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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/17/2010	.	
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	.	
	.	

The Committee on Military Affairs and Domestic Security (Peaden) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (8) is added to section 399.02,
Florida Statutes, to read:

399.02 General requirements.—

(8) Updates to the code requiring modifications for Phase
II Firefighters' Service on existing elevators, as amended into
the Safety Code for Existing Elevators and Escalators, ASME
A17.1 and A17.3, may not be enforced on elevators in



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13 condominiums or cooperatives issued a certificate of occupancy
14 by the local building authority as of July 1, 2008, for 5 years
15 or until the elevator is replaced or requires major
16 modification, whichever occurs first. This exception does not
17 apply to a building for which a certificate of occupancy was
18 issued after July 1, 2008. This exception does not prevent an
19 elevator owner from requesting a variance from the applicable
20 codes before or after the expiration of the 5-year term. This
21 subsection does not prohibit the division from granting
22 variances pursuant to s. 120.542. The division shall adopt rules
23 to administer this subsection.

24 Section 2. Subsection (7) of section 617.0721, Florida
25 Statutes, is amended to read:

26 617.0721 Voting by members.—

27 (7) Subsections (1), ~~(2)~~, (5), and (6) do not apply to a
28 corporation that is an association, as defined in s. 720.301, or
29 a corporation regulated by chapter 718 or chapter 719.

30 Section 3. Subsection (3) is added to section 617.0808,
31 Florida Statutes, to read:

32 617.0808 Removal of directors.—

33 (3) This section does not apply to any corporation that is
34 an association, as defined in s. 720.301, or a corporation
35 regulated under chapter 718 or chapter 719.

36 Section 4. Section 617.1606, Florida Statutes, is created
37 to read:

38 617.1606 Access to records.—Sections 617.1601-617.1605 do
39 not apply to a corporation that is an association, as defined in
40 s. 720.301, or a corporation regulated under chapter 718 or
41 chapter 719.



42 Section 5. Section 627.714, Florida Statutes, is created to
43 read:

44 627.714 Residential condominium unit owner coverage; loss
45 assessment coverage required.—For policies issued or renewed on
46 or after July 1, 2010, coverage under a unit owner's residential
47 property policy must include at least \$2,000 in property loss
48 assessment coverage for all assessments made as a result of the
49 same direct loss to the property, regardless of the number of
50 assessments, owned by all members of the association
51 collectively if such loss is of the type of loss covered by the
52 unit owner's residential property insurance policy, to which a
53 deductible of no more than \$250 per direct property loss
54 applies. If a deductible was or will be applied to other
55 property loss sustained by the unit owner resulting from the
56 same direct loss to the property, no deductible applies to the
57 loss assessment coverage. Every individual unit owner's
58 residential property policy must contain a provision stating
59 that the coverage afforded by such policy is excess coverage
60 over the amount recoverable under any other policy covering the
61 same property.

62 Section 6. Subsection (13) is added to section 633.0215,
63 Florida Statutes, to read:

64 633.0215 Florida Fire Prevention Code.—

65 (13) A condominium, cooperative, or multifamily residential
66 building that is less than four stories in height and has a
67 corridor providing an exterior means of egress is exempt from
68 the requirement to install a manual fire alarm system under s.
69 9.6 of the Life Safety Code adopted in the Florida Fire
70 Prevention Code.



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71 Section 7. Subsection (16) of section 718.103, Florida
72 Statutes, is amended to read:

73 718.103 Definitions.—As used in this chapter, the term:

74 (16) "Developer" means a person who creates a condominium
75 or offers condominium parcels for sale or lease in the ordinary
76 course of business, but does not include:

77 (a) An owner or lessee of a condominium or cooperative unit
78 who has acquired the unit for his or her own occupancy; ~~nor~~
79 ~~does it include~~

80 (b) A cooperative association that ~~which~~ creates a
81 condominium by conversion of an existing residential cooperative
82 after control of the association has been transferred to the
83 unit owners if, following the conversion, the unit owners are
84 ~~will be~~ the same persons who were unit owners of the cooperative
85 and no units are offered for sale or lease to the public as part
86 of the plan of conversion;~~;~~

87 (c) A bulk assignee or bulk buyer as defined in s. 718.703;
88 or

89 (d) A state, county, or municipal entity ~~is not a developer~~
90 ~~for any purposes under this act when it is~~ acting as a lessor
91 and not otherwise named as a developer in the declaration of
92 condominium association.

93 Section 8. Subsection (13) of section 718.110, Florida
94 Statutes, is amended to read:

95 718.110 Amendment of declaration; correction of error or
96 omission in declaration by circuit court.—

97 (13) An Any amendment prohibiting restricting unit owners
98 from renting their units or altering the duration of the rental
99 term or specifying or limiting the number of times unit owners



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100 are entitled to rent their units during a specified period
101 ~~owners' rights relating to the rental of units~~ applies only to
102 unit owners who consent to the amendment and unit owners who
103 acquire title to purchase their units after the effective date
104 of that amendment.

105 Section 9. Paragraphs (a), (b), (c), (d), (f), (g), (j),
106 and (n) of subsection (11) and subsections (12) and (13) of
107 section 718.111, Florida Statutes, are amended to read:

108 718.111 The association.—

109 (11) INSURANCE.—In order to protect the safety, health, and
110 welfare of the people of the State of Florida and to ensure
111 consistency in the provision of insurance coverage to
112 condominiums and their unit owners, this subsection applies to
113 every residential condominium in the state, regardless of the
114 date of its declaration of condominium. It is the intent of the
115 Legislature to encourage lower or stable insurance premiums for
116 associations described in this subsection.

117 (a) Adequate property hazard ~~hazard~~ insurance, regardless of any
118 requirement in the declaration of condominium for coverage by
119 the association for full insurable value, replacement cost, or
120 similar coverage, must shall be based on upon the replacement
121 cost of the property to be insured as determined by an
122 independent insurance appraisal or update of a prior appraisal.
123 The replacement cost must full insurable value shall be
124 determined at least once every 36 months.

125 1. An association or group of associations may provide
126 adequate property hazard ~~hazard~~ insurance through a self-insurance fund
127 that complies with the requirements of ss. 624.460-624.488.

128 2. The association may also provide adequate property



129 ~~hazard~~ insurance coverage for a group of at least ~~no fewer than~~
130 three communities created and operating under this chapter,
131 chapter 719, chapter 720, or chapter 721 by obtaining and
132 maintaining for such communities insurance coverage sufficient
133 to cover an amount equal to the probable maximum loss for the
134 communities for a 250-year windstorm event. Such probable
135 maximum loss must be determined through the use of a competent
136 model that has been accepted by the Florida Commission on
137 Hurricane Loss Projection Methodology. A ~~No~~ policy or program
138 providing such coverage may not ~~shall~~ be issued or renewed after
139 July 1, 2008, unless it has been reviewed and approved by the
140 Office of Insurance Regulation. The review and approval must
141 ~~shall~~ include approval of the policy and related forms pursuant
142 to ss. 627.410 and 627.411, approval of the rates pursuant to s.
143 627.062, a determination that the loss model approved by the
144 commission was accurately and appropriately applied to the
145 insured structures to determine the 250-year probable maximum
146 loss, and a determination that complete and accurate disclosure
147 of all material provisions is provided to condominium unit
148 owners before ~~prior to~~ execution of the agreement by a
149 condominium association.

150 3. When determining the adequate amount of property hazard
151 insurance coverage, the association may consider deductibles as
152 determined by this subsection.

153 (b) If an association is a developer-controlled
154 association, the association shall exercise its best efforts to
155 obtain and maintain insurance as described in paragraph (a).
156 Failure to obtain and maintain adequate property hazard
157 insurance during any period of developer control constitutes a



158 breach of fiduciary responsibility by the developer-appointed
159 members of the board of directors of the association, unless the
160 members can show that despite such failure, they have made their
161 best efforts to maintain the required coverage.

162 (c) Policies may include deductibles as determined by the
163 board.

164 1. The deductibles must ~~shall~~ be consistent with industry
165 standards and prevailing practice for communities of similar
166 size and age, and having similar construction and facilities in
167 the locale where the condominium property is situated.

168 2. The deductibles may be based upon available funds,
169 including reserve accounts, or predetermined assessment
170 authority at the time the insurance is obtained.

171 3. The board shall establish the amount of deductibles
172 based upon the level of available funds and predetermined
173 assessment authority at a meeting of the board. ~~Such meeting~~
174 ~~shall be open to all unit owners~~ in the manner set forth in s.
175 718.112(2)(e). ~~The notice of such meeting must state the~~
176 ~~proposed deductible and the available funds and the assessment~~
177 ~~authority relied upon by the board and estimate any potential~~
178 ~~assessment amount against each unit, if any. The meeting~~
179 ~~described in this paragraph may be held in conjunction with a~~
180 ~~meeting to consider the proposed budget or an amendment thereto.~~

181 (d) An association controlled by unit owners operating as a
182 residential condominium shall use its best efforts to obtain and
183 maintain adequate property insurance to protect the association,
184 the association property, the common elements, and the
185 condominium property that must ~~is required to~~ be insured by the
186 association pursuant to this subsection.



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187 (f) Every property hazard insurance policy issued or
188 renewed on or after January 1, 2009, for the purpose of
189 protecting the condominium must ~~shall~~ provide primary coverage
190 for:

191 1. All portions of the condominium property as originally
192 installed or replacement of like kind and quality, in accordance
193 with the original plans and specifications.

194 2. All alterations or additions made to the condominium
195 property or association property pursuant to s. 718.113(2).

196 3. The coverage must ~~shall~~ exclude all personal property
197 within the unit or limited common elements, and floor, wall, and
198 ceiling coverings, electrical fixtures, appliances, water
199 heaters, water filters, built-in cabinets and countertops, and
200 window treatments, including curtains, drapes, blinds, hardware,
201 and similar window treatment components, or replacements of any
202 of the foregoing which are located within the boundaries of the
203 unit and serve only such unit. Such property and any insurance
204 thereupon is the responsibility of the unit owner.

205 (g) A condominium unit owner's policy must conform to the
206 requirements of s. 627.714. Every hazard insurance policy issued
207 or renewed on or after January 1, 2009, to an individual unit
208 owner must contain a provision stating that the coverage
209 afforded by such policy is excess coverage over the amount
210 recoverable under any other policy covering the same property.
211 Such policies must include special assessment coverage of no
212 less than \$2,000 per occurrence. An insurance policy issued to
213 an individual unit owner providing such coverage does not
214 provide rights of subrogation against the condominium
215 association operating the condominium in which such individual's



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216 ~~unit is located.~~

217 ~~1. All improvements or additions to the condominium~~
218 ~~property that benefit fewer than all unit owners shall be~~
219 ~~insured by the unit owner or owners having the use thereof, or~~
220 ~~may be insured by the association at the cost and expense of the~~
221 ~~unit owners having the use thereof.~~

222 ~~2. The association shall require each owner to provide~~
223 ~~evidence of a currently effective policy of hazard and liability~~
224 ~~insurance upon request, but not more than once per year. Upon~~
225 ~~the failure of an owner to provide a certificate of insurance~~
226 ~~issued by an insurer approved to write such insurance in this~~
227 ~~state within 30 days after the date on which a written request~~
228 ~~is delivered, the association may purchase a policy of insurance~~
229 ~~on behalf of an owner. The cost of such a policy, together with~~
230 ~~reconstruction costs undertaken by the association but which are~~
231 ~~the responsibility of the unit owner, may be collected in the~~
232 ~~manner provided for the collection of assessments in s. 718.116.~~

233 ~~1.3.~~ All reconstruction work after a property ~~casualty~~ loss
234 ~~must shall~~ be undertaken by the association except as otherwise
235 authorized in this section. A unit owner may undertake
236 reconstruction work on portions of the unit with the prior
237 written consent of the board of administration. However, such
238 work may be conditioned upon the approval of the repair methods,
239 the qualifications of the proposed contractor, or the contract
240 that is used for that purpose. A unit owner must ~~shall~~ obtain
241 all required governmental permits and approvals before ~~prior to~~
242 commencing reconstruction.

243 ~~2.4.~~ Unit owners are responsible for the cost of
244 reconstruction of any portions of the condominium property for



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245 which the unit owner is required to carry property casualty
246 insurance, and any such reconstruction work undertaken by the
247 association is ~~shall be~~ chargeable to the unit owner and
248 enforceable as an assessment pursuant to s. 718.116. ~~The~~
249 ~~association must be an additional named insured and loss payee~~
250 ~~on all casualty insurance policies issued to unit owners in the~~
251 ~~condominium operated by the association.~~

252 ~~3.5.~~ A multicondominium association may elect, by a
253 majority vote of the collective members of the condominiums
254 operated by the association, to operate the ~~such~~ condominiums as
255 a single condominium for purposes of insurance matters,
256 including, but not limited to, the purchase of the property
257 ~~hazard~~ insurance required by this section and the apportionment
258 of deductibles and damages in excess of coverage. The election
259 to aggregate the treatment of insurance premiums, deductibles,
260 and excess damages constitutes an amendment to the declaration
261 of all condominiums operated by the association, and the costs
262 of insurance must ~~shall~~ be stated in the association budget. The
263 amendments must ~~shall~~ be recorded as required by s. 718.110.

264 (j) Any portion of the condominium property that must
265 ~~required to~~ be insured by the association against property
266 ~~casualty~~ loss pursuant to paragraph (f) which is damaged ~~by~~
267 ~~casualty~~ shall be reconstructed, repaired, or replaced as
268 necessary by the association as a common expense. All property
269 ~~hazard~~ insurance deductibles, uninsured losses, and other
270 damages in excess of property ~~hazard~~ insurance coverage under
271 the property ~~hazard~~ insurance policies maintained by the
272 association are a common expense of the condominium, except
273 that:



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274 1. A unit owner is responsible for the costs of repair or
275 replacement of any portion of the condominium property not paid
276 by insurance proceeds, if such damage is caused by intentional
277 conduct, negligence, or failure to comply with the terms of the
278 declaration or the rules of the association by a unit owner, the
279 members of his or her family, unit occupants, tenants, guests,
280 or invitees, without compromise of the subrogation rights of the
281 ~~any insurer as set forth in paragraph (g).~~

282 2. The provisions of subparagraph 1. regarding the
283 financial responsibility of a unit owner for the costs of
284 repairing or replacing other portions of the condominium
285 property also apply to the costs of repair or replacement of
286 personal property of other unit owners or the association, as
287 well as other property, whether real or personal, which the unit
288 owners are required to insure ~~under paragraph (g).~~

289 3. To the extent the cost of repair or reconstruction for
290 which the unit owner is responsible under this paragraph is
291 reimbursed to the association by insurance proceeds, and, ~~to the~~
292 ~~extent~~ the association has collected the cost of such repair or
293 reconstruction from the unit owner, the association shall
294 reimburse the unit owner without the waiver of any rights of
295 subrogation.

296 4. The association is not obligated to pay for
297 reconstruction or repairs of property casualty losses as a
298 common expense if the property casualty losses were known or
299 should have been known to a unit owner and were not reported to
300 the association until after the insurance claim of the
301 association for that property casualty was settled or resolved
302 with finality, or denied because ~~on the basis that~~ it was



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303 untimely filed.

304 (n) The association is not obligated to pay for any
305 reconstruction or repair expenses due to property ~~casualty~~ loss
306 to any improvements installed by a current or former owner of
307 the unit or by the developer if the improvement benefits only
308 the unit for which it was installed and is not part of the
309 standard improvements installed by the developer on all units as
310 part of original construction, whether or not such improvement
311 is located within the unit. This paragraph does not relieve any
312 party of its obligations regarding recovery due under any
313 insurance implemented specifically for ~~any~~ such improvements.

314 (12) OFFICIAL RECORDS.—

315 (a) From the inception of the association, the association
316 shall maintain each of the following items, if ~~when~~ applicable,
317 which shall constitute the official records of the association:

318 1. A copy of the plans, permits, warranties, and other
319 items provided by the developer pursuant to s. 718.301(4).

320 2. A photocopy of the recorded declaration of condominium
321 of each condominium operated by the association and of each
322 amendment to each declaration.

323 3. A photocopy of the recorded bylaws of the association
324 and of each amendment to the bylaws.

325 4. A certified copy of the articles of incorporation of the
326 association, or other documents creating the association, and of
327 each amendment thereto.

328 5. A copy of the current rules of the association.

329 6. A book or books which contain the minutes of all
330 meetings of the association, of the board of administration, and
331 of unit owners, which minutes must ~~shall~~ be retained for at



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332 ~~least a period of not less than~~ 7 years.

333 7. A current roster of all unit owners and their mailing
334 addresses, unit identifications, voting certifications, and, if
335 known, telephone numbers. The association shall also maintain
336 the electronic mailing addresses and the numbers designated by
337 unit owners for receiving notice sent by electronic transmission
338 of those unit owners consenting to receive notice by electronic
339 transmission. The electronic mailing addresses and numbers must
340 ~~provided by unit owners to receive notice by electronic~~
341 ~~transmission shall~~ be removed from association records if when
342 consent to receive notice by electronic transmission is revoked.
343 However, the association is not liable for an erroneous
344 disclosure of the electronic mail address or the number for
345 receiving electronic transmission of notices.

346 8. All current insurance policies of the association and
347 condominiums operated by the association.

348 9. A current copy of any management agreement, lease, or
349 other contract to which the association is a party or under
350 which the association or the unit owners have an obligation or
351 responsibility.

352 10. Bills of sale or transfer for all property owned by the
353 association.

354 11. Accounting records for the association and separate
355 accounting records for each condominium which the association
356 operates. All accounting records shall be maintained for at
357 ~~least a period of not less than~~ 7 years. Any person who
358 knowingly or intentionally defaces or destroys accounting
359 records required to be created and maintained by this chapter
360 during the period for which such records are required to be



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361 maintained, or who knowingly or intentionally fails to create or
362 maintain such ~~accounting~~ records ~~required to be maintained by~~
363 ~~this chapter~~, with the intent of causing harm to the association
364 or one or more of its members, is personally subject to a civil
365 penalty pursuant to s. 718.501(1)(d). The accounting records
366 must ~~shall~~ include, but are not limited to:

367 a. Accurate, itemized, and detailed records of all receipts
368 and expenditures.

369 b. A current account and a monthly, bimonthly, or quarterly
370 statement of the account for each unit designating the name of
371 the unit owner, the due date and amount of each assessment, the
372 amount paid upon the account, and the balance due.

373 c. All audits, reviews, accounting statements, and
374 financial reports of the association or condominium.

375 d. All contracts for work to be performed. Bids for work to
376 be performed are ~~shall~~ also ~~be~~ considered official records and
377 must ~~shall~~ be maintained by the association.

