

Bill No. SB 2816

Barcode 970916

CHAMBER ACTION

Senate

House

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The Committee on Regulated Industries (Argenziano) recommended the following amendment:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

Section 1. Section 190.048, Florida Statutes, is amended to read:

190.048 Sale of real estate within a district; required disclosure to purchaser.--

(1)(a) Subsequent to the establishment of a district under this chapter, each contract for the initial sale of a parcel of real property and each contract for the initial sale of a residential unit within the district shall include as a separate addendum to the contract, immediately prior to the space reserved in the contract for the signature of the purchaser, the following disclosure statement in boldfaced and conspicuous type which is larger than the type in the remaining text of the contract: "THE ...(Name of District)... COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR

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1 ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY.
 2 THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION,
 3 AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND
 4 SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING
 5 BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN
 6 ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND
 7 ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR
 8 BY LAW."

9 (b) The disclosure statement in paragraph (a) shall
 10 also fully disclose all covenants and restrictions to which
 11 the property is subject. This addendum shall disclose any
 12 existing agreement between a developer and other party that
 13 obligates the purchaser of the unit to additional taxes,
 14 assessments, or fees within 10 years following the sale of the
 15 unit. Such disclosure shall provide a reasonable estimate of
 16 the first 3 years for each tax, assessment, or fee. The
 17 disclosure shall be provided to the purchaser within 10 days
 18 after the execution of the sales contract; otherwise, the
 19 contract may be voided at the election of the purchaser and
 20 any deposits shall be returned in full. However, the
 21 disclosure may be provided to the purchaser later than 10 days
 22 after the execution of the sales contract if the closing date
 23 has been extended by an additional 10 days.

24 (2)(a) Failure to provide the disclosure statement as
 25 required in subsection (1) within 10 days constitutes a
 26 rebuttable presumption of willful noncompliance with
 27 subsection (1) and shall result in a fine of \$2,500 for each
 28 violation, up to a maximum of \$10,000, payable to the
 29 prospective buyer, and shall include reasonable attorney's
 30 fees and collection costs, due 30 days after the execution or
 31 voiding of the sales contract.

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1 (b) The developer and sales agent shall submit an
2 annual report to the Department of Community Affairs that
3 certifies compliance with this section and payment of any
4 related fines and criminal penalties for such noncompliance as
5 may be enacted by the Legislature. Failure by the developer or
6 sales agent to provide an annual report shall result in a
7 \$50,000 fine payable to the department.

8 Section 2. Section 190.0485, Florida Statutes, is
9 amended to read:

10 190.0485 Notice of establishment.--Within 30 days
11 after the effective date of a rule or ordinance establishing a
12 community development district under this act, the district
13 shall cause to be recorded in the property records in the
14 county in which it is located a "Notice of Establishment of
15 the Community Development District." The notice
16 shall, at a minimum, include the legal description of the
17 district and a copy of the disclosure statement specified in
18 s. 190.048(1)(a) ~~s. 190.048~~.

19 Section 3. Paragraph (f) of subsection (4) of section
20 718.104, Florida Statutes, is amended to read:

21 718.104 Creation of condominiums; contents of
22 declaration.--Every condominium created in this state shall be
23 created pursuant to this chapter.

24 (4) The declaration must contain or provide for the
25 following matters:

26 (f) The undivided share of ownership of the common
27 elements and common surplus of the condominium that is
28 appurtenant to each unit stated as a percentage or a fraction
29 of the whole. In the declaration of condominium for
30 residential condominiums created after April 1, 2007 ~~1992~~, the
31 ownership share of the common elements assigned to each

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1 residential unit shall be based ~~either~~ upon the total square
 2 footage of each residential unit in uniform relationship to
 3 the total square footage of each other residential unit in the
 4 condominium ~~or on an equal fractional basis.~~

5 Section 4. Paragraph (d) is added to subsection (1) of
 6 section 718.110, Florida Statutes, to read:

7 718.110 Amendment of declaration; correction of error
 8 or omission in declaration by circuit court.--

9 (1)

10 (d) Notice of a proposed amendment to the declaration
 11 shall be sent to the unit owner by certified mail.

12 Section 5. Subsection (5), paragraph (b) of subsection
 13 (7), paragraphs (b) and (c) of subsection (12), and subsection
 14 (13) of section 718.111, Florida Statutes, are amended, and
 15 subsection (15) is added to that section, to read:

16 718.111 The association.--

17 (5) RIGHT OF ACCESS TO UNITS.--The association has the
 18 irrevocable right of access to each unit during reasonable
 19 hours, when necessary for the maintenance, repair, or
 20 replacement of any common elements or of any portion of a unit
 21 to be maintained by the association pursuant to the
 22 declaration or as necessary to prevent damage to the common
 23 elements or to a unit or units. Except in cases of emergency,
 24 the association must give the unit owner 24 hours' advance
 25 written notice of intent to access the unit and such access
 26 must include two persons.

27 (7) TITLE TO PROPERTY.--

28 (b) Subject to the provisions of s. 718.112(2)(~~m~~), the
 29 association, through its board, has the limited power to
 30 convey a portion of the common elements to a condemning
 31 authority for the purposes of providing utility easements,

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1 right-of-way expansion, or other public purposes, whether
2 negotiated or as a result of eminent domain proceedings.

3 (12) OFFICIAL RECORDS.--

4 (b) The official records of the association shall be
5 maintained within the state. The records of the association
6 shall be made available to a unit owner, at a location within
7 30 miles driving distance of the condominium property, within
8 5 working days after receipt of written request by the board
9 or its designee. This paragraph may be complied with by having
10 a copy of the official records of the association available
11 for inspection or copying on the condominium property or
12 association property.

13 (c) The official records of the association are open
14 to inspection by any association member or the authorized
15 representative of such member at all reasonable times. The
16 right to inspect the records includes the right to make or
17 obtain copies, at the reasonable expense, if any, of the
18 association member. The association may adopt reasonable rules
19 regarding the frequency, time, location, notice, and manner of
20 record inspections and copying. The failure of an association
21 to provide the records within 10 working days after receipt of
22 a written request shall create a rebuttable presumption that
23 the association willfully failed to comply with this
24 paragraph. A unit owner who is denied access to official
25 records is entitled to the actual damages or minimum damages
26 for the association's willful failure to comply with this
27 paragraph. The minimum damages shall be \$50 per calendar day
28 up to 10 days, the calculation to begin on the 11th working
29 day after receipt of the written request. The failure to
30 permit inspection of the association records as provided
31 herein entitles any person prevailing in an enforcement action

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1 to recover reasonable attorney's fees from the person in
 2 control of the records who, directly or indirectly, knowingly
 3 denied access to the records for inspection. The association
 4 shall maintain an adequate number of copies of the
 5 declaration, articles of incorporation, bylaws, and rules, and
 6 all amendments to each of the foregoing, as well as the
 7 question and answer sheet provided for in s. 718.504 and
 8 year-end financial information required in this section on the
 9 condominium property to ensure their availability to unit
 10 owners and prospective purchasers, and may charge its actual
 11 costs for preparing and furnishing these documents to those
 12 requesting the same. Notwithstanding the provisions of this
 13 paragraph, the following records shall not be accessible to
 14 unit owners:

15 1. Any record protected by the lawyer-client privilege
 16 as described in s. 90.502; and any record protected by the
 17 work-product privilege, including any record prepared by an
 18 association attorney or prepared at the attorney's express
 19 direction; which reflects a mental impression, conclusion,
 20 litigation strategy, or legal theory of the attorney or the
 21 association, and which was prepared exclusively for civil or
 22 criminal litigation or for adversarial administrative
 23 proceedings, or which was prepared in anticipation of imminent
 24 civil or criminal litigation or imminent adversarial
 25 administrative proceedings until the conclusion of the
 26 litigation or adversarial administrative proceedings.

27 2. Information obtained by an association in
 28 connection with the approval of the lease, sale, or other
 29 transfer of a unit.

30 3. Medical records of unit owners.

31 4. Social security numbers, driver's license numbers,

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1 credit card numbers, and other personal identifying
2 information of unit owners, occupants, or tenants.

3 (13) FINANCIAL REPORTING.--Within 90 days after the
4 end of the fiscal year, or annually on a date provided in the
5 bylaws, the association shall prepare and complete, or
6 contract for the preparation and completion of, a financial
7 report for the preceding fiscal year. Within 21 days after
8 the final financial report is completed by the association or
9 received from the third party, but not later than 120 days
10 after the end of the fiscal year or other date as provided in
11 the bylaws, the association shall mail to each unit owner at
12 the address last furnished to the association by the unit
13 owner, or hand deliver to each unit owner, a copy of the
14 financial report or a notice that a copy of the financial
15 report will be mailed or hand delivered to the unit owner,
16 ~~without charge, upon receipt of a written request from the~~
17 ~~unit owner.~~ The division shall adopt rules setting forth
18 uniform accounting principles and standards to be used by all
19 associations and shall adopt rules addressing financial
20 reporting requirements for multicondominium associations. In
21 adopting such rules, the division shall consider the number of
22 members and annual revenues of an association. Financial
23 reports shall be prepared as follows:

24 (a) An association that meets the criteria of this
25 paragraph shall prepare or cause to be prepared a complete set
26 of financial statements in accordance with generally accepted
27 accounting principles. The financial statements shall be based
28 upon the association's total annual revenues, as follows:

29 1. An association with total annual revenues of
30 \$100,000 or more, but less than \$200,000, shall prepare
31 compiled financial statements.

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

4 3. An association with total annual revenues of
5 \$400,000 or more shall prepare audited financial statements.

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

9 2. An association which operates less than 50 units,
10 regardless of the association's annual revenues, shall prepare
11 a report of cash receipts and expenditures in lieu of
12 financial statements required by paragraph (a).

13 3. A report of cash receipts and disbursements must
14 disclose the amount of receipts by accounts and receipt
15 classifications and the amount of expenses by accounts and
16 expense classifications, including, but not limited to, the
17 following, as applicable: costs for security, professional and
18 management fees and expenses, taxes, costs for recreation
19 facilities, expenses for refuse collection and utility
20 services, expenses for lawn care, costs for building
21 maintenance and repair, insurance costs, administration and
22 salary expenses, and reserves accumulated and expended for
23 capital expenditures, deferred maintenance, and any other
24 category for which the association maintains reserves.

25 (c) An association may prepare or cause to be
26 prepared, without a meeting of or approval by the unit owners:

27 1. Compiled, reviewed, or audited financial
28 statements, if the association is required to prepare a report
29 of cash receipts and expenditures;

30 2. Reviewed or audited financial statements, if the
31 association is required to prepare compiled financial

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1 statements; or

2 3. Audited financial statements if the association is
3 required to prepare reviewed financial statements.

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

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

9 2. A report of cash receipts and expenditures or a
10 compiled financial statement in lieu of a reviewed or audited
11 financial statement; or

12 3. A report of cash receipts and expenditures, a
13 compiled financial statement, or a reviewed financial
14 statement in lieu of an audited financial statement.

15
16 Such meeting and approval must occur prior to the end of the
17 fiscal year and is effective only for the fiscal year in which
18 the vote is taken. With respect to an association to which the
19 developer has not turned over control of the association, all
20 unit owners, including the developer, may vote on issues
21 related to the preparation of financial reports for the first
22 2 fiscal years of the association's operation, beginning with
23 the fiscal year in which the declaration is recorded.

24 Thereafter, all unit owners except the developer may vote on
25 such issues until control is turned over to the association by
26 the developer. An association or board of administration may
27 not waive the financial reporting requirements of this section
28 for more than 2 consecutive years.

29 (15) RECONSTRUCTION AFTER CASUALTY.--

30 (a) If the condominium property and units are damaged
31 after a casualty, the board of administration shall obtain

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1 reliable and detailed estimates of the cost necessary to
 2 repair and replace the damaged property to substantially the
 3 same condition existing immediately before the casualty and
 4 substantially in accordance with the original plans and
 5 specifications of the condominium as soon as possible and not
 6 later than 60 days after the casualty. If the damage to the
 7 condominium property exceeds 50 percent of the property's
 8 value, the condominium may be terminated unless 75 percent of
 9 the unit owners agree to reconstruction and repair within 90
 10 days after the casualty.

11 (b) The board of administration shall engage the
 12 services of a registered architect and knowledgeable
 13 construction specialists to prepare any necessary plans and
 14 specifications and shall receive and approve bids for
 15 reconstruction, execute all necessary contracts for
 16 restoration, and arrange for disbursement of construction
 17 funds, the approval of work, and all other matters pertaining
 18 to the repairs and reconstruction required.

