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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/20/2015	.	
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The Committee on Regulated Industries (Richter) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (9) of section 201.02, Florida
Statutes, is amended to read:

201.02 Tax on deeds and other instruments relating to real
property or interests in real property.—

(9) (a) A certificate of title issued by the clerk of court
under s. 45.031(5) in a judicial sale of real property under an



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11 order or final judgment issued pursuant to a foreclosure
12 proceeding is subject to the tax imposed by subsection (1).
13 However, the amount of the tax shall be computed based solely on
14 the amount of the highest and best bid received for the property
15 at the foreclosure sale. This paragraph ~~subsection~~ is intended
16 to clarify existing law and shall be applied retroactively.

17 (b) A deed, transfer, or conveyance from an owner of
18 property, subject to assessments authorized by chapter 718,
19 chapter 719, chapter 720, or chapter 721, to an association
20 having lien rights against the property in lieu of the
21 foreclosure of an assessment lien held by the association
22 against such property is subject to the tax imposed by
23 subsection (1). However, the amount of the tax shall be computed
24 based solely on the amount of the unpaid assessments that are
25 due and owing to the association on the date of said deed,
26 transfer, or conveyance.

27 Section 2. Subsection (2) of section 617.0721, Florida
28 Statutes, is amended to read:

29 617.0721 Voting by members.—

30 (2) A member who is entitled to vote may vote in person or,
31 unless the articles of incorporation or the bylaws otherwise
32 provide, may vote by proxy executed in writing by the member or
33 by his or her duly authorized attorney in fact. Notwithstanding
34 any provision to the contrary in the articles of incorporation
35 or bylaws, any copy, facsimile transmission, or other reliable
36 reproduction of the original proxy may be substituted or used in
37 lieu of the original proxy for any purpose for which the
38 original proxy could be used if the copy, facsimile
39 transmission, or other reproduction is a complete reproduction



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40 of the entire proxy. An appointment of a proxy is not valid
41 after 11 months following the date of its execution unless
42 otherwise provided in the proxy.

43 (a) If directors or officers are to be elected by members,
44 the bylaws may provide that such elections may be conducted by
45 mail.

46 (b) A corporation may reject a vote, consent, waiver, or
47 proxy appointment if the secretary or other officer or agent
48 authorized to tabulate votes, acting in good faith, has a
49 reasonable basis for doubting the validity of the signature on
50 it or the signatory's authority to sign for the member.

51 Section 3. Present subsections (12) through (30) of section
52 718.103, Florida Statutes, are redesignated as subsections (13)
53 through (31), respectively, a new subsection (12) is added to
54 that section, and present subsection (16) of that section is
55 amended, to read:

56 718.103 Definitions.—As used in this chapter, the term:

57 (12) "Condominium documents" means:

58 (a) The recorded declaration of condominium for a community
59 and all duly adopted and recorded amendments, supplements, and
60 exhibits of the declaration;

61 (b) The recorded articles of incorporation and bylaws of
62 the condominium association and any duly adopted and recorded
63 amendments of the declaration; and

64 (c) Rules and regulations adopted under the authority of
65 the recorded declaration of condominium, articles of
66 incorporation or bylaws, and duly adopted amendments of the
67 declaration.

68 (17)-(16) "Developer" means a person who creates a



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69 condominium or offers condominium parcels for sale or lease in
70 the ordinary course of business, but does not include:

71 (a) An owner or lessee of a condominium or cooperative unit
72 who has acquired the unit for his or her own occupancy;

73 (b) A cooperative association that creates a condominium by
74 conversion of an existing residential cooperative after control
75 of the association has been transferred to the unit owners if,
76 following the conversion, the unit owners are the same persons
77 who were unit owners of the cooperative and no units are offered
78 for sale or lease to the public as part of the plan of
79 conversion;

80 (c) A bulk-unit purchaser, lender-unit purchaser, bulk
81 assignee, or bulk buyer as defined in s. 718.802 718.703;

82 (d) A person who acquires title to 7 or fewer units
83 operated by the same association consisting of 40 or fewer units
84 or who acquires title to less than 20 percent of the units
85 operated by the same association consisting of more than 40
86 units, regardless of whether that person offers any of those
87 units for sale;

88 (e) The trustee and any related trust association of a
89 timeshare trust, interests in which are qualified as timeshare
90 estates pursuant to s. 721.08 or s. 721.53; or

91 (f) ~~(d)~~ A state, county, or municipal entity acting as a
92 lessor and not otherwise named as a developer in the declaration
93 of condominium.

