| 1 | A bill to be entitled |
|----|--|
| 2 | An act relating to condominium, cooperative, and |
| 3 | homeowners' associations; amending s. 633.0215, F.S.; |
| 4 | exempting certain residential buildings from a requirement |
| 5 | to install a manual fire alarm system; providing intent; |
| 6 | amending s. 718.111, F.S.; revising provisions relating to |
| 7 | the official records of condominium associations; |
| 8 | providing for disclosure of certain employment agreements |
| 9 | with and compensation paid to association employees; |
| 10 | amending s. 718.112, F.S.; revising provisions relating to |
| 11 | bylaws; providing that board of administration meetings |
| 12 | discussing personnel matters are not open to unit owners; |
| 13 | revising requirements for electing the board of directors; |
| 14 | providing a definition; providing for continued office and |
| 15 | for filling vacancies under certain circumstances; |
| 16 | specifying unit owner eligibility for board membership; |
| 17 | requiring that certain educational curriculum be completed |
| 18 | within a specified time before or after the election or |
| 19 | appointment of a board director; providing application; |
| 20 | amending s. 718.113, F.S.; authorizing the board of a |
| 21 | condominium association to install impact glass or other |
| 22 | code-compliant windows under certain circumstances; |
| 23 | amending s. 718.114, F.S.; requiring the vote or written |
| 24 | consent of a majority of the total voting interests before |
| 25 | a condominium association may enter into certain |
| 26 | agreements to acquire leaseholds, memberships, or other |
| 27 | possessory or use interests; amending s. 718.116, F.S.; |
| 28 | revising liability of an association, or its successor or |
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| 29 | assignee, that acquires title to a unit through the |
|----|--|
| 30 | foreclosure of its lien for assessments; revising |
| 31 | provisions relating to condominium assessments; providing |
| 32 | association notice requirements regarding tenants |
| 33 | delinquent in paying any monetary obligation due to the |
| 34 | association; conforming a cross-reference; amending s. |
| 35 | 718.117, F.S.; providing procedures and requirements for |
| 36 | termination of a condominium property that has been |
| 37 | totally destroyed or demolished; providing procedures and |
| 38 | requirements for partial termination of a condominium |
| 39 | property; requiring that a lien against a condominium unit |
| 40 | being terminated be transferred to the proceeds of sale |
| 41 | for certain portions of that property; amending s. |
| 42 | 718.303, F.S.; revising provisions relating to imposing |
| 43 | remedies against a delinquent unit owner or a unit owner's |
| 44 | tenant, guest, or invitee; providing for the suspension of |
| 45 | certain rights of use; revising provisions relating to the |
| 46 | suspension of a member's voting rights; requiring that the |
| 47 | suspension of certain rights of use and voting rights be |
| 48 | approved at a noticed board meeting; amending s. 718.703, |
| 49 | F.S.; redefining the term "bulk assignee" and revising the |
| 50 | definition of the term "bulk buyer" for purposes of the |
| 51 | Distressed Condominium Relief Act; amending s. 718.704, |
| 52 | F.S.; revising provisions relating to the assignment and |
| 53 | assumption of developer rights by a bulk assignee; |
| 54 | amending s. 718.705, F.S.; revising provisions relating to |
| 55 | the transfer of control of a condominium board of |
| 56 | administration to unit owners; amending s. 718.706, F.S.; |
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57 revising provisions relating to the offering of units by a 58 bulk assignee or bulk buyer; amending s. 718.707, F.S.; revising the time limitation for classification as a bulk 59 60 assignee or bulk buyer; amending s. 719.108, F.S.; providing association notice requirements regarding 61 62 tenants delinquent in paying any monetary obligation due 63 to the association; amending s. 719.303, F.S.; revising provisions relating to imposing remedies against a 64 65 delinquent unit owner or a unit owner's tenant, guest, or 66 invitee; providing for the suspension of certain rights of 67 use and voting rights; requiring that the suspension of certain rights of use and voting rights be approved at a 68 noticed board meeting; amending s. 720.301, F.S.; revising 69 70 the definition of the term "declaration of covenants"; 71 amending s. 720.303, F.S.; revising provisions relating to 72 the rights of a member of a homeowners' association to 73 speak at meetings of the board; revising provisions 74 relating to records that are not accessible to members of a homeowners' association; providing for disclosure of 75 76 employment agreements with and compensation paid to 77 association employees; amending s. 720.305, F.S.; revising 78 provisions relating to imposing remedies against a 79 delinquent member of a homeowners' association or any 80 member's tenant, quest, or invitee; providing for the 81 suspension of certain rights of use; revising provisions 82 relating to the suspension of a member's voting rights; 83 requiring that the suspension of certain rights of use and 84 voting rights be approved at a noticed board meeting;

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85 amending s. 720.306, F.S.; specifying additional 86 requirements for candidates to be a member of the board of a homeowners' association; amending s. 720.3085, F.S.; 87 88 revising liability of an association, or its successor or 89 assignee, that acquires title to a unit through the 90 foreclosure of its lien for assessments; providing 91 association notice requirements regarding tenants 92 delinquent in paying any monetary obligation due to the 93 association; amending s. 720.309, F.S.; providing for the 94 allocation of communications services by a homeowners' 95 association; providing for the cancellation of communication contracts; providing that hearing-impaired 96 97 or legally blind parcel owners and parcel owners receiving 98 certain supplemental security income or food assistance 99 may discontinue the service without incurring certain 100 costs; providing that parcel residents may not be denied 101 access to available franchised, licensed, or certificated 102 cable or video service providers under certain 103 circumstances; providing an effective date. 104 105 Be It Enacted by the Legislature of the State of Florida: 106 107 Section 1. Subsection (14) of section 633.0215, Florida 108 Statutes, is amended to read: 633.0215 Florida Fire Prevention Code.-109 (14) A condominium, cooperative, or multifamily 110 111 residential building that is less than four one or two stories in height and has an exterior corridor providing a means of 112 Page 4 of 75

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egress is exempt from installing a manual fire alarm system as required in s. 9.6 of the most recent edition of the Life Safety Code adopted in the Florida Fire Prevention Code. <u>This is</u> intended to clarify existing law.

117Section 2. Paragraphs (a) and (c) of subsection (12) of118section 718.111, Florida Statutes, are amended to read:

119

718.111 The association.-

120

(12) OFFICIAL RECORDS.-

(a) From the inception of the association, the association shall maintain each of the following items, if applicable, which <u>constitutes shall constitute</u> the official records of the association:

125 1. A copy of the plans, permits, warranties, and other 126 items provided by the developer pursuant to s. 718.301(4).

127 2. A photocopy of the recorded declaration of condominium
128 of each condominium operated by the association and of each
129 amendment to each declaration.

130 3. A photocopy of the recorded bylaws of the association131 and of each amendment to the bylaws.

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

135

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

6. A book or books <u>that</u> which contain the minutes of all
meetings of the association, of the board of administration, and
<u>the</u> of unit owners, which minutes must be retained for at least
7 years.

140

7. A current roster of all unit owners and their mailing Page 5 of 75

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141 addresses, unit identifications, voting certifications, and, if 142 known, telephone numbers. The association shall also maintain 143 the electronic mailing addresses and facsimile the numbers 144 designated by unit owners for receiving notice sent by 145 electronic transmission of those unit owners consenting to 146 receive notice by electronic transmission. The electronic 147 mailing addresses and facsimile telephone numbers are not 148 accessible to unit owners must be removed from association 149 records if consent to receive notice by electronic transmission 150 is not provided in accordance with subparagraph (c)5 revoked. 151 However, the association is not liable for an inadvertent 152 erroneous disclosure of the electronic mail address or facsimile 153 the number for receiving electronic transmission of notices.

154 8. All current insurance policies of the association and155 condominiums operated by the association.

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

160 10. Bills of sale or transfer for all property owned by161 the association.

162 11. Accounting records for the association and separate 163 accounting records for each condominium that which the 164 association operates. All accounting records must shall be maintained for at least 7 years. Any person who knowingly or 165 intentionally defaces or destroys such accounting records 166 required to be created and maintained by this chapter during the 167 period for which such records are required to be maintained, or 168 Page 6 of 75

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who knowingly or intentionally fails to create or maintain such records, with the intent of causing harm to the association or one or more of its members, is personally subject to a civil penalty pursuant to s. 718.501(1)(d). The accounting records must include, but are not limited to:

a. Accurate, itemized, and detailed records of allreceipts and expenditures.

b. A current account and a monthly, bimonthly, or
quarterly statement of the account for each unit designating the
name of the unit owner, the due date and amount of each
assessment, the amount paid <u>on</u> upon the account, and the balance
due.

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

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

186 12. Ballots, sign-in sheets, voting proxies, and all other 187 papers relating to voting by unit owners, which must be 188 maintained for 1 year from the date of the election, vote, or 189 meeting to which the document relates, notwithstanding paragraph 190 (b).

191 13. All rental records if the association is acting as192 agent for the rental of condominium units.

193 14. A copy of the current question and answer sheet as194 described in s. 718.504.

19515. All other records of the association not specifically196included in the foregoing which are related to the operation of

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197 the association.

198 16. A copy of the inspection report as <u>described</u> provided 199 in s. 718.301(4)(p).

The official records of the association are open to 200 (C) 201 inspection by any association member or the authorized 202 representative of such member at all reasonable times. The right 203 to inspect the records includes the right to make or obtain 204 copies, at the reasonable expense, if any, of the member. The 205 association may adopt reasonable rules regarding the frequency, 206 time, location, notice, and manner of record inspections and 207 copying. The failure of an association to provide the records within 10 working days after receipt of a written request 208 209 creates a rebuttable presumption that the association willfully 210 failed to comply with this paragraph. A unit owner who is denied access to official records is entitled to the actual damages or 211 212 minimum damages for the association's willful failure to comply. Minimum damages are shall be \$50 per calendar day for up to 10 213 214 days, beginning the calculation to begin on the 11th working day 215 after receipt of the written request. The failure to permit 216 inspection of the association records as provided herein 217 entitles any person prevailing in an enforcement action to 218 recover reasonable attorney's fees from the person in control of 219 the records who, directly or indirectly, knowingly denied access 220 to the records. Any person who knowingly or intentionally defaces or destroys accounting records that are required by this 221 chapter to be maintained during the period for which such 222 records are required to be maintained, or who knowingly or 223 intentionally fails to create or maintain accounting records 224

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225 that are required to be created or maintained, with the intent 226 of causing harm to the association or one or more of its 227 members, is personally subject to a civil penalty pursuant to s. 228 718.501(1)(d). The association shall maintain an adequate number 229 of copies of the declaration, articles of incorporation, bylaws, 230 and rules, and all amendments to each of the foregoing, as well 231 as the question and answer sheet as described provided for in s. 232 718.504 and year-end financial information required under in 233 this section, on the condominium property to ensure their 234 availability to unit owners and prospective purchasers, and may 235 charge its actual costs for preparing and furnishing these 236 documents to those requesting the documents. Notwithstanding the 237 provisions of this paragraph, the following records are not 238 accessible to unit owners:

239 Any record protected by the lawyer-client privilege as 1. 240 described in s. 90.502; and any record protected by the work-241 product privilege, including a any record prepared by an 242 association attorney or prepared at the attorney's express 243 direction, + which reflects a mental impression, conclusion, 244 litigation strategy, or legal theory of the attorney or the 245 association, and which was prepared exclusively for civil or 246 criminal litigation or for adversarial administrative 247 proceedings, or which was prepared in anticipation of such 248 imminent civil or criminal litigation or imminent adversarial 249 administrative proceedings until the conclusion of the 250 litigation or adversarial administrative proceedings.

251 2. Information obtained by an association in connection 252 with the approval of the lease, sale, or other transfer of a Page 9 of 75

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253 unit. 254 3. Personnel records of association or management company 255 employees, including, but not limited to, disciplinary, payroll, 256 health, and insurance records. For purposes of this 257 subparagraph, the term "personnel records" does not include 258 written employment agreements with an association employee or 259 management company, or budgetary or financial records that 260 indicate the compensation paid to an association employee. 261 Medical records of unit owners. 4. 262 Social security numbers, driver's license numbers, 5. 263 credit card numbers, e-mail addresses, telephone numbers, 264 facsimile numbers, emergency contact information, any addresses 265 of a unit owner other than as provided to fulfill the 266 association's notice requirements, and other personal 267 identifying information of any person, excluding the person's 268 name, unit designation, mailing address, and property address, 269 and any address, e-mail address, or facsimile number provided to 270 the association to fulfill the association's notice 271 requirements. However, an owner may consent in writing to the 272 disclosure of protected information described in this 273 subparagraph. The association is not liable for the inadvertent 274 disclosure of information that is protected under this 275 subparagraph if the information is included in an official 276 record of the association and is voluntarily provided by an 277 owner and not requested by the association. 278 6. Any Electronic security measures measure that are is used by the association to safeguard data, including passwords. 279 280 The software and operating system used by the 7.