378 12. Ballots, sign-in sheets, voting proxies, and all other
379 papers relating to voting by unit owners, which must ~~shall~~ be
380 maintained for ~~a period of~~ 1 year from the date of the election,
381 vote, or meeting to which the document relates, notwithstanding
382 paragraph (b).

383 13. All rental records if, ~~when~~ the association is acting
384 as agent for the rental of condominium units.

385 14. A copy of the current question and answer sheet as
386 described in ~~by~~ s. 718.504.

387 15. All other records of the association not specifically
388 included in the foregoing which are related to the operation of
389 the association.



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390 16. A copy of the inspection report as provided ~~for~~ in s.
391 718.301(4) (p) .

392 (b) The official records of the association must ~~shall~~ be
393 maintained within the state for at least 7 years. The records of
394 the association shall be made available to a unit owner within
395 45 miles of the condominium property or within the county in
396 which the condominium property is located within 5 working days
397 after receipt of a written request by the board or its designee.
398 However, such distance requirement does not apply to an
399 association governing a timeshare condominium. This paragraph
400 may be complied with by having a copy of the official records of
401 the association available for inspection or copying on the
402 condominium property or association property, or the association
403 may offer the option of making the records ~~of the association~~
404 available to a unit owner ~~either~~ electronically via the Internet
405 or by allowing the records to be viewed in electronic format on
406 a computer screen and printed upon request. The association is
407 not responsible for the use or misuse of the information
408 provided to an association member or his or her authorized
409 representative pursuant to the compliance requirements of this
410 chapter unless the association has an affirmative duty not to
411 disclose such information pursuant to this chapter.

412 (c) The official records of the association are open to
413 inspection by any association member or the authorized
414 representative of such member at all reasonable times. The right
415 to inspect the records includes the right to make or obtain
416 copies, at the reasonable expense, if any, of the ~~association~~
417 member. The association may adopt reasonable rules regarding the
418 frequency, time, location, notice, and manner of record



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419 inspections and copying. The failure of an association to
420 provide the records within 10 working days after receipt of a
421 written request creates ~~shall create~~ a rebuttable presumption
422 that the association willfully failed to comply with this
423 paragraph. A unit owner who is denied access to official records
424 is entitled to the actual damages or minimum damages for the
425 association's willful failure to comply ~~with this paragraph~~. The
426 Minimum damages shall be \$50 per calendar day up to 10 days, the
427 calculation to begin on the 11th working day after receipt of
428 the written request. The failure to permit inspection of the
429 association records as provided herein entitles any person
430 prevailing in an enforcement action to recover reasonable
431 attorney's fees from the person in control of the records who,
432 directly or indirectly, knowingly denied access to the records
433 ~~for inspection~~. Any person who knowingly or intentionally
434 defaces or destroys accounting records that are required by this
435 chapter to be maintained during the period for which such
436 records are required to be maintained, or who knowingly or
437 intentionally fails to create or maintain accounting records
438 that are required to be created or maintained ~~by this chapter~~,
439 with the intent of causing harm to the association or one or
440 more of its members, is personally subject to a civil penalty
441 pursuant to s. 718.501(1)(d). The association shall maintain an
442 adequate number of copies of the declaration, articles of
443 incorporation, bylaws, and rules, and all amendments to each of
444 the foregoing, as well as the question and answer sheet provided
445 for in s. 718.504 and year-end financial information required in
446 this section, on the condominium property to ensure their
447 availability to unit owners and prospective purchasers, and may



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448 charge its actual costs for preparing and furnishing these
449 documents to those requesting the documents ~~same~~.
450 Notwithstanding the provisions of this paragraph, the following
451 records are ~~shall~~ not ~~be~~ accessible to unit owners:

452 1. Any record protected by the lawyer-client privilege as
453 described in s. 90.502; and any record protected by the work-
454 product privilege, including any record prepared by an
455 association attorney or prepared at the attorney's express
456 direction; which reflects a mental impression, conclusion,
457 litigation strategy, or legal theory of the attorney or the
458 association, and which was prepared exclusively for civil or
459 criminal litigation or for adversarial administrative
460 proceedings, or which was prepared in anticipation of imminent
461 civil or criminal litigation or imminent adversarial
462 administrative proceedings until the conclusion of the
463 litigation or adversarial administrative proceedings.

464 2. Information obtained by an association in connection
465 with the approval of the lease, sale, or other transfer of a
466 unit.

467 3. Personnel records of association employees, including,
468 but not limited to, disciplinary, payroll, health, and insurance
469 records.

470 4.3. Medical records of unit owners.

471 5.4. Social security numbers, driver's license numbers,
472 credit card numbers, e-mail addresses, telephone numbers,
473 emergency contact information, any addresses of a unit owner
474 other than as provided to fulfill the association's notice
475 requirements, and other personal identifying information of any
476 person, excluding the person's name, unit designation, mailing



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477 address, and property address.

478 6. Any electronic security measure that is used by the
479 association to safeguard data, including passwords.

480 7. The software and operating system used by the
481 association which allows manipulation of data, even if the owner
482 owns a copy of the same software used by the association. The
483 data is part of the official records of the association.

484 (13) FINANCIAL REPORTING.—Within 90 days after the end of
485 the fiscal year, or annually on a date provided in the bylaws,
486 the association shall prepare and complete, or contract for the
487 preparation and completion of, a financial report for the
488 preceding fiscal year. Within 21 days after the final financial
489 report is completed by the association or received from the
490 third party, but not later than 120 days after the end of the
491 fiscal year or other date as provided in the bylaws, the
492 association shall mail to each unit owner at the address last
493 furnished to the association by the unit owner, or hand deliver
494 to each unit owner, a copy of the financial report or a notice
495 that a copy of the financial report will be mailed or hand
496 delivered to the unit owner, without charge, upon receipt of a
497 written request from the unit owner. The division shall adopt
498 rules setting forth uniform accounting principles and standards
499 to be used by all associations and ~~shall adopt rules~~ addressing
500 the financial reporting requirements for multicondominium
501 associations. The rules must shall include, but not be limited
502 to, standards for presenting a summary of association reserves,
503 including a good faith estimate disclosing the annual amount of
504 reserve funds that would be necessary for the association to
505 fully fund reserves for each reserve item based on the straight-



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506 line accounting method. This disclosure is not applicable to
507 reserves funded via the pooling method. ~~uniform accounting~~
508 ~~principles and standards for stating the disclosure of at least~~
509 ~~a summary of the reserves, including information as to whether~~
510 ~~such reserves are being funded at a level sufficient to prevent~~
511 ~~the need for a special assessment and, if not, the amount of~~
512 ~~assessments necessary to bring the reserves up to the level~~
513 ~~necessary to avoid a special assessment. The person preparing~~
514 ~~the financial reports shall be entitled to rely on an inspection~~
515 ~~report prepared for or provided to the association to meet the~~
516 ~~fiscal and fiduciary standards of this chapter. In adopting such~~
517 ~~rules, the division shall consider the number of members and~~
518 ~~annual revenues of an association. Financial reports shall be~~
519 ~~prepared as follows:~~

520 (a) An association that meets the criteria of this
521 paragraph shall prepare ~~or cause to be prepared~~ a complete set
522 of financial statements in accordance with generally accepted
523 accounting principles. The financial statements must ~~shall~~ be
524 based upon the association's total annual revenues, as follows:

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

528 2. An association with total annual revenues of at least
529 \$200,000, but less than \$400,000, shall prepare reviewed
530 financial statements.

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

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



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535 expenditures.

536 2. An association that ~~which~~ operates fewer ~~less~~ than 75 ~~50~~
537 units, regardless of the association's annual revenues, shall
538 prepare a report of cash receipts and expenditures in lieu of
539 financial statements required by paragraph (a).

540 3. A report of cash receipts and disbursements must
541 disclose the amount of receipts by accounts and receipt
542 classifications and the amount of expenses by accounts and
543 expense classifications, including, but not limited to, the
544 following, as applicable: costs for security, professional and
545 management fees and expenses, taxes, costs for recreation
546 facilities, expenses for refuse collection and utility services,
547 expenses for lawn care, costs for building maintenance and
548 repair, insurance costs, administration and salary expenses, and
549 reserves accumulated and expended for capital expenditures,
550 deferred maintenance, and any other category for which the
551 association maintains reserves.

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

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

557 2. Reviewed or audited financial statements, if the
558 association is required to prepare compiled financial
559 statements; or

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

562 (d) If approved by a majority of the voting interests
563 present at a properly called meeting of the association, an



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564 association may prepare ~~or cause to be prepared~~:

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

567 2. A report of cash receipts and expenditures or a compiled
568 financial statement in lieu of a reviewed or audited financial
569 statement; or

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

573

574 Such meeting and approval must occur before ~~prior to~~ the end of
575 the fiscal year and is effective only for the fiscal year in
576 which the vote is taken, except that the approval may also ~~may~~
577 be effective for the following fiscal year. With respect to an
578 association to which the developer has not turned over control
579 of the association, all unit owners, including the developer,
580 may vote on issues related to the preparation of financial
581 reports for the first 2 fiscal years of the association's
582 operation, beginning with the fiscal year in which the
583 declaration is recorded. Thereafter, all unit owners except the
584 developer may vote on such issues until control is turned over
585 to the association by the developer. Any audit or review
586 prepared under this section shall be paid for by the developer
587 if done before ~~prior to~~ turnover of control of the association.
588 An association may not waive the financial reporting
589 requirements of this section for more than 3 consecutive years.

590 Section 10. Paragraphs (d), (l), (n), and (o) of subsection
591 (2) of section 718.112, Florida Statutes, are amended to read:

592 718.112 Bylaws.—



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593 (2) REQUIRED PROVISIONS.—The bylaws shall provide for the
594 following and, if they do not do so, shall be deemed to include
595 the following:

596 (d) *Unit owner meetings.*—

597 1. ~~There shall be~~ An annual meeting of the unit owners
598 shall be held at the location provided in the association bylaws
599 and, if the bylaws are silent as to the location, the meeting
600 shall be held within 45 miles of the condominium property.
601 However, such distance requirement does not apply to an
602 association governing a timeshare condominium. Unless the bylaws
603 provide otherwise, a vacancy on the board caused by the
604 expiration of a director's term shall be filled by electing a
605 new board member, and the election must ~~shall~~ be by secret
606 ballot. ~~However,~~ if the number of vacancies equals or exceeds
607 the number of candidates, an ~~no~~ election is not required. Except
608 in a timeshare condominium, the terms of all members of the
609 board ~~shall~~ expire at the annual meeting and such board members
610 may stand for reelection unless otherwise permitted by the
611 bylaws. If ~~In the event that~~ the bylaws permit staggered terms
612 of no more than 2 years and upon approval of a majority of the
613 total voting interests, the association board members may serve
614 2-year staggered terms. If the number of board members whose
615 terms have expired exceeds the number of eligible members
616 showing interest in or demonstrating an intention to run for the
617 vacant positions ~~no person is interested in or demonstrates an~~
618 ~~intention to run for the position of a board member whose term~~
619 ~~has expired according to the provisions of this subparagraph,~~
620 each ~~such~~ board member whose term has expired is eligible for
621 reappointment ~~shall be automatically reappointed~~ to the board of



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622 administration and need not stand for reelection. In a
623 condominium association of more than 10 units or in a
624 condominium association that does not include timeshare units or
625 timeshare interests, coowners of a unit may not serve as members
626 of the board of directors at the same time unless they own more
627 than one unit or unless there are not enough eligible candidates
628 to fill the vacancies on the board at the time of the vacancy.
629 Any unit owner desiring to be a candidate for board membership
630 must ~~shall~~ comply with sub-subparagraph ~~subparagraph~~ 3.a. A
631 person who has been suspended or removed by the division under
632 this chapter, or who is delinquent in the payment of any fee,
633 fine, or special or regular assessment as provided in paragraph
634 (n), is not eligible for board membership. A person who has been
635 convicted of any felony in this state or in a United States
636 District or Territorial Court, or who has been convicted of any
637 offense in another jurisdiction that would be considered a
638 felony if committed in this state, is not eligible for board
639 membership unless such felon's civil rights have been restored
640 for at least ~~a period of no less than~~ 5 years as of the date on
641 which such person seeks election to the board. The validity of
642 an action by the board is not affected if it is later determined
643 that a member of the board is ineligible for board membership
644 due to having been convicted of a felony.

645 2. The bylaws must ~~shall~~ provide the method of calling
646 meetings of unit owners, including annual meetings. Written
647 notice, which ~~notice~~ must include an agenda, shall be mailed,
648 hand delivered, or electronically transmitted to each unit owner
649 at least 14 days before ~~prior to~~ the annual meeting and must
650 ~~shall~~ be posted in a conspicuous place on the condominium



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651 property at least 14 continuous days preceding the annual
652 meeting. Upon notice to the unit owners, the board shall, by
653 duly adopted rule, designate a specific location on the
654 condominium property or association property upon which all
655 notices of unit owner meetings shall be posted. However, if
656 there is no condominium property or association property upon
657 which notices can be posted, this requirement does not apply. In
658 lieu of or in addition to the physical posting of meeting
659 notices ~~notice of any meeting of the unit owners on the~~
660 ~~condominium property~~, the association may, by reasonable rule,
661 adopt a procedure for conspicuously posting and repeatedly
662 broadcasting the notice and the agenda on a closed-circuit cable
663 television system serving the condominium association. However,
664 if broadcast notice is used in lieu of a notice posted
665 physically on the condominium property, the notice and agenda
666 must be broadcast at least four times every broadcast hour of
667 each day that a posted notice is otherwise required under this
668 section. If ~~When~~ broadcast notice is provided, the notice and
669 agenda must be broadcast in a manner and for a sufficient
670 continuous length of time so as to allow an average reader to
671 observe the notice and read and comprehend the entire content of
672 the notice and the agenda. Unless a unit owner waives in writing
673 the right to receive notice of the annual meeting, such notice
674 must ~~shall~~ be hand delivered, mailed, or electronically
675 transmitted to each unit owner. Notice for meetings and notice
676 for all other purposes must ~~shall~~ be mailed to each unit owner
677 at the address last furnished to the association by the unit
678 owner, or hand delivered to each unit owner. However, if a unit
679 is owned by more than one person, the association shall provide



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680 notice, for meetings and all other purposes, to that one address
681 which the developer initially identifies for that purpose and
682 thereafter as one or more of the owners of the unit shall ~~se~~
683 advise the association in writing, or if no address is given or
684 the owners of the unit do not agree, to the address provided on
685 the deed of record. An officer of the association, or the
686 manager or other person providing notice of the association
687 meeting, shall provide an affidavit or United States Postal
688 Service certificate of mailing, to be included in the official
689 records of the association affirming that the notice was mailed
690 or hand delivered, in accordance with this provision.

691 3. The members of the board shall be elected by written
692 ballot or voting machine. Proxies may not ~~shall in no event~~ be
693 used in electing the board, ~~either~~ in general elections or
694 elections to fill vacancies caused by recall, resignation, or
695 otherwise, unless otherwise provided in this chapter.

696 a. At least ~~Not less than~~ 60 days before a scheduled
697 election, the association shall mail, deliver, or electronically
698 transmit, whether by separate association mailing or included in
699 another association mailing, delivery, or transmission,
700 including regularly published newsletters, to each unit owner
701 entitled to a vote, a first notice of the date of the election
702 ~~along with a certification form provided by the division~~
703 ~~attesting that he or she has read and understands, to the best~~
704 ~~of his or her ability, the governing documents of the~~
705 ~~association and the provisions of this chapter and any~~
706 ~~applicable rules.~~ Any unit owner or other eligible person
707 desiring to be a candidate for the board must give written
708 notice of his or her intent to be a candidate to the association



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709 at least ~~not less than~~ 40 days before a scheduled election.
710 Together with the written notice and agenda as set forth in
711 subparagraph 2., the association shall mail, deliver, or
712 electronically transmit a second notice of the election to all
713 unit owners entitled to vote ~~therein~~, together with a ballot
714 that lists ~~which shall list~~ all candidates. Upon request of a
715 candidate, ~~the association shall include~~ an information sheet,
716 no larger than 8 1/2 inches by 11 inches, which must be
717 furnished by the candidate at least ~~not less than~~ 35 days before
718 the election, must ~~along with the signed certification form~~
719 ~~provided for in this subparagraph~~, to be included with the
720 mailing, delivery, or transmission of the ballot, with the costs
721 of mailing, delivery, or electronic transmission and copying to
722 be borne by the association. The association is not liable for
723 the contents of the information sheets prepared by the
724 candidates. In order to reduce costs, the association may print
725 or duplicate the information sheets on both sides of the paper.
726 The division shall by rule establish voting procedures
727 consistent with this sub-subparagraph ~~the provisions contained~~
728 ~~herein~~, including rules establishing procedures for giving
729 notice by electronic transmission and rules providing for the
730 secrecy of ballots. Elections shall be decided by a plurality of
731 those ballots cast. There is ~~shall be~~ no quorum requirement;
732 however, at least 20 percent of the eligible voters must cast a
733 ballot in order to have a valid election of members of the
734 board. A ~~No~~ unit owner may not ~~shall~~ permit any other person to
735 vote his or her ballot, and any ~~such~~ ballots improperly cast are
736 ~~shall be deemed~~ invalid, provided any unit owner who violates
737 this provision may be fined by the association in accordance



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738 with s. 718.303. A unit owner who needs assistance in casting
739 the ballot for the reasons stated in s. 101.051 may obtain such
740 ~~assistance in casting the ballot~~. The regular election must
741 ~~shall~~ occur on the date of the annual meeting. ~~The provisions of~~
742 This sub-subparagraph does subparagraph shall not apply to
743 timeshare condominium associations. Notwithstanding ~~the~~
744 ~~provisions of this sub-subparagraph subparagraph~~, an election is
745 not required unless more candidates file notices of intent to
746 run or are nominated than board vacancies exist.

747 b. Within 90 days after being elected or appointed to the
748 board, each newly elected or appointed director shall certify in
749 writing to the secretary of the association that he or she has
750 read the association's declaration of condominium, articles of
751 incorporation, bylaws, and current written policies; that he or
752 she will work to uphold such documents and policies to the best
753 of his or her ability; and that he or she will faithfully
754 discharge his or her fiduciary responsibility to the
755 association's members. In lieu of this written certification,
756 the newly elected or appointed director may submit a certificate
757 of satisfactory completion of the educational curriculum
758 administered by a division-approved condominium education
759 provider. A director who fails to timely file the written
760 certification or educational certificate is suspended from
761 service on the board until he or she complies with this sub-
762 subparagraph. The board may temporarily fill the vacancy during
763 the period of suspension. The secretary shall cause the
764 association to retain a director's written certification or
765 educational certificate for inspection by the members for 5
766 years after a director's election. Failure to have such written



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767 certification or educational certificate on file does not affect
768 the validity of any action.