94 Section 4. Subsection (4), paragraph (j) of subsection (11)
95 and paragraph (a) of subsection (12) of section 718.111, Florida
96 Statutes, are amended to read:

97 718.111 The association.—



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98 (4) ASSESSMENTS; MANAGEMENT OF COMMON ELEMENTS.—The
99 association has the power to make and collect assessments and to
100 lease, maintain, repair, and replace the common elements or the
101 association property; however, the association may not charge a
102 use fee against a unit owner for the use of common elements or
103 association property unless otherwise provided for in the
104 declaration of condominium or by a majority of the voting
105 interests present, in person or by proxy, at a meeting of the
106 association if a quorum has been established ~~vote of the~~
107 ~~association~~ or unless the charges relate to expenses incurred by
108 an owner having exclusive use of the common elements or
109 association property.

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

118 (j) Any portion of the condominium property that must be
119 insured by the association against property loss pursuant to
120 paragraph (f) which is damaged by an insurable event shall be
121 reconstructed, repaired, or replaced as necessary by the
122 association as a common expense. In the absence of an insurable
123 event, the association or the unit owners shall be responsible
124 for the reconstruction, repair, or replacement, as determined by
125 the maintenance provisions of the declaration or bylaws. All
126 property insurance deductibles, ~~uninsured losses,~~ and other



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127 damages in excess of property insurance coverage under the
128 property insurance policies maintained by the association are a
129 common expense of the condominium, except that:

130 1. A unit owner is responsible for the costs of repair or
131 replacement of any portion of the condominium property not paid
132 by insurance proceeds if such damage is caused by intentional
133 conduct, negligence, or failure to comply with the terms of the
134 declaration or the rules of the association by a unit owner, the
135 members of his or her family, unit occupants, tenants, guests,
136 or invitees, without compromise of the subrogation rights of the
137 insurer.

138 2. The provisions of subparagraph 1. regarding the
139 financial responsibility of a unit owner for the costs of
140 repairing or replacing other portions of the condominium
141 property also apply to the costs of repair or replacement of
142 personal property of other unit owners or the association, as
143 well as other property, whether real or personal, which the unit
144 owners are required to insure.

145 3. To the extent the cost of repair or reconstruction for
146 which the unit owner is responsible under this paragraph is
147 reimbursed to the association by insurance proceeds, and the
148 association has collected the cost of such repair or
149 reconstruction from the unit owner, the association shall
150 reimburse the unit owner without the waiver of any rights of
151 subrogation.

152 4. The association is not obligated to pay for
153 reconstruction or repairs of property losses as a common expense
154 if the property losses were known or should have been known to a
155 unit owner and were not reported to the association until after



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156 the insurance claim of the association for that property was
157 settled or resolved with finality, or denied because it was
158 untimely filed.

159 (12) OFFICIAL RECORDS.—

160 (a) From the inception of the association, the association
161 shall maintain each of the following items, if applicable, which
162 constitutes the official records of the association:

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

165 2. A photocopy of the recorded declaration of condominium
166 of each condominium operated by the association and each
167 amendment to each declaration.

168 3. A photocopy of the recorded bylaws of the association
169 and each amendment to the bylaws.

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

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

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

177 7. A current roster of all unit owners and their mailing
178 addresses, unit identifications, voting certifications, and, if
179 known, telephone numbers. The association shall also maintain
180 the electronic mailing addresses and facsimile numbers of unit
181 owners consenting to receive notice by electronic transmission.
182 The electronic mailing addresses and facsimile numbers are not
183 accessible to unit owners if consent to receive notice by
184 electronic transmission is not provided in accordance with



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185 subparagraph (c)5. However, the association is not liable for an
186 inadvertent disclosure of the electronic mail address or
187 facsimile number for receiving electronic transmission of
188 notices.