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association which <u>allow the</u> allows manipulation of data, even if the owner owns a copy of the same software used by the association. The data is part of the official records of the association.

285 Section 3. Paragraphs (b), (c), and (d) of subsection (2) 286 of section 718.112, Florida Statutes, are amended to read:

287

718.112 Bylaws.-

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

291

(b) Quorum; voting requirements; proxies.-

292 Unless a lower number is provided in the bylaws, the 1. 293 percentage of voting interests required to constitute a quorum at a meeting of the members is shall be a majority of the voting 294 295 interests. Unless otherwise provided in this chapter or in the 296 declaration, articles of incorporation, or bylaws, and except as 297 provided in subparagraph (d)4. (d)3., decisions shall be made by 298 owners of a majority of the voting interests represented at a 299 meeting at which a quorum is present.

300 Except as specifically otherwise provided herein, after 2. 301 January 1, 1992, unit owners may not vote by general proxy, but 302 may vote by limited proxies substantially conforming to a 303 limited proxy form adopted by the division. A No voting interest 304 or consent right allocated to a unit owned by the association 305 may not shall be exercised or considered for any purpose, 306 whether for a quorum, an election, or otherwise. Limited proxies 307 and general proxies may be used to establish a quorum. Limited 308 proxies shall be used for votes taken to waive or reduce

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309 reserves in accordance with subparagraph (f)2.; for votes taken 310 to waive the financial reporting requirements of s. 718.111(13); 311 for votes taken to amend the declaration pursuant to s. 718.110; 312 for votes taken to amend the articles of incorporation or bylaws 313 pursuant to this section; and for any other matter for which 314 this chapter requires or permits a vote of the unit owners. Except as provided in paragraph (d), a after January 1, 1992, no 315 316 proxy, limited or general, may not shall be used in the election 317 of board members. General proxies may be used for other matters 318 for which limited proxies are not required, and may also be used 319 in voting for nonsubstantive changes to items for which a 320 limited proxy is required and given. Notwithstanding the provisions of this subparagraph, unit owners may vote in person 321 322 at unit owner meetings. This subparagraph does not Nothing 323 contained herein shall limit the use of general proxies or 324 require the use of limited proxies for any agenda item or 325 election at any meeting of a timeshare condominium association.

326 3. Any proxy given <u>is shall be</u> effective only for the 327 specific meeting for which originally given and any lawfully 328 adjourned meetings thereof. <u>A</u> In no event shall any proxy <u>is not</u> 329 be valid for a period longer than 90 days after the date of the 330 first meeting for which it was given. Every proxy is revocable 331 at any time at the pleasure of the unit owner executing it.

4. A member of the board of administration or a committee
may submit in writing his or her agreement or disagreement with
any action taken at a meeting that the member did not attend.
This agreement or disagreement may not be used as a vote for or
against the action taken <u>or to create</u> and may not be used for

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337 the purposes of creating a quorum.

338 5. If When any of the board or committee members meet by 339 telephone conference, those board or committee members attending 340 by telephone conference may be counted toward obtaining a quorum 341 and may vote by telephone. A telephone speaker must be used so 342 that the conversation of those board or committee members 343 attending by telephone may be heard by the board or committee 344 members attending in person as well as by any unit owners 345 present at a meeting.

Board of administration meetings.-Meetings of the 346 (C) 347 board of administration at which a quorum of the members is present are shall be open to all unit owners. A Any unit owner 348 349 may tape record or videotape the meetings of the board of 350 administration. The right to attend such meetings includes the 351 right to speak at such meetings with reference to all designated 352 agenda items. The division shall adopt reasonable rules 353 governing the tape recording and videotaping of the meeting. The 354 association may adopt written reasonable rules governing the 355 frequency, duration, and manner of unit owner statements.

356 1. Adequate notice of all board meetings, which must 357 notice shall specifically identify all incorporate an 358 identification of agenda items, must shall be posted 359 conspicuously on the condominium property at least 48 continuous hours before preceding the meeting except in an emergency. If 20 360 percent of the voting interests petition the board to address an 361 362 item of business, the board shall at its next regular board 363 meeting or at a special meeting of the board, but not later than 364 60 days after the receipt of the petition, shall place the item Page 13 of 75

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365 on the agenda. Any item not included on the notice may be taken 366 up on an emergency basis by at least a majority plus one of the 367 board members of the board. Such emergency action must shall be 368 noticed and ratified at the next regular board meeting of the 369 board. However, written notice of any meeting at which 370 nonemergency special assessments, or at which amendment to rules 371 regarding unit use, will be considered must shall be mailed, 372 delivered, or electronically transmitted to the unit owners and 373 posted conspicuously on the condominium property at least not less than 14 days before prior to the meeting. Evidence of 374 375 compliance with this 14-day notice requirement must shall be 376 made by an affidavit executed by the person providing the notice and filed with among the official records of the association. 377 378 Upon notice to the unit owners, the board shall, by duly adopted rule, designate a specific location on the condominium property 379 380 or association property where upon which all notices of board 381 meetings are to shall be posted. If there is no condominium 382 property or association property where upon which notices can be 383 posted, notices of board meetings shall be mailed, delivered, or 384 electronically transmitted at least 14 days before the meeting 385 to the owner of each unit. In lieu of or in addition to the 386 physical posting of the notice of any meeting of the board of 387 administration on the condominium property, the association may, by reasonable rule, adopt a procedure for conspicuously posting 388 and repeatedly broadcasting the notice and the agenda on a 389 390 closed-circuit cable television system serving the condominium association. However, if broadcast notice is used in lieu of a 391 392 notice posted physically posted on the condominium property, the Page 14 of 75

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393 notice and agenda must be broadcast at least four times every 394 broadcast hour of each day that a posted notice is otherwise 395 required under this section. If When broadcast notice is 396 provided, the notice and agenda must be broadcast in a manner 397 and for a sufficient continuous length of time so as to allow an 398 average reader to observe the notice and read and comprehend the 399 entire content of the notice and the agenda. Notice of any 400 meeting in which regular or special assessments against unit owners are to be considered for any reason must shall 401 402 specifically state that assessments will be considered and 403 provide the nature, estimated cost, and description of the 404 purposes for such assessments.

Meetings of a committee to take final action on behalf 405 2. 406 of the board or make recommendations to the board regarding the 407 association budget are subject to the provisions of this paragraph. Meetings of a committee that does not take final 408 409 action on behalf of the board or make recommendations to the 410 board regarding the association budget are subject to the 411 provisions of this section, unless those meetings are exempted 412 from this section by the bylaws of the association.

A13 <u>3.</u> Notwithstanding any other law, the requirement that
board meetings and committee meetings be open to the unit owners
does not apply is inapplicable to:

416 <u>a.</u> Meetings between the board or a committee and the 417 association's attorney, with respect to proposed or pending 418 litigation, <u>if</u> when the meeting is held for the purpose of 419 seeking or rendering legal advice<u>; or</u>

420

b. Board meetings held for the purpose of discussing

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421 personnel matters.

422

(d) Unit owner meetings.-

1. An annual meeting of the unit owners shall be held at the location provided in the association bylaws and, if the bylaws are silent as to the location, the meeting shall be held within 45 miles of the condominium property. However, such distance requirement does not apply to an association governing a timeshare condominium.

429 2. Unless the bylaws provide otherwise, a vacancy on the board caused by the expiration of a director's term shall be 430 431 filled by electing a new board member, and the election must be 432 by secret ballot. An election is not required However, if the 433 number of vacancies equals or exceeds the number of candidates τ 434 an election is not required. For purposes of this paragraph, the 435 term "candidate" means an eligible person who has timely submitted the written notice, as described in sub-subparagraph 436 437 4.a., of his or her intention to become a candidate. Except in a 438 timeshare condominium, or if the staggered term of a board 439 member does not expire until a later annual meeting, or if all 440 members terms would otherwise expire but there are no 441 candidates, the terms of all board members of the board expire 442 at the annual meeting, and such board members may stand for 443 reelection unless prohibited otherwise permitted by the bylaws. 444 If the bylaws permit staggered terms of no more than 2 years and upon approval of a majority of the total voting interests, the 445 446 association board members may serve 2-year staggered terms. If 447 the number of board members whose terms expire at the annual 448 meeting equals or have expired exceeds the number of candidates,

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| 449 | the candidates become members of the board effective upon the |
|-----|---|
| 450 | adjournment of the annual meeting. Unless the bylaws provide |
| 451 | otherwise, any remaining vacancies shall be filled by the |
| 452 | affirmative vote of the majority of the directors making up the |
| 453 | newly constituted board even if the directors constitute less |
| 454 | than a quorum or there is only one director eligible members |
| 455 | showing interest in or demonstrating an intention to run for the |
| 456 | vacant positions, each board member whose term has expired is |
| 457 | eligible for reappointment to the board of administration and |
| 458 | need not stand for reelection. In a condominium association of |
| 459 | more than 10 units or in a condominium association that does not |
| 460 | include timeshare units or timeshare interests, coowners of a |
| 461 | unit may not serve as members of the board of directors at the |
| 462 | same time unless they own more than one unit or unless there are |
| 463 | not enough eligible candidates to fill the vacancies on the |
| 464 | board at the time of the vacancy. Any unit owner desiring to be |
| 465 | a candidate for board membership must comply with sub- |
| 466 | subparagraph $4.a.$ and must be eligible to serve on the board of |
| 467 | directors at the time of the deadline for submitting a notice of |
| 468 | intent to run in order to have his or her name listed as a |
| 469 | proper candidate on the ballot or to serve on the board $3.a$. A |
| 470 | person who has been suspended or removed by the division under |
| 471 | this chapter, or who is delinquent in the payment of any fee, |
| 472 | fine, or special or regular assessment as provided in paragraph |
| 473 | (n), is not eligible for board membership. A person who has been |
| 474 | convicted of any felony in this state or in a United States |
| 475 | District or Territorial Court, or who has been convicted of any |
| 476 | offense in another jurisdiction <u>which</u> that would be considered a |
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477 felony if committed in this state, is not eligible for board 478 membership unless such felon's civil rights have been restored 479 for at least 5 years as of the date on which such person seeks 480 election to the board. The validity of an action by the board is 481 not affected if it is later determined that a <u>board</u> member of 482 the board is ineligible for board membership due to having been 483 convicted of a felony.

484 3.2. The bylaws must provide the method of calling 485 meetings of unit owners, including annual meetings. Written 486 notice, which must include an agenda, must shall be mailed, hand delivered, or electronically transmitted to each unit owner at 487 488 least 14 days before the annual meeting, and must be posted in a conspicuous place on the condominium property at least 14 489 490 continuous days before preceding the annual meeting. Upon notice 491 to the unit owners, the board shall, by duly adopted rule, 492 designate a specific location on the condominium property or 493 association property where upon which all notices of unit owner 494 meetings shall be posted. This requirement does not apply 495 However, if there is no condominium property or association 496 property for posting upon which notices can be posted, this 497 requirement does not apply. In lieu of, or in addition to, the 498 physical posting of meeting notices, the association may, by 499 reasonable rule, adopt a procedure for conspicuously posting and 500 repeatedly broadcasting the notice and the agenda on a closedcircuit cable television system serving the condominium 501 association. However, if broadcast notice is used in lieu of a 502 503 notice posted physically on the condominium property, the notice 504 and agenda must be broadcast at least four times every broadcast Page 18 of 75

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505 hour of each day that a posted notice is otherwise required 506 under this section. If broadcast notice is provided, the notice 507 and agenda must be broadcast in a manner and for a sufficient 508 continuous length of time so as to allow an average reader to 509 observe the notice and read and comprehend the entire content of 510 the notice and the agenda. Unless a unit owner waives in writing 511 the right to receive notice of the annual meeting, such notice 512 must be hand delivered, mailed, or electronically transmitted to 513 each unit owner. Notice for meetings and notice for all other purposes must be mailed to each unit owner at the address last 514 515 furnished to the association by the unit owner, or hand 516 delivered to each unit owner. However, if a unit is owned by 517 more than one person, the association must shall provide notice, 518 for meetings and all other purposes, to the that one address 519 that which the developer initially identifies for that purpose 520 and thereafter as one or more of the owners of the unit shall 521 advise the association in writing, or if no address is given or 522 the owners of the unit do not agree, to the address provided on the deed of record. An officer of the association, or the 523 524 manager or other person providing notice of the association 525 meeting, must shall provide an affidavit or United States Postal 526 Service certificate of mailing, to be included in the official 527 records of the association affirming that the notice was mailed 528 or hand delivered, in accordance with this provision.

529 <u>4.3.</u> The members of the board shall be elected by written 530 ballot or voting machine. Proxies may not be used in electing 531 the board in general elections or elections to fill vacancies 532 caused by recall, resignation, or otherwise, unless otherwise

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533 provided in this chapter.