769 4. Any approval by unit owners called for by this chapter
770 or the applicable declaration or bylaws, including, but not
771 limited to, the approval requirement in s. 718.111(8), shall be
772 made at a duly noticed meeting of unit owners and is ~~shall be~~
773 subject to all requirements of this chapter or the applicable
774 condominium documents relating to unit owner decisionmaking,
775 except that unit owners may take action by written agreement,
776 without meetings, on matters for which action by written
777 agreement without meetings is expressly allowed by the
778 applicable bylaws or declaration or any statute that provides
779 for such action.

780 5. Unit owners may waive notice of specific meetings if
781 allowed by the applicable bylaws or declaration or any statute.
782 If authorized by the bylaws, notice of meetings of the board of
783 administration, unit owner meetings, except unit owner meetings
784 called to recall board members under paragraph (j), and
785 committee meetings may be given by electronic transmission to
786 unit owners who consent to receive notice by electronic
787 transmission.

788 6. Unit owners shall have the right to participate in
789 meetings of unit owners with reference to all designated agenda
790 items. However, the association may adopt reasonable rules
791 governing the frequency, duration, and manner of unit owner
792 participation.

793 7. Any unit owner may tape record or videotape a meeting of
794 the unit owners subject to reasonable rules adopted by the
795 division.



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796 8. Unless otherwise provided in the bylaws, any vacancy
797 occurring on the board before the expiration of a term may be
798 filled by the affirmative vote of the majority of the remaining
799 directors, even if the remaining directors constitute less than
800 a quorum, or by the sole remaining director. In the alternative,
801 a board may hold an election to fill the vacancy, in which case
802 the election procedures must conform to the requirements of sub-
803 subparagraph ~~subparagraph~~ 3.a. unless the association governs 10
804 units or fewer ~~less~~ and has opted out of the statutory election
805 process, in which case the bylaws of the association control.
806 Unless otherwise provided in the bylaws, a board member
807 appointed or elected under this section shall fill the vacancy
808 for the unexpired term of the seat being filled. Filling
809 vacancies created by recall is governed by paragraph (j) and
810 rules adopted by the division.

811
812 Notwithstanding subparagraph ~~subparagraphs~~ (b)2. and sub-
813 subparagraph (d)3.a., an association of 10 or fewer units may,
814 by ~~the~~ affirmative vote of a majority of the total voting
815 interests, provide for different voting and election procedures
816 in its bylaws, which vote may be by a proxy specifically
817 delineating the different voting and election procedures. The
818 different voting and election procedures may provide for
819 elections to be conducted by limited or general proxy.

820 (1) *Certificate of compliance.* ~~There shall be~~ A provision
821 that a certificate of compliance from a licensed electrical
822 contractor or electrician may be accepted by the association's
823 board as evidence of compliance of the condominium units with
824 the applicable fire and life safety code must be included.



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825 Notwithstanding ~~the provisions of~~ chapter 633 or of any other
826 code, statute, ordinance, administrative rule, or regulation, or
827 any interpretation of the foregoing, an association,
828 condominium, or unit owner is not obligated to retrofit the
829 common elements, common areas, association-owned property, or
830 units of a residential condominium with a fire sprinkler system
831 or any other form of engineered lifesafety system in a building
832 that has been certified for occupancy by the applicable
833 governmental entity, ~~if the unit owners have voted to forego~~
834 ~~such retrofitting and engineered lifesafety system by the~~
835 ~~affirmative vote of two-thirds of all voting interests in the~~
836 ~~affected condominium. However, a condominium association may not~~
837 ~~vote to forego the retrofitting with a fire sprinkler system of~~
838 ~~common areas in a high-rise building. For purposes of this~~
839 ~~subsection, the term "high-rise building" means a building that~~
840 ~~is greater than 75 feet in height where the building height is~~
841 ~~measured from the lowest level of fire department access to the~~
842 ~~floor of the highest occupiable story. For purposes of this~~
843 ~~subsection, the term "common areas" means any enclosed hallway,~~
844 ~~corridor, lobby, stairwell, or entryway. In no event shall The~~
845 local authority having jurisdiction may not require completion
846 of retrofitting ~~of common areas~~ with a sprinkler system or any
847 other form of engineered lifesafety system before the end of
848 2019 2014.

849 1. A vote to forego retrofitting may be obtained by limited
850 proxy or by a ballot personally cast at a duly called membership
851 meeting, or by execution of a written consent by the member, and
852 is shall be effective upon ~~the~~ recording ~~of~~ a certificate
853 attesting to such vote in the public records of the county where



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854 the condominium is located. The association shall mail or hand
855 deliver, ~~or electronically transmit~~ to each unit owner written
856 notice at least 14 days before the ~~prior to such~~ membership
857 meeting in which the vote to forego retrofitting of the required
858 fire sprinkler system or any other form of engineered lifesafety
859 system is to take place. Within 30 days after the association's
860 opt-out vote, notice of the results of the opt-out vote must
861 ~~shall~~ be mailed or hand delivered, ~~or electronically~~
862 ~~transmitted~~ to all unit owners. Evidence of compliance with this
863 ~~30-day~~ notice requirement must ~~shall~~ be made by ~~an~~ affidavit
864 executed by the person providing the notice and filed among the
865 official records of the association. After ~~such~~ notice is
866 provided to each owner, a copy must ~~of such notice shall~~ be
867 provided by the current owner to a new owner before ~~prior to~~
868 closing and ~~shall be provided~~ by a unit owner to a renter before
869 ~~prior to~~ signing a lease.

870 2. If there has been a previous vote to forego
871 retrofitting, a vote to require retrofitting may be obtained at
872 a special meeting of the unit owners called by a petition of
873 least 10 percent of the voting interests. Such a vote may only
874 be called once every 3 years. Notice shall be provided as
875 required for any regularly called meeting of the unit owners,
876 and must state the purpose of the meeting. Electronic
877 transmission may not be used to provide notice of a meeting
878 called in whole or in part for this purpose.

879 3.2. As part of the information collected annually from
880 condominiums, the division shall require condominium
881 associations to report the membership vote and recording of a
882 certificate under this subsection and, if retrofitting has been



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883 undertaken, the per-unit cost of such work. The division shall
884 annually report to the Division of State Fire Marshal of the
885 Department of Financial Services the number of condominiums that
886 have elected to forego retrofitting.

887 4. Notwithstanding s. 553.509, an association may not be
888 obligated to, and may forego the retrofitting of, any
889 improvements required by s. 553.509(2) upon an affirmative vote
890 of a majority of the voting interests in the affected
891 condominium.

892 (n) *Director or officer delinquencies.*—A director or
893 officer more than 90 days delinquent in the payment of any
894 monetary obligation due the association ~~regular assessments~~
895 shall be deemed to have abandoned the office, creating a vacancy
896 in the office to be filled according to law.

897 (o) *Director or officer offenses.*—A director or officer
898 charged by information or indictment with a felony theft or
899 embezzlement offense involving the association's funds or
900 property must ~~shall~~ be removed from office, creating a vacancy
901 in the office to be filled according to law until the end of the
902 period of the suspension or the end of the director's term of
903 office, whichever occurs first. While such director or officer
904 has such criminal charge pending, he or she may not be appointed
905 or elected to a position as a director or officer. However, if
906 ~~should~~ the charges are ~~be~~ resolved without a finding of guilt,
907 the director or officer shall be reinstated for the remainder of
908 his or her term of office, if any.

909 Section 11. Paragraph (d) of subsection (1) of section
910 718.115, Florida Statutes, is amended to read:

911 718.115 Common expenses and common surplus.—



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912 (1)

913 (d) If ~~se~~ provided in the declaration, the cost of
914 communications services as defined in chapter 202, information
915 services, or Internet services ~~a master antenna television~~
916 ~~system or duly franchised cable television service~~ obtained
917 pursuant to a bulk contract is ~~shall be deemed~~ a common expense.
918 If the declaration does not provide for the cost of such
919 services ~~a master antenna television system or duly franchised~~
920 ~~cable television service obtained under a bulk contract~~ as a
921 common expense, the board may enter into such a contract, and
922 the cost of the service will be a common expense. The cost for
923 the services under a bulk-rate contract may be ~~but~~ allocated on
924 a per-unit basis rather than a percentage basis if the
925 declaration provides for other than an equal sharing of common
926 expenses, and any contract entered into before July 1, 1998, in
927 which the cost of the service is not equally divided among all
928 unit owners, may be changed by vote of a majority of the voting
929 interests present at a regular or special meeting of the
930 association, to allocate the cost equally among all units. The
931 contract must be for at least ~~shall be for a term of not less~~
932 ~~than~~ 2 years.

933 1. Any contract made by the board on or after July 1, 1998,
934 ~~the effective date hereof for a community antenna system or duly~~
935 ~~franchised cable television service~~ may be canceled by a
936 majority of the voting interests present at the next regular or
937 special meeting of the association. Any member may make a motion
938 to cancel the said contract, but if no motion is made or if such
939 motion fails to obtain the required majority at the next regular
940 or special meeting, whichever occurs first ~~is sooner~~, following



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941 the making of the contract, ~~then~~ such contract shall be deemed
942 ratified for the term therein expressed.

943 2. ~~Any~~ Such contract must ~~shall~~ provide, and is ~~shall be~~
944 deemed to provide if not expressly set forth, that any hearing-
945 impaired or legally blind unit owner who does not occupy the
946 unit with a non-hearing-impaired or sighted person, or any unit
947 owner receiving supplemental security income under Title XVI of
948 the Social Security Act or food stamps as administered by the
949 Department of Children and Family Services pursuant to s.
950 414.31, may discontinue the cable or video service without
951 incurring disconnect fees, penalties, or subsequent service
952 charges, and, as to such units, the owners are ~~shall~~ not ~~be~~
953 required to pay any common expenses charge related to such
954 service. If fewer ~~less~~ than all members of an association share
955 the expenses of cable or video service ~~television~~, the expense
956 shall be shared equally by all participating unit owners. The
957 association may use the provisions of s. 718.116 to enforce
958 payment of the shares of such costs by the unit owners receiving
959 cable or video service ~~television~~.

960 Section 12. Subsection (3) and paragraph (b) of subsection
961 (5) of section 718.116, Florida Statutes, is amended, and
962 subsection (11) is added to that section, to read:

963 718.116 Assessments; liability; lien and priority;
964 interest; collection.-

965 (3) Assessments and installments on assessments ~~them~~ which
966 are not paid when due bear interest at the rate provided in the
967 declaration, from the due date until paid. This rate may not
968 exceed the rate allowed by law, and, if no rate is provided in
969 the declaration, interest accrues ~~shall accrue~~ at the rate of 18



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970 percent per year. Also, if provided by the declaration or bylaws
971 ~~so provide~~, the association may, in addition to such interest,
972 charge an administrative late fee of up to ~~in addition to such~~
973 ~~interest, in an amount not to exceed~~ the greater of \$25 or 5
974 percent of each installment of the assessment for each
975 delinquent installment for which ~~that~~ the payment is late. Any
976 payment received by an association must ~~shall~~ be applied first
977 to any interest accrued by the association, then to any
978 administrative late fee, then to any costs and reasonable
979 attorney's fees incurred in collection, and then to the
980 delinquent assessment. Costs may include delinquency letters and
981 other collections efforts by a licensed management company or a
982 licensed manager relating to a delinquent installment of an
983 assessment incurred before filing a claim of lien that does not
984 exceed \$75. The foregoing is ~~shall be~~ applicable notwithstanding
985 any restrictive endorsement, designation, or instruction placed
986 on or accompanying a payment. A late fee is ~~shall~~ not ~~be~~ subject
987 to ~~the provisions in~~ chapter 687 or s. 718.303(3).

988 (5)

989 (b) To be valid, a claim of lien must state the description
990 of the condominium parcel, the name of the record owner, the
991 name and address of the association, the amount due, and the due
992 dates. It must be executed and acknowledged by an officer or
993 authorized agent of the association. The ~~No such~~ lien is not
994 ~~shall be~~ effective longer than 1 year after the claim of lien
995 was recorded unless, within that time, an action to enforce the
996 lien is commenced. The 1-year period is ~~shall~~ automatically ~~be~~
997 extended for any length of time during which the association is
998 prevented from filing a foreclosure action by an automatic stay



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999 resulting from a bankruptcy petition filed by the parcel owner
1000 or any other person claiming an interest in the parcel. The
1001 claim of lien secures ~~shall secure~~ all unpaid assessments that
1002 ~~which~~ are due and that ~~which~~ may accrue after ~~subsequent to the~~
1003 ~~recording of~~ the claim of lien is recorded and through ~~prior to~~
1004 the entry of a final judgment ~~certificate of title~~, as well as
1005 interest and all reasonable costs and attorney's fees incurred
1006 by the association incident to the collection process. Upon
1007 payment in full, the person making the payment is entitled to a
1008 satisfaction of the lien.

1009
1010 After notice of contest of lien has been recorded, the clerk of
1011 the circuit court shall mail a copy of the recorded notice to
1012 the association by certified mail, return receipt requested, at
1013 the address shown in the claim of lien or most recent amendment
1014 to it and shall certify to the service on the face of the
1015 notice. Service is complete upon mailing. After service, the
1016 association has 90 days in which to file an action to enforce
1017 the lien; and, if the action is not filed within the 90-day
1018 period, the lien is void. However, the 90-day period shall be
1019 extended for any length of time that the association is
1020 prevented from filing its action because of an automatic stay
1021 resulting from the filing of a bankruptcy petition by the unit
1022 owner or by any other person claiming an interest in the parcel.

1023 (11) If the unit is occupied by a tenant and the unit owner
1024 is delinquent in paying any monetary obligation due to the
1025 association, the association may make a written demand that the
1026 tenant pay the future monetary obligations related to the
1027 condominium unit to the association, and the tenant must make



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1028 such payment. The demand is continuing in nature and, upon
1029 demand, the tenant must pay the monetary obligations to the
1030 association until the association releases the tenant or the
1031 tenant discontinues tenancy in the unit. The association must
1032 mail written notice to the unit owner of the association's
1033 demand that the tenant make payments to the association. The
1034 association shall, upon request, provide the tenant with written
1035 receipts for payments made. A tenant who acts in good faith in
1036 response to a written demand from an association is immune from
1037 any claim from the unit owner.

1038 (a) If the tenant prepaid rent to the unit owner before
1039 receiving the demand from the association and provides written
1040 evidence of paying the rent to the association within 14 days
1041 after receiving the demand, the tenant must make any subsequent
1042 rental payments to the association to be credited against the
1043 monetary obligations of the unit owner to the association.

1044 (b) The tenant is not liable for increases in the amount of
1045 the monetary obligations due unless the tenant was notified in
1046 writing of the increase at least 10 days before the date the
1047 rent is due. The liability of the tenant may not exceed the
1048 amount due from the tenant to the tenant's landlord. The
1049 tenant's landlord shall provide the tenant a credit against
1050 rents due to the unit owner in the amount of monies paid to the
1051 association under this section.

1052 (c) The association may issue notices under s. 83.56 and
1053 may sue for eviction under ss. 83.59-83.625 as if the
1054 association were a landlord under part II of chapter 83 if the
1055 tenant fails to pay a required payment to the association.
1056 However, the association is not otherwise considered a landlord



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1057 under chapter 83 and specifically has no duties under s. 83.51.

1058 (d) The tenant does not, by virtue of payment of monetary
1059 obligations to the association, have any of the rights of a unit
1060 owner to vote in any election or to examine the books and
1061 records of the association.

1062 (e) A court may supersede the effect of this subsection by
1063 appointing a receiver.

1064 Section 13. Subsections (2) and (19) of section 718.117,
1065 Florida Statutes, are amended to read:

1066 718.117 Termination of condominium.—

1067 (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR
1068 IMPOSSIBILITY.—

1069 (a) Notwithstanding any provision ~~to the contrary~~ in the
1070 declaration, the condominium form of ownership of a property may
1071 be terminated by a plan of termination approved by the lesser of
1072 the lowest percentage of voting interests necessary to amend the
1073 declaration or as otherwise provided in the declaration for
1074 approval of termination if ~~when~~:

1075 1. The total estimated cost of construction or repairs
1076 necessary to construct the intended improvements or restore the
1077 improvements to their former condition or bring them into
1078 compliance with applicable laws or regulations exceeds the
1079 combined fair market value of the ~~all~~ units in the condominium
1080 after completion of the construction or repairs; or

1081 2. It becomes impossible to operate or reconstruct a
1082 condominium to ~~in~~ its prior physical configuration because of
1083 land use laws or regulations.

1084 (b) Notwithstanding paragraph (a), a condominium in which
1085 75 percent or more of the units are timeshare units may be



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1086 terminated only pursuant to a plan of termination approved by 80
1087 percent of the total voting interests of the association and the
1088 holders of 80 percent of the original principal amount of
1089 outstanding recorded mortgage liens of timeshare estates in the
1090 condominium, unless the declaration provides for a lower voting
1091 percentage.

1092 (19) CREATION OF ANOTHER CONDOMINIUM.—The termination of a
1093 condominium does not bar the filing of a declaration of
1094 condominium or an amended and restated declaration of
1095 condominium ~~creation~~ by the termination trustee ~~of another~~
1096 ~~condominium~~ affecting any portion of the same property.

1097 Section 14. Subsection (1) of section 718.301, Florida
1098 Statutes, is amended to read:

1099 718.301 Transfer of association control; claims of defect
1100 by association.—

1101 (1) ~~If~~ ~~When~~ unit owners other than the developer own 15
1102 percent or more of the units in a condominium that will be
1103 operated ultimately by an association, the unit owners other
1104 than the developer are ~~shall be~~ entitled to elect at least ~~no~~
1105 ~~less than~~ one-third of the members of the board of
1106 administration of the association. Unit owners other than the
1107 developer are entitled to elect at least ~~not less than~~ a
1108 majority of the members of the board of administration of an
1109 association:

1110 (a) Three years after 50 percent of the units that will be
1111 operated ultimately by the association have been conveyed to
1112 purchasers;

1113 (b) Three months after 90 percent of the units that will be
1114 operated ultimately by the association have been conveyed to



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1115 purchasers;

1116 (c) When all the units that will be operated ultimately by
1117 the association have been completed, some of them have been
1118 conveyed to purchasers, and none of the others are being offered
1119 for sale by the developer in the ordinary course of business;

1120 (d) When some of the units have been conveyed to purchasers
1121 and none of the others are being constructed or offered for sale
1122 by the developer in the ordinary course of business;

1123 (e) When the developer files a petition seeking protection
1124 in bankruptcy;

1125 (f) When a receiver for the developer is appointed by a
1126 circuit court and is not discharged within 30 days after such
1127 appointment, unless the court determines within 30 days after
1128 appointment of the receiver that transfer of control would be
1129 detrimental to the association or its members; or

1130 (g) Seven years after recordation of the declaration of
1131 condominium; or, in the case of an association that ~~which~~ may
1132 ultimately operate more than one condominium, 7 years after
1133 recordation of the declaration for the first condominium it
1134 operates; or, in the case of an association operating a phase
1135 condominium created pursuant to s. 718.403, 7 years after
1136 recordation of the declaration creating the initial phase,
1137 whichever occurs first. The developer is entitled to elect at
1138 least one member of the board of administration of an
1139 association as long as the developer holds for sale in the
1140 ordinary course of business at least 5 percent, in condominiums
1141 with fewer than 500 units, and 2 percent, in condominiums with
1142 more than 500 units, of the units in a condominium operated by
1143 the association. After ~~Following the time~~ the developer



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1144 relinquishes control of the association, the developer may
1145 exercise the right to vote any developer-owned units in the same
1146 manner as any other unit owner except for purposes of
1147 reacquiring control of the association or selecting the majority
1148 members of the board of administration.