19 (c) If the proceeds of the hazard insurance policy
 20 maintained by the association under paragraph (11)(b) are
 21 insufficient to pay the estimated costs of reconstruction or
 22 at any time during reconstruction and repair, assessments
 23 shall be made against all unit owners according to their share
 24 of the common elements and expenses as set forth in the
 25 declaration of condominium.

26 (d) Assessments shall be made against unit owners for
 27 damage to their units according to the cost of reconstruction
 28 or repair of their respective units. The assessments shall be
 29 levied and collected as all other assessments are provided for
 30 in this chapter.

31 Section 6. Subsection (2) of section 718.112, Florida

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1 Statutes, is amended to read:

2 718.112 Bylaws.--

3 (2) REQUIRED PROVISIONS.--The bylaws of the
4 association shall provide for the following and, if they do
5 not do so, shall be deemed to include the following:

6 (a) Administration.--

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

28 2. When a unit owner files a written inquiry by
29 certified mail with the board of administration, the board
30 shall respond in writing by certified mail, return receipt
31 requested, to the unit owner within 30 days after ~~of~~ receipt

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1 of the inquiry. The board's response shall either give a
 2 substantive response to the inquirer, notify the inquirer that
 3 a legal opinion has been requested, or notify the inquirer
 4 that advice has been requested from the division. If the board
 5 requests advice from the division, the board shall, within 10
 6 days ~~after~~ of its receipt of the advice, provide in writing by
 7 certified mail a substantive response to the inquirer. If a
 8 legal opinion is requested, the board shall, within 60 days
 9 after the receipt of the inquiry, provide in writing by
 10 certified mail a substantive response to the inquiry. The
 11 failure to provide a substantive response to the inquiry as
 12 provided herein precludes the board from recovering attorney's
 13 fees and costs in any subsequent litigation, administrative
 14 proceeding, or arbitration arising out of the inquiry. The
 15 association may through its board of administration adopt
 16 reasonable rules and regulations regarding the frequency and
 17 manner of responding to unit owner inquiries, one of which may
 18 be that the association is only obligated to respond to two
 19 ~~one~~ written inquiries ~~inquiry~~ per unit in any given 30-day
 20 period. In such a case, any additional inquiry or inquiries
 21 must be responded to in the subsequent 30-day period, or
 22 periods, as applicable.

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

24 1. Unless a lower number is provided in the bylaws,
 25 the percentage of voting interests required to constitute a
 26 quorum at a meeting of the members shall be a majority of the
 27 voting interests. Unless otherwise provided in this chapter
 28 or in the declaration, articles of incorporation, or bylaws,
 29 and except as provided in subparagraph (d)3., decisions shall
 30 be made by owners of a majority of the voting interests
 31 represented at a meeting at which a quorum is present.

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1 2. Except as specifically otherwise provided herein,
2 after January 1, 1992, unit owners may not vote by general
3 proxy, but may vote by limited proxies substantially
4 conforming to a limited proxy form adopted by the division.
5 Limited proxies and general proxies may be used to establish a
6 quorum. Limited proxies shall be used for votes taken to waive
7 or reduce reserves in accordance with subparagraph (f)2.; for
8 votes taken to waive the financial reporting requirements of
9 s. 718.111(13); for votes taken to amend the declaration
10 pursuant to s. 718.110; for votes taken to amend the articles
11 of incorporation or bylaws pursuant to this section; and for
12 any other matter for which this chapter requires or permits a
13 vote of the unit owners. ~~A Except as provided in paragraph~~
14 ~~(d), after January 1, 1992, no proxy, limited or general, may~~
15 ~~not shall~~ be used in the election of board members. General
16 proxies may be used for other matters for which limited
17 proxies are not required, and may also be used in voting for
18 nonsubstantive changes to items for which a limited proxy is
19 required and given. Notwithstanding the provisions of this
20 subparagraph, unit owners may vote in person at unit owner
21 meetings. Nothing contained herein shall limit the use of
22 general proxies or require the use of limited proxies for any
23 agenda item or election at any meeting of a timeshare
24 condominium association.

25 3. Any proxy given shall be effective only for the
26 specific meeting for which originally given and any lawfully
27 adjourned meetings thereof. In no event shall any proxy be
28 valid for a period longer than 90 days after the date of the
29 first meeting for which it was given. Every proxy is
30 revocable at any time at the pleasure of the unit owner
31 executing it.

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1 4. A member of the board of administration or a
 2 committee may submit in writing his or her agreement or
 3 disagreement with any action taken at a meeting that the
 4 member did not attend. This agreement or disagreement may not
 5 be used as a vote for or against the action taken and may not
 6 be used for the purposes of creating a quorum.

7 5. When any of the board or committee members meet by
 8 telephone conference, those board or committee members
 9 attending by telephone conference may be counted toward
 10 obtaining a quorum and may vote by telephone. A telephone
 11 speaker must be used so that the conversation of those board
 12 or committee members attending by telephone may be heard by
 13 the board or committee members attending in person as well as
 14 by any unit owners present at a meeting.

15 (c) Board of administration meetings.--Meetings of the
 16 board of administration at which a quorum of the members is
 17 present shall be open to all unit owners. The board of
 18 administration shall address agenda items proposed by a
 19 petition of 20 percent of the unit owners submitted at least
 20 48 hours before the meeting date, in time for the directors to
 21 study and understand the agenda items, and in time to post the
 22 updated agenda before the meeting. A unit owner's facsimile
 23 signature constitutes the unit owner's original signature in
 24 any matter under this chapter that requires the unit owner's
 25 signature. Correspondence from the board of administration to
 26 unit owners shall be accomplished by the same, or a more
 27 secure, delivery method used by the unit owner except as
 28 otherwise provided in this paragraph. Any unit owner may tape
 29 record or videotape meetings of the board of administration.
 30 The right to attend such meetings includes the right to speak
 31 at such meetings with reference to all designated agenda

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1 items. The division shall adopt reasonable rules governing the
2 tape recording and videotaping of the meeting. The association
3 may adopt written reasonable rules governing the frequency,
4 duration, and manner of unit owner statements. Adequate notice
5 of all meetings, which notice shall specifically incorporate
6 an identification of agenda items, shall be posted
7 conspicuously on the condominium property at least 48
8 continuous hours preceding the meeting except in an emergency.
9 Any item not included on the notice may be taken up on an
10 emergency basis by at least a majority plus one of the members
11 of the board or by a petition of 20 percent of the unit
12 owners. Such emergency action shall be noticed and ratified at
13 the next regular meeting of the board. However, written notice
14 of any meeting at which nonemergency special assessments, or
15 at which amendment to rules regarding unit use, will be
16 considered shall be mailed, delivered, or electronically
17 transmitted to the unit owners and posted conspicuously on the
18 condominium property not less than 14 days prior to the
19 meeting. Evidence of compliance with this 14-day notice shall
20 be made by an affidavit executed by the person providing the
21 notice and filed among the official records of the
22 association. Upon notice to the unit owners, the board shall
23 by duly adopted rule designate a specific location on the
24 condominium property or association property upon which all
25 notices of board meetings shall be posted. If there is no
26 condominium property or association property upon which
27 notices can be posted, notices of board meetings shall be
28 mailed, delivered, or electronically transmitted at least 14
29 days before the meeting to the owner of each unit. In lieu of
30 or in addition to the physical posting of notice of any
31 meeting of the board of administration on the condominium

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1 | property, the association may, by reasonable rule, adopt a
2 | procedure for conspicuously posting and repeatedly
3 | broadcasting the notice and the agenda on a closed-circuit
4 | cable television system serving the condominium association.
5 | However, if broadcast notice is used in lieu of a notice
6 | posted physically on the condominium property, the notice and
7 | agenda must be broadcast at least four times every broadcast
8 | hour of each day that a posted notice is otherwise required
9 | under this section. When broadcast notice is provided, the
10 | notice and agenda must be broadcast in a manner and for a
11 | sufficient continuous length of time so as to allow an average
12 | reader to observe the notice and read and comprehend the
13 | entire content of the notice and the agenda. Notice of any
14 | meeting in which regular or special assessments against unit
15 | owners are to be considered for any reason shall specifically
16 | state ~~contain a statement~~ that assessments will be considered
17 | and specify the nature, cost, and breakdown of any such
18 | assessments. Meetings of a committee to take final action on
19 | behalf of the board or make recommendations to the board
20 | regarding the association budget are subject to the provisions
21 | of this paragraph. Meetings of a committee that does not take
22 | final action on behalf of the board or make recommendations to
23 | the board regarding the association budget are subject to the
24 | provisions of this section, unless those meetings are exempted
25 | from this section by the bylaws of the association.
26 | Notwithstanding any other law, the requirement that board
27 | meetings and committee meetings be open to the unit owners is
28 | inapplicable to meetings between the board or a committee and
29 | the association's attorney, with respect to proposed or
30 | pending litigation, when the meeting is held for the purpose
31 | of seeking or rendering legal advice.

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1 (d) Unit owner meetings.--

2 1. There shall be an annual meeting of the unit
3 owners. Unless the bylaws provide otherwise, a vacancy on the
4 board caused by the expiration of a director's term shall be
5 filled by electing a new board member, and the election shall
6 be by secret ballot; however, if the number of vacancies
7 equals or exceeds the number of candidates, no election is
8 required. If there is no provision in the bylaws for terms of
9 the members of the board, the terms of all members of the
10 board shall expire upon the election of their successors at
11 the annual meeting. Any unit owner desiring to be a candidate
12 for board membership shall comply with subparagraph 3. The
13 only prohibition against eligibility for board membership
14 shall be for a person who has been convicted of any felony by
15 any court of record in the United States and who has not had
16 his or her right to vote restored pursuant to law in the
17 jurisdiction of his or her residence ~~is not eligible for board~~
18 ~~membership~~. The validity of an action by the board is not
19 affected if it is later determined that a member of the board
20 is ineligible for board membership due to having been
21 convicted of a felony.

22 2. The bylaws shall provide the method of calling
23 meetings of unit owners, including annual meetings. Written
24 notice, which notice must include an agenda, shall be mailed,
25 hand delivered, or electronically transmitted to each unit
26 owner at least 14 days prior to the annual meeting and shall
27 be posted in a conspicuous place on the condominium property
28 at least 14 continuous days preceding the annual meeting. Upon
29 notice to the unit owners, the board shall by duly adopted
30 rule designate a specific location on the condominium property
31 or association property upon which all notices of unit owner

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1 meetings shall be posted; however, if there is no condominium
2 property or association property upon which notices can be
3 posted, this requirement does not apply. In lieu of or in
4 addition to the physical posting of notice of any meeting of
5 the unit owners on the condominium property, the association
6 may, by reasonable rule, adopt a procedure for conspicuously
7 posting and repeatedly broadcasting the notice and the agenda
8 on a closed-circuit cable television system serving the
9 condominium association. However, if broadcast notice is used
10 in lieu of a notice posted physically on the condominium
11 property, the notice and agenda must be broadcast at least
12 four times every broadcast hour of each day that a posted
13 notice is otherwise required under this section. When
14 broadcast notice is provided, the notice and agenda must be
15 broadcast in a manner and for a sufficient continuous length
16 of time so as to allow an average reader to observe the notice
17 and read and comprehend the entire content of the notice and
18 the agenda. Unless a unit owner waives in writing the right to
19 receive notice of the annual meeting, such notice shall be
20 hand delivered, mailed, or electronically transmitted to each
21 unit owner. Notice for meetings and notice for all other
22 purposes shall be mailed to each unit owner at the address
23 last furnished to the association by the unit owner, or hand
24 delivered to each unit owner. However, if a unit is owned by
25 more than one person, the association shall provide notice,
26 for meetings and all other purposes, to that one address which
27 the developer initially identifies for that purpose and
28 thereafter as one or more of the owners of the unit shall so
29 advise the association in writing, or if no address is given
30 or the owners of the unit do not agree, to the address
31 provided on the deed of record. An officer of the association,

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1 or the manager or other person providing the first notice of
 2 the association meeting, and the second notice as provided for
 3 in subparagraph 3., shall provide an affidavit or United
 4 States Postal Service certificate of mailing, to be included
 5 in the official records of the association affirming that the
 6 notices were ~~notice was~~ mailed or hand delivered, in
 7 accordance with this provision.