534 a. At least 60 days before a scheduled election, the 535 association shall mail, deliver, or electronically transmit, 536 whether by separate association mailing or included in another 537 association mailing, delivery, or transmission, including 538 regularly published newsletters, to each unit owner entitled to 539 a vote, a first notice of the date of the election. Any unit 540 owner or other eligible person desiring to be a candidate for 541 the board must give written notice of his or her intent to be a 542 candidate to the association at least 40 days before a scheduled 543 election. Together with the written notice and agenda as set forth in subparagraph 3. 2., the association shall mail, 544 545 deliver, or electronically transmit a second notice of the 546 election to all unit owners entitled to vote, together with a 547 ballot that lists all candidates. Upon request of a candidate, 548 an information sheet, no larger than 8 1/2 inches by 11 inches, 549 which must be furnished by the candidate at least 35 days before 550 the election, must be included with the mailing, delivery, or 551 transmission of the ballot, with the costs of mailing, delivery, 552 or electronic transmission and copying to be borne by the 553 association. The association is not liable for the contents of 554 the information sheets prepared by the candidates. In order to 555 reduce costs, the association may print or duplicate the 556 information sheets on both sides of the paper. The division 557 shall by rule establish voting procedures consistent with this sub-subparagraph, including rules establishing procedures for 558 559 giving notice by electronic transmission and rules providing for 560 the secrecy of ballots. Elections shall be decided by a

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561 plurality of those ballots cast. There is no quorum requirement; 562 however, at least 20 percent of the eligible voters must cast a 563 ballot in order to have a valid election of members of the 564 board. A unit owner may not permit any other person to vote his 565 or her ballot, and any ballots improperly cast are invalid. A_{τ} 566 provided any unit owner who violates this provision may be fined 567 by the association in accordance with s. 718.303. A unit owner who needs assistance in casting the ballot for the reasons 568 569 stated in s. 101.051 may obtain such assistance. The regular 570 election must occur on the date of the annual meeting. This sub-571 subparagraph does not apply to timeshare condominium 572 associations. Notwithstanding this sub-subparagraph, an election is not required unless more candidates file notices of intent to 573 574 run or are nominated than board vacancies exist.

575 Within 90 days after being elected or appointed to the b. 576 board, each newly elected or appointed director shall certify in 577 writing to the secretary of the association that he or she has 578 read the association's declaration of condominium, articles of 579 incorporation, bylaws, and current written policies; that he or 580 she will work to uphold such documents and policies to the best 581 of his or her ability; and that he or she will faithfully 582 discharge his or her fiduciary responsibility to the association's members. In lieu of this written certification, 583 584 within 90 days after being elected or appointed to the board, the newly elected or appointed director may submit a certificate 585 586 of having satisfactorily completed satisfactory completion of 587 the educational curriculum administered by a division-approved 588 condominium education provider within 1 year before or 90 days

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589 after the date of election or appointment. The written 590 certification or educational certificate is valid and does not 591 have to be resubmitted as long as the director serves on the 592 board without interruption. A director who fails to timely file 593 the written certification or educational certificate is 594 suspended from service on the board until he or she complies 595 with this sub-subparagraph. The board may temporarily fill the 596 vacancy during the period of suspension. The secretary shall 597 cause the association to retain a director's written 598 certification or educational certificate for inspection by the members for 5 years after a director's election. Failure to have 599 600 such written certification or educational certificate on file does not affect the validity of any board action. 601

602 5.4. Any approval by unit owners called for by this 603 chapter or the applicable declaration or bylaws, including, but 604 not limited to, the approval requirement in s. 718.111(8), must 605 shall be made at a duly noticed meeting of unit owners and is 606 subject to all requirements of this chapter or the applicable 607 condominium documents relating to unit owner decisionmaking, 608 except that unit owners may take action by written agreement, 609 without meetings, on matters for which action by written 610 agreement without meetings is expressly allowed by the 611 applicable bylaws or declaration or any law statute that 612 provides for such action.

613 <u>6.5.</u> Unit owners may waive notice of specific meetings if 614 allowed by the applicable bylaws or declaration or any <u>law</u> 615 statute. If authorized by the bylaws, notice of meetings of the 616 board of administration, unit owner meetings, except unit owner

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617 meetings called to recall board members under paragraph (j), and 618 committee meetings may be given by electronic transmission to 619 unit owners who consent to receive notice by electronic 620 transmission.

621 <u>7.6.</u> Unit owners shall have the right to participate in 622 meetings of unit owners with reference to all designated agenda 623 items. However, the association may adopt reasonable rules 624 governing the frequency, duration, and manner of unit owner 625 participation.

626 <u>8.7.</u> <u>A</u> Any unit owner may tape record or videotape a
627 meeting of the unit owners subject to reasonable rules adopted
628 by the division.

9.8. Unless otherwise provided in the bylaws, any vacancy 629 630 occurring on the board before the expiration of a term may be 631 filled by the affirmative vote of the majority of the remaining 632 directors, even if the remaining directors constitute less than 633 a quorum, or by the sole remaining director. In the alternative, 634 a board may hold an election to fill the vacancy, in which case 635 the election procedures must conform to the requirements of sub-636 subparagraph 4.a. 3.a. unless the association governs 10 units 637 or fewer and has opted out of the statutory election process, in 638 which case the bylaws of the association control. Unless 639 otherwise provided in the bylaws, a board member appointed or 640 elected under this section shall fill the vacancy for the unexpired term of the seat being filled. Filling vacancies 641 642 created by recall is governed by paragraph (j) and rules adopted 643 by the division.

10. This chapter does not limit the use of general or

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645 <u>limited proxies, require the use of general or limited proxies,</u>
 646 <u>or require the use of a written ballot or voting machine for any</u>

647 agenda item or election at any meeting of a timeshare

648 <u>condominium association.</u>

649

650 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a. 651 (d)3.a., an association of 10 or fewer units may, by affirmative 652 vote of a majority of the total voting interests, provide for 653 different voting and election procedures in its bylaws, which 654 vote may be by a proxy specifically delineating the different 655 voting and election procedures. The different voting and 656 election procedures may provide for elections to be conducted by 657 limited or general proxy.

658 Section 4. Subsection (5) of section 718.113, Florida 659 Statutes, is amended to read:

660 718.113 Maintenance; limitation upon improvement; display
661 of flag; hurricane shutters; display of religious decorations.-

(5) Each board of administration shall adopt hurricane
shutter specifications for each building within each condominium
operated by the association which shall include color, style,
and other factors deemed relevant by the board. All
specifications adopted by the board <u>must shall</u> comply with the
applicable building code.

(a) The board may, subject to the provisions of s.
718.3026, and the approval of a majority of voting interests of
the condominium, install hurricane shutters, impact glass or
<u>other code-compliant windows</u>, or hurricane protection that
complies with or exceeds the applicable building code. However,

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673 or both, except that a vote of the owners is not required if the 674 maintenance, repair, and replacement of hurricane shutters, 675 impact glass, or other code-compliant windows or other forms of 676 hurricane protection are the responsibility of the association 677 pursuant to the declaration of condominium. If However, where 678 hurricane protection or laminated glass or window film 679 architecturally designed to function as hurricane protection 680 which complies with or exceeds the current applicable building 681 code has been previously installed, the board may not install 682 hurricane shutters, or other hurricane protection, or impact 683 glass or other code-compliant windows except upon approval by a 684 majority vote of the voting interests.

685 The association is shall be responsible for the (b) maintenance, repair, and replacement of the hurricane shutters 686 687 or other hurricane protection authorized by this subsection if 688 such hurricane shutters or other hurricane protection is the 689 responsibility of the association pursuant to the declaration of 690 condominium. If the hurricane shutters or other hurricane 691 protection authorized by this subsection are the responsibility of the unit owners pursuant to the declaration of condominium, 692 693 the responsibility for the maintenance, repair, and replacement 694 of such items are shall be the responsibility of the unit owner.

(c) The board may operate shutters installed pursuant to this subsection without permission of the unit owners only <u>if</u> where such operation is necessary to preserve and protect the condominium property and association property. The installation, replacement, operation, repair, and maintenance of such shutters in accordance with the procedures set forth in this paragraph

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701 <u>are herein shall not be deemed</u> a material alteration to the 702 common elements or association property within the meaning of 703 this section.

(d) Notwithstanding any <u>other</u> provision to the contrary in the condominium documents, if approval is required by the documents, a board <u>may shall</u> not refuse to approve the installation or replacement of hurricane shutters by a unit owner conforming to the specifications adopted by the board.

709 Section 5. Section 718.114, Florida Statutes, is amended 710 to read:

711 718.114 Association powers. - An association may has the power to enter into agreements τ to acquire leaseholds, 712 713 memberships, and other possessory or use interests in lands or 714 facilities such as country clubs, golf courses, marinas, and 715 other recreational facilities, . It has this power whether or not the lands or facilities are contiguous to the lands of the 716 717 condominium, if such lands and facilities they are intended to 718 provide enjoyment, recreation, or other use or benefit to the 719 unit owners. All of these leaseholds, memberships, and other 720 possessory or use interests existing or created at the time of 721 recording the declaration must be stated and fully described in 722 the declaration. Subsequent to the recording of the declaration, 723 agreements acquiring these leaseholds, memberships, or other 724 possessory or use interests which are not entered into within 12 725 months following the recording of the declaration are shall be considered a material alteration or substantial addition to the 726 real property that is association property, and the association 727 may not acquire or enter into such agreements acquiring these 728

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729 leaseholds, memberships, or other possessory or use interests 730 except upon a vote of, or written consent by, a majority of the 731 total voting interests or as authorized by the declaration as 732 provided in s. 718.113. The declaration may provide that the 733 rental, membership fees, operations, replacements, and other 734 expenses are common expenses and may impose covenants and 735 restrictions concerning their use and may contain other 736 provisions not inconsistent with this chapter. A condominium 737 association may conduct bingo games as provided in s. 849.0931. Section 6. Paragraph (b) of subsection (1), subsection 738

(3), paragraph (b) of subsection (5), and subsection (11) of section 718.116, Florida Statutes, are amended to read:

741 718.116 Assessments; liability; lien and priority;
742 interest; collection.-

743 (1)

(b)<u>1.</u> The liability of a first mortgagee or its successor or assignees who acquire title to a unit by foreclosure or by deed in lieu of foreclosure for the unpaid assessments that became due before the mortgagee's acquisition of title is limited to the lesser of:

749 <u>a.1.</u> The unit's unpaid common expenses and regular 750 periodic assessments which accrued or came due during the 12 751 months immediately preceding the acquisition of title and for 752 which payment in full has not been received by the association; 753 or

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Joinder of the association is not required if, on the date the complaint is filed, the association was dissolved or did not maintain an office or agent for service of process at a location which was known to or reasonably discoverable by the mortgagee.

761 2. An association, or its successor or assignee, that 762 acquires title to a unit through the foreclosure of its lien for assessments is not liable for any unpaid assessments, late fees, 763 764 interest, or reasonable attorney's fees and costs that came due 765 before the association's acquisition of title in favor of any other association, as defined in s. 718.103(2) or s. 720.301(9), 766 767 which holds a superior lien interest on the unit. This 768 subparagraph is intended to clarify existing law.

769 (3) Assessments and installments on assessments which are 770 not paid when due bear interest at the rate provided in the 771 declaration, from the due date until paid. The This rate may not 772 exceed the rate allowed by law, and, if no rate is provided in 773 the declaration, interest accrues at the rate of 18 percent per 774 year. Also, If provided by the declaration or bylaws, the 775 association may, in addition to such interest, charge an 776 administrative late fee of up to the greater of \$25 or 5 percent 777 of each installment of the assessment for each delinquent 778 installment for which the payment is late. Any payment received 779 by an association must be applied first to any interest accrued 780 by the association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, 781 782 and then to the delinquent assessment. The foregoing is applicable notwithstanding any restrictive endorsement, 783 784 designation, or instruction placed on or accompanying a payment.

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785 A late fee is not subject to chapter 687 or s. 718.303(4)(3).
786 (5)

787 To be valid, a claim of lien must state the (b) 788 description of the condominium parcel, the name of the record 789 owner, the name and address of the association, the amount due, 790 and the due dates. It must be executed and acknowledged by an 791 officer or authorized agent of the association. The lien is not 792 effective longer than 1 year after the claim of lien was 793 recorded unless, within that time, an action to enforce the lien 794 is commenced. The 1-year period is automatically extended for 795 any length of time during which the association is prevented 796 from filing a foreclosure action by an automatic stay resulting 797 from a bankruptcy petition filed by the parcel owner or any 798 other person claiming an interest in the parcel. The claim of 799 lien secures all unpaid assessments that are due and that may 800 accrue after the claim of lien is recorded and through the entry 801 of a final judgment, as well as interest and all reasonable 802 costs and attorney's fees incurred by the association incident 803 to the collection process. Upon payment in full, the person 804 making the payment is entitled to a satisfaction of the lien.