1149 Section 15. Section 718.303, Florida Statutes, is amended
1150 to read:

1151 718.303 Obligations of owners and occupants; remedies
1152 ~~waiver; levy of fine against unit by association.~~

1153 (1) Each unit owner, each tenant and other invitee, and
1154 each association is ~~shall be~~ governed by, and must ~~shall~~ comply
1155 with the provisions of, this chapter, the declaration, the
1156 documents creating the association, and the association bylaws
1157 which ~~and the provisions thereof~~ shall be deemed expressly
1158 incorporated into any lease of a unit. Actions for damages or
1159 for injunctive relief, or both, for failure to comply with these
1160 provisions may be brought by the association or by a unit owner
1161 against:

1162 (a) The association.

1163 (b) A unit owner.

1164 (c) Directors designated by the developer, for actions
1165 taken by them before ~~prior to the time~~ control of the
1166 association is assumed by unit owners other than the developer.

1167 (d) Any director who willfully and knowingly fails to
1168 comply with these provisions.

1169 (e) Any tenant leasing a unit, and any other invitee
1170 occupying a unit.

1171
1172 The prevailing party in any such action or in any action in



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1173 which the purchaser claims a right of voidability based upon
1174 contractual provisions as required in s. 718.503(1)(a) is
1175 entitled to recover reasonable attorney's fees. A unit owner
1176 prevailing in an action between the association and the unit
1177 owner under this section, in addition to recovering his or her
1178 reasonable attorney's fees, may recover additional amounts as
1179 determined by the court to be necessary to reimburse the unit
1180 owner for his or her share of assessments levied by the
1181 association to fund its expenses of the litigation. This relief
1182 does not exclude other remedies provided by law. Actions arising
1183 under this subsection may ~~shall~~ not be deemed to be actions for
1184 specific performance.

1185 (2) A provision of this chapter may not be waived if the
1186 waiver would adversely affect the rights of a unit owner or the
1187 purpose of the provision, except that unit owners or members of
1188 a board of administration may waive notice of specific meetings
1189 in writing if provided by the bylaws. Any instruction given in
1190 writing by a unit owner or purchaser to an escrow agent may be
1191 relied upon by an escrow agent, whether or not such instruction
1192 and the payment of funds thereunder might constitute a waiver of
1193 any provision of this chapter.

1194 (3) If a unit owner is delinquent for more than 90 days in
1195 paying a monetary obligation due to the association ~~the~~
1196 ~~declaration or bylaws so provide,~~ the association may suspend
1197 the right of a unit owner or a unit's occupant, licensee, or
1198 invitee to use common elements, common facilities, or any other
1199 association property until the monetary obligation is paid. This
1200 subsection does not apply to limited common elements intended to
1201 be used only by that unit, common elements that must be used to



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1202 access the unit, utility services provided to the unit, parking
1203 spaces, or elevators. The association may also levy reasonable
1204 fines ~~against a unit~~ for the failure of the owner of the unit,
1205 or its occupant, licensee, or invitee, to comply with any
1206 provision of the declaration, the association bylaws, or
1207 reasonable rules of the association. A ~~No~~ fine does not ~~will~~
1208 become a lien against a unit. A ~~No~~ fine may not exceed \$100 per
1209 violation. However, a fine may be levied on the basis of each
1210 day of a continuing violation, with a single notice and
1211 opportunity for hearing. However, ~~the provided that no such~~ fine
1212 may ~~not~~ ~~shall~~ in the aggregate exceed \$1,000. A ~~No~~ fine may not
1213 be levied and a suspension may not be imposed unless the
1214 association first provides at least 14 days' written ~~except~~
1215 ~~after giving reasonable~~ notice and an opportunity for a hearing
1216 to the unit owner and, if applicable, its occupant, licensee, or
1217 invitee. The hearing must be held before a committee of other
1218 unit owners who are neither board members nor persons residing
1219 in a board member's household. If the committee does not agree
1220 with the fine or suspension, the fine or suspension may not be
1221 levied or imposed. ~~The provisions of this subsection do not~~
1222 apply to unoccupied units.

1223 (4) The notice and hearing requirements of subsection (3)
1224 do not apply to the imposition of suspensions or fines against a
1225 unit owner or a unit's occupant, licensee, or invitee because of
1226 failing to pay any amounts due the association. If such a fine
1227 or suspension is imposed, the association must levy the fine or
1228 impose a reasonable suspension at a properly noticed board
1229 meeting, and after the imposition of such fine or suspension,
1230 the association must notify the unit owner and, if applicable,



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1231 the unit's occupant, licensee, or invitee by mail or hand
1232 delivery.

1233 (5) An association may also suspend the voting rights of a
1234 member due to nonpayment of any monetary obligation due to the
1235 association which is more than 90 days delinquent. The
1236 suspension ends upon full payment of all obligations currently
1237 due or overdue the association.

1238 Section 16. Subsection (1) of section 718.501, Florida
1239 Statutes, is amended to read:

1240 718.501 Authority, responsibility, and duties of Division
1241 of Florida Condominiums, Timeshares, and Mobile Homes.—

1242 (1) The division ~~may of Florida Condominiums, Timeshares,~~
1243 ~~and Mobile Homes of the Department of Business and Professional~~
1244 ~~Regulation, referred to as the "division" in this part, has the~~
1245 ~~power to~~ enforce and ensure compliance with the provisions of
1246 this chapter and rules relating to the development,
1247 construction, sale, lease, ownership, operation, and management
1248 of residential condominium units. In performing its duties, the
1249 division has complete jurisdiction to investigate complaints and
1250 enforce compliance ~~with the provisions of this chapter~~ with
1251 respect to associations that are still under developer control
1252 or the control of a bulk assignee or bulk buyer pursuant to part
1253 VII of this chapter and complaints against developers, bulk
1254 assignees, or bulk buyers involving improper turnover or failure
1255 to turnover, pursuant to s. 718.301. However, after turnover has
1256 occurred, the division ~~has~~ shall only have jurisdiction to
1257 investigate complaints related only to financial issues,
1258 elections, and unit owner access to association records pursuant
1259 to s. 718.111(12).



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1260 (a)1. The division may make necessary public or private
1261 investigations within or outside this state to determine whether
1262 any person has violated this chapter or any rule or order
1263 hereunder, to aid in the enforcement of this chapter, or to aid
1264 in the adoption of rules or forms ~~hereunder~~.

1265 2. The division may submit any official written report,
1266 worksheet, or other related paper, or a duly certified copy
1267 thereof, compiled, prepared, drafted, or otherwise made by and
1268 duly authenticated by a financial examiner or analyst to be
1269 admitted as competent evidence in any hearing in which the
1270 financial examiner or analyst is available for cross-examination
1271 and attests under oath that such documents were prepared as a
1272 result of an examination or inspection conducted pursuant to
1273 this chapter.

1274 (b) The division may require or permit any person to file a
1275 statement in writing, under oath or otherwise, as the division
1276 determines, as to the facts and circumstances concerning a
1277 matter to be investigated.

1278 (c) For the purpose of any investigation under this
1279 chapter, the division director or any officer or employee
1280 designated by the division director may administer oaths or
1281 affirmations, subpoena witnesses and compel their attendance,
1282 take evidence, and require the production of any matter which is
1283 relevant to the investigation, including the existence,
1284 description, nature, custody, condition, and location of any
1285 books, documents, or other tangible things and the identity and
1286 location of persons having knowledge of relevant facts or any
1287 other matter reasonably calculated to lead to the discovery of
1288 material evidence. Upon the failure by a person to obey a



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1289 subpoena or to answer questions propounded by the investigating
1290 officer and upon reasonable notice to all ~~persons~~ affected
1291 persons ~~thereby~~, the division may apply to the circuit court for
1292 an order compelling compliance.

1293 (d) Notwithstanding any remedies available to unit owners
1294 and associations, if the division has reasonable cause to
1295 believe that a violation of any provision of this chapter or
1296 related rule has occurred, the division may institute
1297 enforcement proceedings in its own name against any developer,
1298 bulk assignee, bulk buyer, association, officer, or member of
1299 the board of administration, or its assignees or agents, as
1300 follows:

1301 1. The division may permit a person whose conduct or
1302 actions may be under investigation to waive formal proceedings
1303 and enter into a consent proceeding whereby orders, rules, or
1304 letters of censure or warning, whether formal or informal, may
1305 be entered against the person.

1306 2. The division may issue an order requiring the developer,
1307 bulk assignee, bulk buyer, association, developer-designated
1308 officer, or developer-designated member of the board of
1309 administration, developer-designated assignees or agents, bulk
1310 assignee-designated assignees or agents, bulk buyer-designated
1311 assignees or agents, community association manager, or community
1312 association management firm to cease and desist from the
1313 unlawful practice and take such affirmative action as in the
1314 judgment of the division ~~will~~ carry out the purposes of this
1315 chapter. If the division finds that a developer, bulk assignee,
1316 bulk buyer, association, officer, or member of the board of
1317 administration, or its assignees or agents, is violating or is



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1318 about to violate any provision of this chapter, any rule adopted
1319 or order issued by the division, or any written agreement
1320 entered into with the division, and presents an immediate danger
1321 to the public requiring an immediate final order, it may issue
1322 an emergency cease and desist order reciting with particularity
1323 the facts underlying such findings. The emergency cease and
1324 desist order is effective for 90 days. If the division begins
1325 nonemergency cease and desist proceedings, the emergency cease
1326 and desist order remains effective until the conclusion of the
1327 proceedings under ss. 120.569 and 120.57.

1328 3. If a developer, bulk assignee, or bulk buyer, fails to
1329 pay any restitution determined by the division to be owed, plus
1330 any accrued interest at the highest rate permitted by law,
1331 within 30 days after expiration of any appellate time period of
1332 a final order requiring payment of restitution or the conclusion
1333 of any appeal thereof, whichever is later, the division must
1334 ~~shall~~ bring an action in circuit or county court on behalf of
1335 any association, class of unit owners, lessees, or purchasers
1336 for restitution, declaratory relief, injunctive relief, or any
1337 other available remedy. The division may also temporarily revoke
1338 its acceptance of the filing for the developer to which the
1339 restitution relates until payment of restitution is made.

1340 4. The division may petition the court for ~~the~~ appointment
1341 of a receiver or conservator. If appointed, the receiver or
1342 conservator may take action to implement the court order to
1343 ensure the performance of the order and to remedy any breach
1344 thereof. In addition to all other means provided by law for the
1345 enforcement of an injunction or temporary restraining order, the
1346 circuit court may impound or sequester the property of a party



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1347 defendant, including books, papers, documents, and related
1348 records, and allow the examination and use of the property by
1349 the division and a court-appointed receiver or conservator.

1350 5. The division may apply to the circuit court for an order
1351 of restitution whereby the defendant in an action brought
1352 pursuant to subparagraph 4. ~~is shall be~~ ordered to make
1353 restitution of those sums shown by the division to have been
1354 obtained by the defendant in violation of this chapter. ~~Such~~
1355 ~~restitution shall,~~ At the option of the court, such restitution
1356 is be payable to the conservator or receiver appointed pursuant
1357 to subparagraph 4. or directly to the persons whose funds or
1358 assets were obtained in violation of this chapter.

1359 6. The division may impose a civil penalty against a
1360 developer, bulk assignee, or bulk buyer, or association, or its
1361 assignee or agent, for any violation of this chapter or related
1362 ~~a rule adopted under this chapter.~~ The division may impose a
1363 civil penalty individually against an any officer or board
1364 member who willfully and knowingly violates a provision of this
1365 chapter, adopted rule, or a final order of the division; may
1366 order the removal of such individual as an officer or from the
1367 board of administration or as an officer of the association; and
1368 may prohibit such individual from serving as an officer or on
1369 the board of a community association for a period of time. The
1370 term "willfully and knowingly" means that the division informed
1371 the officer or board member that his or her action or intended
1372 action violates this chapter, a rule adopted under this chapter,
1373 or a final order of the division and that the officer or board
1374 member refused to comply with the requirements of this chapter,
1375 a rule adopted under this chapter, or a final order of the



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1376 division. The division, before ~~prior to~~ initiating formal agency
1377 action under chapter 120, must ~~shall~~ afford the officer or board
1378 member an opportunity to voluntarily comply and ~~with this~~
1379 ~~chapter, a rule adopted under this chapter, or a final order of~~
1380 ~~the division.~~ an officer or board member who complies within 10
1381 days is not subject to a civil penalty. A penalty may be imposed
1382 on the basis of each day of continuing violation, but ~~in no~~
1383 ~~event shall~~ the penalty for any offense may not exceed \$5,000.
1384 By January 1, 1998, the division shall adopt, by rule, penalty
1385 guidelines applicable to possible violations or to categories of
1386 violations of this chapter or rules adopted by the division. The
1387 guidelines must specify a meaningful range of civil penalties
1388 for each such violation of the statute and rules and must be
1389 based upon the harm caused by the violation, the repetition of
1390 the violation, and upon such other factors deemed relevant by
1391 the division. For example, the division may consider whether the
1392 violations were committed by a developer, bulk assignee, or bulk
1393 buyer, or owner-controlled association, the size of the
1394 association, and other factors. The guidelines must designate
1395 the possible mitigating or aggravating circumstances that
1396 justify a departure from the range of penalties provided by the
1397 rules. It is the legislative intent that minor violations be
1398 distinguished from those which endanger the health, safety, or
1399 welfare of the condominium residents or other persons and that
1400 such guidelines provide reasonable and meaningful notice to the
1401 public of likely penalties that may be imposed for proscribed
1402 conduct. This subsection does not limit the ability of the
1403 division to informally dispose of administrative actions or
1404 complaints by stipulation, agreed settlement, or consent order.



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1405 All amounts collected shall be deposited with the Chief
1406 Financial Officer to the credit of the Division of Florida
1407 Condominiums, Timeshares, and Mobile Homes Trust Fund. If a
1408 developer, bulk assignee, or bulk buyer fails to pay the civil
1409 penalty and the amount deemed to be owed to the association, the
1410 division shall issue an order directing that such developer,
1411 bulk assignee, or bulk buyer cease and desist from further
1412 operation until such time as the civil penalty is paid or may
1413 pursue enforcement of the penalty in a court of competent
1414 jurisdiction. If an association fails to pay the civil penalty,
1415 the division shall pursue enforcement in a court of competent
1416 jurisdiction, and the order imposing the civil penalty or the
1417 cease and desist order ~~is will~~ not ~~become~~ effective until 20
1418 days after the date of such order. Any action commenced by the
1419 division shall be brought in the county in which the division
1420 has its executive offices or in the county where the violation
1421 occurred.

1422 7. If a unit owner presents the division with proof that
1423 the unit owner has requested access to official records in
1424 writing by certified mail, and that after 10 days the unit owner
1425 again made the same request for access to official records in
1426 writing by certified mail, and that more than 10 days has
1427 elapsed since the second request and the association has still
1428 failed or refused to provide access to official records as
1429 required by this chapter, the division shall issue a subpoena
1430 requiring production of the requested records where the records
1431 are kept pursuant to s. 718.112.

1432 8. In addition to subparagraph 6., the division may seek
1433 the imposition of a civil penalty through the circuit court for



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1434 any violation for which the division may issue a notice to show
1435 cause under paragraph (r). The civil penalty shall be at least
1436 \$500 but no more than \$5,000 for each violation. The court may
1437 also award to the prevailing party court costs and reasonable
1438 attorney's fees and, if the division prevails, may also award
1439 reasonable costs of investigation.

1440 (e) The division may prepare and disseminate a prospectus
1441 and other information to assist prospective owners, purchasers,
1442 lessees, and developers of residential condominiums in assessing
1443 the rights, privileges, and duties pertaining thereto.

1444 (f) The division may ~~has authority to~~ adopt rules pursuant
1445 ~~to ss. 120.536(1) and 120.54~~ to administer ~~implement~~ and enforce
1446 the provisions of this chapter.

1447 (g) The division shall establish procedures for providing
1448 notice to an association and the developer, bulk assignee, or
1449 bulk buyer during the period in which ~~where~~ the developer, bulk
1450 assignee, or bulk buyer controls the association if ~~when~~ the
1451 division is considering the issuance of a declaratory statement
1452 with respect to the declaration of condominium or any related
1453 document governing ~~in~~ such condominium community.

1454 (h) The division shall furnish each association that ~~which~~
1455 pays the fees required by paragraph (2) (a) a copy of this
1456 chapter, as amended ~~act, subsequent changes to this act on an~~
1457 ~~annual basis, an amended version of this act as it becomes~~
1458 ~~available from the Secretary of State's office on a biennial~~
1459 ~~basis,~~ and the rules adopted thereto on an annual basis.

1460 (i) The division shall annually provide each association
1461 with a summary of declaratory statements and formal legal
1462 opinions relating to the operations of condominiums which were



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1463 rendered by the division during the previous year.

1464 (j) The division shall provide training and educational
1465 programs for condominium association board members and unit
1466 owners. The training may, in the division's discretion, include
1467 web-based electronic media, and live training and seminars in
1468 various locations throughout the state. The division may ~~shall~~
1469 ~~have the authority to~~ review and approve education and training
1470 programs for board members and unit owners offered by providers
1471 and shall maintain a current list of approved programs and
1472 providers and ~~shall~~ make such list available to board members
1473 and unit owners in a reasonable and cost-effective manner.

1474 (k) The division shall maintain a toll-free telephone
1475 number accessible to condominium unit owners.