189 8. All current insurance policies of the association and
190 condominiums operated by the association.

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

195 10. Bills of sale or transfer for all property owned by the
196 association.

197 11. Accounting records for the association and separate
198 accounting records for each condominium that the association
199 operates. All accounting records must be maintained for at least
200 7 years. Any person who knowingly or intentionally defaces or
201 destroys such records, or who knowingly or intentionally fails
202 to create or maintain such records, with the intent of causing
203 harm to the association or one or more of its members, is
204 personally subject to a civil penalty pursuant to s.
205 718.501(1)(d). The accounting records must include, but are not
206 limited to:

207 a. Accurate, itemized, and detailed records of all receipts
208 and expenditures.

209 b. A current account and a monthly, bimonthly, or quarterly
210 statement of the account for each unit designating the name of
211 the unit owner, the due date and amount of each assessment, the
212 amount paid on the account, and the balance due.

213 c. All audits, reviews, accounting statements, and



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214 financial reports of the association or condominium.

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

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

223 13. All rental records if the association is acting as
224 agent for the rental of condominium units.

225 14. A copy of the current question and answer sheet as
226 described in s. 718.504.

227 15. All other written records of the association not
228 specifically included in the foregoing which are related to the
229 operation of the association.

230 16. A copy of the inspection report as described in s.
231 718.301(4) (p).

232 Section 5. Paragraphs (c), (d), and (f) of subsection (2)
233 of section 718.112, Florida Statutes, are amended to read:

234 718.112 Bylaws.—

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

238 (c) *Board of administration meetings.*—Meetings of the board
239 of administration at which a quorum of the members is present
240 are open to all unit owners. Members of the board of
241 administration may use e-mail as a means of communication but
242 may not cast a vote on an association matter via e-mail. A unit



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243 owner may tape record or videotape the meetings; however, a unit
244 owner may not post the recordings on any website or other media
245 that can readily be viewed by persons who are not members of the
246 association. The right to attend such meetings includes the
247 right to speak at such meetings with reference to all designated
248 agenda items. The division shall adopt reasonable rules
249 governing the tape recording and videotaping of the meeting. The
250 association may adopt written reasonable rules governing the
251 frequency, duration, and manner of unit owner statements.

252 1. Adequate notice of all board meetings, which must
253 specifically identify all agenda items, must be posted
254 conspicuously on the condominium property or association
255 property at least 48 continuous hours before the meeting except
256 in an emergency. If 20 percent of the voting interests petition
257 the board to address an item of business, the board, within 60
258 days after receipt of the petition, shall place the item on the
259 agenda at its next regular board meeting or at a special meeting
260 called for that purpose. An item not included on the notice may
261 be taken up on an emergency basis by a vote of at least a
262 majority plus one of the board members. Such emergency action
263 must be noticed and ratified at the next regular board meeting.
264 However, written notice of a meeting at which a nonemergency
265 special assessment or an amendment to rules regarding unit use
266 will be considered must be mailed, delivered, or electronically
267 transmitted to the unit owners and posted conspicuously on the
268 condominium property or association property at least 14 days
269 before the meeting. Evidence of compliance with this 14-day
270 notice requirement must be made by an affidavit executed by the
271 person providing the notice and filed with the official records



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272 of the association. Upon notice to the unit owners, the board
273 shall, by duly adopted rule, designate a specific location on
274 the condominium or association property where all notices of
275 board meetings must be posted. If there is no condominium
276 property or association property where notices can be posted,
277 notices shall be mailed, delivered, or electronically
278 transmitted to each unit owner at least 14 days before the
279 meeting. In lieu of or in addition to the physical posting of
280 the notice on the condominium property or association property,
281 the association may, by reasonable rule, adopt a procedure for
282 conspicuously posting and repeatedly broadcasting the notice and
283 the agenda on a closed-circuit cable television system serving
284 the condominium association. However, if broadcast notice is
285 used in lieu of a notice physically posted on condominium
286 property or association property, the notice and agenda must be
287 broadcast at least four times every broadcast hour of each day
288 that a posted notice is otherwise required under this section.
289 If broadcast notice is provided, the notice and agenda must be
290 broadcast in a manner and for a sufficient continuous length of
291 time so as to allow an average reader to observe the notice and
292 read and comprehend the entire content of the notice and the
293 agenda. Notice of any meeting in which regular or special
294 assessments against unit owners are to be considered must
295 specifically state that assessments will be considered and
296 provide the nature, estimated cost, and description of the
297 purposes for such assessments.