After notice of contest of lien has been recorded, the clerk of the circuit court shall mail a copy of the recorded notice to the association by certified mail, return receipt requested, at the address shown in the claim of lien or most recent amendment to it and shall certify to the service on the face of the notice. Service is complete upon mailing. After service, the association has 90 days in which to file an action to enforce

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813 the lien; and, if the action is not filed within the 90-day 814 period, the lien is void. However, the 90-day period shall be 815 extended for any length of time <u>during which</u> that the 816 association is prevented from filing its action because of an 817 automatic stay resulting from the filing of a bankruptcy 818 petition by the unit owner or by any other person claiming an 819 interest in the parcel.

820 (11) (a) If the unit is occupied by a tenant and the unit 821 owner is delinquent in paying any monetary obligation due to the 822 association, the association may make a written demand that the 823 tenant pay to the association the subsequent rental payments 824 future monetary obligations related to the condominium unit to 825 the association, and continue to the tenant must make such 826 payments until all monetary obligations of the unit owner 827 related to the unit have been paid in full to the association payment. The demand is continuing in nature and, upon demand, 828 829 The tenant must pay the monetary obligations to the association until the association releases the tenant or the tenant 830 831 discontinues tenancy in the unit.

832 <u>1. The association must provide the tenant a notice, by</u> 833 <u>hand delivery or United States mail, in substantially the</u> 834 <u>following form:</u> 835

836Pursuant to section 718.116(11), Florida837Statutes, the association demands that you pay your838rent directly to the condominium association and839continue doing so until the association notifies you

840 otherwise.

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|----|------|-------|----|----|----|-----|----|----|-----|-------|
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| 841 | Payment due the condominium association may be in |
|-----|---|
| 842 | the same form as you paid your landlord and must be |
| 843 | sent by United States mail or hand delivery to |
| 844 | (full address), payable to(name) |
| 845 | Your obligation to pay your rent to the |
| 846 | association begins immediately, unless you have |
| 847 | already paid rent to your landlord for the current |
| 848 | period before receiving this notice. In that case, you |
| 849 | must provide the association written proof of your |
| 850 | payment within 14 days after receiving this notice and |
| 851 | your obligation to pay rent to the association would |
| 852 | then begin with the next rental period. |
| 853 | Pursuant to section 718.116(11), Florida |
| 854 | Statutes, your payment of rent to the association |
| 855 | gives you complete immunity from any claim for the |
| 856 | rent by your landlord for all amounts timely paid to |
| 857 | the association. |
| 858 | |
| 859 | 2. The association must mail written notice to the unit |
| 860 | owner of the association's demand that the tenant make payments |
| 861 | to the association. |
| 862 | 3. The association shall, upon request, provide the tenant |
| 863 | with written receipts for payments made. |
| 864 | 4. A tenant who acts in good faith in response to a |
| 865 | written demand from an association is immune from any claim by |
| 866 | from the landlord or unit owner related to the rent timely paid |
| 867 | to the association after the association has made written |
| 868 | demand. |
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869 (b) (a) If the tenant paid prepaid rent to the landlord or 870 unit owner for a given rental period before receiving the demand 871 from the association and provides written evidence to the 872 association of having paid paying the rent to the association 873 within 14 days after receiving the demand, the tenant shall 874 begin making rental payments to the association for the 875 following rental period and shall continue making receive credit 876 for the prepaid rent for the applicable period and must make any 877 subsequent rental payments to the association to be credited 878 against the monetary obligations of the unit owner until the association releases the tenant or the tenant discontinues 879 880 tenancy in the unit to the association.

881 (c) (b) The tenant is not liable for increases in the 882 amount of the monetary obligations due unless the tenant was 883 notified in writing of the increase at least 10 days before the 884 date the rent is due. The liability of the tenant may not exceed 885 the amount due from the tenant to the tenant's landlord. The 886 tenant's landlord shall provide the tenant a credit against 887 rents due to the landlord unit owner in the amount of moneys paid to the association under this section. 888

889 (d) (c) The association may issue notice notices under s. 890 83.56 and may sue for eviction under ss. 83.59-83.625 as if the 891 association were a landlord under part II of chapter 83 if the 892 tenant fails to pay a required payment to the association after written demand has been made to the tenant. However, the 893 association is not otherwise considered a landlord under chapter 894 895 83 and specifically has no obligations duties under s. 83.51. 896 (e) (d) The tenant does not, by virtue of payment of

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897 monetary obligations to the association, have any of the rights
898 of a unit owner to vote in any election or to examine the books
899 and records of the association.

900 <u>(f)(e)</u> A court may supersede the effect of this subsection 901 by appointing a receiver.

902 Section 7. Subsections (2), (3), (4), and (11), paragraphs 903 (a) and (d) of subsection (12), subsection (14), paragraph (a) 904 of subsection (17), and subsections (18) and (19) of section 905 718.117, Florida Statutes, are amended to read:

906

718.117 Termination of condominium.-

907 (2) TERMINATION BECAUSE OF ECONOMIC WASTE OR908 IMPOSSIBILITY.-

909 (a) Notwithstanding any provision in the declaration, the 910 condominium form of ownership of a property may be terminated by 911 a plan of termination approved by the lesser of the lowest 912 percentage of voting interests necessary to amend the 913 declaration or as otherwise provided in the declaration for 914 approval of termination if:

915 1. The total estimated cost of construction or repairs 916 necessary to construct the intended improvements or restore the 917 improvements to their former condition or bring them into 918 compliance with applicable laws or regulations exceeds the 919 combined fair market value of the units in the condominium after 920 completion of the construction or repairs; or

921 2. It becomes impossible to operate or reconstruct a
922 condominium to its prior physical configuration because of land
923 use laws or regulations.

924

(b) Notwithstanding paragraph (a), a condominium in which **Page 33 of 75**

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925 75 percent or more of the units are timeshare units may be 926 terminated only pursuant to a plan of termination approved by 80 927 percent of the total voting interests of the association and the 928 holders of 80 percent of the original principal amount of 929 outstanding recorded mortgage liens of timeshare estates in the 930 condominium, unless the declaration provides for a lower voting 931 percentage.

932 (c) Notwithstanding paragraph (a), a condominium that 933 includes units and timeshare estates where the improvements have 934 been totally destroyed or demolished may be terminated pursuant 935 to a plan of termination proposed by a unit owner upon the 936 filing of a petition in court seeking equitable relief. Within 937 10 days after the filing of a petition as provided in this 938 paragraph and in lieu of the requirements of paragraph (15)(a), 939 the petitioner shall record the proposed plan of termination and mail a copy of the proposed plan and a copy of the petition to: 940 941 1. If the association has not been dissolved as a matter 942 of law, each member of the board of directors of the association 943 identified in the most recent annual report filed with the 944 Department of State and the registered agent of the association; 945 2. The managing entity as defined in s. 721.05(22); 946 3. Each unit owner and each timeshare estate owner at the 947 address reflected in the official records of the association, 948 or, if the association records cannot be obtained by the 949 petitioner, each unit owner and each timeshare estate owner at 950 the address listed in the office of the tax collector for tax 951 notices; and 952 4. Each holder of a recorded mortgage lien affecting a Page 34 of 75

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953 unit or timeshare estate at the address appearing on the 954 recorded mortgage or any recorded assignment thereof. 955 956 The association, if it has not been dissolved as a matter of 957 law, acting as class representative, or the managing entity as 958 defined in s. 721.05(22), any unit owner, any timeshare estate 959 owner, or any holder of a recorded mortgage lien affecting a 960 unit or timeshare estate may intervene in the proceedings to 961 contest the proposed plan of termination brought pursuant to 962 this paragraph. The provisions of subsection (9), to the extent 963 inconsistent with this paragraph, and subsection (16) are not 964 applicable to a party contesting a plan of termination under 965 this paragraph. If no party intervenes to contest the proposed 966 plan within 45 days after the filing of the petition, the 967 petitioner may move the court to enter a final judgment to 968 authorize implementation of the plan of termination. If a party 969 timely intervenes to contest the proposed plan, the plan may not 970 be implemented until a final judgment has been entered by the 971 court finding that the proposed plan of termination is fair and 972 reasonable and authorizing implementation of the plan. 973 OPTIONAL TERMINATION.-Except as provided in subsection (3) 974 (2) or unless the declaration provides for a lower percentage, 975 the condominium form of ownership of the property may be 976 terminated for all or a portion of the condominium property 977 pursuant to a plan of termination approved by at least 80 978 percent of the total voting interests of the condominium if no

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not more than 10 percent of the total voting interests of the

condominium have rejected the plan of termination by negative

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981 vote or by providing written objections thereto. This subsection 982 does not apply to condominiums in which 75 percent or more of 983 the units are timeshare units. 984 (4) EXEMPTION.-A plan of termination is not an amendment 985 subject to s. 718.110(4). In a partial termination, a plan of 986 termination is not an amendment subject to s. 718.110(4) if the 987 ownership share of the common elements of a surviving unit in 988 the condominium remains in the same proportion to the surviving 989 units as it was before the partial termination. 990 (11) PLAN OF TERMINATION; OPTIONAL PROVISIONS; CONDITIONAL 991 TERMINATION.-992 The plan of termination may provide that each unit (a) 993 owner retains the exclusive right of possession to the portion 994 of the real estate which that formerly constituted the unit if τ 995 in which case the plan specifies must specify the conditions of 996 possession. In a partial termination, the plan of termination as 997 specified in subsection (10) must also identify the units that survive the partial termination and provide that such units 998 999 remain in the condominium form of ownership pursuant to an 1000 amendment to the declaration of condominium or an amended and 1001 restated declaration. In a partial termination, title to the 1002 surviving units and common elements that remain part of the 1003 condominium property specified in the plan of termination remain 1004 vested in the ownership shown in the public records and do not 1005 vest in the termination trustee. In a conditional termination, the plan must specify 1006 (b) 1007 the conditions for termination. A conditional plan does not vest 1008 title in the termination trustee until the plan and a

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1009 certificate executed by the association with the formalities of 1010 a deed, confirming that the conditions in the conditional plan 1011 have been satisfied or waived by the requisite percentage of the 1012 voting interests, have been recorded. <u>In a partial termination,</u> 1013 <u>the plan does not vest title to the surviving units or common</u> 1014 <u>elements that remain part of the condominium property in the</u> 1015 <u>termination trustee.</u>

1016 (12) ALLOCATION OF PROCEEDS OF SALE OF CONDOMINIUM 1017 PROPERTY.-

1018 Unless the declaration expressly provides for the (a) 1019 allocation of the proceeds of sale of condominium property, the 1020 plan of termination must first apportion the proceeds between 1021 the aggregate value of all units and the value of the common 1022 elements, based on their respective fair market values 1023 immediately before the termination, as determined by one or more 1024 independent appraisers selected by the association or 1025 termination trustee. In a partial termination, the aggregate 1026 values of the units and common elements that are being 1027 terminated must be separately determined, and the plan of 1028 termination must specify the allocation of the proceeds of sale 1029 for the units and common elements.

(d) Liens that encumber a unit shall be transferred to the proceeds of sale of the condominium property and the proceeds of sale or other distribution of association property, common surplus, or other association assets attributable to such unit in their same priority. <u>In a partial termination, liens that</u> <u>encumber a unit being terminated must be transferred to the</u> proceeds of sale of that portion of the condominium property

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1037 <u>being terminated which are attributable to such unit.</u> The 1038 proceeds of any sale of condominium property pursuant to a plan 1039 of termination may not be deemed to be common surplus or 1040 association property.

1041 TITLE VESTED IN TERMINATION TRUSTEE.-If termination (14)1042 is pursuant to a plan of termination under subsection (2) or 1043 subsection (3), the unit owners' rights and title to as tenants 1044 in common in undivided interests in the condominium property 1045 being terminated vests vest in the termination trustee when the 1046 plan is recorded or at a later date specified in the plan. The 1047 unit owners thereafter become the beneficiaries of the proceeds realized from the plan of termination as set forth in the plan. 1048 1049 The termination trustee may deal with the condominium property 1050 being terminated or any interest therein if the plan confers on 1051 the trustee the authority to protect, conserve, manage, sell, or 1052 dispose of the condominium property. The trustee, on behalf of 1053 the unit owners, may contract for the sale of real property 1054 being terminated, but the contract is not binding on the unit 1055 owners until the plan is approved pursuant to subsection (2) or 1056 subsection (3).