1476 (l) The division shall develop a program to certify both
1477 volunteer and paid mediators to provide mediation of condominium
1478 disputes. The division shall provide, upon request, a list of
1479 such mediators to any association, unit owner, or other
1480 participant in arbitration proceedings under s. 718.1255
1481 requesting a copy of the list. The division shall include on the
1482 list of volunteer mediators only the names of persons who have
1483 received at least 20 hours of training in mediation techniques
1484 or who have mediated at least 20 disputes. In order to become
1485 initially certified by the division, paid mediators must be
1486 certified by the Supreme Court to mediate court cases in county
1487 or circuit courts. However, the division may adopt, by rule,
1488 additional factors for the certification of paid mediators,
1489 which ~~factors~~ must be related to experience, education, or
1490 background. Any person initially certified as a paid mediator by
1491 the division must, in order to continue to be certified, comply



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1492 with the factors or requirements adopted by rule ~~imposed by~~
1493 ~~rules adopted by the division.~~

1494 (m) ~~If~~ When a complaint is made, the division must ~~shall~~
1495 conduct its inquiry with due regard for ~~to~~ the interests of the
1496 affected parties. Within 30 days after receipt of a complaint,
1497 the division shall acknowledge the complaint in writing and
1498 notify the complainant whether the complaint is within the
1499 jurisdiction of the division and whether additional information
1500 is needed by the division from the complainant. The division
1501 shall conduct its investigation and ~~shall~~, within 90 days after
1502 receipt of the original complaint or of timely requested
1503 additional information, take action upon the complaint. However,
1504 the failure to complete the investigation within 90 days does
1505 not prevent the division from continuing the investigation,
1506 accepting or considering evidence obtained or received after 90
1507 days, or taking administrative action if reasonable cause exists
1508 to believe that a violation of this chapter or a rule ~~of the~~
1509 ~~division~~ has occurred. If an investigation is not completed
1510 within the time limits established in this paragraph, the
1511 division shall, on a monthly basis, notify the complainant in
1512 writing of the status of the investigation. When reporting its
1513 action to the complainant, the division shall inform the
1514 complainant of any right to a hearing pursuant to ss. 120.569
1515 and 120.57.

1516 (n) Condominium association directors, officers, and
1517 employees; condominium developers; bulk assignees, bulk buyers,
1518 and community association managers; and community association
1519 management firms have an ongoing duty to reasonably cooperate
1520 with the division in any investigation pursuant to this section.



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1521 The division shall refer to local law enforcement authorities
1522 any person whom the division believes has altered, destroyed,
1523 concealed, or removed any record, document, or thing required to
1524 be kept or maintained by this chapter with the purpose to impair
1525 its verity or availability in the department's investigation.

1526 (o) The division may:

1527 1. Contract with agencies in this state or other
1528 jurisdictions to perform investigative functions; or

1529 2. Accept grants-in-aid from any source.

1530 (p) The division shall cooperate with similar agencies in
1531 other jurisdictions to establish uniform filing procedures and
1532 forms, public offering statements, advertising standards, and
1533 rules and common administrative practices.

1534 (q) The division shall consider notice to a developer, bulk
1535 assignee, or bulk buyer to be complete when it is delivered to
1536 the ~~developer's~~ address of the developer, bulk assignee, or bulk
1537 buyer currently on file with the division.

1538 (r) In addition to its enforcement authority, the division
1539 may issue a notice to show cause, which must ~~shall~~ provide for a
1540 hearing, upon written request, in accordance with chapter 120.

1541 (s) The division shall submit to the Governor, the
1542 President of the Senate, the Speaker of the House of
1543 Representatives, and the chairs of the legislative
1544 appropriations committees an annual report that includes, but
1545 need not be limited to, the number of training programs provided
1546 for condominium association board members and unit owners, the
1547 number of complaints received by type, the number and percent of
1548 complaints acknowledged in writing within 30 days and the number
1549 and percent of investigations acted upon within 90 days in



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1550 accordance with paragraph (m), and the number of investigations
1551 exceeding the 90-day requirement. The annual report must ~~shall~~
1552 also include an evaluation of the division's core business
1553 processes and make recommendations for improvements, including
1554 statutory changes. The report shall be submitted by September 30
1555 following the end of the fiscal year.

1556 Section 17. Part VII of chapter 718, Florida Statutes,
1557 consisting of sections 718.701, 718.702, 718.703, 718.704,
1558 718.705, 718.706, 718.707, and 718.708, is created to read:

1559 718.701 Short title.—This part may be cited as the
1560 "Distressed Condominium Relief Act."

1561 718.702 Legislative intent.—

1562 (1) The Legislature acknowledges the massive downturn in
1563 the condominium market which has occurred throughout the state
1564 and the impact of such downturn on developers, lenders, unit
1565 owners, and condominium associations. Numerous condominium
1566 projects have failed or are in the process of failing such that
1567 the condominium has a small percentage of third-party unit
1568 owners as compared to the unsold inventory of units. As a result
1569 of the inability to find purchasers for this inventory of units,
1570 which results in part from the devaluing of real estate in this
1571 state, developers are unable to satisfy the requirements of
1572 their lenders, leading to defaults on mortgages. Consequently,
1573 lenders are faced with the task of finding a solution to the
1574 problem in order to receive payment for their investments.

1575 (2) The Legislature recognizes that all of the factors
1576 listed in this section lead to condominiums becoming distressed,
1577 resulting in detriment to the unit owners and the condominium
1578 association due to the resulting shortage of assessment moneys



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1579 available for proper maintenance of the condominium. Such
1580 shortage and the resulting lack of proper maintenance further
1581 erodes property values. The Legislature finds that individuals
1582 and entities within this state and in other states have
1583 expressed interest in purchasing unsold inventory in one or more
1584 condominium projects, but are reticent to do so because of
1585 accompanying liabilities inherited from the original developer,
1586 which are by definition imputed to the successor purchaser,
1587 including a foreclosing mortgagee. This results in the potential
1588 successor purchaser having unknown and unquantifiable risks that
1589 the potential purchaser is unwilling to accept. As a result,
1590 condominium projects stagnate, leaving all parties involved at
1591 an impasse and without the ability to find a solution.

1592 (3) The Legislature declares that it is the public policy
1593 of this state to protect the interests of developers, lenders,
1594 unit owners, and condominium associations with regard to
1595 distressed condominiums, and that there is a need for relief
1596 from certain provisions of the Florida Condominium Act geared
1597 toward enabling economic opportunities for successor purchasers,
1598 including foreclosing mortgagees. Such relief would benefit
1599 existing unit owners and condominium associations. The
1600 Legislature further finds and declares that this situation
1601 cannot be open-ended without potentially prejudicing the rights
1602 of unit owners and condominium associations, and thereby
1603 declares that the provisions of this part may be used by
1604 purchasers of condominium inventory for only a specific and
1605 defined period.

1606 718.703 Definitions.—As used in this part, the term:

1607 (1) "Bulk assignee" means a person who:



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1608 (a) Acquires more than seven condominium parcels as set
1609 forth in s. 718.707; and

1610 (b) Receives an assignment of some or all of the rights of
1611 the developer as set forth in the declaration of condominium or
1612 this chapter by a written instrument recorded as an exhibit to
1613 the deed or as a separate instrument in the public records of
1614 the county in which the condominium is located.

1615 (2) "Bulk buyer" means a person who acquires more than
1616 seven condominium parcels as set forth in s. 718.707, but who
1617 does not receive an assignment of developer rights other than
1618 the right to conduct sales, leasing, and marketing activities
1619 within the condominium; the right to be exempt from the payment
1620 of working capital contributions to the condominium association
1621 arising out of, or in connection with, the bulk buyer's
1622 acquisition of a bulk number of units; and the right to be
1623 exempt from any rights of first refusal which may be held by the
1624 condominium association and would otherwise be applicable to
1625 subsequent transfers of title from the bulk buyer to a third
1626 party purchaser concerning one or more units.

1627 718.704 Assignment and assumption of developer rights by
1628 bulk assignee; bulk buyer.-

1629 (1) A bulk assignee assumes and is liable for all duties
1630 and responsibilities of the developer under the declaration and
1631 this chapter, except:

1632 (a) Warranties of the developer under s. 718.203(1) or s.
1633 718.618, except for design, construction, development, or repair
1634 work performed by or on behalf of such bulk assignee;

1635 (b) The obligation to:

1636 1. Fund converter reserves under s. 718.618 for a unit that



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1637 was not acquired by the bulk assignee; or

1638 2. Provide converter warranties on any portion of the
1639 condominium property except as expressly provided by the bulk
1640 assignee in the contract for purchase and sale executed with a
1641 purchaser and pertaining to any design, construction,
1642 development, or repair work performed by or on behalf of the
1643 bulk assignee;

1644 (c) The requirement to provide the association with a
1645 cumulative audit of the association's finances from the date of
1646 formation of the condominium association as required by s.
1647 718.301(4)(c). However, the bulk assignee must provide an audit
1648 for the period during which the bulk assignee elects a majority
1649 of the members of the board of administration;

1650 (d) Any liability arising out of or in connection with
1651 actions taken by the board of administration or the developer-
1652 appointed directors before the bulk assignee elects a majority
1653 of the members of the board of administration; and

1654 (e) Any liability for or arising out of the developer's
1655 failure to fund previous assessments or to resolve budgetary
1656 deficits in relation to a developer's right to guarantee
1657 assessments, except as otherwise provided in subsection (2).

1658
1659 The bulk assignee is also responsible for delivering documents
1660 and materials in accordance with s. 718.705(3). A bulk assignee
1661 may expressly assume some or all of the obligations of the
1662 developer described in paragraphs (a)-(e).

1663 (2) A bulk assignee receiving the assignment of the rights
1664 of the developer to guarantee the level of assessments and fund
1665 budgetary deficits pursuant to s. 718.116 assumes and is liable



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1666 for all obligations of the developer with respect to such
1667 guarantee, including any applicable funding of reserves to the
1668 extent required by law, for as long as the guarantee remains in
1669 effect. A bulk assignee not receiving such assignment or a bulk
1670 buyer does not assume and is not liable for the obligations of
1671 the developer with respect to such guarantee, but is responsible
1672 for payment of assessments in the same manner as all other
1673 owners of condominium parcels.

1674 (3) A bulk buyer is liable for the duties and
1675 responsibilities of the developer under the declaration and this
1676 chapter only to the extent provided in this part, together with
1677 any other duties or responsibilities of the developer expressly
1678 assumed in writing by the bulk buyer.

1679 (4) An acquirer of condominium parcels is not a bulk
1680 assignee or a bulk buyer if the transfer to such acquirer was
1681 made before the effective date of this part with the intent to
1682 hinder, delay, or defraud any purchaser, unit owner, or the
1683 association, or if the acquirer is a person who would be
1684 considered an insider under s. 726.102(7).

1685 (5) An assignment of developer rights to a bulk assignee
1686 may be made by the developer, a previous bulk assignee, or a
1687 court acting on behalf of the developer or the previous bulk
1688 assignee. At any particular time, there may be no more than one
1689 bulk assignee within a condominium, but there may be more than
1690 one bulk buyer. If more than one acquirer of condominium parcels
1691 in the same condominium receives an assignment of developer
1692 rights from the same person, the bulk assignee is the acquirer
1693 whose instrument of assignment is recorded first.

1694 718.705 Board of administration; transfer of control.-



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1695 (1) For purposes of determining the timing for transfer of
1696 control of the board of administration of the association to
1697 unit owners other than the developer under s. 718.301(1)(a) and
1698 (b), if a bulk assignee is entitled to elect a majority of the
1699 members of the board, a condominium parcel acquired by the bulk
1700 assignee is conveyed to a purchaser, or owned by an owner other
1701 than the developer, until the condominium parcel is conveyed to
1702 an owner who is not a bulk assignee.

1703 (2) Unless control of the board of administration of the
1704 association has already been relinquished pursuant to s.
1705 718.301(1), the bulk assignee must relinquish control of the
1706 association pursuant to s. 718.301 and this part, as if the bulk
1707 assignee were the developer.

1708 (3) If a bulk assignee relinquishes control of the board of
1709 administration as set forth in s. 718.301, the bulk assignee
1710 must deliver all of those items required by s. 718.301(4).
1711 However, the bulk assignee is not required to deliver items and
1712 documents not in the possession of the bulk assignee during the
1713 period during which the bulk assignee was entitled to elect at
1714 least a majority of the members of the board of administration.
1715 In conjunction with acquisition of condominium parcels, a bulk
1716 assignee shall undertake a good faith effort to obtain the
1717 documents and materials that must be provided to the association
1718 pursuant to s. 718.301(4). If the bulk assignee is not able to
1719 obtain all of such documents and materials, the bulk assignee
1720 must certify in writing to the association the names or
1721 descriptions of the documents and materials that were not
1722 obtainable by the bulk assignee. Delivery of the certificate
1723 relieves the bulk assignee of responsibility for delivering the



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1724 documents and materials referenced in the certificate as
1725 otherwise required under ss. 718.112 and 718.301 and this part.
1726 The responsibility of the bulk assignee for the audit required
1727 by s. 718.301(4) commences as of the date on which the bulk
1728 assignee elected a majority of the members of the board of
1729 administration.

1730 (4) If a conflict arises between the provisions or
1731 application of this section and s. 718.301, this section
1732 prevails.

1733 (5) Failure of a bulk assignee or bulk buyer to
1734 substantially comply with all the requirements in this part
1735 results in the loss of any and all protections or exemptions
1736 provided under this part.

1737 718.706 Specific provisions pertaining to offering of units
1738 by a bulk assignee or bulk buyer.—

1739 (1) Before offering any units for sale or for lease for a
1740 term exceeding 5 years, a bulk assignee or a bulk buyer must
1741 file the following documents with the division and provide such
1742 documents to a prospective purchaser or tenant:

1743 (a) An updated prospectus or offering circular, or a
1744 supplement to the prospectus or offering circular, filed by the
1745 creating developer prepared in accordance with s. 718.504, which
1746 must include the form of contract for sale and for lease in
1747 compliance with s. 718.503(2);

1748 (b) An updated Frequently Asked Questions and Answers
1749 sheet;

1750 (c) The executed escrow agreement if required under s.
1751 718.202; and

1752 (d) The financial information required by s. 718.111(13).



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1753 However, if a financial information report does not exist for
1754 the fiscal year before acquisition of title by the bulk assignee
1755 or bulk buyer, or accounting records cannot be obtained in good
1756 faith by the bulk assignee or the bulk buyer which would permit
1757 preparation of the required financial information report, the
1758 bulk assignee or bulk buyer is excused from the requirement of
1759 this paragraph. However, the bulk assignee or bulk buyer must
1760 include in the purchase contract the following statement in
1761 conspicuous type:

1762
1763 THE FINANCIAL INFORMATION REPORT REQUIRED UNDER S.
1764 718.111(13) FOR THE IMMEDIATELY PRECEDING FISCAL YEAR
1765 OF THE ASSOCIATION IS NOT AVAILABLE OR CANNOT BE
1766 CREATED BY THE SELLER DUE TO THE INSUFFICIENT
1767 ACCOUNTING RECORDS OF THE ASSOCIATION.

1768
1769 (2) Before offering any units for sale or for lease for a
1770 term exceeding 5 years, a bulk assignee must file with the
1771 division and provide to a prospective purchaser a disclosure
1772 statement that includes, but is not limited to:

1773 (a) A description of any rights of the developer which have
1774 been assigned to the bulk assignee;

1775 (b) The following statement in conspicuous type:

1776
1777 THE SELLER IS NOT OBLIGATED FOR ANY WARRANTIES OF THE
1778 DEVELOPER UNDER S. 718.203(1) OR S. 718.618, AS
1779 APPLICABLE, EXCEPT FOR DESIGN, CONSTRUCTION,
1780 DEVELOPMENT, OR REPAIR WORK PERFORMED BY OR ON BEHALF
1781 OF SELLER; and



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1782 (c) If the condominium is a conversion subject to part VI,
1783 the following statement in conspicuous type:

1784
1785 THE SELLER HAS NO OBLIGATION TO FUND CONVERTER
1786 RESERVES OR TO PROVIDE CONVERTER WARRANTIES UNDER S.
1787 718.618 ON ANY PORTION OF THE CONDOMINIUM PROPERTY
1788 EXCEPT AS MAY BE EXPRESSLY REQUIRED OF THE SELLER IN
1789 THE CONTRACT FOR PURCHASE AND SALE EXECUTED BY THE
1790 SELLER AND THE PREVIOUS DEVELOPER AND PERTAINING TO
1791 ANY DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK
1792 PERFORMED BY OR ON BEHALF OF THE SELLER.

1793 (3) A bulk assignee, while it is in control of the board of
1794 administration of the association, may not authorize, on behalf
1795 of the association:

1796 (a) The waiver of reserves or the reduction of funding of
1797 the reserves pursuant to s. 718.112(2)(f)2., unless approved by
1798 a majority of the voting interests not controlled by the
1799 developer, bulk assignee, and bulk buyer; or

1800 (b) The use of reserve expenditures for other purposes
1801 pursuant to s. 718.112(2)(f)3., unless approved by a majority of
1802 the voting interests not controlled by the developer, bulk
1803 assignee, and bulk buyer.

1804 (4) A bulk assignee or a bulk buyer must comply with all
1805 the requirements of s. 718.302 regarding any contracts entered
1806 into by the association during the period the bulk assignee or
1807 bulk buyer maintains control of the board of administration.
1808 Unit owners shall be afforded all the protections contained in
1809 s. 718.302 regarding agreements entered into by the association
1810 before unit owners other than the developer, bulk assignee, or



1811 bulk buyer elected a majority of the board of administration.

1812 (5) A bulk buyer must comply with the requirements
1813 contained in the declaration regarding any transfer of a unit,
1814 including sales, leases, and subleases. A bulk buyer is not
1815 entitled to any exemptions afforded a developer or successor
1816 developer under this chapter regarding the transfer of a unit,
1817 including sales, leases, or subleases.

1818 718.707 Time limitation for classification as bulk assignee
1819 or bulk buyer.—A person acquiring condominium parcels may not be
1820 classified as a bulk assignee or bulk buyer unless the
1821 condominium parcels were acquired before July 1, 2012. The date
1822 of such acquisition shall be determined by the date of recording
1823 of a deed or other instrument of conveyance for such parcels in
1824 the public records of the county in which the condominium is
1825 located, or by the date of issuance of a certificate of title in
1826 a foreclosure proceeding with respect to such condominium
1827 parcels.

1828 718.708 Liability of developers and others.—An assignment of
1829 developer rights to a bulk assignee or bulk buyer does not
1830 release the creating developer from liabilities under the
1831 declaration or this chapter. This part does not limit the
1832 liability of the creating developer for claims brought by unit
1833 owners, bulk assignees, or bulk buyers for violations of this
1834 chapter by the creating developer, unless specifically excluded
1835 in this part. This part does not waive, release, compromise, or
1836 limit liability established under chapter 718 except as
1837 specifically excluded under this part.