8 3. The members of the board shall be elected by
 9 written ballot or voting machine. Proxies shall in no event be
 10 used in electing the board, either in general elections or
 11 elections to fill vacancies caused by recall, resignation, or
 12 otherwise, unless otherwise provided in this chapter. Not less
 13 than 60 days before a scheduled election, the association or
 14 its representative shall mail, deliver, or electronically
 15 transmit, whether by separate association mailing or included
 16 in another association mailing, delivery, or transmission,
 17 including regularly published newsletters, to each unit owner
 18 entitled to a vote, a first notice of the date of the
 19 election. Any unit owner or other eligible person desiring to
 20 be a candidate for the board must give written notice to the
 21 association or its representative not less than 40 days before
 22 a scheduled election. Together with the written notice and
 23 agenda as set forth in subparagraph 2., the association or its
 24 representative shall mail, deliver, or electronically transmit
 25 a second notice of the election to all unit owners entitled to
 26 vote therein, together with a ballot which shall list all
 27 candidates. Upon request of a candidate, the association or
 28 its representative shall include an information sheet, no
 29 larger than 8 1/2 inches by 11 inches, which must be
 30 furnished by the candidate not less than 35 days before the
 31 election, to be included with the mailing, delivery, or

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1 transmission of the ballot, with the costs of mailing,
 2 delivery, or electronic transmission and copying to be borne
 3 by the association. The association or its representative is
 4 not liable for the contents of the information sheets prepared
 5 by the candidates. In order to reduce costs, the association
 6 may print or duplicate the information sheets on both sides of
 7 the paper. The division shall by rule establish voting
 8 procedures consistent with the provisions contained herein,
 9 including rules establishing procedures for giving notice by
 10 electronic transmission and rules providing for the secrecy of
 11 ballots. All ballot envelopes must be placed in a locked or
 12 sealed ballot drop box immediately upon receipt, and the box
 13 may not be opened in advance of the election meeting.

14 Elections shall be decided by a plurality of those ballots
 15 cast. There shall be no quorum requirement; however, at least
 16 20 percent of the eligible voters must cast a ballot in order
 17 to have a valid election of members of the board. No unit
 18 owner shall permit any other person to vote his or her ballot,
 19 and any such ballots improperly cast shall be deemed invalid,
 20 provided any unit owner who violates this provision may be
 21 fined by the association in accordance with s. 718.303. A unit
 22 owner who needs assistance in casting the ballot for the
 23 reasons stated in s. 101.051 may obtain assistance in casting
 24 the ballot. The regular election shall occur on the date of
 25 the annual meeting. The provisions of this subparagraph shall
 26 not apply to timeshare condominium associations.

27 Notwithstanding the provisions of this subparagraph, an
 28 election is not required unless more candidates file notices
 29 of intent to run or are nominated than board vacancies exist.

30 4. Any approval by unit owners called for by this
 31 chapter or the applicable declaration or bylaws, including,

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1 but not limited to, the approval requirement in s. 718.111(8),
 2 shall be made at a duly noticed meeting of unit owners and
 3 shall be subject to all requirements of this chapter or the
 4 applicable condominium documents relating to unit owner
 5 decisionmaking, except that unit owners may take action by
 6 written agreement, without meetings, on matters for which
 7 action by written agreement without meetings is expressly
 8 allowed by the applicable bylaws or declaration or any statute
 9 that provides for such action.

10 5. Unit owners may waive notice of specific meetings
 11 if allowed by the applicable bylaws or declaration or any
 12 statute. If authorized by the bylaws, notice of meetings of
 13 the board of administration, unit owner meetings, except unit
 14 owner meetings called to recall board members under paragraph
 15 (j), and committee meetings may be given by electronic
 16 transmission to unit owners who consent to receive notice by
 17 electronic transmission.

18 6. Unit owners shall have the right to participate in
 19 meetings of unit owners with reference to all designated
 20 agenda items. However, the association may adopt reasonable
 21 rules governing the frequency, duration, and manner of unit
 22 owner participation.

23 7. Any unit owner may tape record or videotape a
 24 meeting of the unit owners subject to reasonable rules adopted
 25 by the division.

26 8. Unless otherwise provided in the bylaws, any
 27 vacancy occurring on the board before the expiration of a term
 28 may be filled by the affirmative vote of the majority of the
 29 remaining directors, even if the remaining directors
 30 constitute less than a quorum, or by the sole remaining
 31 director. In the alternative, a board may hold an election to

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1 fill the vacancy, in which case the election procedures must
 2 conform to the requirements of subparagraph 3. ~~unless the~~
 3 ~~association has opted out of the statutory election process,~~
 4 ~~in which case the bylaws of the association control.~~ Unless
 5 otherwise provided in the bylaws, a board member appointed or
 6 elected under this section shall fill the vacancy for the
 7 unexpired term of the seat being filled. Filling vacancies
 8 created by recall is governed by paragraph (j) and rules
 9 adopted by the division.

10 9. Unit owners have the right to have items not
 11 related to the budget placed on the agenda of the annual
 12 meeting and voted upon if a written request is made to the
 13 board of administration by 20 percent or more of all voting
 14 interests at least 90 days before the date of the annual
 15 meeting.

16
 17 ~~Notwithstanding subparagraphs (b)2. and (d)3., an association~~
 18 ~~may, by the affirmative vote of a majority of the total voting~~
 19 ~~interests, provide for different voting and election~~
 20 ~~procedures in its bylaws, which vote may be by a proxy~~
 21 ~~specifically delineating the different voting and election~~
 22 ~~procedures. The different voting and election procedures may~~
 23 ~~provide for elections to be conducted by limited or general~~
 24 ~~proxy.~~

25 (e) Budget meeting.--

26 1. Any meeting at which a proposed annual budget of an
 27 association will be considered by the board or unit owners
 28 shall be open to all unit owners. At least 14 days prior to
 29 such a meeting, the board shall hand deliver to each unit
 30 owner, mail to each unit owner at the address last furnished
 31 to the association by the unit owner, or electronically

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1 transmit to the location furnished by the unit owner for that
 2 purpose a notice of such meeting and a copy of the proposed
 3 annual budget. An officer or manager of the association, or
 4 other person providing notice of such meeting, shall execute
 5 an affidavit evidencing compliance with such notice
 6 requirement, and such affidavit shall be filed among the
 7 official records of the association.

8 2.a. If a board adopts in any fiscal year an annual
 9 budget which requires assessments against unit owners which
 10 exceed 115 percent of assessments for the preceding fiscal
 11 year, the board shall conduct a special meeting of the unit
 12 owners to consider a substitute budget if the board receives,
 13 within 21 days after adoption of the annual budget, a written
 14 request for a special meeting from at least 10 percent of all
 15 voting interests. The special meeting shall be conducted
 16 within 60 days after adoption of the annual budget. At least
 17 14 days prior to such special meeting, the board shall hand
 18 deliver to each unit owner, or mail to each unit owner at the
 19 address last furnished to the association, a notice of the
 20 meeting. An officer or manager of the association, or other
 21 person providing notice of such meeting shall execute an
 22 affidavit evidencing compliance with this notice requirement,
 23 and such affidavit shall be filed among the official records
 24 of the association. Unit owners may consider and adopt a
 25 substitute budget at the special meeting. A substitute budget
 26 is adopted if approved by a majority of all voting interests
 27 unless the bylaws require adoption by a greater percentage of
 28 voting interests. If there is not a quorum at the special
 29 meeting or a substitute budget is not adopted, the annual
 30 budget previously adopted by the board shall take effect as
 31 scheduled.

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1 b. Any determination of whether assessments exceed 115
2 percent of assessments for the prior fiscal year shall exclude
3 any authorized provision for reasonable reserves for repair or
4 replacement of the condominium property, anticipated expenses
5 of the association which the board does not expect to be
6 incurred on a regular or annual basis, or assessments for
7 betterments to the condominium property.

8 c. If the developer controls the board, assessments
9 shall not exceed 115 percent of assessments for the prior
10 fiscal year unless approved by a majority of all voting
11 interests.

12 (f) Annual budget.--

13 1. The association shall prepare an annual budget of
14 the estimated revenues and expenses. The adopted budget of the
15 previous fiscal year shall remain in effect until the
16 association has adopted a new budget for the current fiscal
17 year. The proposed annual budget of estimated revenues and
18 ~~common~~ expenses shall be detailed and shall show the amounts
19 budgeted by accounts and expense classifications, including,
20 if applicable, but not limited to, those expenses listed in s.
21 718.504(21). A multicondominium association shall adopt a
22 separate budget of common expenses for each condominium the
23 association operates and shall adopt a separate budget of
24 common expenses for the association. In addition, if the
25 association maintains limited common elements with the cost to
26 be shared only by those entitled to use the limited common
27 elements as provided for in s. 718.113(1), the budget or a
28 schedule attached thereto shall show amounts budgeted
29 therefor. If, after turnover of control of the association to
30 the unit owners, any of the expenses listed in s. 718.504(21)
31 are not applicable, they need not be listed.

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1 2. In addition to annual operating expenses, the
2 budget shall include reserve accounts for capital expenditures
3 and deferred maintenance. These accounts shall include, but
4 are not limited to, structural repairs, roof replacement,
5 building painting, and pavement resurfacing, regardless of the
6 amount of deferred maintenance expense or replacement cost,
7 and for any other item for which the deferred maintenance
8 expense or replacement cost exceeds \$10,000. The amount to be
9 reserved shall be computed by means of a formula which is
10 based upon estimated remaining useful life and estimated
11 replacement cost or deferred maintenance expense of each
12 reserve item. The association may adjust replacement reserve
13 assessments annually to take into account any changes in
14 estimates or extension of the useful life of a reserve item
15 caused by deferred maintenance. This subsection does not apply
16 to an adopted budget in which the members of an association
17 have determined, by a majority vote at a duly called meeting
18 of the association, to provide no reserves or less reserves
19 than required by this subsection. However, prior to turnover
20 of control of an association by a developer to unit owners
21 other than a developer pursuant to s. 718.301, the developer
22 may vote to waive the reserves or reduce the funding of
23 reserves for the first 2 fiscal years of the association's
24 operation, beginning with the fiscal year in which the initial
25 declaration is recorded, after which time reserves may be
26 waived or reduced only upon the vote of a majority of all
27 nondeveloper voting interests voting in person or by limited
28 proxy at a duly called meeting of the association. If a
29 meeting of the unit owners has been called to determine
30 whether to waive or reduce the funding of reserves, and no
31 such result is achieved or a quorum is not attained, the

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1 reserves as included in the budget shall go into effect. After
2 the turnover, the developer may vote its voting interest to
3 waive or reduce the funding of reserves.

4 3. Reserve funds and any interest accruing thereon
5 shall remain in the reserve account or accounts, and shall be
6 used only for authorized reserve expenditures unless their use
7 for other purposes is approved in advance by a majority vote
8 at a duly called meeting of the association. Prior to turnover
9 of control of an association by a developer to unit owners
10 other than the developer pursuant to s. 718.301, the
11 developer-controlled association shall not vote to use
12 reserves for purposes other than that for which they were
13 intended without the approval of a majority of all
14 nondeveloper voting interests, voting in person or by limited
15 proxy at a duly called meeting of the association.

16 4. The only voting interests which are eligible to
17 vote on questions that involve waiving or reducing the funding
18 of reserves, or using existing reserve funds for purposes
19 other than purposes for which the reserves were intended, are
20 the voting interests of the units subject to assessment to
21 fund the reserves in question. The face of all ballots that
22 involve questions relating to waiving or reducing the funding
23 of reserves, or using existing reserve funds for purposes
24 other than purposes for which the reserves were intended, must
25 contain the following statement in capitalized, bold letters
26 in a font size larger than any other used on the face of the
27 ballot: WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING
28 ALTERNATE USES OF EXISTING RESERVES, MAY RESULT IN UNIT OWNER
29 LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS
30 REGARDING THOSE RESERVE ITEMS.

31 5. A vote to provide for no reserves or a percentage

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1 of reserves shall be made at the annual meeting of the unit
2 owners called under paragraph (d).

3 6. Notwithstanding subparagraph 3., the association
4 after turnover of control of the association may, in case of a
5 catastrophic event, use reserve funds for nonscheduled
6 purposes to mitigate further damage to units or common
7 elements or to make the condominium accessible for repairs.

8 7. Except in cases of emergency, or unless otherwise
9 provided for in the bylaws or approved by a vote of a majority
10 of the unit owners in advance, the board of administration may
11 not apply for or accept a loan or line of credit in an amount
12 that exceeds 10 percent of the association's annual budget for
13 the current year.