1057

(17) DISTRIBUTION.-

(a) Following termination of the condominium, the
condominium property, association property, common surplus, and
other assets of the association shall be held by the termination
trustee <u>pursuant to the plan of termination</u>, as trustee for unit
owners and holders of liens on the units, in their order of
priority <u>unless otherwise set forth in the plan of termination</u>.
(18) ASSOCIATION STATUS.-The termination of a condominium

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1065 does not change the corporate status of the association that 1066 operated the condominium property. The association continues to 1067 exist to conclude its affairs, prosecute and defend actions by 1068 or against it, collect and discharge obligations, dispose of and 1069 convey its property, and collect and divide its assets, but not 1070 to act except as necessary to conclude its affairs. In a partial termination, the association may continue as the condominium 1071 1072 association for the property that remains subject to the declaration of condominium. 1073

1074 (19) CREATION OF ANOTHER CONDOMINIUM.-The termination or 1075 partial termination of a condominium does not bar the filing of 1076 a new declaration of condominium or an amended and restated 1077 declaration of condominium by the termination trustee, or the 1078 trustee's successor in interest, for the terminated property or 1079 affecting any portion thereof of the same property. The partial 1080 termination of a condominium may provide for the simultaneous 1081 filing of an amendment to the declaration of condominium or an 1082 amended and restated declaration of condominium by the 1083 condominium association for any portion of the property not 1084 terminated from the condominium form of ownership. 1085 Section 8. Subsections (3), (4), and (5) of section

1086 718.303, Florida Statutes, are amended, and subsection (6) is 1087 added to that section, to read:

1088 1089 718.303 Obligations of owners and occupants; remedies.-

(3) If a unit owner is delinquent for more than 90 days in 1090 paying a monetary obligation due to the association, the 1091 association may suspend the right of a unit owner or a unit's 1092 occupant, licensee, or invitee to use common elements, common

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1093 facilities, or any other association property until the monetary 1094 obligation is paid. This subsection does not apply to limited 1095 common elements intended to be used only by that unit, common 1096 elements that must be used to access the unit, utility services 1097 provided to the unit, parking spaces, or elevators. The 1098 association may also levy reasonable fines for the failure of 1099 the owner of the unit τ or its occupant, licensee, or invitee τ to comply with any provision of the declaration, the association 1100 1101 bylaws, or reasonable rules of the association. A fine may does 1102 not become a lien against a unit. A fine may not exceed \$100 per 1103 violation. However, A fine may be levied on the basis of each 1104 day of a continuing violation, with a single notice and 1105 opportunity for hearing. However, the fine may not exceed \$100 1106 per violation, or \$1,000 in the aggregate exceed \$1,000.

(a) An association may suspend, for a reasonable period of time, the right of a unit owner, or a unit owner's tenant, guest, or invitee, to use the common elements, common facilities, or any other association property for failure to comply with any provision of the declaration, the association bylaws, or reasonable rules of the association.

1113 A fine or suspension may not be imposed levied and a (b) 1114 suspension may not be imposed unless the association first 1115 provides at least 14 days' written notice and an opportunity for a hearing to the unit owner and, if applicable, its occupant, 1116 licensee, or invitee. The hearing must be held before a 1117 committee of other unit owners who are neither board members nor 1118 persons residing in a board member's household. If the committee 1119 1120 does not agree with the fine or suspension, the fine or

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1121 suspension may not be levied or imposed.

1122 (4) If a unit owner is more than 90 days delinquent in 1123 paying a monetary obligation due to the association, the 1124 association may suspend the right of the unit owner or the 1125 unit's occupant, licensee, or invitee to use common elements, 1126 common facilities, or any other association property until the 1127 monetary obligation is paid in full. This subsection does not 1128 apply to limited common elements intended to be used only by 1129 that unit, common elements needed to access the unit, utility services provided to the unit, parking spaces, or elevators. The 1130 1131 notice and hearing requirements under subsection (3) do not 1132 apply to suspensions imposed under this subsection.

1133 (4) The notice and hearing requirements of subsection (3) 1134 do not apply to the imposition of suspensions or fines against a 1135 unit owner or a unit's occupant, licensee, or invitee because of 1136 failing to pay any amounts due the association. If such a fine 1137 or suspension is imposed, the association must levy the fine or 1138 impose a reasonable suspension at a properly noticed board 1139 meeting, and after the imposition of such fine or suspension, 1140 the association must notify the unit owner and, if applicable, 1141 the unit's occupant, licensee, or invitee by mail or hand 1142 delivery.

(5) An association may also suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to the association which is more than 90 days delinquent. <u>A</u> voting interest or consent right allocated to a unit or member which has been suspended by the association may not be counted towards the total number of voting interests necessary to

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| 1149 | constitute a quorum, the number of voting interests required to |
|------|---|
| 1150 | conduct an election, or the number of voting interests required |
| 1151 | to approve an action under this chapter or pursuant to the |
| 1152 | declaration, articles of incorporation, or bylaws. The |
| 1153 | suspension ends upon full payment of all obligations currently |
| 1154 | due or overdue the association. The notice and hearing |
| 1155 | requirements under subsection (3) do not apply to a suspension |
| 1156 | imposed under this subsection. |
| 1157 | (6) All suspensions imposed pursuant to subsection (4) or |
| 1158 | subsection (5) must be approved at a properly noticed board |
| 1159 | meeting. Upon approval, the association must notify the unit |
| 1160 | owner and, if applicable, the unit's occupant, licensee, or |
| 1161 | invitee by mail or hand delivery. |
| 1162 | Section 9. Section 718.703, Florida Statutes, is amended |
| 1163 | to read: |
| 1164 | 718.703 Definitions.—As used in this part, the term: |
| 1165 | (1) "Bulk assignee" means a person who <u>is not a bulk buyer</u> |
| 1166 | and who: |
| 1167 | (a) Acquires more than seven condominium parcels <u>in a</u> |
| 1168 | single condominium as set forth in s. 718.707; and |
| 1169 | (b) Receives an assignment of any of the developer rights, |
| 1170 | other than or in addition to those rights described in |
| 1171 | subsection (2), some or all of the rights of the developer as |
| 1172 | set forth in the declaration of condominium or this chapter $:$ by |
| 1173 | 1. By a written instrument recorded as part of or as an |
| 1174 | exhibit to the deed <u>;</u> or as |
| 1175 | 2. By a separate instrument recorded in the public records |
| 1176 | of the county in which the condominium is located; or |
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1177 3. Pursuant to a final judgment or certificate of title 1178 issued in favor of a purchaser at a foreclosure sale. 1179 1180 A mortgagee or its assignee may not be deemed a bulk assignee or 1181 a developer by reason of the acquisition of condominium units 1182 and receipt of an assignment of some or all of a developer 1183 rights unless the mortgagee or its assignee exercises any of the 1184 developer rights other than those described in subsection (2). 1185 (2)"Bulk buyer" means a person who acquires more than 1186 seven condominium parcels in a single condominium as set forth 1187 in s. 718.707, but who does not receive an assignment of any 1188 developer rights, or receives only some or all of the following 1189 rights: other than 1190 The right to conduct sales, leasing, and marketing (a) activities within the condominium; 1191 1192 (b) The right to be exempt from the payment of working 1193 capital contributions to the condominium association arising out 1194 of, or in connection with, the bulk buyer's acquisition of the $\frac{1}{2}$ 1195 bulk number of units; and 1196 The right to be exempt from any rights of first (C) 1197 refusal which may be held by the condominium association and 1198 would otherwise be applicable to subsequent transfers of title 1199 from the bulk buyer to a third party purchaser concerning one or 1200 more units. 1201 Section 10. Section 718.704, Florida Statutes, is amended 1202 to read: 1203 718.704 Assignment and assumption of developer rights by 1204 bulk assignee; bulk buyer.-

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(1) A bulk assignee <u>is deemed to have assumed</u> assumes and is liable for all duties and responsibilities of the developer under the declaration and this chapter <u>upon its acquisition of</u> <u>title to units and continuously thereafter</u>, except <u>that it is</u> not liable for:

(a) Warranties of the developer under s. 718.203(1) or s.
718.618, except <u>as expressly provided by the bulk assignee in a</u>
<u>prospectus or offering circular, or the contract for purchase</u>
<u>and sale executed with a purchaser, or</u> for design, construction,
development, or repair work performed by or on behalf of <u>the</u>
<u>such bulk assignee.;</u>

1216

(b) The obligation to:

1217 1. Fund converter reserves under s. 718.618 for a unit 1218 that was not acquired by the bulk assignee; or

2. Provide <u>implied</u> converter warranties on any portion of the condominium property except as expressly provided by the bulk assignee in <u>a prospectus or offering circular, or</u> the contract for purchase and sale executed with a purchaser<u>, or for</u> and pertaining to any design, construction, development, or repair work performed by or on behalf of the bulk assignee<u>.</u>;

(c) The requirement to provide the association with a cumulative audit of the association's finances from the date of formation of the condominium association as required by s. 718.301(4)(c). However, the bulk assignee must provide an audit for the period during which the bulk assignee elects <u>or appoints</u> a majority of the members of the board of administration.;

1231 (d) Any liability arising out of or in connection with 1232 actions taken by the board of administration or the developer-

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1233 appointed directors before the bulk assignee elects <u>or appoints</u> 1234 a majority of the members of the board of administration<u>.; and</u>

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

1240 The bulk assignee is also responsible <u>only</u> for delivering 1241 documents and materials in accordance with s. 718.705(3). A bulk 1242 assignee may expressly assume some or all of the <u>developer</u> 1243 obligations of the developer described in paragraphs (a)-(e).

1244 A bulk assignee assigned the developer right receiving (2)1245 the assignment of the rights of the developer to quarantee the 1246 level of assessments and fund budgetary deficits pursuant to s. 1247 718.116 assumes and is liable for all obligations of the 1248 developer with respect to such guarantee upon its acquisition of 1249 title to the units and continuously thereafter, including any 1250 applicable funding of reserves to the extent required by law, 1251 for as long as the guarantee remains in effect. A bulk assignee 1252 not receiving such assignment, or a bulk buyer, does not assume 1253 and is not liable for the obligations of the developer with 1254 respect to such guarantee, but is responsible for payment of 1255 assessments due on or after acquisition of the units in the same 1256 manner as all other owners of condominium parcels or as 1257 otherwise provided in s. 718.116.

(3) A bulk buyer is liable for the duties and
responsibilities of <u>a</u> the developer under the declaration and
this chapter only to the extent that such provided in this part,

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1261 together with any other duties or responsibilities <u>are</u> of the 1262 developer expressly assumed in writing by the bulk buyer.

(4) An acquirer of condominium parcels is not a bulk assignee or a bulk buyer if the transfer to such acquirer was made:

(a) Before the effective date of this part;

1267 (b) With the intent to hinder, delay, or defraud any 1268 purchaser, unit owner, or the association; $_{\tau}$ or if the acquirer 1269 is

1270 (c) By a person who would be considered an insider under 1271 s. 726.102(7).

1272 An assignment of developer rights to a bulk assignee (5)1273 may be made by a the developer, a previous bulk assignee, a 1274 mortgagee or assignee who has acquired title to the units and 1275 received an assignment of rights, or a court acting on behalf of 1276 the developer or the previous bulk assignee if such developer rights are held by the predecessor in title to the bulk 1277 1278 assignee. At any particular time, there may not be no more than 1279 one bulk assignee within a condominium; however, but there may 1280 be more than one bulk buyer. If more than one acquirer of 1281 condominium parcels in the same condominium receives an 1282 assignment of developer rights in addition to those rights 1283 described in s. 718.703(2) from the same person, the bulk 1284 assignee is the acquirer whose instrument of assignment is 1285 recorded first in the public records of the county in which the condominium is located, and any subsequent purported bulk 1286 1287 assignee may still qualify as a bulk buyer. 1288 Section 11. Subsections (1) and (3) of section 718.705,

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1289 Florida Statutes, are amended to read:

1290 718.705 Board of administration; transfer of control.-1291 If, at the time the bulk assignee acquires title to (1)1292 the units and receives an assignment of developer rights, the 1293 developer has not relinquished control of the board of 1294 administration, for purposes of determining the timing for 1295 transfer of control of the board of administration of the 1296 association to unit owners other than the developer under s. 1297 718.301(1)(a) and (b), if a bulk assignee is entitled to elect a 1298 majority of the members of the board, a condominium parcel 1299 acquired by the bulk assignee is not deemed to be conveyed to a 1300 purchaser, or owned by an owner other than the developer, until 1301 the condominium parcel is conveyed to an owner who is not a bulk 1302 assignee.