1838 Section 18. Paragraph (d) of subsection (1) of section
1839 719.106, Florida Statutes, is amended to read:



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1840 719.106 Bylaws; cooperative ownership.-

1841 (1) MANDATORY PROVISIONS.-The bylaws or other cooperative
1842 documents shall provide for the following, and if they do not,
1843 they shall be deemed to include the following:

1844 (d) *Shareholder meetings*.-There shall be an annual meeting
1845 of the shareholders. All members of the board of administration
1846 shall be elected at the annual meeting unless the bylaws provide
1847 for staggered election terms or for their election at another
1848 meeting. Any unit owner desiring to be a candidate for board
1849 membership must ~~shall~~ comply with subparagraph 1. The bylaws
1850 must ~~shall~~ provide the method for calling meetings, including
1851 annual meetings. Written notice, which must ~~notice shall~~
1852 incorporate an identification of agenda items, shall be given to
1853 each unit owner at least 14 days before ~~prior to~~ the annual
1854 meeting and ~~shall be~~ posted in a conspicuous place on the
1855 cooperative property at least 14 continuous days preceding the
1856 annual meeting. Upon notice to the unit owners, the board must
1857 ~~shall~~ by duly adopted rule designate a specific location on the
1858 cooperative property upon which all notice of unit owner
1859 meetings are ~~shall be~~ posted. In lieu of or in addition to the
1860 physical posting of the meeting notice ~~of any meeting of the~~
1861 ~~shareholders on the cooperative property~~, the association may,
1862 by reasonable rule, adopt a procedure for conspicuously posting
1863 and repeatedly broadcasting the notice and the agenda on a
1864 closed-circuit cable television system serving the cooperative
1865 association. However, if broadcast notice is used in lieu of a
1866 posted notice ~~posted physically on the cooperative property~~, the
1867 notice and agenda must be broadcast at least four times every
1868 broadcast hour of each day that a posted notice is otherwise



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1869 required under this section. ~~If~~ ~~When~~ broadcast notice is
1870 provided, the notice and agenda must be broadcast in a manner
1871 and for a sufficient continuous length of time ~~so as~~ to allow an
1872 average reader to observe the notice and read and comprehend the
1873 entire content of the notice and the agenda. Unless a unit owner
1874 waives in writing the right to receive notice of the annual
1875 meeting, the notice of the annual meeting must ~~shall~~ be sent by
1876 mail, hand delivered, or electronically transmitted to each unit
1877 owner. An officer of the association must ~~shall~~ provide an
1878 affidavit or United States Postal Service certificate of
1879 mailing, to be included in the official records of the
1880 association, affirming that notices of the association meeting
1881 were mailed, hand delivered, or electronically transmitted, in
1882 accordance with this provision, to each unit owner at the
1883 address last furnished to the association.

1884 1. ~~After January 1, 1992,~~ The board of administration shall
1885 be elected by written ballot or voting machine. A proxy may not
1886 ~~Proxies shall in no event~~ be used in electing the board of
1887 administration, ~~either~~ in general elections or elections to fill
1888 vacancies caused by recall, resignation, or otherwise unless
1889 otherwise provided in this chapter. At least ~~Not less than~~ 60
1890 days before a scheduled election, the association shall mail,
1891 deliver, or transmit, whether by separate association mailing,
1892 delivery, or electronic transmission or included in another
1893 association mailing, delivery, or electronic transmission,
1894 including regularly published newsletters, to each unit owner
1895 entitled to vote, a first notice of the date of the election.
1896 Any unit owner or other eligible person desiring to be a
1897 candidate for the board of administration must ~~shall~~ give



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1898 written notice to the association at least ~~not less than~~ 40 days
1899 before a scheduled election. Together with the written notice
1900 and agenda as set forth in this section, the association shall
1901 mail, deliver, or electronically transmit a second notice of
1902 election to all unit owners entitled to vote ~~therein~~, together
1903 with a ballot which lists ~~shall list~~ all candidates. Upon
1904 request of a candidate, the association shall include an
1905 information sheet, no larger than 8 1/2 inches by 11 inches,
1906 which must be furnished by the candidate at least ~~not less than~~
1907 35 days before ~~prior to~~ the election, to be included with the
1908 mailing, delivery, or electronic transmission of the ballot,
1909 with the costs of mailing, delivery, or transmission and copying
1910 to be borne by the association. The association is not liable
1911 ~~has no liability~~ for the contents of the information sheets
1912 provided by the candidates. In order to reduce costs, the
1913 association may print or duplicate the information sheets on
1914 both sides of the paper. The division shall by rule establish
1915 voting procedures consistent with this subparagraph ~~the~~
1916 ~~provisions contained herein~~, including rules establishing
1917 procedures for giving notice by electronic transmission and
1918 rules providing for the secrecy of ballots. Elections shall be
1919 decided by a plurality of those ballots cast. There is ~~shall be~~
1920 no quorum requirement. However, at least 20 percent of the
1921 eligible voters must cast a ballot in order to have a valid
1922 election ~~of members of the board of administration~~. A ~~No~~ unit
1923 owner may not ~~shall~~ permit any other person to vote his or her
1924 ballot, and any such ballots improperly cast are ~~shall be deemed~~
1925 invalid. A unit owner who needs assistance in casting the ballot
1926 for the reasons stated in s. 101.051 may obtain assistance in



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1927 casting the ballot. Any unit owner violating this provision may
1928 be fined by the association in accordance with s. 719.303. The
1929 regular election must ~~shall~~ occur on the date of the annual
1930 meeting. ~~The provisions of~~ This subparagraph does ~~shall~~ not
1931 apply to timeshare cooperatives. Notwithstanding ~~the provisions~~
1932 ~~of~~ this subparagraph, an election and balloting are not required
1933 unless more candidates file a notice of intent to run or are
1934 nominated than vacancies exist on the board.

1935 2. Any approval by unit owners called for by this chapter,
1936 or the applicable cooperative documents, must ~~shall~~ be made at a
1937 duly noticed meeting of unit owners and is ~~shall be~~ subject to
1938 ~~all requirements of~~ this chapter or the applicable cooperative
1939 documents relating to unit owner decisionmaking, except that
1940 unit owners may take action by written agreement, without
1941 meetings, on matters for which action by written agreement
1942 without meetings is expressly allowed by the applicable
1943 cooperative documents or law ~~any Florida statute~~ which provides
1944 for the unit owner action.

1945 3. Unit owners may waive notice of specific meetings if
1946 allowed by the applicable cooperative documents or law ~~any~~
1947 ~~Florida statute~~. If authorized by the bylaws, notice of meetings
1948 of the board of administration, shareholder meetings, except
1949 shareholder meetings called to recall board members under
1950 paragraph (f), and committee meetings may be given by electronic
1951 transmission to unit owners who consent to receive notice by
1952 electronic transmission.

1953 4. Unit owners ~~shall~~ have the right to participate in
1954 meetings of unit owners with reference to all designated agenda
1955 items. However, the association may adopt reasonable rules



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1956 governing the frequency, duration, and manner of unit owner
1957 participation.

1958 5. Any unit owner may tape record or videotape meetings of
1959 the unit owners subject to reasonable rules adopted by the
1960 division.

1961 6. Unless otherwise provided in the bylaws, a vacancy
1962 occurring on the board before the expiration of a term may be
1963 filled by the affirmative vote of the majority of the remaining
1964 directors, even if the remaining directors constitute less than
1965 a quorum, or by the sole remaining director. In the alternative,
1966 a board may hold an election to fill the vacancy, in which case
1967 the election procedures must conform to the requirements of
1968 subparagraph 1. unless the association has opted out of the
1969 statutory election process, in which case the bylaws of the
1970 association control. Unless otherwise provided in the bylaws, a
1971 board member appointed or elected under this subparagraph shall
1972 fill the vacancy for the unexpired term of the seat being
1973 filled. Filling vacancies created by recall is governed by
1974 paragraph (f) and rules adopted by the division.

1975
1976 Notwithstanding subparagraphs (b)2. and (d)1., an association
1977 may, by the affirmative vote of a majority of the total voting
1978 interests, provide for a different voting and election procedure
1979 in its bylaws, which vote may be by a proxy specifically
1980 delineating the different voting and election procedures. The
1981 different voting and election procedures may provide for
1982 elections to be conducted by limited or general proxy.

1983 Section 19. Subsection (5) of section 719.1055, Florida
1984 Statutes, is amended to read:



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1985 719.1055 Amendment of cooperative documents; alteration and
1986 acquisition of property.—

1987 (5) The bylaws must include a provision whereby a
1988 certificate of compliance from a licensed electrical contractor
1989 or electrician may be accepted by the association's board as
1990 evidence of compliance of the cooperative units with the
1991 applicable fire and life safety code. Notwithstanding the
1992 ~~provisions of~~ chapter 633 or of any other code, statute,
1993 ordinance, administrative rule, or regulation, or any
1994 interpretation of the foregoing, a cooperative or unit owner is
1995 not obligated to retrofit the common elements, common areas,
1996 association-owned property, or units of a residential
1997 cooperative with a fire sprinkler system or any other form of
1998 engineered lifesafety ~~life safety~~ system in a building that has
1999 been certified for occupancy by the applicable governmental
2000 entity, if the unit owners have voted to forego such
2001 retrofitting and engineered lifesafety ~~life safety~~ system by the
2002 affirmative vote of two-thirds of all voting interests in the
2003 affected cooperative. ~~However, a cooperative may not forego the~~
2004 ~~retrofitting with a fire sprinkler system of common areas in a~~
2005 ~~high-rise building. For purposes of this subsection, the term~~
2006 ~~"high-rise building" means a building that is greater than 75~~
2007 ~~feet in height where the building height is measured from the~~
2008 ~~lowest level of fire department access to the floor of the~~
2009 ~~highest occupiable story. For purposes of this subsection, the~~
2010 ~~term "common areas" means any enclosed hallway, corridor, lobby,~~
2011 ~~stairwell, or entryway. In no event shall The local authority~~
2012 having jurisdiction may not require completion of retrofitting
2013 ~~of common areas~~ with a sprinkler system or other form of



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2014 engineered lifesafety system before the end of 2019 ~~2014~~.

2015 (a) A vote to forego retrofitting may be obtained by
2016 limited proxy or by a ballot personally cast at a duly called
2017 membership meeting, or by execution of a written consent by the
2018 member, and is ~~shall be~~ effective upon ~~the~~ recording ~~of~~ a
2019 certificate attesting to such vote in the public records of the
2020 county where the cooperative is located. The association shall
2021 mail or, ~~hand deliver, or electronically transmit~~ to each unit
2022 owner written notice at least 14 days before ~~prior to~~ such
2023 membership meeting in which the vote to forego retrofitting of
2024 the required fire sprinkler system or any other form of
2025 engineered lifesafety system is to take place. Within 30 days
2026 after the association's opt-out vote, notice of the results of
2027 the opt-out vote shall be mailed or, hand delivered, ~~or~~
2028 ~~electronically transmitted~~ to all unit owners. Evidence of
2029 compliance with this ~~30-day~~ notice must ~~shall~~ be made by an
2030 affidavit executed by the person providing the notice and filed
2031 among the official records of the association. After such notice
2032 is provided to each owner, a copy of the ~~such~~ notice shall be
2033 provided by the current owner to a new owner before ~~prior to~~
2034 closing and ~~shall be provided~~ by a unit owner to a renter before
2035 ~~prior to~~ signing a lease.

2036 (b) If there has been a previous vote to forego
2037 retrofitting, a vote to require retrofitting may be obtained at
2038 a special meeting of the unit owners called by a petition of
2039 least 10 percent of the voting interests. Such vote may only be
2040 called once every 3 years. Notice must be provided as required
2041 for any regularly called meeting of the unit owners, and the
2042 notice must state the purpose of the meeting. Electronic



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2043 transmission may not be used to provide notice of a meeting
2044 called in whole or in part for this purpose.

2045 (c) ~~(b)~~ As part of the information collected annually from
2046 cooperatives, the division shall require associations to report
2047 the membership vote and recording of a certificate under this
2048 subsection and, if retrofitting has been undertaken, the per-
2049 unit cost of such work. The division shall annually report to
2050 the Division of State Fire Marshal of the Department of
2051 Financial Services the number of cooperatives that have elected
2052 to forego retrofitting.

2053 Section 20. Subsections (3) and (4) of section 719.108,
2054 Florida Statutes, are amended, and subsection (10) is added to
2055 that section, to read:

2056 719.108 Rents and assessments; liability; lien and
2057 priority; interest; collection; cooperative ownership.—

2058 (3) Rents and assessments, and installments on them, not
2059 paid when due bear interest at the rate provided in the
2060 cooperative documents from the date due until paid. This rate
2061 may not exceed the rate allowed by law, and, if a ~~no~~ rate is not
2062 provided in the cooperative documents, ~~then~~ interest accrues
2063 ~~shall accrue~~ at 18 percent per annum. ~~Also,~~ If the cooperative
2064 documents or bylaws so provide, the association may charge an
2065 administrative late fee in addition to such interest, in an
2066 amount not to exceed the greater of \$25 or 5 percent of each
2067 installment of the assessment for each delinquent installment
2068 that the payment is late. Any payment received by an association
2069 must ~~shall~~ be applied first to any interest accrued by the
2070 association, then to any administrative late fee, then to any
2071 costs and reasonable attorney's fees incurred in collection, and



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2072 then to the delinquent assessment. Costs may include delinquency
2073 letters and other collections efforts by a licensed management
2074 company or a licensed manager relating to a delinquent
2075 installment of an assessment incurred before filing a claim of
2076 lien that does not exceed \$75. The foregoing applies ~~shall be~~
2077 ~~applicable~~ notwithstanding any restrictive endorsement,
2078 designation, or instruction placed on or accompanying a payment.
2079 A late fee is not subject to chapter 687 or s. 719.303(3).

2080 (4) The association has ~~shall have~~ a lien on each
2081 cooperative parcel for any unpaid rents and assessments, plus
2082 interest, any authorized administrative late fees, and any
2083 reasonable costs for collection services for which the
2084 association has contracted against the unit owner of the
2085 cooperative parcel. If authorized by the cooperative documents,
2086 the said lien ~~shall~~ also secures ~~secure~~ reasonable attorney's
2087 fees incurred by the association incident to the collection of
2088 the rents and assessments or enforcement of such lien. The lien
2089 is effective from and after ~~the~~ recording ~~of~~ a claim of lien in
2090 the public records in the county in which the cooperative parcel
2091 is located which states the description of the cooperative
2092 parcel, the name of the unit owner, the amount due, and the due
2093 dates. The lien expires ~~shall expire~~ if a claim of lien is not
2094 filed within 1 year after the date the assessment was due, and
2095 the no-such lien does not ~~shall~~ continue for a longer ~~period~~
2096 than 1 year after the claim of lien has been recorded unless,
2097 within that time, an action to enforce the lien is commenced ~~in~~
2098 ~~a court of competent jurisdiction.~~ Except as otherwise provided
2099 in this chapter, a lien may not be filed by the association
2100 against a cooperative parcel until 30 days after the date on



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2101 which a notice of intent to file a lien has been delivered to
2102 the owner.

2103 (a) The notice must be sent to the unit owner at the
2104 address of the unit by first-class United States mail and:

2105 1. If the most recent address of the unit owner on the
2106 records of the association is the address of the unit, the
2107 notice must be sent by registered or certified mail, return
2108 receipt requested, to the unit owner at the address of the unit.

2109 2. If the most recent address of the unit owner on the
2110 records of the association is in the United States, but is not
2111 the address of the unit, the notice must be sent by registered
2112 or certified mail, return receipt requested, to the unit owner
2113 at his or her most recent address.

2114 3. If the most recent address of the unit owner on the
2115 records of the association is not in the United States, the
2116 notice must be sent by first-class United States mail to the
2117 unit owner at his or her most recent address.

2118 (b) A notice that is sent pursuant to this subsection is
2119 deemed delivered upon mailing. ~~No lien may be filed by the~~
2120 ~~association against a cooperative parcel until 30 days after the~~
2121 ~~date on which a notice of intent to file a lien has been served~~
2122 ~~on the unit owner of the cooperative parcel by certified mail or~~
2123 ~~by personal service in the manner authorized by chapter 48 and~~
2124 ~~the Florida Rules of Civil Procedure.~~

2125 (10) If the unit is occupied by a tenant and the share
2126 owner is delinquent in paying any monetary obligation due to the
2127 association, the association may make a written demand that the
2128 tenant pay the future monetary obligations related to the
2129 cooperative share to the association and the tenant must make



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2130 such payment. The demand is continuing in nature, and upon
2131 demand, the tenant must pay the monetary obligations to the
2132 association until the association releases the tenant or the
2133 tenant discontinues tenancy in the unit. The association must
2134 mail written notice to the unit owner of the association's
2135 demand that the tenant make payments to the association. The
2136 association shall, upon request, provide the tenant with written
2137 receipts for payments made. A tenant who acts in good faith in
2138 response to a written demand from an association is immune from
2139 any claim from the unit owner.

2140 (a) If the tenant prepaid rent to the unit owner before
2141 receiving the demand from the association and provides written
2142 evidence of paying the rent to the association within 14 days
2143 after receiving the demand, the tenant must make any subsequent
2144 rental payments to the association to be credited against the
2145 monetary obligations of the unit owner to the association.

2146 (b) The tenant is not liable for increases in the amount of
2147 the regular monetary obligations due unless the tenant was
2148 notified in writing of the increase at least 10 days before the
2149 date on which the rent is due. The liability of the tenant may
2150 not exceed the amount due from the tenant to the tenants'
2151 landlord. The tenant's landlord shall provide the tenant a
2152 credit against rents due to the unit owner in the amount of
2153 monies paid to the association under this section.

2154 (c) The association may issue notices under s. 83.56 and
2155 may sue for eviction under ss. 83.59-83.625 as if the
2156 association were a landlord under part II of chapter 83 if the
2157 tenant fails to pay a required payment. However, the association
2158 is not otherwise considered a landlord under chapter 83 and



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2159 specifically has no duties under s. 83.51.

2160 (d) The tenant does not, by virtue of payment of monetary
2161 obligations, have any of the rights of a unit owner to vote in
2162 any election or to examine the books and records of the
2163 association.

2164 (e) A court may supersede the effect of this subsection by
2165 appointing a receiver.

