 date or event.

467 1. The ending date or event shall be the same for all of
468 the members of a homeowners' association, including members in
469 different phases of the development.

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470 2. The guarantee may provide for different intervals of
471 time during a guarantee period with different dollar amounts for
472 each such interval.

473 (c) Guarantee extension.--The guarantee may provide that
474 after the initial stated period the developer has an option to
475 extend the guarantee for one or more additional stated periods.
476 The extension of a guarantee is limited to extending the ending
477 date or event; therefore, the developer does not have the option
478 of changing the level of assessments guaranteed.

479 (3) MAXIMUM LEVEL OF ASSESSMENTS.--The stated dollar
480 amount of the guarantee shall be an exact dollar amount for each
481 parcel identified in the declaration. Regardless of the stated
482 dollar amount of the guarantee, assessments charged to a member
483 shall not exceed the maximum obligation of the member based on
484 the total amount of the adopted budget and the member's
485 proportionate ownership share of the common elements.

486 (4) CASH FUNDING REQUIREMENTS DURING GUARANTEE.--The cash
487 payments required from the guarantor during the guarantee period
488 shall be determined as follows:

489 (a) If at any time during the guarantee period the funds
490 collected from member assessments at the guaranteed level and
491 other revenues collected by the association are not sufficient
492 to provide payment, on a timely basis, of all assessments,
493 including the full funding of the reserves unless properly
494 waived, the guarantor shall advance sufficient cash to the
495 association at the time such payments are due.

496 (b) Expenses incurred in the production of nonassessment
497 revenues, not in excess of the nonassessment revenues, shall not

498 be included in the assessments. If the expenses attributable to
499 nonassessment revenues exceed nonassessment revenues, only the
500 excess expenses must be funded by the guarantor. Interest earned
501 on the investment of association funds may be used to pay the
502 income tax expense incurred as a result of the investment; such
503 expense shall not be charged to the guarantor; and the net
504 investment income shall be retained by the association. Each
505 such nonassessment revenue-generating activity shall be
506 considered separately. Any portion of the parcel assessments
507 that is budgeted for designated capital contributions of the
508 association shall not be used to pay operating expenses.

509 (5) CALCULATION OF GUARANTOR'S FINAL OBLIGATION.--The
510 guarantor's total financial obligation to the association at the
511 end of the guarantee period shall be determined on the accrual
512 basis using the following formula: the guarantor shall pay any
513 deficits that exceed the guaranteed amount, less the total
514 regular periodic assessments earned by the association from the
515 members other than the guarantor during the guarantee period,
516 regardless of whether the actual level charged was less than the
517 maximum guaranteed amount.

518 (6) EXPENSES.--Expenses incurred in the production of
519 nonassessment revenues, not in excess of the nonassessment
520 revenues, shall not be included in the operating expenses. If
521 the expenses attributable to nonassessment revenues exceed
522 nonassessment revenues, only the excess expenses must be funded
523 by the guarantor. Interest earned on the investment of
524 association funds may be used to pay the income tax expense
525 incurred as a result of the investment; such expense shall not

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526 | be charged to the guarantor; and the net investment income shall
 527 | be retained by the association. Each such nonassessment revenue-
 528 | generating activity shall be considered separately. Any portion
 529 | of the parcel assessment that is budgeted for designated capital
 530 | contributions of the association shall not be used to pay
 531 | operating expenses.

532 | Section 8. Subsection (3) is added to section 720.402,
 533 | Florida Statutes, to read:

534 | 720.402 Publication of false and misleading information.--

535 | (3) This section does not limit any rights provided by
 536 | common law.

537 | Section 9. This act shall take effect July 1, 2006.