14 (g) Assessments.--After the declaration has been
15 recorded, and until such time as the association has been
16 created, all common expenses shall be paid by the developer.
17 Assessments shall be levied in an amount determined by the
18 adopted budget or an authorized special assessment. The manner
19 of collecting from the unit owners their shares of the common
20 expenses shall be stated in the bylaws. Assessments shall be
21 made against units on a quarter-annual, or more frequent,
22 basis not less frequently than quarterly in an amount which is
23 not less than that required to provide funds in advance for
24 payment of all of the anticipated current operating expenses
25 and for all of the unpaid operating expenses previously
26 incurred. ~~Nothing in~~ This paragraph does not shall preclude
27 the right of an association to accelerate assessments of an
28 owner delinquent in payment of common expenses against whom a
29 lien has been filed. Accelerated assessments shall be due and
30 payable after ~~on the date~~ the claim of lien is filed. Such
31 accelerated assessments shall include the amounts due for the

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1 remainder of the budget year in which the claim of lien was
2 filed.

3 (h) Amendment of bylaws.--

4 1. The method by which the bylaws may be amended
5 consistent with the provisions of this chapter shall be
6 stated. If the bylaws fail to provide a method of amendment,
7 the bylaws may be amended if the amendment is approved by the
8 owners of not less than two-thirds of the voting interests.

9 2. No bylaw shall be revised or amended by reference
10 to its title or number only. Proposals to amend existing
11 bylaws shall contain the full text of the bylaws to be
12 amended; new words shall be inserted in the text underlined,
13 and words to be deleted shall be lined through with hyphens.
14 However, if the proposed change is so extensive that this
15 procedure would hinder, rather than assist, the understanding
16 of the proposed amendment, it is not necessary to use
17 underlining and hyphens as indicators of words added or
18 deleted, but, instead, a notation must be inserted immediately
19 preceding the proposed amendment in substantially the
20 following language: "Substantial rewording of bylaw. See
21 bylaw for present text."

22 3. Nonmaterial errors or omissions in the bylaw
23 process will not invalidate an otherwise properly promulgated
24 amendment.

25 (i) Transfer fees.--No charge shall be made by the
26 association or any body thereof in connection with the sale,
27 mortgage, lease, sublease, or other transfer of a unit unless
28 the association is required to approve such transfer and a fee
29 for such approval is provided for in the declaration,
30 articles, or bylaws. Any such fee may be preset, but in no
31 event may such fee exceed \$100 per applicant other than

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1 husband/wife or parent/dependent child, which are considered
 2 one applicant. However, if the lease or sublease is a renewal
 3 of a lease or sublease with the same lessee or sublessee, no
 4 charge shall be made. The foregoing notwithstanding, an
 5 association may, if the authority to do so appears in the
 6 declaration or bylaws, require that a prospective lessee place
 7 a security deposit, in an amount not to exceed the equivalent
 8 of 1 month's rent, into an escrow account maintained by the
 9 association. The security deposit shall protect against
 10 damages to the common elements or association property.
 11 Payment of interest, claims against the deposit, refunds, and
 12 disputes under this paragraph shall be handled in the same
 13 fashion as provided in part II of chapter 83.

14 (j) Recall of board members.--Subject to the
 15 provisions of s. 718.301, any member of the board of
 16 administration may be recalled and removed from office with or
 17 without cause by the vote or agreement in writing by a
 18 majority of all the voting interests. A special meeting of the
 19 unit owners to recall a member or members of the board of
 20 administration may be called by 10 percent of the voting
 21 interests giving notice of the meeting as required for a
 22 meeting of unit owners, and the notice shall state the purpose
 23 of the meeting. Electronic transmission may not be used as a
 24 method of giving notice of a meeting called in whole or in
 25 part for this purpose.

26 1. If the recall is approved by a majority of all
 27 voting interests by a vote at a meeting, the recall will be
 28 effective as provided herein. The board shall duly notice and
 29 hold a board meeting within 5 full business days of the
 30 adjournment of the unit owner meeting to recall one or more
 31 board members. At the meeting, the board shall either certify

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1 the recall, in which case such member or members shall be
 2 recalled effective immediately and shall turn over to the
 3 board within 5 full business days any and all records and
 4 property of the association in their possession, or shall
 5 proceed as set forth in subparagraph 3.

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

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

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

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

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

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

29 (k)(1) Certificate of compliance.--There shall be a
 30 provision that a certificate of compliance from a licensed
 31 electrical contractor or electrician may be accepted by the

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1 association's board as evidence of compliance of the
2 condominium units with the applicable fire and life safety
3 code. Notwithstanding the provisions of chapter 633 or of any
4 other code, statute, ordinance, administrative rule, or
5 regulation, or any interpretation of the foregoing, an
6 association, condominium, or unit owner is not obligated to
7 retrofit the common elements or units of a residential
8 condominium with a fire sprinkler system or other engineered
9 lifesafety system in a building that has been certified for
10 occupancy by the applicable governmental entity, if the unit
11 owners have voted to forego such retrofitting and engineered
12 lifesafety system by the affirmative vote of two-thirds of all
13 voting interests in the affected condominium. However, a
14 condominium association may not vote to forego the
15 retrofitting with a fire sprinkler system of common areas in a
16 high-rise building. For purposes of this subsection, the term
17 "high-rise building" means a building that is greater than 75
18 feet in height where the building height is measured from the
19 lowest level of fire department access to the floor of the
20 highest occupiable story. For purposes of this subsection, the
21 term "common areas" means any enclosed hallway, corridor,
22 lobby, stairwell, or entryway. In no event shall the local
23 authority having jurisdiction require completion of
24 retrofitting of common areas with a sprinkler system before
25 the end of 2014.

26 1. A vote to forego retrofitting may be obtained by
27 limited proxy or by a ballot personally cast at a duly called
28 membership meeting, or by execution of a written consent by
29 the member, and shall be effective upon the recording of a
30 certificate attesting to such vote in the public records of
31 the county where the condominium is located. The association

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1 shall mail, hand deliver, or electronically transmit to each
 2 unit owner written notice at least 14 days prior to such
 3 membership meeting in which the vote to forego retrofitting of
 4 the required fire sprinkler system is to take place. Within 30
 5 days after the association's opt-out vote, notice of the
 6 results of the opt-out vote shall be mailed, hand delivered,
 7 or electronically transmitted to all unit owners. Evidence of
 8 compliance with this 30-day notice shall be made by an
 9 affidavit executed by the person providing the notice and
 10 filed among the official records of the association. After
 11 such notice is provided to each owner, a copy of such notice
 12 shall be provided by the current owner to a new owner prior to
 13 closing and shall be provided by a unit owner to a renter
 14 prior to signing a lease.

15 2. As part of the information collected annually from
 16 condominiums, the division shall require condominium
 17 associations to report the membership vote and recording of a
 18 certificate under this subsection and, if retrofitting has
 19 been undertaken, the per-unit cost of such work. The division
 20 shall annually report to the Division of State Fire Marshal of
 21 the Department of Financial Services the number of
 22 condominiums that have elected to forego retrofitting.

23 ~~(1)(m)~~ Common elements; limited power to convey.--

24 1. With respect to condominiums created on or after
 25 October 1, 1994, the bylaws shall include a provision granting
 26 the association a limited power to convey a portion of the
 27 common elements to a condemning authority for the purpose of
 28 providing utility easements, right-of-way expansion, or other
 29 public purposes, whether negotiated or as a result of eminent
 30 domain proceedings.

31 2. In any case where the bylaws are silent as to the

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1 association's power to convey common elements as described in
2 subparagraph 1., the bylaws shall be deemed to include the
3 provision described in subparagraph 1.

4 Section 7. Section 718.113, Florida Statutes, is
5 amended to read:

6 718.113 Maintenance; limitation upon improvement;
7 display of flag; display of religious decorations; hurricane
8 shutters.--

9 (1) Maintenance of the common elements is the
10 responsibility of the association. The declaration may provide
11 that certain limited common elements shall be maintained by
12 those entitled to use the limited common elements or that the
13 association shall provide the maintenance, ~~either as a common~~
14 ~~expense or~~ with the cost shared only by those entitled to use
15 the limited common elements. If the maintenance is to be by
16 the association at the expense of only those entitled to use
17 the limited common elements, the declaration shall describe in
18 detail the method of apportioning such costs among those
19 entitled to use the limited common elements, and the
20 association may use the provisions of s. 718.116 to enforce
21 payment of the shares of such costs by the unit owners
22 entitled to use the limited common elements.

23 (2)(a) Except as otherwise provided in this section,
24 there shall be no material alteration or substantial additions
25 to the common elements or to real property which is
26 association property, except in a manner provided in the
27 declaration as originally recorded or as amended under the
28 procedures provided therein. If the declaration as originally
29 recorded or as amended under the procedures provided therein
30 does not specify the procedure for approval of material
31 alterations or substantial additions, 75 percent of the total

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1 voting interests of the association must approve the
2 alterations or additions.

3 (b) There shall not be any material alteration of, or
4 substantial addition to, the common elements of any
5 condominium operated by a multicondominium association unless
6 approved in the manner provided in the declaration of the
7 affected condominium or condominiums as originally recorded or
8 as amended under the procedures provided therein. If a
9 declaration as originally recorded or as amended under the
10 procedures provided therein does not specify a procedure for
11 approving such an alteration or addition, the approval of 75
12 percent of the total voting interests of each affected
13 condominium is required. This subsection does not prohibit a
14 provision in any declaration, articles of incorporation, or
15 bylaws as originally recorded or as amended under the
16 procedures provided therein requiring the approval of unit
17 owners in any condominium operated by the same association or
18 requiring board approval before a material alteration or
19 substantial addition to the common elements is permitted. This
20 paragraph is intended to clarify existing law and applies to
21 associations existing on the effective date of this act.

22 (c) There shall not be any material alteration or
23 substantial addition made to association real property
24 operated by a multicondominium association, except as provided
25 in the declaration, articles of incorporation, or bylaws as
26 originally recorded or as amended under the procedures
27 provided therein. If the declaration, articles of
28 incorporation, or bylaws as originally recorded or as amended
29 under the procedures provided therein do not specify the
30 procedure for approving an alteration or addition to
31 association real property, the approval of 75 percent of the

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1 total voting interests of the association is required. This
2 paragraph is intended to clarify existing law and applies to
3 associations existing on the effective date of this act.

4 (3) A unit owner shall not do anything within his or
5 her unit or on the common elements which would adversely
6 affect the safety or soundness of the common elements or any
7 portion of the association property or condominium property
8 which is to be maintained by the association.

9 (4) Any unit owner may display one portable, removable
10 United States flag in a respectful way and, on Armed Forces
11 Day, Memorial Day, Flag Day, Independence Day, and Veterans
12 Day, may display in a respectful way portable, removable
13 official flags, not larger than 4 1/2 feet by 6 feet, that
14 represent the United States Army, Navy, Air Force, Marine
15 Corps, or Coast Guard, regardless of any declaration rules or
16 requirements dealing with flags or decorations.

17 (5) Each board of administration shall, at each annual
18 meeting, adopt or restate hurricane shutter specifications for
19 each building within each condominium operated by the
20 association which shall include color, style, and other
21 factors deemed relevant by the board. All specifications
22 adopted or restated by the board shall comply with the
23 applicable building code. Notwithstanding any provision to the
24 contrary in the condominium documents, if approval is required
25 by the documents, a board shall not refuse to approve the
26 installation or replacement of hurricane shutters conforming
27 to the specifications adopted by the board. The board may,
28 subject to the provisions of s. 718.3026, and the approval of
29 a majority of voting interests of the condominium, install
30 hurricane shutters or hurricane protection that complies with
31 the applicable building code, and may maintain, repair, or

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1 replace such approved hurricane shutters, whether on or within
 2 common elements, limited common elements, units, or
 3 association property. However, where laminated glass or window
 4 film architecturally designed to function as hurricane
 5 protection which complies with the applicable building code
 6 has been installed, the board may not install hurricane
 7 shutters. The board may operate shutters installed pursuant to
 8 this subsection without permission of the unit owners only
 9 where such operation is necessary to preserve and protect the
 10 condominium property and association property. The
 11 installation, replacement, operation, repair, and maintenance
 12 of such shutters in accordance with the procedures set forth
 13 herein shall not be deemed a material alteration to the common
 14 elements or association property within the meaning of this
 15 section.

16 (6) Every 5 years, the board of administration shall
 17 have the condominium buildings inspected by a professional
 18 engineer or professional architect registered in the state for
 19 the purposes of determining that the building is structurally
 20 and electrically safe, and determining any immediate
 21 maintenance required as well as any long term maintenance
 22 necessary in the form of a long-term maintenance plan. The
 23 long-term maintenance plan must include an executive summary
 24 that shall be distributed to all unit owners. The engineer or
 25 architect shall provide a report indicating the manner and
 26 type of inspection forming the basis for the report and
 27 description of any matters identified as requiring remedial
 28 action. The report shall become an official record of the
 29 association to be provided to the members upon request
 30 pursuant to s. 718.111(12).