2166 Section 21. Paragraph (b) of subsection (2) of section
2167 720.304, Florida Statutes, is amended to read:

2168 720.304 Right of owners to peaceably assemble; display of
2169 flag; SLAPP suits prohibited.-

2170 (2)

2171 (b) Any homeowner may erect a freestanding flagpole no more
2172 than 20 feet high on any portion of the homeowner's real
2173 property, regardless of any covenants, restrictions, bylaws,
2174 rules, or requirements of the association, if the flagpole does
2175 not obstruct sightlines at intersections and is not erected
2176 within or upon an easement. The homeowner may further display in
2177 a respectful manner from that flagpole, regardless of any
2178 covenants, restrictions, bylaws, rules, or requirements of the
2179 association, one official United States flag, not larger than 4
2180 1/2 feet by 6 feet, and may additionally display one official
2181 flag of the State of Florida or the United States Army, Navy,
2182 Air Force, Marines, or Coast Guard, or a POW-MIA flag. Such
2183 additional flag must be equal in size to or smaller than the
2184 United States flag. The flagpole and display are subject to all
2185 building codes, zoning setbacks, and other applicable
2186 governmental regulations, including, but not limited to, noise
2187 and lighting ordinances in the county or municipality in which



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2188 the flagpole is erected and all setback and locational criteria
2189 contained in the governing documents.

2190 Section 22. Subsection (2) of section 720.305, Florida
2191 Statutes, is amended to read:

2192 720.305 Obligations of members; remedies at law or in
2193 equity; levy of fines and suspension of use rights.-

2194 (2) If a member is delinquent for more than 90 days in
2195 paying a monetary obligation due the association ~~the governing~~
2196 ~~documents so provide~~, an association may suspend, until such
2197 monetary obligation is paid ~~for a reasonable period of time~~, the
2198 rights of a member or a member's tenants, guests, or invitees,
2199 or both, to use common areas and facilities and may levy
2200 reasonable fines of up to, ~~not to exceed~~ \$100 per violation,
2201 against any member or any tenant, guest, or invitee. A fine may
2202 be levied for ~~on the basis of~~ each day of a continuing
2203 violation, with a single notice and opportunity for hearing,
2204 except that a no such fine may not shall exceed \$1,000 in the
2205 aggregate unless otherwise provided in the governing documents.
2206 A fine of less than \$1,000 may shall not become a lien against a
2207 parcel. In any action to recover a fine, the prevailing party is
2208 entitled to collect its reasonable attorney's fees and costs
2209 from the nonprevailing party as determined by the court. The
2210 provisions regarding the suspension-of-use rights do not apply
2211 to the portion of common areas that must be used to provide
2212 access to the parcel or utility services provided to the parcel.

2213 (a) A fine or suspension may not be imposed without ~~notice~~
2214 ~~of~~ at least 14 days notice to the person sought to be fined or
2215 suspended and an opportunity for a hearing before a committee of
2216 at least three members appointed by the board who are not



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2217 officers, directors, or employees of the association, or the
2218 spouse, parent, child, brother, or sister of an officer,
2219 director, or employee. If the committee, by majority vote, does
2220 not approve a proposed fine or suspension, it may not be
2221 imposed. If the association imposes a fine or suspension, the
2222 association must provide written notice of such fine or
2223 suspension by mail or hand delivery to the parcel owner and, if
2224 applicable, to any tenant, licensee, or invitee of the parcel
2225 owner.

2226 ~~(b) The requirements of this subsection do not apply to the~~
2227 ~~imposition of suspensions or fines upon any member because of~~
2228 ~~the failure of the member to pay assessments or other charges~~
2229 ~~when due if such action is authorized by the governing~~
2230 ~~documents.~~

2231 (b)(e) Suspension of common-area-use rights do shall not
2232 impair the right of an owner or tenant of a parcel to have
2233 vehicular and pedestrian ingress to and egress from the parcel,
2234 including, but not limited to, the right to park.

2235 Section 23. Subsections (7) and (9) of section 720.306,
2236 Florida Statutes, are amended to read:

2237 720.306 Meetings of members; voting and election
2238 procedures; amendments.—

2239 (7) ADJOURNMENT.—Unless the bylaws require otherwise,
2240 adjournment of an annual or special meeting to a different date,
2241 time, or place must be announced at that meeting before an
2242 adjournment is taken, or notice must be given of the new date,
2243 time, or place pursuant to s. 720.303(2). Any business that
2244 might have been transacted on the original date of the meeting
2245 may be transacted at the adjourned meeting. If a new record date



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2246 for the adjourned meeting is or must be fixed under s. 607.0707
2247 ~~s. 617.0707~~, notice of the adjourned meeting must be given to
2248 persons who are entitled to vote and are members as of the new
2249 record date but were not members as of the previous record date.

2250 (9) ELECTIONS AND BOARD VACANCIES.—Elections of directors
2251 must be conducted in accordance with the procedures set forth in
2252 the governing documents of the association. All members of the
2253 association are shall be eligible to serve on the board of
2254 directors, and a member may nominate himself or herself as a
2255 candidate for the board at a meeting where the election is to be
2256 held. Except as otherwise provided in the governing documents,
2257 boards of directors must be elected by a plurality of the votes
2258 cast by eligible voters. Any election dispute between a member
2259 and an association must be submitted to mandatory binding
2260 arbitration with the division. Such proceedings must shall be
2261 conducted in the manner provided by s. 718.1255 and the
2262 procedural rules adopted by the division. Unless otherwise
2263 provided in the bylaws, any vacancy occurring on the board
2264 before the expiration of a term may be filled by an affirmative
2265 vote of the majority of the remaining directors, even if the
2266 remaining directors constitute less than a quorum, or by the
2267 sole remaining director. In the alternative, a board may hold an
2268 election to fill the vacancy, in which case the election
2269 procedures must conform to the requirements of the governing
2270 documents. Unless otherwise provided in the bylaws, a board
2271 member appointed or elected under this section is appointed for
2272 the unexpired term of the seat being filled. Filling vacancies
2273 created by recall is governed by s. 720.303(10) and rules
2274 adopted by the division.



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2275 Section 24. Subsection (8) is added to section 720.3085,
2276 Florida Statutes, to read:

2277 720.3085 Payment for assessments; lien claims.—

2278 (8) If the parcel is occupied by a tenant and the parcel
2279 owner is delinquent in paying any monetary obligation due to the
2280 association, the association may demand that the tenant pay to
2281 the association the future monetary obligations related to the
2282 parcel. The demand is continuing in nature, and upon demand, the
2283 tenant must continue to pay the monetary obligations until the
2284 association releases the tenant or the tenant discontinues
2285 tenancy in the parcel. A tenant who acts in good faith in
2286 response to a written demand from an association is immune from
2287 any claim from the parcel owner.

2288 (a) If the tenant prepaid rent to the parcel owner before
2289 receiving the demand from the association and provides written
2290 evidence of paying the rent to the association within 14 days
2291 after receiving the demand, the tenant must make any subsequent
2292 rental payments to the association to be credited against the
2293 monetary obligations of the parcel owner to the association. The
2294 association shall, upon request, provide the tenant with written
2295 receipts for payments made. The association shall mail written
2296 notice to the parcel owner of the association's demand that the
2297 tenant pay monetary obligations to the association.

2298 (b) The tenant is not liable for increases in the amount of
2299 the monetary obligations due unless the tenant was notified in
2300 writing of the increase at least 10 days before the date on
2301 which the rent is due. The tenant shall be given a credit
2302 against rents due to the parcel owner in the amount of
2303 assessments paid to the association.



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2304 (c) The association may issue notices under s. 83.56 and
2305 may sue for eviction under ss. 83.59-83.625 as if the
2306 association were a landlord under part II of chapter 83 if the
2307 tenant fails to pay a monetary obligation. However, the
2308 association is not otherwise considered a landlord under chapter
2309 83 and specifically has no duties under s. 83.51.

2310 (d) The tenant does not, by virtue of payment of monetary
2311 obligations, have any of the rights of a parcel owner to vote in
2312 any election or to examine the books and records of the
2313 association.

2314 (e) A court may supersede the effect of this subsection by
2315 appointing a receiver.

2316 Section 25. Subsection (6) is added to section 720.31,
2317 Florida Statutes, to read:

2318 720.31 Recreational leaseholds; right to acquire;
2319 escalation clauses.—

2320 (6) An association may enter into agreements to acquire
2321 leaseholds, memberships, and other possessory or use interests
2322 in lands or facilities, including, but not limited to, country
2323 clubs, golf courses, marinas, submerged land, parking areas,
2324 conservation areas, and other recreational facilities. An
2325 association may enter into such agreements regardless of whether
2326 the lands or facilities are contiguous to the lands of the
2327 community or whether such lands or facilities are intended to
2328 provide enjoyment, recreation, or other use or benefit to the
2329 owners. All leaseholds, memberships, and other possessory or use
2330 interests existing or created at the time of recording the
2331 declaration must be stated and fully described in the
2332 declaration. Subsequent to recording the declaration, agreements



2333 acquiring leaseholds, memberships, or other possessory or use
2334 interests not entered into within 12 months after recording the
2335 declaration may be entered into only if authorized by the
2336 declaration as a material alteration or substantial addition to
2337 the common areas or association property. If the declaration is
2338 silent, any such transaction requires the approval of 75 percent
2339 of the total voting interests of the association. The
2340 declaration may provide that the rental, membership fees,
2341 operations, replacements, or other expenses are common expenses;
2342 impose covenants and restrictions concerning their use; and
2343 contain other provisions not inconsistent with this subsection.
2344 An association exercising its rights under this subsection may
2345 join with other associations that are part of the same
2346 development or with a master association responsible for the
2347 enforcement of shared covenants, conditions, and restrictions in
2348 carrying out the intent of this subsection. This subsection is
2349 intended to clarify law in existence before July 1, 2010.

2350 Section 26. Paragraph (b) of subsection (2), paragraphs (a)
2351 and (c) of subsection (5), and paragraphs (b), (c), (d), (f),
2352 and (g) of subsection (6) of section 720.303, Florida Statutes,
2353 are amended, and subsection (12) is added to that section, to
2354 read:

2355 720.303 Association powers and duties; meetings of board;
2356 official records; budgets; financial reporting; association
2357 funds; recalls.—

2358 (2) BOARD MEETINGS.—

2359 (b) Members have the right to attend all meetings of the
2360 board and to speak on any matter placed on the agenda by
2361 petition of the voting interests for at least 3 minutes. The



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2362 association may adopt written reasonable rules expanding the
2363 right of members to speak and governing the frequency, duration,
2364 and other manner of member statements, which rules must be
2365 consistent with this paragraph and may include a sign-up sheet
2366 for members wishing to speak. Notwithstanding any other law, ~~the~~
2367 ~~requirement that board meetings and committee meetings be open~~
2368 ~~to the members is inapplicable to~~ meetings between the board or
2369 a committee and the association's attorney to discuss proposed
2370 or pending litigation, or with respect to meetings of the board
2371 held for the purpose of discussing personnel matters are not
2372 required to be open to the members other than directors.

2373 (5) INSPECTION AND COPYING OF RECORDS.—The official records
2374 shall be maintained within the state and must be open to
2375 inspection and available for photocopying by members or their
2376 authorized agents at reasonable times and places within 10
2377 business days after receipt of a written request for access.
2378 This subsection may be complied with by having a copy of the
2379 official records available for inspection or copying in the
2380 community. If the association has a photocopy machine available
2381 where the records are maintained, it must provide parcel owners
2382 with copies on request during the inspection if the entire
2383 request is limited to no more than 25 pages.

2384 (a) The failure of an association to provide access to the
2385 records within 10 business days after receipt of a written
2386 request submitted by certified mail, return receipt requested,
2387 creates a rebuttable presumption that the association willfully
2388 failed to comply with this subsection.

2389 (c) The association may adopt reasonable written rules
2390 governing the frequency, time, location, notice, records to be



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2391 inspected, and manner of inspections, but may not require ~~impose~~
2392 ~~a requirement that~~ a parcel owner to demonstrate any proper
2393 purpose for the inspection, state any reason for the inspection,
2394 or limit a parcel owner's right to inspect records to less than
2395 one 8-hour business day per month. The association may impose
2396 fees to cover the costs of providing copies of the official
2397 records, including, without limitation, the costs of copying.
2398 The association may charge up to 50 cents per page for copies
2399 made on the association's photocopier. If the association does
2400 not have a photocopy machine available where the records are
2401 kept, or if the records requested to be copied exceed 25 pages
2402 in length, the association may have copies made by an outside
2403 vendor or association management company personnel and may
2404 charge the actual cost of copying, including any reasonable
2405 costs involving personnel fees and charges at an hourly rate for
2406 vendor or employee time to cover administrative costs to the
2407 vendor or association. The association shall maintain an
2408 adequate number of copies of the recorded governing documents,
2409 to ensure their availability to members and prospective members.
2410 Notwithstanding ~~the provisions of~~ this paragraph, the following
2411 records are ~~shall not be~~ accessible to members or parcel owners:
2412 1. Any record protected by the lawyer-client privilege as
2413 described in s. 90.502 and any record protected by the work-
2414 product privilege, including, but not limited to, any record
2415 prepared by an association attorney or prepared at the
2416 attorney's express direction which reflects a mental impression,
2417 conclusion, litigation strategy, or legal theory of the attorney
2418 or the association and which was prepared exclusively for civil
2419 or criminal litigation or for adversarial administrative



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2420 proceedings or which was prepared in anticipation of imminent
2421 civil or criminal litigation or imminent adversarial
2422 administrative proceedings until the conclusion of the
2423 litigation or ~~adversarial~~ administrative proceedings.

2424 2. Information obtained by an association in connection
2425 with the approval of the lease, sale, or other transfer of a
2426 parcel.

2427 3. ~~Disciplinary, health, insurance, and~~ Personnel records
2428 of the association's employees, including, but not limited to,
2429 disciplinary, payroll, health, and insurance records.

2430 4. Medical records of parcel owners or community residents.

2431 5. Social security numbers, driver's license numbers,
2432 credit card numbers, electronic mailing addresses, telephone
2433 numbers, emergency contact information, any addresses for a
2434 parcel owner other than as provided for association notice
2435 requirements, and other personal identifying information of any
2436 person, excluding the person's name, parcel designation, mailing
2437 address, and property address.

2438 6. Any electronic security measure that is used by the
2439 association to safeguard data, including passwords.

2440 7. The software and operating system used by the
2441 association which allows the manipulation of data, even if the
2442 owner owns a copy of the same software used by the association.
2443 The data is part of the official records of the association.

2444 (6) BUDGETS.—

2445 (b) In addition to annual operating expenses, the budget
2446 may include reserve accounts for capital expenditures and
2447 deferred maintenance for which the association is responsible.
2448 If reserve accounts are not established pursuant to paragraph



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2449 (d), funding of such reserves is limited to the extent that the
2450 governing documents do not limit increases in assessments,
2451 including reserves. If the budget of the association includes
2452 reserve accounts established pursuant to paragraph (d), such
2453 reserves shall be determined, maintained, and waived in the
2454 manner provided in this subsection. Once an association provides
2455 for reserve accounts pursuant to paragraph (d) in the budget,
2456 the association shall thereafter determine, maintain, and waive
2457 reserves in compliance with this subsection. This section does
2458 not preclude the termination of a reserve account established
2459 pursuant to this paragraph upon approval of a majority of the
2460 total voting interests of the association. Upon such approval,
2461 the terminating reserve account shall be removed from the
2462 budget.

2463 (c)1. If the budget of the association does not provide for
2464 reserve accounts pursuant to paragraph (d) ~~governed by this~~
2465 ~~subsection~~ and the association is responsible for the repair and
2466 maintenance of capital improvements that may result in a special
2467 assessment if reserves are not provided, each financial report
2468 for the preceding fiscal year required by subsection (7) must
2469 ~~shall~~ contain the following statement in conspicuous type:

2471 THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR
2472 RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED
2473 MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS.
2474 OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS
2475 PURSUANT TO ~~THE PROVISIONS OF~~ SECTION 720.303(6),
2476 FLORIDA STATUTES, UPON OBTAINING THE APPROVAL OF ~~NOT~~
2477 ~~LESS THAN~~ A MAJORITY OF THE TOTAL VOTING INTERESTS OF



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2478 THE ASSOCIATION BY VOTE OF THE MEMBERS AT A MEETING OR
2479 BY WRITTEN CONSENT.

2480 2. If the budget of the association does provide for
2481 funding accounts for deferred expenditures, including, but not
2482 limited to, funds for capital expenditures and deferred
2483 maintenance, but such accounts are not created or established
2484 pursuant to paragraph (d), each financial report for the
2485 preceding fiscal year required under subsection (7) must also
2486 contain the following statement in conspicuous type:

2487
2488 THE BUDGET OF THE ASSOCIATION PROVIDES FOR LIMITED
2489 VOLUNTARY DEFERRED EXPENDITURE ACCOUNTS, INCLUDING
2490 CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT
2491 TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING
2492 DOCUMENTS. BECAUSE THE OWNERS HAVE NOT ELECTED TO
2493 PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO SECTION
2494 720.303(6), FLORIDA STATUTES, THESE FUNDS ARE NOT
2495 SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET
2496 FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN
2497 ACCORDANCE WITH THAT STATUTE.

2498 (d) An association is ~~shall be~~ deemed to have provided for
2499 reserve accounts if ~~when~~ reserve accounts have been initially
2500 established by the developer or if ~~when~~ the membership of the
2501 association affirmatively elects to provide for reserves. If
2502 reserve accounts are not initially provided ~~for~~ by the
2503 developer, the membership of the association may elect to do so
2504 upon the affirmative approval of ~~not less than~~ a majority of the
2505 total voting interests of the association. Such approval may be
2506 obtained ~~attained~~ by vote of the members at a duly called



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2507 meeting of the membership or by the ~~upon~~ a written consent of
2508 ~~executed by not less than~~ a majority of the total voting
2509 interests of the association ~~in the community~~. The approval
2510 action of the membership must ~~shall~~ state that reserve accounts
2511 shall be provided for in the budget and must designate the
2512 components for which the reserve accounts are to be established.
2513 Upon approval by the membership, the board of directors shall
2514 include ~~provide for~~ the required reserve accounts ~~for inclusion~~
2515 in the budget in the next fiscal year following the approval and
2516 ~~in~~ each year thereafter. Once established as provided in this
2517 subsection, the reserve accounts must ~~shall~~ be funded or
2518 maintained or ~~shall~~ have their funding waived in the manner
2519 provided in paragraph (f).

2520 (f) After one or more ~~Once a reserve account or~~ reserve
2521 accounts are established, the membership of the association,
2522 upon a majority vote at a meeting at which a quorum is present,
2523 may provide for no reserves or less reserves than required by
2524 this section. If a meeting of the unit owners has been called to
2525 determine whether to waive or reduce the funding of reserves and
2526 ~~no~~ such result is not achieved or a quorum is not present, the
2527 reserves as included in the budget ~~shall~~ go into effect. After
2528 the turnover, the developer may vote its voting interest to
2529 waive or reduce the funding of reserves. Any vote taken pursuant
2530 to this subsection to waive or reduce reserves is ~~shall be~~
2531 applicable only to one budget year.