298 2. Meetings of a committee to take final action on behalf
299 of the board or make recommendations to the board regarding the
300 association budget are subject to this paragraph. Meetings of a



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301 committee that does not take final action on behalf of the board
302 or make recommendations to the board regarding the association
303 budget are subject to this section, unless those meetings are
304 exempted from this section by the bylaws of the association.

305 3. Notwithstanding any other law, the requirement that
306 board meetings and committee meetings be open to the unit owners
307 does not apply to:

308 a. Meetings between the board or a committee and the
309 association's attorney, with respect to proposed or pending
310 litigation, if the meeting is held for the purpose of seeking or
311 rendering legal advice; or

312 b. Board meetings held for the purpose of discussing
313 personnel matters.

314 (d) *Unit owner meetings.*—

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

321 2. Unless the bylaws provide otherwise, a vacancy on the
322 board caused by the expiration of a director's term shall be
323 filled by electing a new board member, and the election must be
324 by secret ballot. An election is not required if the number of
325 vacancies equals or exceeds the number of candidates. For
326 purposes of this paragraph, the term "candidate" means an
327 eligible person who has timely submitted the written notice, as
328 described in sub-subparagraph 4.a., of his or her intention to
329 become a candidate. Except in a timeshare or nonresidential



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330 condominium, or if the staggered term of a board member does not
331 expire until a later annual meeting, or if all members' terms
332 would otherwise expire but there are no candidates, the terms of
333 all board members expire at the annual meeting, and such members
334 may stand for reelection unless prohibited by the bylaws. If the
335 bylaws or articles of incorporation permit terms of no more than
336 2 years, the association board members may serve 2-year terms.
337 If the number of board members whose terms expire at the annual
338 meeting equals or exceeds the number of candidates, the
339 candidates become members of the board effective upon the
340 adjournment of the annual meeting. Unless the bylaws provide
341 otherwise, any remaining vacancies shall be filled by the
342 affirmative vote of the majority of the directors making up the
343 newly constituted board even if the directors constitute less
344 than a quorum or there is only one director. In a residential
345 condominium association of more than 10 units or in a
346 residential condominium association that does not include
347 timeshare units or timeshare interests, coowners of a unit may
348 not serve as members of the board of directors at the same time
349 unless they own more than one unit or unless there are not
350 enough eligible candidates to fill the vacancies on the board at
351 the time of the vacancy. A unit owner in a residential
352 condominium desiring to be a candidate for board membership must
353 comply with sub-subparagraph 4.a. and must be eligible to be a
354 candidate to serve on the board of directors at the time of the
355 deadline for submitting a notice of intent to run in order to
356 have his or her name listed as a proper candidate on the ballot
357 or to serve on the board. A person who has been suspended or
358 removed by the division under this chapter, or who is delinquent



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359 in the payment of any monetary obligation due to the
360 association, is not eligible to be a candidate for board
361 membership and may not be listed on the ballot. A person who has
362 been convicted of any felony in this state or in a United States
363 District or Territorial Court, or who has been convicted of any
364 offense in another jurisdiction which would be considered a
365 felony if committed in this state, is not eligible for board
366 membership unless such felon's civil rights have been restored
367 for at least 5 years as of the date such person seeks election
368 to the board. The validity of an action by the board is not
369 affected if it is later determined that a board member is
370 ineligible for board membership due to having been convicted of
371 a felony. This subparagraph does not limit the term of a member
372 of the board of a nonresidential condominium.