31 (7) An association may not prohibit the attachment of

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1 religious items at the door or at the entrance of a unit. The
2 board may adopt reasonable size restrictions for such items.

3 Section 8. Section 718.1224, Florida Statutes, is
4 created to read:

5 718.1224 Prohibition against SLAPP suits.--

6 (1) It is the intent of the Legislature to protect the
7 right of condominium unit owners to exercise their rights to
8 instruct their representatives and petition for redress of
9 grievances before the various governmental entities of this
10 state as protected by the First Amendment to the United States
11 Constitution and s. 5, Art. I of the State Constitution. The
12 Legislature recognizes that strategic lawsuits against public
13 participation, or "SLAPP" suits as they are typically referred
14 to, have occurred when association members are sued by
15 individuals, business entities, or governmental entities
16 arising out of a condominium unit owner's appearance and
17 presentation before a governmental entity on matters related
18 to the condominium association. However, it is the public
19 policy of this state that governmental entities, business
20 organizations, and individuals not to engage in SLAPP suits,
21 because such actions are inconsistent with the right of
22 condominium unit owners to participate in the state's
23 institutions of government. Therefore, the Legislature finds
24 and declares that prohibiting such lawsuits by governmental
25 entities, business entities, and individuals against
26 condominium unit owners who address matters concerning their
27 condominium association will preserve this fundamental state
28 policy, preserve the constitutional rights of condominium unit
29 owners, and ensure the continuation of representative
30 government in this state. It is the intent of the Legislature
31 that such lawsuits be expeditiously disposed of by the courts.

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1 As used in this subsection, the term "governmental entity"
 2 means the state, including the executive, legislative, and
 3 judicial branches of government, the independent
 4 establishments of the state, counties, municipalities,
 5 districts, authorities, boards, or commissions, or any
 6 agencies of these branches which are subject to chapter 286.

7 (2) A governmental entity, business organization, or
 8 individual in this state may not file or cause to be filed
 9 through its employees or agents any lawsuit, cause of action,
 10 claim, cross-claim, or counterclaim against a condominium unit
 11 owner without merit and solely because such condominium unit
 12 owner has exercised the right to instruct his or her
 13 representatives or the right to petition for redress of
 14 grievances before the various governmental entities of this
 15 state, as protected by the First Amendment to the United
 16 States Constitution and s. 5, Art. I of the State
 17 Constitution.

18 (3) If a condominium unit owner is sued by a
 19 governmental entity, business organization, or individual in
 20 violation of this section, the condominium unit owner has a
 21 right to an expeditious resolution of a claim that the suit is
 22 in violation of this section. A condominium unit owner may
 23 petition the court for an order dismissing the action or
 24 granting final judgment in favor of that condominium unit
 25 owner. The condominium unit owner may file a motion for
 26 summary judgment, together with supplemental affidavits,
 27 seeking a determination that the governmental entity's,
 28 business organization's, or individual's lawsuit has been
 29 brought in violation of this section. The governmental entity,
 30 business organization, or individual shall thereafter file its
 31 response and any supplemental affidavits. As soon as

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1 practicable, the court shall set a hearing on the condominium
2 unit owner's motion, which shall be held at the earliest
3 possible time after the filing of the governmental entity's,
4 business organization's or individual's response. The court
5 may award the condominium unit owner sued by the governmental
6 entity, business organization, or individual actual damages
7 arising from the governmental entity's, individual's, or
8 business organization's violation of this section. A court may
9 treble the damages awarded to a prevailing condominium unit
10 owner and shall state the basis for the treble damages award
11 in its judgment. The court shall award the prevailing party
12 reasonable attorney's fees and costs incurred in connection
13 with a claim that an action was filed in violation of this
14 section.

15 (4) Condominium associations may not expend
16 association funds in prosecuting a SLAPP suit against a
17 condominium unit owner.

18 Section 9. Paragraphs (e) and (h) of subsection (4) of
19 section 718.1255, Florida Statutes, are amended to read:

20 718.1255 Alternative dispute resolution; voluntary
21 mediation; mandatory nonbinding arbitration; legislative
22 findings.--

23 (4) MANDATORY NONBINDING ARBITRATION AND MEDIATION OF
24 DISPUTES.--The Division of Florida Land Sales, Condominiums,
25 and Mobile Homes of the Department of Business and
26 Professional Regulation shall employ full-time attorneys to
27 act as arbitrators to conduct the arbitration hearings
28 provided by this chapter. The division may also certify
29 attorneys who are not employed by the division to act as
30 arbitrators to conduct the arbitration hearings provided by
31 this section. No person may be employed by the department as a

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1 full-time arbitrator unless he or she is a member in good
 2 standing of The Florida Bar. The department shall promulgate
 3 rules of procedure to govern such arbitration hearings
 4 including mediation incident thereto. The decision of an
 5 arbitrator shall be final; however, such a decision shall not
 6 be deemed final agency action. Nothing in this provision shall
 7 be construed to foreclose parties from proceeding in a trial
 8 de novo unless the parties have agreed that the arbitration is
 9 binding. If such judicial proceedings are initiated, the final
 10 decision of the arbitrator shall be admissible in evidence in
 11 the trial de novo.

12 (e) Either before or after the filing of the
 13 respondents' answer to the petition, any party may request
 14 that the arbitrator refer the case to mediation under this
 15 section and any rules adopted by the division. Upon receipt
 16 of a request for mediation, the division shall promptly refer
 17 the case ~~contact the parties to determine if there is~~
 18 ~~agreement that mediation would be appropriate. If all parties~~
 19 ~~agree, the dispute must be referred to mediation.~~
 20 ~~Notwithstanding a lack of an agreement by all parties,~~ The
 21 arbitrator may refer a dispute to mediation at any time.

22 (h) Mediation proceedings must generally be conducted
 23 in accordance with the Florida Rules of Civil Procedure, and
 24 these proceedings are privileged and confidential to the same
 25 extent as court-ordered mediation. Persons who are not parties
 26 to the dispute are not allowed to attend the mediation
 27 conference without the consent of all parties, with the
 28 exception of counsel for the parties and corporate
 29 representatives designated to appear for a party. If the
 30 mediator declares an impasse after a mediation conference has
 31 been held, the arbitration proceeding terminates, unless all

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1 parties agree in writing to continue the arbitration
 2 proceeding, in which case the arbitrator's decision shall be
 3 either binding or nonbinding, as agreed upon by the parties;
 4 in the arbitration proceeding, the arbitrator shall not
 5 consider any evidence relating to the unsuccessful mediation
 6 except in a proceeding to impose sanctions for failure to
 7 appear at the mediation conference. If the parties do not
 8 agree to continue arbitration, the arbitrator shall enter an
 9 order of dismissal, and either party may institute a suit in a
 10 court of competent jurisdiction. The parties may seek to
 11 recover any costs and attorneys' fees incurred in connection
 12 with arbitration ~~and mediation~~ proceedings under this section
 13 as part of the costs and fees that may be recovered by the
 14 prevailing party in any subsequent litigation.

15 Section 10. Section 718.1257, Florida Statutes, is
 16 created to read:

17 718.1257 Emotional-support animals.--

18 (1) Every unit owner or renter of a condominium unit
 19 in this state has the right to own a companion animal and to
 20 have such animal live with him or her in the condominium unit
 21 if the companion animal is deemed helpful to the person's
 22 physical or psychological well-being as attested to by at
 23 least two qualified health care professionals.

24 (2) Any municipal or county code or ordinance, or any
 25 purported rule, declaration, by-law, or other form of
 26 restriction contrary to the right provided in subsection (1)
 27 contained in any governing document of any condominium
 28 association shall be deemed unconscionable, and thus
 29 unenforceable, invalid, and of no legal effect.

30 (3) An animal does not require specialized training or
 31 skill in assisting its owner to be classified as a companion

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1 animal under this section. The animal can be a cat, dog,
 2 ferret, bird, gerbil, or any other commonly accepted
 3 domesticated animal. However, if such training can be
 4 documented, a letter from only one qualified health care
 5 professional is required, as per pre-existing federal
 6 disability and fair housing laws.

7 (4) Qualified health professionals include any
 8 physician or advanced registered nurse practitioner who is
 9 licensed in this state to prescribe medications for emotional
 10 or mental conditions, or any mental health worker, mental
 11 health counselor, psychologist, or social worker who is
 12 licensed in this state to practice counseling therapy. The
 13 letter must say that the animal is necessary to ameliorate and
 14 help with life functions for a condition covered under the
 15 Americans with Disabilities Act. The letter does not have to
 16 give details of the nature of the unit owner's or renter's
 17 disorder, in order not to invade the patient's privacy per the
 18 Health Insurance Portability and Accountability Act. Where the
 19 primary residence of the owner or renter is in another state,
 20 the qualified health care professional is defined as a
 21 qualified health care professional licensed in the owner's or
 22 renter's home state.

23 (5) If it becomes necessary for an owner or renter of
 24 any condominium unit to enforce this section in court against
 25 an association that has threatened, either orally or in
 26 writing to limit his or her right to own and reside with a
 27 companion animal, the unit owner or renter shall be entitled
 28 to recover his or her reasonable costs and attorney's fees if
 29 the unit owner or renter is the prevailing party. This
 30 attorney's fee provision is not reciprocal.

31 Section 11. Subsection (1) of section 718.302, Florida

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1 Statutes, is amended to read:

2 718.302 Agreements entered into by the association.--

3 (1) Any grant or reservation made by a declaration,
4 lease, or other document, and any contract made by an
5 association prior to assumption of control of the association
6 by unit owners other than the developer, that provides for
7 services, products, operation, maintenance, or management of a
8 condominium association or property serving the unit owners of
9 a condominium shall be fair and reasonable, and such grant,
10 reservation, or contract may be canceled by unit owners other
11 than the developer:

12 (a) If the association operates only one condominium
13 and the unit owners other than the developer have assumed
14 control of the association, or if unit owners other than the
15 developer own not less than 75 percent of the voting interests
16 in the condominium, the cancellation shall be by concurrence
17 of the owners of not less than 75 percent of the voting
18 interests other than the voting interests owned by the
19 developer. If a grant, reservation, or contract is so
20 canceled and the unit owners other than the developer have not
21 assumed control of the association, the association shall make
22 a new contract or otherwise provide for maintenance,
23 management, or operation in lieu of the canceled obligation,
24 at the direction of the owners of not less than a majority of
25 the voting interests in the condominium other than the voting
26 interests owned by the developer.

27 (b) If the association operates more than one
28 condominium and the unit owners other than the developer have
29 not assumed control of the association, and if unit owners
30 other than the developer own at least 75 percent of the voting
31 interests in a condominium operated by the association, any

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1 grant, reservation, or contract for maintenance, management,
2 or operation of buildings containing the units in that
3 condominium or of improvements used only by unit owners of
4 that condominium may be canceled by concurrence of the owners
5 of at least 75 percent of the voting interests in the
6 condominium other than the voting interests owned by the
7 developer. No grant, reservation, or contract for
8 maintenance, management, or operation of recreational areas or
9 any other property serving more than one condominium, and
10 operated by more than one association, may be canceled except
11 pursuant to paragraph (d).

12 (c) If the association operates more than one
13 condominium and the unit owners other than the developer have
14 assumed control of the association, the cancellation shall be
15 by concurrence of the owners of not less than 75 percent of
16 the total number of voting interests in all condominiums
17 operated by the association other than the voting interests
18 owned by the developer.

19 (d) If the owners of units in a condominium have the
20 right to use property in common with owners of units in other
21 condominiums and those condominiums are operated by more than
22 one association, no grant, reservation, or contract for
23 maintenance, management, or operation of the property serving
24 more than one condominium may be canceled until unit owners
25 other than the developer have assumed control of all of the
26 associations operating the condominiums that are to be served
27 by the recreational area or other property, after which
28 cancellation may be effected by concurrence of the owners of
29 not less than 75 percent of the total number of voting
30 interests in those condominiums other than voting interests
31 owned by the developer.

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1 Section 12. Paragraphs (f) and (g) are added to
2 subsection (1) of section 718.3025, Florida Statutes, to read:

3 718.3025 Agreements for operation, maintenance, or
4 management of condominiums; specific requirements.--

5 (1) No written contract between a party contracting to
6 provide maintenance or management services and an association
7 which contract provides for operation, maintenance, or
8 management of a condominium association or property serving
9 the unit owners of a condominium shall be valid or enforceable
10 unless the contract:

11 (f) Requires that all obligations under the contract
12 be completed within a 1-year period.