1303 If a bulk assignee relinquishes control of the board (3) 1304 of administration as set forth in s. 718.301, the bulk assignee 1305 must deliver all of those items required by s. 718.301(4). 1306 However, the bulk assignee is not required to deliver items and 1307 documents not in the possession of the bulk assignee if some 1308 items were or should have been in existence before the bulk 1309 assignee's acquisition of the units during the period during 1310 which the bulk assignce was entitled to elect at least a 1311 majority of the members of the board of administration. In 1312 conjunction with the acquisition of units condominium parcels, a bulk assignee shall undertake a good faith effort to obtain the 1313 1314 documents and materials that must be provided to the association pursuant to s. 718.301(4). If the bulk assignee is not able to 1315 1316 obtain all of such documents and materials, the bulk assignee

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1317 must certify in writing to the association the names or 1318 descriptions of the documents and materials that were not obtainable by the bulk assignee. Delivery of the certificate 1319 1320 relieves the bulk assignee of responsibility for delivering the 1321 documents and materials referenced in the certificate as otherwise required under ss. 718.112 and 718.301 and this part. 1322 1323 The responsibility of the bulk assignee for the audit required 1324 by s. 718.301(4) commences as of the date on which the bulk 1325 assignee elected or appointed a majority of the members of the board of administration. 1326

1327 Section 12. Section 718.706, Florida Statutes, is amended 1328 to read:

1329 718.706 Specific provisions pertaining to offering of1330 units by a bulk assignee or bulk buyer.-

(1) Before offering more than seven any units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file the following documents with the division and provide such documents to a prospective purchaser or tenant:

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

1341 (b) An updated Frequently Asked Questions and Answers
1342 sheet;

1343 (c) The executed escrow agreement if required under s. 1344 718.202; and

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1365

1345 (d) The financial information required by s. 718.111(13). 1346 However, if a financial information report did does not exist 1347 for the fiscal year before the acquisition of title by the bulk 1348 assignee or bulk buyer, and if or accounting records that cannot 1349 be obtained in good faith by the bulk assignee or the bulk buyer 1350 which would permit preparation of the required financial 1351 information report for that period cannot be obtained despite 1352 good faith efforts by the bulk assignee or the bulk buyer, the 1353 bulk assignee or bulk buyer is excused from the requirement of 1354 this paragraph. However, the bulk assignee or bulk buyer must 1355 include in the purchase contract the following statement in 1356 conspicuous type:

1358ALL OR A PORTION OF
THE FINANCIAL INFORMATION REPORT1359REQUIRED UNDER S. 718.111(13) FOR THE
TIME PERIOD1360BEFORE THE SELLER'S ACQUISITION OF THE UNIT1361IMMEDIATELY PRECEDING FISCAL YEAR OF THE ASSOCIATION1362IS NOT AVAILABLE OR CANNOT BE
OBTAINED DESPITE THE1363GOOD FAITH EFFORTS OF
THE GOOD FRICH ACCOUNTING RECORDS OF THE ASSOCIATION.

(2) Before offering more than seven any units in a single condominium for sale or for lease for a term exceeding 5 years, a bulk assignee or a bulk buyer must file with the division and provide to a prospective purchaser or tenant under a lease for a term exceeding 5 years a disclosure statement that includes, but is not limited to:

(a) A description of any rights of the developer rights
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| 1373 | that developer which have been assigned to the bulk assignee or |
| 1374 | bulk buyer; |
| 1375 | (b) The following statement in conspicuous type: |
| 1376 | |
| 1377 | THE SELLER IS NOT OBLIGATED FOR ANY WARRANTIES OF THE |
| 1378 | DEVELOPER UNDER S. 718.203(1) OR S. 718.618, AS |
| 1379 | APPLICABLE, EXCEPT FOR DESIGN, CONSTRUCTION, |
| 1380 | DEVELOPMENT, OR REPAIR WORK PERFORMED BY OR ON BEHALF |
| 1381 | OF THE SELLER; and |
| 1382 | |
| 1383 | (c) If the condominium is a conversion subject to part VI, |
| 1384 | the following statement in conspicuous type: |
| 1385 | |
| 1386 | THE SELLER HAS NO OBLIGATION TO FUND CONVERTER |
| 1387 | RESERVES OR TO PROVIDE CONVERTER WARRANTIES UNDER S. |
| 1388 | 718.618 ON ANY PORTION OF THE CONDOMINIUM PROPERTY |
| 1389 | EXCEPT AS MAY BE EXPRESSLY REQUIRED OF THE SELLER IN |
| 1390 | THE CONTRACT FOR PURCHASE AND SALE EXECUTED BY THE |
| 1391 | SELLER AND THE PREVIOUS DEVELOPER AND PERTAINING TO |
| 1392 | ANY DESIGN, CONSTRUCTION, DEVELOPMENT, OR REPAIR WORK |
| 1393 | PERFORMED BY OR ON BEHALF OF THE SELLER. |
| 1394 | |
| 1395 | (3) A bulk assignee, while it is in control of the board |
| 1396 | of administration of the association, may not authorize, on |
| 1397 | behalf of the association: |
| 1398 | (a) The waiver of reserves or the reduction of funding of |
| 1399 | the reserves pursuant to s. 718.112(2)(f)2., unless approved by |
| 1400 | a majority of the voting interests not controlled by the |
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1401 developer, bulk assignee, and bulk buyer; or

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

1406 A bulk assignee or a bulk buyer must comply with all (4) 1407 the requirements of s. 718.302 regarding any contracts entered into by the association during the period the bulk assignee or 1408 1409 bulk buyer maintains control of the board of administration. 1410 Unit owners shall be provided afforded all of the rights and the 1411 protections contained in s. 718.302 regarding agreements entered 1412 into by the association which are under the control of before 1413 unit owners other than the developer, bulk assignee, or bulk 1414 buyer elected a majority of the board of administration.

1415 (5) Notwithstanding any other provision of this part, a bulk assignee or a bulk buyer is not required to comply with the 1416 1417 filing or disclosure requirements of subsections (1) and (2) if 1418 all of the units owned by the bulk assignee or bulk buyer are 1419 offered and conveyed to a single purchaser in a single 1420 transaction. A bulk buyer must comply with the requirements 1421 contained in the declaration regarding any transfer of a unit, 1422 including sales, leases, and subleases. A bulk buyer is not 1423 entitled to any exemptions afforded a developer or successor 1424 developer under this chapter regarding the transfer of a unit, including sales, leases, or subleases. 1425 1426 Section 13. Section 718.707, Florida Statutes, is amended 1427 to read:

1428 718.707 Time limitation for classification as bulk Page 51 of 75

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1429 assignee or bulk buyer.-A person acquiring condominium parcels 1430 may not be classified as a bulk assignee or bulk buyer unless the condominium parcels were acquired on or after July 1, 2010, 1431 1432 but before July 1, 2012. The date of such acquisition shall be 1433 determined by the date of recording of a deed or other 1434 instrument of conveyance for such parcels in the public records 1435 of the county in which the condominium is located, or by the 1436 date of issuing issuance of a certificate of title in a foreclosure proceeding with respect to such condominium parcels. 1437 1438 Section 14. Subsections (3), (4), and (10) of section

1439 719.108, Florida Statutes, are amended to read:

1440 719.108 Rents and assessments; liability; lien and 1441 priority; interest; collection; cooperative ownership.-

1442 (3) Rents and assessments, and installments on them, not 1443 paid when due bear interest at the rate provided in the 1444 cooperative documents from the date due until paid. This rate 1445 may not exceed the rate allowed by law, and, if a rate is not 1446 provided in the cooperative documents, interest accrues at 18 1447 percent per annum. If the cooperative documents or bylaws so provide, the association may charge an administrative late fee 1448 1449 in addition to such interest, in an amount not to exceed the 1450 greater of \$25 or 5 percent of each installment of the 1451 assessment for each delinquent installment that the payment is 1452 late. Any payment received by an association must be applied 1453 first to any interest accrued by the association, then to any 1454 administrative late fee, then to any costs and reasonable 1455 attorney's fees incurred in collection, and then to the 1456 delinquent assessment. The foregoing applies notwithstanding any

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1457 restrictive endorsement, designation, or instruction placed on 1458 or accompanying a payment. A late fee is not subject to chapter 1459 687 or s. 719.303(4)(3).

1460 The association has a lien on each cooperative parcel (4) 1461 for any unpaid rents and assessments, plus interest, and any 1462 authorized administrative late fees, and any reasonable costs 1463 for collection services for which the association has contracted 1464 against the unit owner of the cooperative parcel. If authorized 1465 by the cooperative documents, the lien also secures reasonable attorney's fees incurred by the association incident to the 1466 1467 collection of the rents and assessments or enforcement of such 1468 lien. The lien is effective from and after recording a claim of 1469 lien in the public records in the county in which the 1470 cooperative parcel is located which states the description of 1471 the cooperative parcel, the name of the unit owner, the amount 1472 due, and the due dates. The lien expires if a claim of lien is 1473 not filed within 1 year after the date the assessment was due, 1474 and the lien does not continue for longer than 1 year after the 1475 claim of lien has been recorded unless, within that time, an 1476 action to enforce the lien is commenced. Except as otherwise 1477 provided in this chapter, a lien may not be filed by the 1478 association against a cooperative parcel until 30 days after the 1479 date on which a notice of intent to file a lien has been 1480 delivered to the owner.

1481 (a) The notice must be sent to the unit owner at the 1482 address of the unit by first-class United States mail and:

14831. If the most recent address of the unit owner on the1484records of the association is the address of the unit, the

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1485 notice must be sent by registered or certified mail, return 1486 receipt requested, to the unit owner at the address of the unit.

1487 2. If the most recent address of the unit owner on the 1488 records of the association is in the United States, but is not 1489 the address of the unit, the notice must be sent by registered 1490 or certified mail, return receipt requested, to the unit owner 1491 at his or her most recent address.

1492 3. If the most recent address of the unit owner on the 1493 records of the association is not in the United States, the 1494 notice must be sent by first-class United States mail to the 1495 unit owner at his or her most recent address.

(b) A notice that is sent pursuant to this subsection isdeemed delivered upon mailing.

1498 (10) (a) If the unit is occupied by a tenant and the unit 1499 owner is delinquent in paying any monetary obligation due to the 1500 association, the association may make a written demand that the 1501 tenant pay to the association the subsequent rental payments 1502 future monetary obligations related to the cooperative share to 1503 the association and continue to the tenant must make such 1504 payments until all monetary obligations of the unit owner 1505 related to the unit have been paid in full to the association 1506 payment. The demand is continuing in nature, and upon demand, 1507 The tenant must pay the monetary obligations to the association until the association releases the tenant or the tenant 1508 1509 discontinues tenancy in the unit.

1510 <u>1. The association must provide the tenant a notice, by</u> 1511 <u>hand delivery or United States mail, in substantially the</u> 1512 following form:

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| 1513 | |
|------|---|
| 1514 | Duranant to continue 710 100(10) Elevido |
| | Pursuant to section 719.108(10), Florida |
| 1515 | Statutes, we demand that you make your rent payments |
| 1516 | directly to the cooperative association and continue |
| 1517 | doing so until the association notifies you otherwise. |
| 1518 | Payment due the cooperative association may be in |
| 1519 | the same form as you paid your landlord and must be |
| 1520 | sent by United States mail or hand delivery to |
| 1521 | (full address), payable to(name) |
| 1522 | Your obligation to pay your rent to the |
| 1523 | association begins immediately, unless you have |
| 1524 | already paid rent to your landlord for the current |
| 1525 | period before receiving this notice. In that case, you |
| 1526 | must provide the association written proof of your |
| 1527 | payment within 14 days after receiving this notice and |
| 1528 | your obligation to pay rent to the association would |
| 1529 | then begin with the next rental period. |
| 1530 | Pursuant to section 719.108(10), Florida |
| 1531 | Statutes, your payment of rent to the association |
| 1532 | gives you complete immunity from any claim for the |
| 1533 | rent by your landlord. |
| 1534 | |
| 1535 | 2. The association must mail written notice to the unit |
| 1536 | owner of the association's demand that the tenant make payments |
| 1537 | to the association. |
| 1538 | 3. The association shall, upon request, provide the tenant |
| 1539 | with written receipts for payments made. |
| 1540 | <u>4.</u> A tenant who acts in good faith in response to a |
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1541 written demand from an association is immune from any claim by 1542 from the landlord or unit owner related to the rent timely paid 1543 to the association after the association has made written 1544 demand.

1545 (b) (a) If the tenant paid prepaid rent to the landlord or 1546 unit owner for a given rental period before receiving the demand 1547 from the association and provides written evidence to the 1548 association of having paid paying the rent to the association 1549 within 14 days after receiving the demand, the tenant shall 1550 begin making rental payments to the association for the 1551 following rental period and shall continue making receive credit 1552 for the prepaid rent for the applicable period and must make any 1553 subsequent rental payments to the association to be credited 1554 against the monetary obligations of the unit owner until the 1555 association releases the tenant or the tenant discontinues 1556 tenancy in the unit to the association.

1557 (c) (b) The tenant is not liable for increases in the 1558 amount of the regular monetary obligations due unless the tenant 1559 was notified in writing of the increase at least 10 days before 1560 the date on which the rent is due. The liability of the tenant 1561 may not exceed the amount due from the tenant to the tenant's 1562 landlord. The tenant's landlord shall provide the tenant a 1563 credit against rents due to the landlord unit owner in the 1564 amount of moneys paid to the association under this section.

1565 <u>(d) (c)</u> The association may issue <u>notice</u> notices under s. 1566 83.56 and may sue for eviction under ss. 83.59-83.625 as if the 1567 association were a landlord under part II of chapter 83 if the 1568 tenant fails to pay a required payment <u>to the association after</u>

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1569 <u>written demand has been made to the tenant</u>. However, the 1570 association is not otherwise considered a landlord under chapter 1571 83 and specifically has no <u>obligations</u> duties under s. 83.51.