2532 (g) Funding formulas for reserves authorized by this
2533 section must ~~shall~~ be based on ~~either~~ a separate analysis of
2534 each of the required assets or a pooled analysis of two or more
2535 of the required assets.



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2536 1. If the association maintains separate reserve accounts
2537 for each of the required assets, the amount of the contribution
2538 to each reserve account is ~~shall be~~ the sum of the following two
2539 calculations:

2540 a. The total amount necessary, if any, to bring a negative
2541 component balance to zero.

2542 b. The total estimated deferred maintenance expense or
2543 estimated replacement cost of the reserve component less the
2544 estimated balance of the reserve component as of the beginning
2545 of the period ~~for which~~ the budget will be in effect. The
2546 remainder, if greater than zero, shall be divided by the
2547 estimated remaining useful life of the component.

2548
2549 The formula may be adjusted each year for changes in estimates
2550 and deferred maintenance performed during the year and may
2551 include factors such as inflation and earnings on invested
2552 funds.

2553 2. If the association maintains a pooled account of two or
2554 more of the required reserve assets, the amount of the
2555 contribution to the pooled reserve account as disclosed on the
2556 proposed budget may ~~shall~~ not be less than that required to
2557 ensure that the balance on hand at the beginning of the period
2558 ~~for which~~ the budget will go into effect plus the projected
2559 annual cash inflows over the remaining estimated useful life of
2560 all of the assets that make up the reserve pool are equal to or
2561 greater than the projected annual cash outflows over the
2562 remaining estimated useful lives of all ~~of~~ the assets that make
2563 up the reserve pool, based on the current reserve analysis. The
2564 projected annual cash inflows may include estimated earnings



2565 from investment of principal and accounts receivable minus the
2566 allowance for doubtful accounts. The reserve funding formula may
2567 ~~shall~~ not include any type of balloon payments.

2568 (12) COMPENSATION PROHIBITED.—A director, officer, or
2569 committee member of the association may not directly receive any
2570 salary or compensation from the association for the performance
2571 of duties as a director, officer, or committee member and may
2572 not in any other way benefit financially from service to the
2573 association. This subsection does not preclude:

2574 (a) Participation by such person in a financial benefit
2575 accruing to all or a significant number of members as a result
2576 of actions lawfully taken by the board or a committee of which
2577 he or she is a member, including, but not limited to, routine
2578 maintenance, repair, or replacement of community assets.

2579 (b) Reimbursement for out-of-pocket expenses incurred by
2580 such person on behalf of the association, subject to approval in
2581 accordance with procedures established by the association's
2582 governing documents or, in the absence of such procedures, in
2583 accordance with an approval process established by the board.

2584 (c) Any recovery of insurance proceeds derived from a
2585 policy of insurance maintained by the association for the
2586 benefit of its members.

2587 (d) Any fee or compensation authorized in the governing
2588 documents.

2589 (e) Any fee or compensation authorized in advance by a vote
2590 of a majority of the voting interests voting in person or by
2591 proxy at a meeting of the members.

2592 (f) A developer or its representative from serving as a
2593 director, officer, or committee member of the association and



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2594 benefitting financially from service to the association.

2595 Section 27. Subsections (8) and (9) of section 720.306,
2596 Florida Statutes, are amended to read:

2597 720.306 Meetings of members; voting and election
2598 procedures; amendments.—

2599 (8) PROXY VOTING.—The members have the right, unless
2600 otherwise provided in this subsection or in the governing
2601 documents, to vote in person or by proxy.

2602 (a) To be valid, a proxy must be dated, must state the
2603 date, time, and place of the meeting for which it was given, and
2604 must be signed by the authorized person who executed the proxy.
2605 A proxy is effective only for the specific meeting for which it
2606 was originally given, as the meeting may lawfully be adjourned
2607 and reconvened from time to time, and automatically expires 90
2608 days after the date of the meeting for which it was originally
2609 given. A proxy is revocable at any time at the pleasure of the
2610 person who executes it. If the proxy form expressly so provides,
2611 any proxy holder may appoint, in writing, a substitute to act in
2612 his or her place.

2613 (b) If the governing documents permit voting by secret
2614 ballot by members who are not in attendance at a meeting of the
2615 members for the election of directors, such ballots must be
2616 placed in an inner envelope with no identifying markings and
2617 mailed or delivered to the association in an outer envelope
2618 bearing identifying information reflecting the name of the
2619 member, the lot or parcel for which the vote is being cast, and
2620 the signature of the lot or parcel owner casting that ballot. If
2621 the eligibility of the member to vote is confirmed and no other
2622 ballot has been submitted for that lot or parcel, the inner



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2623 envelope shall be removed from the outer envelope bearing the
2624 identification information, placed with the ballots which were
2625 personally cast, and opened when the ballots are counted. If
2626 more than one ballot is submitted for a lot or parcel, the
2627 ballots for that lot or parcel shall be disqualified. Any vote
2628 by ballot received after the closing of the balloting may not be
2629 considered.

2630 (9) ELECTIONS.—Elections of directors must be conducted in
2631 accordance with the procedures set forth in the governing
2632 documents of the association. All members of the association are
2633 ~~shall be~~ eligible to serve on the board of directors, and a
2634 member may nominate himself or herself as a candidate for the
2635 board at a meeting where the election is to be held or, if the
2636 election process allows voting by absentee ballot, in advance of
2637 the balloting. Except as otherwise provided in the governing
2638 documents, boards of directors must be elected by a plurality of
2639 the votes cast by eligible voters. Any election dispute between
2640 a member and an association must be submitted to mandatory
2641 binding arbitration with the division. Such proceedings must
2642 ~~shall~~ be conducted in the manner provided by s. 718.1255 and the
2643 procedural rules adopted by the division.

2644 Section 28. Paragraph (a) of subsection (5) of section
2645 720.3085, Florida Statutes, is amended to read:

2646 720.3085 Payment for assessments; lien claims.—

2647 (5) The association may bring an action in its name to
2648 foreclose a lien for unpaid assessments secured by a lien in the
2649 same manner that a mortgage of real property is foreclosed and
2650 may also bring an action to recover a money judgment for the
2651 unpaid assessments without waiving any claim of lien. The action



2652 to foreclose the lien may not be brought until 45 days after the
2653 parcel owner has been provided notice of the association's
2654 intent to foreclose and collect the unpaid amount. The notice
2655 must be given in the manner provided in paragraph (4) (b), and
2656 the notice may not be provided until the passage of the 45 days
2657 required in paragraph (4) (a).

2658 (a) The association may recover any interest, late charges,
2659 costs, and reasonable attorney's fees incurred in a lien
2660 foreclosure action or in an action to recover a money judgment
2661 for the unpaid assessments. Costs may include delinquency
2662 letters and other collections efforts by a licensed management
2663 company or a licensed manager relating to a delinquent
2664 installment of an assessment incurred before filing a claim of
2665 lien that does not exceed \$75.

2666 Section 29. Section 720.315, Florida Statutes, is created
2667 to read:

2668 720.315 Passage of special assessments.—Before turnover,
2669 the board of directors controlled by the developer may not levy
2670 a special assessment unless a majority of the parcel owners
2671 other than the developer have approved the special assessment by
2672 a majority vote at a duly called special meeting of the
2673 membership at which a quorum is present.

2674 Section 30. This act shall take effect July 1, 2010.

2675
2676 ===== T I T L E A M E N D M E N T =====

2677 And the title is amended as follows:

2678 Delete everything before the enacting clause
2679 and insert:

2680 A bill to be entitled



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2681 An act relating to community associations; amending s.
2682 399.02, F.S.; exempting certain elevators from
2683 specific code update requirements; providing a phase-
2684 in period for such elevators; amending s. 617.0721,
2685 F.S.; revising the limitations on the right of members
2686 to vote on corporate matters for certain corporations
2687 not for profit that are regulated under ch. 718 or ch.
2688 719, F.S.; amending s. 617.0808, F.S.; excepting
2689 certain corporations not for profit that are an
2690 association as defined in s. 720.301, F.S., or a
2691 corporation regulated under ch. 718 or ch. 719, F.S.,
2692 from certain provisions relating to the removal of a
2693 director; amending s. 617.1606, F.S.; providing that
2694 certain statutory provisions providing for the
2695 inspection of corporate records do not apply to a
2696 corporation not for profit that is an association as
2697 defined in s. 720.301, or a corporation regulated
2698 under ch. 718 or ch. 719, F.S.; creating s. 627.714,
2699 F.S.; requiring that coverage under a unit owner's
2700 policy for certain assessments include at least a
2701 minimum amount of loss assessment coverage; requiring
2702 that every property insurance policy to an individual
2703 unit owner contain a specified provision; amending s.
2704 633.0215, F.S.; exempting certain residential
2705 buildings from a requirement to install a manual fire
2706 alarm system; amending s. 718.103, F.S.; redefining
2707 the term "developer"; amending s. 718.110, F.S.;
2708 allowing the condominium association to have the
2709 authority to restrict through an amendment to a



2710 declaration of condominium, rather than prohibit, the
2711 rental of condominium units; amending s. 718.111,
2712 F.S.; deleting a requirement for the board of a
2713 condominium to hold a meeting open to unit owners to
2714 establish the amount of an insurance deductible;
2715 revising the property to which a property insurance
2716 policy for a condominium association applies; revising
2717 the requirements for a condominium unit owner's
2718 property insurance policy; limiting the circumstances
2719 under which a person who violates requirements to
2720 maintain association records may be personally liable
2721 for a civil penalty; providing that a condominium
2722 association is not responsible for the use of certain
2723 information provided to an association member under
2724 certain circumstances; specifying records of a
2725 condominium association that are exempt from a
2726 requirements for records to be available for
2727 inspection by an association member; increasing the
2728 amount of time within which a condominium association
2729 must provide unit owners with a copy of the
2730 association's annual financial report; revising the
2731 requirements for rules relating to the financial
2732 report that must be adopted by the Division of Florida
2733 Condominiums, Timeshares, and Mobile Homes of the
2734 Department of Business and Professional Regulation;
2735 revising the requirements for a financial report based
2736 on the amount of a condominium's revenues; amending s.
2737 718.112, F.S.; revising provisions relating to the
2738 terms or appointment or election of condominium



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2739 members to a board of administration; creating
2740 exceptions to such provisions for condominiums that
2741 contain timeshares; specifying a certification that a
2742 person who is appointed or elected to a board of
2743 administration must make or educational requirements
2744 such board member must satisfy; conforming cross-
2745 references to changes made by the act; deleting a
2746 provision prohibiting an association from foregoing
2747 the retrofitting with a fire sprinkler system of
2748 common areas in a high-rise building; prohibiting
2749 local authorities having jurisdiction from requiring
2750 retrofitting with a sprinkler system or other
2751 engineered lifesafety system before a specified date;
2752 authorizing an association to forgo retrofitting under
2753 certain circumstances; providing requirements for a
2754 special meeting of unit owners that may be called
2755 every 3 years in order to vote to forgo retrofitting
2756 of the sprinkler system or other engineered lifesafety
2757 system; providing meeting notice requirements;
2758 expanding the monetary obligations that a director or
2759 officer must satisfy to avoid abandoning his or her
2760 office; amending s. 718.115, F.S.; specifying certain
2761 services provided in a declaration of condominium that
2762 are obtained pursuant to a bulk contract to be deemed
2763 a common expense; specifying provisions that must be
2764 contained in a bulk contract; specifying cancellation
2765 procedures for bulk contracts; amending s. 718.116,
2766 F.S.; specifying the types of costs that may be
2767 charged against assessment payments made by a unit



2768 owner; requiring a tenant in a unit owned by a person
2769 who is delinquent in the payment of a monetary
2770 obligation to the condominium association to pay rent
2771 to the association under certain circumstances;
2772 authorizing the condominium association to sue such
2773 tenant who fails to pay rent for eviction under
2774 certain circumstances; providing that the tenant is
2775 immune from claims from the unit owner as the result
2776 of paying rent to the association under certain
2777 circumstances; amending s. 718.117, F.S.; revising the
2778 circumstances under which a condominium association
2779 may be terminated do to economic waste or
2780 impossibility; revising provisions specifying the
2781 effect of a termination of condominium; amending s.
2782 718.301, F.S.; revising conditions under which unit
2783 owners other than the developer may elect at least a
2784 majority of the members of the board of administration
2785 of an association; amending s. 718.303, F.S.;

2786 authorizing an association to suspend for a reasonable
2787 time the right of a unit owner or the unit's occupant,
2788 licensee, or invitee to use certain common elements
2789 under certain circumstances; prohibiting a fine from
2790 being levied or a suspension from being imposed unless
2791 the association meets certain requirements for notice
2792 and an opportunity for a hearing; authorizing an
2793 association to suspend voting rights of a member due
2794 to nonpayment of assessments, fines, or other charges
2795 under certain circumstances; amending s. 718.501,
2796 F.S.; specifying the jurisdiction of the Division of



2797 Florida Condominiums, Timeshares, and Mobile Homes has
2798 jurisdiction with respect to include bulk assignees
2799 and bulk buyers; creating part VII of ch. 718, F.S.;
2800 creating the distressed condominium relief act;
2801 providing legislative findings and intent; defining
2802 the terms "bulk assignee" and "bulk buyer"; providing
2803 for the assignment of developer rights by a bulk
2804 assignee; specifying liabilities of bulk assignees and
2805 bulk buyers; providing exceptions; providing
2806 additional responsibilities of bulk assignees and bulk
2807 buyers; authorizing certain entities to assign
2808 developer rights to a bulk assignee; limiting the
2809 number of bulk assignees at any given time; providing
2810 for the transfer of control of a board of
2811 administration to unit owners; providing effects of
2812 such transfer on parcels acquired by a bulk assignee;
2813 providing obligations of a bulk assignee upon the
2814 transfer of control of a board of administration;
2815 requiring that a bulk assignee certify certain
2816 information in writing; providing for the resolution
2817 of a conflict between specified provisions of state
2818 law; providing that the failure of a bulk assignee or
2819 bulk buyer to comply with specified provisions of
2820 state law results in the loss of certain protections
2821 and exemptions; requiring that a bulk assignee or bulk
2822 buyer file certain information with the Division of
2823 Florida Condominiums, Timeshares, and Mobile Homes of
2824 the Department of Business and Professional Regulation
2825 before offering any units for sale or lease in excess



2826 of a specified term; requiring that a copy of such
2827 information be provided to a prospective purchaser or
2828 tenant; requiring that certain contracts and
2829 disclosure statements contain specified statements;
2830 requiring that a bulk assignee or bulk buyer comply
2831 with certain disclosure requirements; prohibiting a
2832 bulk assignee from authorizing certain actions on
2833 behalf of an association while the bulk assignee is in
2834 control of the board of administration of the
2835 association; requiring that a bulk assignee or bulk
2836 buyer comply with certain laws with respect to
2837 contracts entered into by the association while the
2838 bulk assignee or bulk buyer was in control of the
2839 board of administration; providing parcel owners with
2840 specified protections regarding certain contracts;
2841 requiring that a bulk buyer comply with certain
2842 requirements regarding the transfer of a parcel;
2843 prohibiting a person from being classified as a bulk
2844 assignee or bulk buyer unless condominium parcels were
2845 acquired before a specified date; providing that the
2846 assignment of developer rights to a bulk assignee does
2847 not release a developer from certain liabilities;
2848 amending s. 719.106, F.S.; providing for the filling
2849 of vacancies on the condominium board of
2850 administration; amending s. 719.1055, F.S.; providing
2851 an additional required provision in cooperative
2852 bylaws; deleting a provision prohibiting an
2853 association from foregoing the retrofitting with a
2854 fire sprinkler system of common areas in a high-rise



2855 building; prohibiting local authorities having
2856 jurisdiction from requiring retrofitting with a
2857 sprinkler system or other engineered lifesafety system
2858 before a specified date; providing requirements for a
2859 special meeting of unit owners that may be called
2860 every 3 years in order to vote to require retrofitting
2861 of the sprinkler system or other engineered lifesafety
2862 system; providing meeting notice requirements;
2863 amending s. 719.108, F.S.; specifying the types of
2864 costs that may be charged against assessment payments
2865 made by a unit owner; providing a prioritized list for
2866 disbursement of payments received by an association;
2867 providing for a lien by an association on a
2868 condominium unit for certain fees and costs; providing
2869 procedures and notice requirements for the filing of a
2870 lien by an association; requiring a tenant in a unit
2871 owned by a person who is delinquent in the payment of
2872 a monetary obligation to the condominium association
2873 to pay rent to the association under certain
2874 circumstances; amending s. 720.304, F.S.; providing
2875 that a flagpole and any flagpole display are subject
2876 to certain codes and regulations; amending s. 720.305,
2877 F.S.; authorizing the association to suspend rights to
2878 use common areas and facilities if the member is
2879 delinquent on the payment of a monetary obligation due
2880 for a certain period of time; providing procedures and
2881 notice requirements for levying a fine or imposing a
2882 suspension; amending s. 720.306, F.S.; providing
2883 procedures for filling a vacancy on the board of



2884 directors; amending s. 720.3085, F.S.; requiring a
2885 tenant in a property owned by a person who is
2886 delinquent in the payment of a monetary obligation to
2887 the condominium association to pay rent to the
2888 association under certain circumstances; amending s.
2889 720.31, F.S.; authorizing an association to enter into
2890 certain agreements to use lands or facilities;
2891 requiring that certain items be stated and fully
2892 described in the declaration; limiting an
2893 association's power to enter into such agreements
2894 after a specified period following the recording of a
2895 declaration; requiring that certain agreements be
2896 approved by a specified percentage of voting interests
2897 of an association when the declaration is silent as to
2898 the authority of an association to enter into such
2899 agreement; authorizing an association to join with
2900 other associations or a master association under
2901 certain circumstances and for specified purposes;
2902 amending s. 720.303, F.S.; revising provisions
2903 relating to homeowners' association board meetings,
2904 inspection and copying of records, and reserve
2905 accounts of budgets; expanding the list of association
2906 records that are not accessible to members and parcel
2907 owners; prohibiting certain association personnel from
2908 receiving a salary or compensation; providing
2909 exceptions; amending s. 720.306, F.S.; providing
2910 requirements for secret ballots; providing for filling
2911 vacancies on the homeowners' association board;
2912 amending s. 720.3085, F.S.; specifying the types of



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2913 costs that may be charged against assessment payments
2914 made by a unit owner; creating s. 720.315, F.S.;
2915 prohibiting the board of directors of a homeowners'
2916 association from levying a special assessment before
2917 turnover of the association by the developer unless
2918 certain conditions are met; providing an effective
2919 date.