13 (g) Contains a provision expressly prohibiting
14 automatic renewal of the contract.

15 Section 13. Paragraph (a) of subsection (2) of section
16 718.3026, Florida Statutes, is amended to read:

17 718.3026 Contracts for products and services; in
18 writing; bids; exceptions.--Associations with less than 100
19 units may opt out of the provisions of this section if
20 two-thirds of the unit owners vote to do so, which opt-out may
21 be accomplished by a proxy specifically setting forth the
22 exception from this section.

23 (2)(a)1. Notwithstanding the foregoing, contracts with
24 employees of the association, and contracts for attorney,
25 accountant, architect, community association manager,
26 timeshare management firm, engineering, and landscape
27 architect services are not subject to the provisions of this
28 section.

29 2. A contract executed before January 1, 1992, and any
30 renewal thereof, is not subject to the competitive bid
31 requirements of this section. If a contract was awarded under

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1 the competitive bid procedures of this section, any renewal of
 2 that contract is not subject to such competitive bid
 3 requirements if the contract contains a provision that allows
 4 the board to cancel the contract on 30 days' notice.
 5 Materials, equipment, or services provided to a condominium
 6 under a local government franchise agreement by a franchise
 7 holder are not subject to the competitive bid requirements of
 8 this section. A contract with a manager, if made by a
 9 competitive bid, may be made for up to 3 years. A condominium
 10 whose declaration or bylaws provides for competitive bidding
 11 for services may operate under the provisions of that
 12 declaration or bylaws in lieu of this section if those
 13 provisions are not less stringent than the requirements of
 14 this section.

15 3. A contract by and between a service provider and an
 16 association may not be for a term in excess of 3 years and may
 17 not contain an automatic renewal clause.

18 4. A contract for construction or repair of the
 19 property which exceeds 10 percent of the total annual budget
 20 of the association, including reserves, should occur under the
 21 written advisement of an attorney.

22 Section 14. Subsection (3) of section 718.303, Florida
 23 Statutes, is amended, and subsection (4) is added to that
 24 section, to read:

25 718.303 Obligations of owners; waiver; levy of fine
 26 against unit by association.--

27 (3) If the declaration or bylaws so provide, the
 28 association may levy reasonable fines against a unit for the
 29 failure of the owner of the unit, or its occupant, licensee,
 30 or invitee, to comply with any provision of the declaration,
 31 the association bylaws, or reasonable rules of the

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1 association. No fine will become a lien against a unit. No
 2 fine may exceed \$100 per violation. However, a fine may be
 3 levied on the basis of each day of a continuing violation,
 4 with a single notice and opportunity for hearing, provided
 5 that no such fine shall in the aggregate exceed \$1,000. No
 6 fine may be levied except after giving reasonable notice and
 7 opportunity for a hearing to the unit owner and, if
 8 applicable, its licensee or invitee. The hearing must be held
 9 before a committee of ~~other~~ unit owners who are not members of
 10 the board of administration of the association. If the
 11 committee does not agree with the fine, the fine may not be
 12 levied. The provisions of this subsection do not apply to
 13 unoccupied units.

14 (4) Anyone subject to an action under this section
 15 shall be notified of the violation by certified mail, return
 16 receipt requested, and, except in the case of imminent danger
 17 to person or property, has 30 days in which to respond in
 18 writing. If no response is provided and the violation
 19 continues or is repeated, the association may proceed under
 20 subsections (1) and (2) without further notice except as
 21 provided in subsection (3).

22 Section 15. Subsections (1) and (2) of section
 23 718.404, Florida Statutes, are amended to read:

24 718.404 Mixed-use condominiums.--When a condominium
 25 consists of both residential and commercial units, the
 26 following provisions shall apply:

27 (1) The condominium documents shall not provide that
 28 the owner of any commercial unit shall have the authority to
 29 veto amendments to the declaration, articles of incorporation,
 30 bylaws, or rules or regulations of the association. It is
 31 intended that this subsection apply retroactively as a

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1 remedial measure.

2 (2) Subject to s. 718.301, where the number of
3 residential units in the condominium equals or exceeds 50
4 percent of the total units operated by the association, owners
5 of the residential units shall be entitled to vote for a
6 majority of the seats on the board of administration. It is
7 intended that this subsection apply retroactively as a
8 remedial measure.

9 Section 16. Paragraphs (e) and (j) of subsection (1)
10 of section 718.501, Florida Statutes, are amended, and
11 paragraph (n) is added to that subsection, to read:

12 718.501 Powers and duties of Division of Florida Land
13 Sales, Condominiums, and Mobile Homes.--

14 (1) The Division of Florida Land Sales, Condominiums,
15 and Mobile Homes of the Department of Business and
16 Professional Regulation, referred to as the "division" in this
17 part, in addition to other powers and duties prescribed by
18 chapter 498, has the power to enforce and ensure compliance
19 with the provisions of this chapter and rules promulgated
20 pursuant hereto relating to the development, construction,
21 sale, lease, ownership, operation, and management of
22 residential condominium units. In performing its duties, the
23 division has the following powers and duties:

24 (e) The division shall ~~is authorized to~~ prepare and
25 disseminate a prospectus and other information to assist
26 prospective owners, purchasers, lessees, and developers of
27 residential condominiums in assessing the rights, privileges,
28 and duties pertaining thereto.

29 (j) The division shall provide training programs for
30 condominium association board members and unit owners in
31 conjunction with the recommendations of the ombudsman, at the

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1 associations' expense.

2 (n) Upon a finding that any association has committed
3 a violation within the jurisdiction of the division, the
4 division shall require the association to mail and post a
5 notice to all unit owners setting forth the facts and findings
6 relative to any and all violations, as well as a description
7 of the corrective action required.

8 Section 17. Subsection (1) of section 718.5011,
9 Florida Statutes, is amended to read:

10 718.5011 Ombudsman; appointment; administration.--

11 (1) There is created an Office of the Condominium
12 Ombudsman, to be located, solely for administrative purposes,
13 within the Division of Florida Land Sales, Condominiums, and
14 Mobile Homes. The ombudsman shall exercise his or her
15 policymaking and other functions delegated by this chapter
16 independently of the Department of Business and Professional
17 Regulation and without approval or control of the department.
18 The department shall render administrative support to the
19 Office of the Condominium Ombudsman in matters pertaining to
20 budget, personnel, office space, equipment, and supplies. The
21 functions of the office shall be funded by the Division of
22 Florida Land Sales, Condominiums, and Mobile Homes Trust Fund.
23 The ombudsman shall be a bureau chief of the division, and the
24 office shall be set within the division in the same manner as
25 any other bureau is staffed and funded.

26 Section 18. Section 718.5012, Florida Statutes, is
27 amended to read:

28 718.5012 Ombudsman; powers and duties.--

29 (1) The ombudsman shall have the powers that are
30 necessary to carry out the duties of his or her office,
31 including the following specific powers:

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1 (a)(1) To have access to and use of all files and
2 records of the division.

3 (b)(2) To employ professional and clerical staff as
4 necessary for the efficient operation of the office.

5 (c)(3) To prepare and issue reports and
6 recommendations to the Governor, the department, the division,
7 the Advisory Council on Condominiums, the President of the
8 Senate, and the Speaker of the House of Representatives on any
9 matter or subject within the jurisdiction of the division. The
10 ombudsman shall make recommendations he or she deems
11 appropriate for legislation relative to division procedures,
12 rules, jurisdiction, personnel, and functions.

13 (d)(4) To act as liaison between the division, unit
14 owners, boards of directors, board members, community
15 association managers, and other affected parties. The
16 ombudsman shall ~~develop policies and procedures to~~ assist unit
17 owners, boards of directors, board members, community
18 association managers, and other affected parties to understand
19 their rights and responsibilities as set forth in this chapter
20 and the condominium documents governing their respective
21 association. The ombudsman shall coordinate and assist in the
22 preparation and adoption of educational and reference
23 material, and shall endeavor to coordinate with private or
24 volunteer providers of these services, so that the
25 availability of these resources is made known to the largest
26 possible audience.

27 (e)(5) To monitor and review procedures and disputes
28 concerning condominium elections or meetings, including, but
29 not limited to, recommending that the division pursue
30 enforcement action in any manner where there is reasonable
31 cause to believe that election misconduct has occurred.

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1 ~~(f)(6)~~ To make recommendations to the division for
 2 changes in rules and procedures for the filing, investigation,
 3 and resolution of complaints filed by unit owners,
 4 associations, and managers.

5 ~~(g)(7)~~ To provide resources to assist members of
 6 boards of directors and officers of associations to carry out
 7 their powers and duties consistent with this chapter, division
 8 rules, and the condominium documents governing the
 9 association.

10 ~~(h)(8)~~ To order, encourage, and facilitate ~~voluntary~~
 11 meetings with and between unit owners, boards of directors,
 12 board members, community association managers, and other
 13 affected parties when the meetings may assist in resolving a
 14 dispute within a community association before a person submits
 15 a dispute for a formal or administrative remedy. It is the
 16 intent of the Legislature that the ombudsman act as a neutral
 17 resource for both the rights and responsibilities of unit
 18 owners, associations, and board members.

19 ~~(2)(9)~~ Fifteen percent of the total voting interests
 20 in a condominium association, or six unit owners, whichever is
 21 greater, may petition the ombudsman to appoint an election
 22 monitor to attend the annual meeting of the unit owners and
 23 conduct the election of directors. The ombudsman shall appoint
 24 a division employee, a person or persons specializing in
 25 condominium election monitoring, or an attorney licensed to
 26 practice in this state as the election monitor. All costs
 27 associated with the election monitoring process shall be paid
 28 by the association. The division shall adopt a rule
 29 establishing procedures for the appointment of election
 30 monitors and the scope and extent of the monitor's role in the
 31 election process.

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1 (3) Any unit owner or association acting in good faith
 2 on the advice or opinion of the office of the ombudsman is
 3 immune from any penalties or actions.

4 Section 19. Subsection (21) of section 718.504,
 5 Florida Statutes, is amended to read:

6 718.504 Prospectus or offering circular.--Every
 7 developer of a residential condominium which contains more
 8 than 20 residential units, or which is part of a group of
 9 residential condominiums which will be served by property to
 10 be used in common by unit owners of more than 20 residential
 11 units, shall prepare a prospectus or offering circular and
 12 file it with the Division of Florida Land Sales, Condominiums,
 13 and Mobile Homes prior to entering into an enforceable
 14 contract of purchase and sale of any unit or lease of a unit
 15 for more than 5 years and shall furnish a copy of the
 16 prospectus or offering circular to each buyer. In addition to
 17 the prospectus or offering circular, each buyer shall be
 18 furnished a separate page entitled "Frequently Asked Questions
 19 and Answers," which shall be in accordance with a format
 20 approved by the division and a copy of the financial
 21 information required by s. 718.111. This page shall, in
 22 readable language, inform prospective purchasers regarding
 23 their voting rights and unit use restrictions, including
 24 restrictions on the leasing of a unit; shall indicate whether
 25 and in what amount the unit owners or the association is
 26 obligated to pay rent or land use fees for recreational or
 27 other commonly used facilities; shall contain a statement
 28 identifying that amount of assessment which, pursuant to the
 29 budget, would be levied upon each unit type, exclusive of any
 30 special assessments, and which shall further identify the
 31 basis upon which assessments are levied, whether monthly,

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1 quarterly, or otherwise; shall state and identify any court
 2 cases in which the association is currently a party of record
 3 in which the association may face liability in excess of
 4 \$100,000; and which shall further state whether membership in
 5 a recreational facilities association is mandatory, and if so,
 6 shall identify the fees currently charged per unit type. The
 7 division shall by rule require such other disclosure as in its
 8 judgment will assist prospective purchasers. The prospectus or
 9 offering circular may include more than one condominium,
 10 although not all such units are being offered for sale as of
 11 the date of the prospectus or offering circular. The
 12 prospectus or offering circular must contain the following
 13 information:

14 (21) An estimated operating budget for the condominium
 15 and the association, and a schedule of the unit owner's
 16 expenses shall be attached as an exhibit and shall contain the
 17 following information:

18 (a) The estimated monthly and annual revenues and
 19 expenses of the condominium and the association which ~~that~~ are
 20 earned by the association or collected from unit owners by
 21 assessments.