1572 <u>(e) (d)</u> The tenant does not, by virtue of payment of 1573 monetary obligations <u>to the association</u>, have any of the rights 1574 of a unit owner to vote in any election or to examine the books 1575 and records of the association.

1576 <u>(f) (e)</u> A court may supersede the effect of this subsection 1577 by appointing a receiver.

1578 Section 15. Subsection (3) of section 719.303, Florida 1579 Statutes, is amended, and subsections (4), (5), and (6) are 1580 added to that section, to read:

1581

719.303 Obligations of owners.-

1582 If the cooperative documents so provide, The (3) 1583 association may levy reasonable fines against a unit owner for 1584 failure of the unit owner or the unit's occupant, his or her 1585 licensee, or invitee or the unit's occupant to comply with any 1586 provision of the cooperative documents or reasonable rules of 1587 the association. A fine may not No fine shall become a lien 1588 against a unit. No fine shall exceed \$100 per violation. 1589 However, A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for 1590 1591 hearing. However, the fine may not exceed \$100 per violation, or \$1,000 provided that no such fine shall in the aggregate exceed 1592 1593 \$1,000.

(a) An association may suspend, for a reasonable period of
 time, the right of a unit owner, or a unit owner's tenant,
 guest, or invitee, to use the common elements, common

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1597 <u>facilities</u>, or any other association property for failure to 1598 <u>comply with any provision of the cooperative documents or</u> 1599 <u>reasonable rules of the association</u>.

(b) A No fine or suspension may not be imposed levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, the unit's his or her licensee or invitee. The hearing must shall be held before a committee of other unit owners. If the committee does not agree with the fine or suspension, it may shall not be imposed levied. This subsection does not apply to unoccupied units.

1607 (4) If a unit owner is more than 90 days delinquent in 1608 paying a monetary obligation due to the association, the association may suspend the right of the unit owner or the 1609 1610 unit's occupant, licensee, or invitee to use common elements, 1611 common facilities, or any other association property until the 1612 monetary obligation is paid in full. This subsection does not apply to limited common elements intended to be used only by 1613 1614 that unit, common elements needed to access the unit, utility 1615 services provided to the unit, parking spaces, or elevators. The 1616 notice and hearing requirements under subsection (3) do not 1617 apply to suspensions imposed under this subsection.

1618 (5) An association may suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to the association which is more than 90 days delinquent. A voting interest or consent right allocated to a unit or member which has been suspended by the association may not be counted towards the total number of voting interests for any purpose, including, but not limited to, the number of voting interests necessary to

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1625 constitute a quorum, the number of voting interests required to 1626 conduct an election, or the number of voting interests required 1627 to approve an action under this chapter or pursuant to the 1628 cooperative documents, articles of incorporation, or bylaws. The 1629 suspension ends upon full payment of all obligations currently 1630 due or overdue the association. The notice and hearing 1631 requirements under subsection (3) do not apply to a suspension imposed under this subsection. 1632 (6) All suspensions imposed pursuant to subsection (4) or 1633 1634 subsection (5) must be approved at a properly noticed board 1635 meeting. Upon approval, the association must notify the unit 1636 owner and, if applicable, the unit's occupant, licensee, or invitee by mail or hand delivery. 1637 1638 Section 16. Subsection (4) of section 720.301, Florida 1639 Statutes, is amended to read: 1640 720.301 Definitions.-As used in this chapter, the term: "Declaration of covenants," or "declaration," means a 1641 (4) 1642 recorded written instrument or instruments in the nature of 1643 covenants running with the land which subject subjects the land comprising the community to the jurisdiction and control of an 1644 1645 association or associations in which the owners of the parcels, 1646 or their association representatives, must be members. 1647 Section 17. Paragraph (b) of subsection (2) and paragraph (c) of subsection (5) of section 720.303, Florida Statutes, are 1648 1649 amended to read: 1650 720.303 Association powers and duties; meetings of board; 1651 official records; budgets; financial reporting; association

1652 funds; recalls.-

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1653

(2) BOARD MEETINGS.-

1654 (b) Members have the right to attend all meetings of the 1655 board and to speak on any matter placed on the agenda by 1656 petition of the voting interests for at least 3 minutes. The 1657 right to attend such meetings includes the right to speak at 1658 such meetings with reference to all designated items. The 1659 association may adopt written reasonable rules expanding the 1660 right of members to speak and governing the frequency, duration, 1661 and other manner of member statements, which rules must be 1662 consistent with this paragraph and may include a sign-up sheet 1663 for members wishing to speak. Notwithstanding any other law, 1664 meetings between the board or a committee and the association's 1665 attorney to discuss proposed or pending litigation or meetings 1666 of the board held for the purpose of discussing personnel 1667 matters are not required to be open to the members other than 1668 directors.

1669 INSPECTION AND COPYING OF RECORDS. - The official (5)1670 records shall be maintained within the state and must be open to 1671 inspection and available for photocopying by members or their 1672 authorized agents at reasonable times and places within 10 1673 business days after receipt of a written request for access. 1674 This subsection may be complied with by having a copy of the 1675 official records available for inspection or copying in the community. If the association has a photocopy machine available 1676 where the records are maintained, it must provide parcel owners 1677 1678 with copies on request during the inspection if the entire 1679 request is limited to no more than 25 pages.

1680

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The association may adopt reasonable written rules

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1681 governing the frequency, time, location, notice, records to be 1682 inspected, and manner of inspections, but may not require a 1683 parcel owner to demonstrate any proper purpose for the 1684 inspection, state any reason for the inspection, or limit a 1685 parcel owner's right to inspect records to less than one 8-hour 1686 business day per month. The association may impose fees to cover 1687 the costs of providing copies of the official records, 1688 including, without limitation, the costs of copying. The 1689 association may charge up to 50 cents per page for copies made 1690 on the association's photocopier. If the association does not 1691 have a photocopy machine available where the records are kept, 1692 or if the records requested to be copied exceed 25 pages in 1693 length, the association may have copies made by an outside 1694 vendor or association management company personnel and may 1695 charge the actual cost of copying, including any reasonable 1696 costs involving personnel fees and charges at an hourly rate for 1697 vendor or employee time to cover administrative costs to the 1698 vendor or association. The association shall maintain an 1699 adequate number of copies of the recorded governing documents, 1700 to ensure their availability to members and prospective members. 1701 Notwithstanding this paragraph, the following records are not 1702 accessible to members or parcel owners:

1703 1. Any record protected by the lawyer-client privilege as 1704 described in s. 90.502 and any record protected by the work-1705 product privilege, including, but not limited to, <u>a</u> any record 1706 prepared by an association attorney or prepared at the 1707 attorney's express direction which reflects a mental impression, 1708 conclusion, litigation strategy, or legal theory of the attorney

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or the association and which was prepared exclusively for civil or criminal litigation or for adversarial administrative proceedings or which was prepared in anticipation of <u>such</u> imminent civil or criminal litigation or imminent adversarial administrative proceedings until the conclusion of the litigation or <u>administrative</u> proceedings.

1715 2. Information obtained by an association in connection 1716 with the approval of the lease, sale, or other transfer of a 1717 parcel.

3. Personnel records of the association's employees, including, but not limited to, disciplinary, payroll, health, and insurance records. For purposes of this subparagraph, the term "personnel records" does not include written employment agreements with an association employee or budgetary or financial records that indicate the compensation paid to an association employee.

1725 4. Medical records of parcel owners or community1726 residents.

1727 5. Social security numbers, driver's license numbers, credit card numbers, electronic mailing addresses, telephone 1728 1729 numbers, facsimile numbers, emergency contact information, any 1730 addresses for a parcel owner other than as provided for 1731 association notice requirements, and other personal identifying 1732 information of any person, excluding the person's name, parcel 1733 designation, mailing address, and property address. However, an 1734 owner may consent in writing to the disclosure of protected 1735 information described in this subparagraph. The association is 1736 not liable for the disclosure of information that is protected

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1737 under this subparagraph if the information is included in an 1738 official record of the association and is voluntarily provided 1739 by an owner and not requested by the association. 1740 Any electronic security measure that is used by the 6. 1741 association to safeguard data, including passwords. 1742 The software and operating system used by the 7. 1743 association which allows the manipulation of data, even if the 1744 owner owns a copy of the same software used by the association. 1745 The data is part of the official records of the association. 1746 Section 18. Section 720.305, Florida Statutes, is amended 1747 to read: 1748 720.305 Obligations of members; remedies at law or in 1749 equity; levy of fines and suspension of use rights.-1750 (1) Each member and the member's tenants, guests, and 1751 invitees, and each association, are governed by, and must comply 1752 with, this chapter, the governing documents of the community, 1753 and the rules of the association. Actions at law or in equity, 1754 or both, to redress alleged failure or refusal to comply with 1755 these provisions may be brought by the association or by any 1756 member against: 1757 The association; (a) 1758 (b) A member; 1759 Any director or officer of an association who (C) 1760 willfully and knowingly fails to comply with these provisions; 1761 and 1762 (d) Any tenants, guests, or invitees occupying a parcel or 1763 using the common areas. 1764

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1765 The prevailing party in any such litigation is entitled to 1766 recover reasonable attorney's fees and costs. A member 1767 prevailing in an action between the association and the member 1768 under this section, in addition to recovering his or her 1769 reasonable attorney's fees, may recover additional amounts as 1770 determined by the court to be necessary to reimburse the member 1771 for his or her share of assessments levied by the association to 1772 fund its expenses of the litigation. This relief does not 1773 exclude other remedies provided by law. This section does not 1774 deprive any person of any other available right or remedy.

1775 (2)The association If a member is delinquent for more 1776 than 90 days in paying a monetary obligation due the 1777 association, an association may suspend, until such monetary 1778 obligation is paid, the rights of a member or a member's 1779 tenants, quests, or invitees, or both, to use common areas and 1780 facilities and may levy reasonable fines of up to \$100 per 1781 violation, against any member or any member's tenant, guest, or 1782 invitee for the failure of the owner of the parcel or its 1783 occupant, licensee, or invitee to comply with any provision of 1784 the declaration, the association bylaws, or reasonable rules of 1785 the association. A fine may be levied for each day of a 1786 continuing violation, with a single notice and opportunity for 1787 hearing, except that the a fine may not exceed \$1,000 in the 1788 aggregate unless otherwise provided in the governing documents. A fine of less than \$1,000 may not become a lien against a 1789 parcel. In any action to recover a fine, the prevailing party is 1790 1791 entitled to collect its reasonable attorney's fees and costs 1792 from the nonprevailing party as determined by the court.

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| 1793 | (a) An association may suspend, for a reasonable period of |
|------|---|
| 1794 | time, the right of a member, or a member's tenant, guest, or |
| 1795 | invitee, to use common areas and facilities for the failure of |
| 1796 | the owner of the parcel or its occupant, licensee, or invitee to |
| 1797 | comply with any provision of the declaration, the association |
| 1798 | bylaws, or reasonable rules of the association. The provisions |
| 1799 | regarding the suspension-of-use rights do not apply to the |
| 1800 | portion of common areas that must be used to provide access to |
| 1801 | the parcel or utility services provided to the parcel. |
| 1802 | <u>(b) (a)</u> A fine or suspension may not be imposed without at |
| 1803 | least 14 days' notice to the person sought to be fined or |
| 1804 | suspended and an opportunity for a hearing before a committee of |
| 1805 | at least three members appointed by the board who are not |
| 1806 | officers, directors, or employees of the association, or the |
| 1807 | spouse, parent, child, brother, or sister of an officer, |
| 1808 | director, or employee. If the committee, by majority vote, does |
| 1809 | not approve a proposed fine or suspension, it may not be |
| 1810 | imposed. If the association imposes a fine or suspension, the |
| 1811 | association must provide written notice of such fine or |
| 1812 | suspension by mail or hand delivery to the parcel owner and, if |
| 1813 | applicable, to any tenant, licensee, or invitee of the parcel |
| 1814 | owner. |
| 1815 | (3) If a member is more than 90 days delinquent in paying |
| 1816 | a monetary obligation due to the association, the association |
| 1817 | may suspend the rights of the member, or the member's tenant, |
| 1818 | guest, or invitee, to use common areas and facilities until the |
| 1819 | monetary obligation is paid in full. This subsection does not |
| 1820 | apply to that portion of common areas used to provide access or |
| • | |

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1821 utility services to the parcel.

1822 (b) Suspension <u>does</u> of common-area-use rights do not 1823 impair the right of an owner or tenant of a parcel to have 1824 vehicular and pedestrian ingress to and egress from the parcel, 1825 including, but not limited to, the right to park. <u>The notice and 1826 hearing requirements under subsection (2) do not apply to a</u> 1827 suspension imposed under this subsection.