22 (b) The estimated monthly and annual expenses of each
 23 unit owner for a unit, other than common expenses paid by all
 24 unit owners, payable by the unit owner to persons or entities
 25 other than the association, as well as to the association,
 26 including fees assessed pursuant to s. 718.113(1) for
 27 maintenance of limited common elements where such costs are
 28 shared only by those entitled to use the limited common
 29 element, and the total estimated monthly and annual expense.
 30 There may be excluded from this estimate expenses which are
 31 not provided for or contemplated by the condominium documents,

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1 including, but not limited to, the costs of private telephone;
 2 maintenance of the interior of condominium units, which is not
 3 the obligation of the association; maid or janitorial services
 4 privately contracted for by the unit owners; utility bills
 5 billed directly to each unit owner for utility services to his
 6 or her unit; insurance premiums other than those incurred for
 7 policies obtained by the condominium; and similar personal
 8 expenses of the unit owner. A unit owner's estimated payments
 9 for assessments shall also be stated in the estimated amounts
 10 for the times when they will be due.

11 (c) The estimated items of expenses of the condominium
 12 and the association, except as excluded under paragraph (b),
 13 including, but not limited to, the following items, which
 14 shall be stated either as an association expense collectible
 15 by assessments or as unit owners' expenses payable to persons
 16 other than the association:

- 17 1. Expenses for the association and condominium:
 - 18 a. Administration of the association.
 - 19 b. Management fees.
 - 20 c. Maintenance.
 - 21 d. Rent for recreational and other commonly used
 - 22 facilities.
 - 23 e. Taxes upon association property.
 - 24 f. Taxes upon leased areas.
 - 25 g. Insurance.
 - 26 h. Security provisions.
 - 27 i. Other expenses.
 - 28 j. Operating capital.
 - 29 k. Reserves.
 - 30 l. Fees payable to the division.
 - 31 2. Expenses for a unit owner:

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1 a. Rent for the unit, if subject to a lease.

2 b. Rent payable by the unit owner directly to the
3 lessor or agent under any recreational lease or lease for the
4 use of commonly used facilities, which use and payment is a
5 mandatory condition of ownership and is not included in the
6 common expense or assessments for common maintenance paid by
7 the unit owners to the association.

8 ~~(d) The estimated amounts shall be stated for a period
9 of at least 12 months and may distinguish between the period
10 prior to the time unit owners other than the developer elect a
11 majority of the board of administration and the period after
12 that date.~~

13 Section 20. Subsections (6) and (7) of section
14 720.303, Florida Statutes, are amended to read:

15 720.303 Association powers and duties; meetings of
16 board; official records; budgets; financial reporting;
17 association funds; recalls.--

18 (6) BUDGETS.--

19 (a) The association shall prepare an annual budget
20 that sets out the annual operating expenses. The budget must
21 reflect the estimated revenues and expenses for that year and
22 the estimated surplus or deficit as of the end of the current
23 year. The budget must set out separately all fees or charges
24 paid for by the association for recreational amenities,
25 whether owned by the association, the developer, or another
26 person. The association shall provide each member with a copy
27 of the annual budget or a written notice that a copy of the
28 budget is available upon request at no charge to the member.
29 The copy must be provided to the member within the time limits
30 set forth in subsection (5).

31 (b) In addition to annual operating expenses, the

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1 budget may include reserve accounts for capital expenditures
 2 and deferred maintenance for which the association is
 3 responsible to the extent that the governing documents do not
 4 limit increases in assessments, including reserves. If the
 5 budget of the association includes reserve accounts, such
 6 reserves shall be determined, maintained, and waived in the
 7 manner provided in this subsection. Once an association
 8 provides for reserve accounts in the budget, the association
 9 shall thereafter determine, maintain, and waive reserves in
 10 compliance with the provisions of this subsection.

11 (c) If the budget of the association does not provide
 12 for reserve accounts governed by this subsection and the
 13 association is responsible for the repair and maintenance of
 14 capital improvements that may result in a special assessment
 15 if reserves are not provided, each financial report for the
 16 preceding fiscal year required by subsection (7) must contain
 17 the following statement in conspicuous type: THE BUDGET OF THE
 18 ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL
 19 EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN
 20 SPECIAL ASSESSMENTS. OWNERS MAY ELECT TO PROVIDE FOR RESERVE
 21 ACCOUNTS UNDER THE PROVISIONS OF SECTION 720.303(6), FLORIDA
 22 STATUTES, UPON THE APPROVAL OF NOT LESS THAN A MAJORITY OF THE
 23 TOTAL VOTING INTERESTS OF THE ASSOCIATION.

24 (d) An association is deemed to have provided for
 25 reserve accounts when reserve accounts have been initially
 26 established by the developer or when the membership of the
 27 association affirmatively elects to provide for reserves. If
 28 reserve accounts are not initially provided for by the
 29 developer, the membership of the association may elect to do
 30 so upon the affirmative approval of not less than a majority
 31 of the total voting interests of the association. The approval

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1 may be attained by vote of the members at a duly called
 2 meeting of the membership or upon a written consent executed
 3 by not less than a majority of the total voting interests in
 4 the community. The approval action of the membership shall
 5 state that reserve accounts shall be provided for in the
 6 budget and designate the components for which the reserve
 7 accounts are to be established. Upon approval by the
 8 membership, the board of directors shall provide for the
 9 required reserve accounts for inclusion in the budget in the
 10 next fiscal year following the approval and in each year
 11 thereafter. Once established as provided in this subsection,
 12 the reserve accounts shall be funded or maintained or shall
 13 have their funding waived in the manner provided in paragraph
 14 (f).

15 (e) The amount to be reserved in any account
 16 established shall be computed by means of a formula that is
 17 based upon estimated remaining useful life and estimated
 18 replacement cost or deferred maintenance expense of each
 19 reserve item. The association may adjust replacement reserve
 20 assessments annually to take into account any changes in
 21 estimates of cost or useful life of a reserve item.

22 (f) Once a reserve account or reserve accounts are
 23 established, the membership of the association, upon a
 24 majority vote at a meeting at which a quorum is present, may
 25 provide for no reserves or less reserves than required by this
 26 section. If a meeting of the unit owners is called to
 27 determine whether to waive or reduce the funding of reserves
 28 and no such result is achieved or a quorum is not present, the
 29 reserves as included in the budget shall go into effect. After
 30 the turnover, the developer may vote its voting interest to
 31 wave or reduce the funding of reserves. Any vote taken under

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1 this subsection to waive or reduce reserves shall be
2 applicable only to one budget year.

3 (g) Funding formulas for reserves authorized by this
4 section shall be based on either a separate analysis of each
5 of the required assets or a pooled analysis of two or more of
6 the required assets.

7 1. If the association maintains separate reserve
8 accounts for each of the required assets, the amount of the
9 contribution to each reserve account shall be the sum of the
10 following two calculations:

11 a. The total amount necessary, if any, to bring a
12 negative component balance to zero.

13 b. The total estimated deferred maintenance expense or
14 estimated replacement cost of the reserve component less the
15 estimated balance of the reserve component as of the beginning
16 of the period for which the budget will be in effect. The
17 remainder, if greater than zero, shall be divided by the
18 estimated remaining useful life of the component.

19
20 The formula may be adjusted each year for changes in estimates
21 and deferred maintenance performed during the year and may
22 include factors such as inflation and earnings on invested
23 funds.

24 2. If the association maintains a pooled account of
25 two or more of the required reserve assets, the amount of the
26 contribution to the pooled reserve account as disclosed on the
27 proposed budget may not be less than that required to ensure
28 that the balance at the beginning of the period for which the
29 budget will go into effect plus the projected annual cash
30 inflows over the remaining estimated useful life of all of the
31 assets that make up the reserve pool are equal to or greater

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1 than the projected annual cash outflows over the remaining
 2 estimated useful lives of all of the assets that make up the
 3 reserve pool, based on the current reserve analysis. The
 4 projected annual cash inflows may include estimated earnings
 5 from investment of principal. The reserve funding formula may
 6 not include any type of balloon payments.

7 (h) Reserve funds and any interest accruing thereon
 8 shall remain in the reserve account or accounts and shall be
 9 used only for authorized reserve expenditures unless their use
 10 for other purposes is approved in advance by a majority vote
 11 at a meeting at which a quorum is present. Prior to turnover
 12 of control of an association by a developer to parcel owners,
 13 the developer-controlled association may not vote to use
 14 reserves for purposes other than those for which they were
 15 intended without the approval of a majority of all
 16 nondeveloper voting interests voting in person or by limited
 17 proxy at a duly called meeting of the association.

18 (7) FINANCIAL REPORTING.--Within 90 days after the end
 19 of the fiscal year, or annually on a date provided in the
 20 bylaws, the association shall prepare and complete, or
 21 contract with a third party for the preparation and completion
 22 of, a financial report for the preceding fiscal year. Within
 23 21 days after the final financial report is completed by the
 24 association or received from the third party, but not later
 25 than 120 days after the end of the fiscal year or other date
 26 as provided in the bylaws, the association shall ~~prepare an~~
 27 ~~annual financial report within 60 days after the close of the~~
 28 ~~fiscal year. The association shall, within the time limits set~~
 29 forth in subsection (5), provide each member with a copy of
 30 the annual financial report or a written notice that a copy of
 31 the financial report is available upon request at no charge to

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1 the member. Financial reports shall be prepared as follows:

2 (a) An association that meets the criteria of this
3 paragraph shall prepare or cause to be prepared a complete set
4 of financial statements in accordance with generally accepted
5 accounting principles as adopted by the Board of Accountancy.

6 The financial statements shall be based upon the association's
7 total annual revenues, as follows:

8 1. An association with total annual revenues of
9 \$100,000 or more, but less than \$200,000, shall prepare
10 compiled financial statements.

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

14 3. An association with total annual revenues of
15 \$400,000 or more shall prepare audited financial statements.

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

19 2. An association in a community of fewer than 50
20 parcels, regardless of the association's annual revenues, may
21 prepare a report of cash receipts and expenditures in lieu of
22 financial statements required by paragraph (a) unless the
23 governing documents provide otherwise.

24 3. A report of cash receipts and disbursement must
25 disclose the amount of receipts by accounts and receipt
26 classifications and the amount of expenses by accounts and
27 expense classifications, including, but not limited to, the
28 following, as applicable: costs for security, professional,
29 and management fees and expenses; taxes; costs for recreation
30 facilities; expenses for refuse collection and utility
31 services; expenses for lawn care; costs for building

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1 maintenance and repair; insurance costs; administration and
2 salary expenses; and reserves if maintained by the
3 association.

4 (c) If 20 percent of the parcel owners petition the
5 board for a level of financial reporting higher than that
6 required by this section, the association shall duly notice
7 and hold a meeting of members within 30 days of receipt of the
8 petition for the purpose of voting on raising the level of
9 reporting for that fiscal year. Upon approval of a majority of
10 the total voting interests of the parcel owners, the
11 association shall prepare or cause to be prepared, shall amend
12 the budget or adopt a special assessment to pay for the
13 financial report regardless of any provision to the contrary
14 in the governing documents, and shall provide within 90 days
15 of the meeting or the end of the fiscal year, whichever occurs
16 later:

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

20 2. Reviewed or audited financial statements, if the
21 association is otherwise required to prepare compiled
22 financial statements; or

23 3. Audited financial statements if the association is
24 otherwise required to prepare reviewed financial statements.

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

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

30 2. A report of cash receipts and expenditures or a
31 compiled financial statement in lieu of a reviewed or audited

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1 financial statement; or

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

5 Section 21. Section 720.307, Florida Statutes, is
6 amended to read:

7 720.307 Transition of association control in a
8 community.--With respect to homeowners' associations:

9 (1) Members other than the developer are entitled to
10 elect at least a majority of the members of the board of
11 directors of the homeowners' association when the earlier of
12 the following events occurs:

13 (a) Three months after 75 ~~90~~ percent of the parcels in
14 all phases of the community that will ultimately be operated
15 by the homeowners' association have been conveyed to members;
16 or

17 (b) Such other percentage of the parcels has been
18 conveyed to members, or such other date or event has occurred,
19 as is set forth in the governing documents in order to comply
20 with the requirements of any governmentally chartered entity
21 with regard to the mortgage financing of parcels.

22
23 For purposes of this section, the term "members other than the
24 developer" shall not include builders, contractors, or others
25 who purchase a parcel for the purpose of constructing
26 improvements thereon for resale.

27 (2) The developer is entitled to elect at least one
28 member of the board of directors of the homeowners'
29 association as long as the developer holds for sale in the
30 ordinary course of business at least 5 percent of the parcels
31 in all phases of the community. After the developer

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1 relinquishes control of the homeowners' association, the
 2 developer may exercise the right to vote any developer-owned
 3 voting interests in the same manner as any other member,
 4 except for purposes of reacquiring control of the homeowners'
 5 association or selecting the majority of the members of the
 6 board of directors.

7 (3) Prior to turnover, the developer or owner of all
 8 common areas shall convey the title to all common areas to the
 9 association immediately upon incorporation of the association.
 10 If additional common areas are acquired prior to transition of
 11 control and subject to the governing documents, title to those
 12 common areas shall also be immediately transferred to the
 13 association.

14 ~~(4)(3)~~ At the time the members are entitled to elect
 15 at least a majority of the board of directors of the
 16 homeowners' association, the developer shall, at the
 17 developer's expense, within no more than 90 days deliver the
 18 following documents to the board:

19 (a) All deeds to common property owned by the
 20 association or the developer.

21 (b) The original of the association's declarations of
 22 covenants and restrictions.

23 (c) A certified copy of the articles of incorporation
 24 of the association.

25 (d) A copy of the bylaws.

26 (e) The minute books, including all minutes.

27 (f) The books and records of the association.

28 (g) Policies, rules, and regulations, if any, which
 29 have been adopted.

30 (h) Resignations of directors who are required to
 31 resign because the developer is required to relinquish control

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1 of the association.

2 (i) The financial records of the association from the
3 date of incorporation through the date of turnover.

4 (j) All association funds and control thereof.

5 (k) All tangible property of the association.

6 (l) A copy of all contracts which may be in force with
7 the association as one of the parties.

8 (m) A list of the names and addresses and telephone
9 numbers of all contractors, subcontractors, or others in the
10 current employ of the association.

11 (n) Any and all insurance policies in effect.

12 (o) Any permits issued to the association by
13 governmental entities.

14 (p) Any and all warranties in effect.

15 (q) A roster of current homeowners and their addresses
16 and telephone numbers and section and lot numbers.

17 (r) Employment and service contracts in effect.

18 (s) All other contracts and agreements in effect to
19 which the association is a party.

20 (t) The financial records, including financial
21 statements of the association, and source documents from the
22 incorporation of the association through the date of turnover.

23 The records shall be audited by an independent certified
24 public accountant for the period of the incorporation of the
25 association or for the period covered by the last audit, if an

26 audit has been performed for each fiscal year since
27 incorporation. All financial statements shall be prepared in
28 accordance with generally accepted accounting standards and

29 shall be audited in accordance with generally accepted
30 auditing standards as prescribed by the Board of Accountancy.
31 The accountant performing the review shall examine to the

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1 extent necessary supporting documents and records, including
 2 the cash disbursements and related paid invoices to determine
 3 whether expenditures were for association purposes, and the
 4 billings, cash receipts, and related records to determine
 5 whether the developer was charged and paid the proper amounts
 6 of assessments. This paragraph applies to associations with a
 7 date of incorporation after December 31, 2007.

8 ~~(5)(4) This section applies to any mandatory~~
 9 ~~homeowner's association existing under this chapter does not~~
 10 ~~apply to a homeowners' association in existence on the~~
 11 ~~effective date of this act, or to a homeowners' association,~~
 12 ~~no matter when created, if such association is created in a~~
 13 ~~community that is included in an effective~~
 14 ~~development-of-regional-impact development order as of the~~
 15 ~~effective date of this act, together with any approved~~
 16 ~~modifications thereof.~~

17 Section 22. Subsection (5) is added to section
 18 720.3075, Florida Statutes, to read:

19 720.3075 Prohibited clauses in association
 20 documents.--

21 (5)(a) An association may not restrict a homeowner
 22 from mounting or employing shutters or other hurricane
 23 protection on any portion of the home.

24 (b) Except as provided in paragraph (c), an
 25 association may not restrict a homeowner from mounting or
 26 employing temporary or permanent shutters or other hurricane
 27 protection on any portion of the home during any time that a
 28 hurricane warning has been declared, during any time when an
 29 evacuation order has been given, or for the following period
 30 after conclusion of the hurricane watch or evacuation order:

31 1. Seven days; or

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1 2. Fourteen days if the hurricane watch concerns a
2 category 4 storm or greater or if the evacuation order lasts
3 more than 3 days.

4 (c) If a local government restricts homeowners'
5 mounting or employing temporary or permanent shutters or other
6 hurricane protection, the local government may also authorize
7 associations to adopt and enforce equal or lesser
8 restrictions.

9 (d) Except as provided in paragraph (c) or paragraph
10 (e), an association may not restrict a homeowner from mounting
11 or employing permanent shutters or other hurricane protection
12 on any portion of the home.

13 (e) If the association otherwise properly adopts
14 restrictions governing color or form of shutters or other
15 permanent exterior window coverings, the association may adopt
16 and enforce equal or lesser restrictions that apply to
17 permanent exterior hurricane protections.

18 (f) An association may not restrict the time or
19 duration for shutters or other hurricane protection to be open
20 or closed during any period and may not restrict homeowners
21 from mounting or employing temporary shutters or other
22 hurricane protection on any portion of the home.

23 Section 23. Notwithstanding any provision to the
24 contrary contained in a declaration of condominium,
25 condominium bylaws, or other documents, a condominium
26 developer who rents or leases any unsold units in a
27 condominium must pay all monthly maintenance fees on those
28 units to the association as if the units were owned by
29 individual owners.

30 Section 24. This act shall take effect July 1, 2007.

31

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1 ===== T I T L E A M E N D M E N T =====

2 And the title is amended as follows:

3 Delete everything before the enacting clause

4

5 and insert:

6 A bill to be entitled

7 An act relating to community associations;

8 amending s. 190.048, F.S.; providing disclosure

9 requirements for certain contracts for the

10 initial sale of a parcel of real property and

11 each contract for the initial sale of a

12 residential unit; amending s. 190.0485, F.S.;

13 conforming provisions; amending s. 718.104,

14 F.S.; revising required contents of a

15 condominium declaration; amending s. 718.110,

16 F.S.; requiring that notice of proposed

17 amendments be provided to unit owners; amending

18 s. 718.111, F.S.; providing authorization for

19 condominium associations to access units for

20 specified purposes; requiring that official

21 records of the association be made available at

22 certain locations; providing that certain

23 records may not be accessible to unit owners;

24 removing the requirement that the association's

25 annual financial report be provided only to

26 unit owners providing a written request for the

27 report; restricting a condominium association

28 from waiving a financial report for more than 2

29 years; providing duties for condominium boards

30 of administration in the event of certain

31 casualties; providing that certain assessments

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1 may be made against unit owners under certain
2 conditions; amending s. 718.112, F.S.;
3 authorizing the board or membership to
4 determine the composition of the board of
5 administration under certain circumstances;
6 requiring members of the board of
7 administration to be unit owners, absent
8 provisions indicating board member
9 requirements; requiring the board to respond to
10 certain inquiries by certified mail, return
11 receipt requested; authorizing a condominium
12 association to respond only twice every 30 days
13 to unit owner inquiries; providing board of
14 administration and unit owners' meeting
15 requirements; requiring the board to address
16 certain agenda items proposed by a petition of
17 20 percent of the unit owners; revising notice
18 procedures; revising the terms of office and
19 reelection of the members of a condominium
20 association board; providing that certain
21 persons providing notice of a meeting must
22 provide an affidavit affirming that the notices
23 were delivered; authorizing the association's
24 representative to provide certain notices;
25 providing for the securing of ballots; revising
26 procedures relating to the filling of a vacancy
27 on the board; removing a provision allowing an
28 association to provide for different voting and
29 election procedures in its bylaws; providing
30 unit owners with the right to have items placed
31 on the agenda of the annual meeting and voted

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1 upon under certain conditions; requiring the
2 association to prepare an annual budget of
3 estimated revenues and expenses; requiring the
4 budget to include reserve accounts for certain
5 purposes; requiring that certain ballot
6 statements contain certain statements;
7 requiring a vote to provide for no reserves or
8 percentage of reserves to be made at certain
9 times; authorizing the association to use
10 reserve funds for nonscheduled purposes under
11 certain conditions; prohibiting the board from
12 applying for or accepting certain loans or
13 lines of credit; requiring that common expenses
14 be paid by the developer during a specified
15 time; requiring that assessments be made
16 against units on a quarter-annual or more
17 frequent basis; providing that certain
18 provisions may not preclude the right of an
19 association to accelerate assessments of
20 certain owners delinquent in payment of common
21 expenses; providing that accelerated
22 assessments are due and payable after the claim
23 of lien is filed; revising assessment
24 requirements; deleting the requirement that the
25 bylaws include an element for mandatory
26 nonbinding arbitration; amending s. 718.113,
27 F.S.; requiring boards of administration to
28 adopt or restate hurricane shutter
29 specifications yearly at the annual meeting;
30 authorizing the board to install hurricane
31 protection that complies with the applicable

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1 building code; requiring the board to have the
2 condominium buildings periodically inspected
3 for structural and electrical soundness by a
4 professional engineer or professional architect
5 registered in the state; requiring the
6 inspector to provide a report to the
7 association and unit owners; prohibiting the
8 board from prohibiting the display of certain
9 religious items on the front-door area of a
10 unit; creating s. 718.1224, F.S.; prohibiting
11 certain lawsuits arising from unit owners'
12 appearances and presentations before a
13 governmental entity; providing a definition;
14 providing for award of damages and attorney's
15 fees; amending s. 718.1255, F.S.; requiring the
16 division to promptly refer certain cases to
17 mediation; creating s. 718.1257, F.S.;

18 providing that condominium unit owners and
19 renters have the right to own a companion
20 animal and to have that animal live with them
21 under specified conditions; amending s.
22 718.302, F.S.; conforming provisions; amending
23 s. 718.3025, F.S.; providing requirements for
24 certain contracts between a party contracting
25 to provide maintenance or management services
26 and an association; amending s. 718.3026, F.S.;

27 providing that certain contracts between a
28 service provider and an association may not be
29 for a term in excess of 3 years and may not
30 contain an automatic renewal clause; requiring
31 that certain contracts for construction occur

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1 under the advisement of an attorney; amending
2 s. 718.303, F.S.; requiring hearings to levy
3 fines to be held before a committee of unit
4 owners who are not members of the board;
5 requiring that persons subject to certain
6 actions be notified of their violations in a
7 certain manner; providing a timeframe within
8 which a person must respond; authorizing the
9 budget to include reserve accounts for capital
10 expenditures and deferred maintenance;
11 providing a formula for calculating the amount
12 to be reserved; authorizing the association to
13 adjust replacement reserve assessments
14 annually; authorizing the developer to vote to
15 waive the reserves or reduce the funding of
16 reserves for a certain period; revising
17 provisions relating to financial reporting;
18 revising time periods in which the association
19 must complete its reporting; amending s.
20 718.404, F.S.; providing for retroactive
21 application of certain provisions; amending s.
22 718.501, F.S.; requiring the division to
23 prepare and disseminate a prospectus and other
24 information for use by owners, purchasers,
25 lessees, and developers of residential
26 condominiums; providing that the board member
27 training provided by the division shall be
28 provided in conjunction with recommendations by
29 the ombudsman; providing powers and duties of
30 the division with respect to association
31 violations; requiring associations to provide

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1 certain notice and to participate in certain
2 educational training; amending s. 718.5011,
3 F.S.; restricting location of the Office of the
4 Condominium Ombudsman; providing that the
5 ombudsman shall exercise his or her
6 policymaking and other functions independently
7 of the Department of Business and Professional
8 Regulation and without approval or control of
9 the department; requiring the department to
10 render administrative support for certain
11 matters; requiring that revenues collected by
12 the department for the Office of the
13 Condominium Ombudsman be deposited in a
14 separate fund or account under specified
15 conditions; amending s. 718.5012, F.S.;
16 removing requirements that the ombudsman
17 develop certain policies and procedures;
18 providing additional powers and duties of the
19 ombudsman; amending s. 718.504, F.S.; revising
20 and providing information to be contained in
21 the condominium prospectus or offering
22 circular; amending s. 720.303, F.S.; revising
23 procedures used in preparing the association's
24 annual financial report; amending s. 720.307,
25 F.S., relating to transition of association
26 control in a community; revising criteria with
27 respect to election of members to the board of
28 directors; requiring certain developers and
29 owners to convey title to all common areas
30 prior to turnover; revising requirements for
31 turnover of documents; requiring that certain

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1 information be included in the records and that
2 the records be prepared in a specified manner;
3 revising application to include certain
4 associations; amending s. 720.3075, F.S.;
5 prohibiting associations from restricting the
6 use of hurricane shutters in certain
7 circumstances; requiring a developer who rents
8 or leases any unsold units in a condominium to
9 pay all monthly maintenance fees on those units
10 to the association as if the units were owned
11 by individual owners; providing an effective
12 date.

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