1828 (4) (3) If the governing documents so provide, An 1829 association may suspend the voting rights of a parcel or member for the nonpayment of any monetary obligation due to the 1830 1831 association that is more than regular annual assessments that 1832 are delinquent in excess of 90 days delinquent. A voting 1833 interest or consent right allocated to a parcel or member which 1834 has been suspended by the association may not be counted towards 1835 the total number of voting interests for any purpose, including, 1836 but not limited to, the number of voting interests necessary to 1837 constitute a quorum, the number of voting interests required to 1838 conduct an election, or the number of voting interests required 1839 to approve an action under this chapter or pursuant to the 1840 governing documents. The notice and hearing requirements under 1841 subsection (2) do not apply to a suspension imposed under this subsection. The suspension ends upon full payment of all 1842 1843 obligations currently due or overdue to the association. 1844 (5) All suspensions imposed pursuant to subsection (3) or 1845 subsection (4) must be approved at a properly noticed board meeting. Upon approval, the association must notify the parcel 1846

1847 owner and, if applicable, the parcel's occupant, licensee, or

1848 invitee by mail or hand delivery.

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1849 Section 19. Subsection (9) of section 720.306, Florida
1850 Statutes, is amended to read:

1851 720.306 Meetings of members; voting and election 1852 procedures; amendments.-

1853 ELECTIONS AND BOARD VACANCIES. - Elections of (9)(a) 1854 directors must be conducted in accordance with the procedures set forth in the governing documents of the association. All 1855 1856 members of the association are eligible to serve on the board of 1857 directors, and a member may nominate himself or herself as a 1858 candidate for the board at a meeting where the election is to be 1859 held or, if the election process allows voting by absentee 1860 ballot, in advance of the balloting. Except as otherwise provided in the governing documents, boards of directors must be 1861 1862 elected by a plurality of the votes cast by eligible voters.

(b) A person who is delinquent in the payment of any fee, 1863 1864 fine, or other monetary obligation to the association for more 1865 than 90 days is not eliqible for board membership. A person who 1866 has been convicted of any felony in this state or in a United 1867 States District or Territorial Court, or has been convicted of 1868 any offense in another jurisdiction which would be considered a 1869 felony if committed in this state, is not eligible for board 1870 membership unless such felon's civil rights have been restored 1871 for at least 5 years as of the date on which such person seeks election to the board. The validity of any action by the board 1872 1873 is not affected if it is later determined that a member of the 1874 board is ineligible for board membership.

1875 (c) Any election dispute between a member and an 1876 association must be submitted to mandatory binding arbitration

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1877 with the division. Such proceedings must be conducted in the 1878 manner provided by s. 718.1255 and the procedural rules adopted 1879 by the division. Unless otherwise provided in the bylaws, any 1880 vacancy occurring on the board before the expiration of a term 1881 may be filled by an affirmative vote of the majority of the 1882 remaining directors, even if the remaining directors constitute 1883 less than a quorum, or by the sole remaining director. In the 1884 alternative, a board may hold an election to fill the vacancy, in which case the election procedures must conform to the 1885 1886 requirements of the governing documents. Unless otherwise 1887 provided in the bylaws, a board member appointed or elected 1888 under this section is appointed for the unexpired term of the 1889 seat being filled. Filling vacancies created by recall is 1890 governed by s. 720.303(10) and rules adopted by the division.

1891 Section 20. Paragraph (d) is added to subsection (2) of 1892 section 720.3085, Florida Statutes, and paragraph (a) of 1893 subsection (1) and subsections (3) and (8) of that section are 1894 amended, to read:

1895

720.3085 Payment for assessments; lien claims.-

1896 When authorized by the governing documents, the (1)1897 association has a lien on each parcel to secure the payment of 1898 assessments and other amounts provided for by this section. 1899 Except as otherwise set forth in this section, the lien is 1900 effective from and shall relate back to the date on which the 1901 original declaration of the community was recorded. However, as 1902 to first mortgages of record, the lien is effective from and 1903 after recording of a claim of lien in the public records of the 1904 county in which the parcel is located. This subsection does not

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1905 bestow upon any lien, mortgage, or certified judgment of record 1906 on July 1, 2008, including the lien for unpaid assessments 1907 created in this section, a priority that, by law, the lien, 1908 mortgage, or judgment did not have before July 1, 2008.

1909 To be valid, a claim of lien must state the (a) 1910 description of the parcel, the name of the record owner, the name and address of the association, the assessment amount due, 1911 1912 and the due date. The claim of lien secures shall secure all unpaid assessments that are due and that may accrue subsequent 1913 1914 to the recording of the claim of lien and before entry of a 1915 certificate of title, as well as interest, late charges, and 1916 reasonable costs and attorney's fees incurred by the association 1917 incident to the collection process. The person making the 1918 payment is entitled to a satisfaction of the lien upon payment in full. 1919

1920

(2)

1921 (d) An association, or its successor or assignee, that 1922 acquires title to a parcel through the foreclosure of its lien 1923 for assessments is not liable for any unpaid assessments, late 1924 fees, interest, or reasonable attorney's fees and costs that 1925 came due before the association's acquisition of title in favor 1926 of any other association, as defined in s. 718.103(2) or s. 1927 720.301(9), which holds a superior lien interest on the parcel. 1928 This paragraph is intended to clarify existing law.

(3) Assessments and installments on assessments that are not paid when due bear interest from the due date until paid at the rate provided in the declaration of covenants or the bylaws of the association, which rate may not exceed the rate allowed

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1933 by law. If no rate is provided in the declaration or bylaws, 1934 interest accrues at the rate of 18 percent per year.

(a) If the declaration or bylaws so provide, the
association may also charge an administrative late fee in an
amount not to exceed the greater of \$25 or 5 percent of the
amount of each installment that is paid past the due date.

1939 Any payment received by an association and accepted (b) 1940 shall be applied first to any interest accrued, then to any 1941 administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the 1942 1943 delinquent assessment. This paragraph applies notwithstanding 1944 any restrictive endorsement, designation, or instruction placed 1945 on or accompanying a payment. A late fee is not subject to the 1946 provisions of chapter 687 and is not a fine.

1947 If the parcel is occupied by a tenant and the (8)(a) 1948 parcel owner is delinquent in paying any monetary obligation due 1949 to the association, the association may demand that the tenant 1950 pay to the association the subsequent rental payments and 1951 continue to make such payments until all the monetary 1952 obligations of the parcel owner related to the parcel have been 1953 paid in full to the association and the future monetary 1954 obligations related to the parcel. The demand is continuing in 1955 nature, and upon demand, the tenant must continue to pay the 1956 monetary obligations until the association releases the tenant 1957 or until the tenant discontinues tenancy in the parcel. 1958 1. The association must provide the tenant a notice, by hand delivery or United States mail, in substantially the 1959

1960 <u>following form:</u>

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| 1961 | |
|------|--|
| 1962 | Pursuant to section 720.3085(8), Florida |
| 1963 | Statutes, we demand that you make your rent payments |
| 1964 | directly to the homeowners' association and continue |
| 1965 | doing so until the association notifies you otherwise. |
| 1966 | Payment due the homeowners' association may be in |
| 1967 | the same form as you paid your landlord and must be |
| 1968 | sent by United States mail or hand delivery to |
| 1969 | (full address), payable to(name) |
| 1970 | Your obligation to pay your rent to the |
| 1971 | association begins immediately, unless you have |
| 1972 | already paid rent to your landlord for the current |
| 1973 | period before receiving this notice. In that case, you |
| 1974 | must provide the association written proof of your |
| 1975 | payment within 14 days after receiving this notice and |
| 1976 | your obligation to pay rent to the association would |
| 1977 | then begin with the next rental period. |
| 1978 | Pursuant to section 720.3085(8), Florida |
| 1979 | Statutes, your payment of rent to the association |
| 1980 | gives you complete immunity from any claim for the |
| 1981 | rent by your landlord. |
| 1982 | |
| 1983 | 2. A tenant who acts in good faith in response to a |
| 1984 | written demand from an association is immune from any claim by |
| 1985 | from the parcel owner related to the rent timely paid to the |
| 1986 | association after the association has made written demand. |
| 1987 | <u>(b)</u> (a) If the tenant <u>paid</u> prepaid rent to the <u>landlord or</u> |
| 1988 | parcel owner for a given rental period before receiving the |
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1989 demand from the association and provides written evidence to the 1990 association of having paid paying the rent to the association 1991 within 14 days after receiving the demand, the tenant shall 1992 begin making rental payments to the association for the 1993 following rental period and shall continue making receive credit 1994 for the prepaid rent for the applicable period and must make any 1995 subsequent rental payments to the association to be credited 1996 against the monetary obligations of the parcel owner until the 1997 association releases the tenant or the tenant discontinues 1998 tenancy in the unit to the association. The association shall, 1999 upon request, provide the tenant with written receipts for 2000 payments made. The association shall mail written notice to the 2001 parcel owner of the association's demand that the tenant pay 2002 monetary obligations to the association.

2003 (c) (b) The liability of the tenant may not exceed the 2004 amount due from the tenant to the tenant's landlord. The tenant 2005 is not liable for increases in the amount of the monetary 2006 obligations due unless the tenant was notified in writing of the 2007 increase at least 10 days before the date on which the rent is 2008 due. The tenant shall be given a credit against rents due to the 2009 landlord parcel owner in the amount of assessments paid to the 2010 association.

2011 <u>(d) (c)</u> The association may issue <u>notice</u> notices under s. 2012 83.56 and may sue for eviction under ss. 83.59-83.625 as if the 2013 association were a landlord under part II of chapter 83 if the 2014 tenant fails to pay a monetary obligation. However, the 2015 association is not otherwise considered a landlord under chapter 2016 83 and specifically has no obligations duties under s. 83.51.

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2017 <u>(e) (d)</u> The tenant does not, by virtue of payment of 2018 monetary obligations, have any of the rights of a parcel owner 2019 to vote in any election or to examine the books and records of 2020 the association.

2021 (f) (e) A court may supersede the effect of this subsection 2022 by appointing a receiver.

2023 Section 21. Section 720.309, Florida Statutes, is amended 2024 to read:

2025

720.309 Agreements entered into by the association.-

2026 (1) Any grant or reservation made by any document, and any 2027 contract that has with a term greater than in excess of 10 2028 years, that is made by an association before control of the 2029 association is turned over to the members other than the 2030 developer, and that provides which provide for the operation, 2031 maintenance, or management of the association or common areas, 2032 must be fair and reasonable.

2033 (2) If the governing documents provide for the cost of 2034 communications services as defined in s. 202.11, information 2035 services or Internet services obtained pursuant to a bulk 2036 contract shall be deemed an operating expense of the 2037 association. If the governing documents do not provide for such 2038 services, the board may contract for the services, and the cost 2039 shall be deemed an operating expense of the association but must 2040 be allocated on a per-parcel basis rather than a percentage 2041 basis, notwithstanding that the governing documents provide for 2042 other than an equal sharing of operating expenses. Any contract 2043 entered into before July 1, 2011, in which the cost of the 2044 service is not equally divided among all parcel owners may be

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2045 changed by a majority of the voting interests present at a 2046 regular or special meeting of the association in order to 2047 allocate the cost equally among all parcels. 2048 Any contract entered into by the board may be canceled (a) 2049 by a majority of the voting interests present at the next 2050 regular or special meeting of the association, whichever occurs 2051 first. Any member may make a motion to cancel such contract, but 2052 if no motion is made or if such motion fails to obtain the 2053 required vote, the contract shall be deemed ratified for the 2054 term expressed therein. 2055 (b) Any contract entered into by the board must provide, 2056 and shall be deemed to provide if not expressly set forth 2057 therein, that a hearing-impaired or legally blind parcel owner 2058 who does not occupy the parcel with a non-hearing-impaired or 2059 sighted person, or a parcel owner who receives supplemental 2060 security income under Title XVI of the Social Security Act or 2061 food assistance as administered by the Department of Children 2062 and Family Services pursuant to s. 414.31, may discontinue the 2063 service without incurring disconnect fees, penalties, or 2064 subsequent service charges, and may not be required to pay any 2065 operating expenses charge related to such service for those 2066 parcels. If fewer than all parcel owners share the expenses of 2067 the communications services, information services, or Internet 2068 services, the expense must be shared by all participating parcel 2069 owners. The association may use the provisions of s. 720.3085 to 2070 enforce payment by the parcel owners receiving such services. A resident of any parcel, whether a tenant or parcel 2071 (C) 2072 owner, may not be denied access to available franchised,

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| 2073 | licensed, or certificated cable or video service providers if |
|------|--|
| 2074 | the resident pays the provider directly for services. A resident |
| 2075 | or a cable or video service provider may not be required to pay |
| 2076 | anything of value in order to obtain or provide such service |
| 2077 | except for the charges normally paid for like services by |
| 2078 | residents of single-family homes located outside the community |
| 2079 | but within the same franchised, licensed, or certificated area, |
| 2080 | and except for installation charges agreed to between the |
| 2081 | resident and the service provider. |
| 2082 | Section 22. This act shall take effect July 1, 2011. |

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