373 3. The bylaws must provide the method of calling meetings
374 of unit owners, including annual meetings. Written notice must
375 include an agenda, must be mailed, hand delivered, or
376 electronically transmitted to each unit owner at least 14 days
377 before the annual meeting, and must be posted in a conspicuous
378 place on the condominium property or association property at
379 least 14 continuous days before the annual meeting. Upon notice
380 to the unit owners, the board shall, by duly adopted rule,
381 designate a specific location on the condominium property or
382 association property where all notices of unit owner meetings
383 shall be posted. This requirement does not apply if there is no
384 condominium property or association property for posting
385 notices. In lieu of, or in addition to, the physical posting of
386 meeting notices, the association may, by reasonable rule, adopt
387 a procedure for conspicuously posting and repeatedly



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388 broadcasting the notice and the agenda on a closed-circuit cable
389 television system serving the condominium association. However,
390 if broadcast notice is used in lieu of a notice posted
391 physically on the condominium property or association property,
392 the notice and agenda must be broadcast at least four times
393 every broadcast hour of each day that a posted notice is
394 otherwise required under this section. If broadcast notice is
395 provided, the notice and agenda must be broadcast in a manner
396 and for a sufficient continuous length of time so as to allow an
397 average reader to observe the notice and read and comprehend the
398 entire content of the notice and the agenda. Unless a unit owner
399 waives in writing the right to receive notice of the annual
400 meeting, such notice must be hand delivered, mailed, or
401 electronically transmitted to each unit owner. Notice for
402 meetings and notice for all other purposes must be mailed to
403 each unit owner at the address last furnished to the association
404 by the unit owner, or hand delivered to each unit owner.
405 However, if a unit is owned by more than one person, the
406 association must provide notice to the address that the
407 developer identifies for that purpose and thereafter as one or
408 more of the owners of the unit advise the association in
409 writing, or if no address is given or the owners of the unit do
410 not agree, to the address provided on the deed of record. An
411 officer of the association, or the manager or other person
412 providing notice of the association meeting, must provide an
413 affidavit or United States Postal Service certificate of
414 mailing, to be included in the official records of the
415 association affirming that the notice was mailed or hand
416 delivered in accordance with this provision.



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417 4. The members of the board of a residential condominium
418 shall be elected by written ballot or voting machine. Proxies
419 may not be used in electing the board in general elections or
420 elections to fill vacancies caused by recall, resignation, or
421 otherwise, unless otherwise provided in this chapter. This
422 subparagraph does not apply to an association governing a
423 timeshare condominium.

424 a. At least 60 days before a scheduled election, the
425 association shall mail, deliver, or electronically transmit, by
426 separate association mailing or included in another association
427 mailing, delivery, or transmission, including regularly
428 published newsletters, to each unit owner entitled to a vote, a
429 first notice of the date of the election. A unit owner or other
430 eligible person desiring to be a candidate for the board must
431 give written notice of his or her intent to be a candidate to
432 the association at least 40 days before a scheduled election.
433 Together with the written notice and agenda as set forth in
434 subparagraph 3., the association shall mail, deliver, or
435 electronically transmit a second notice of the election to all
436 unit owners entitled to vote, together with a ballot that lists
437 all candidates. Upon request of a candidate, an information
438 sheet, no larger than 8 1/2 inches by 11 inches, which must be
439 furnished by the candidate at least 35 days before the election,
440 must be included with the mailing, delivery, or transmission of
441 the ballot, with the costs of mailing, delivery, or electronic
442 transmission and copying to be borne by the association. The
443 association is not liable for the contents of the information
444 sheets prepared by the candidates. In order to reduce costs, the
445 association may print or duplicate the information sheets on



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446 both sides of the paper. The division shall by rule establish
447 voting procedures consistent with this sub-subparagraph,
448 including rules establishing procedures for giving notice by
449 electronic transmission and rules providing for the secrecy of
450 ballots. Elections shall be decided by a plurality of ballots
451 cast. There is no quorum requirement; however, at least 20
452 percent of the eligible voters must cast a ballot in order to
453 have a valid election. A unit owner may not permit any other
454 person to vote his or her ballot, and any ballots improperly
455 cast are invalid. A unit owner who violates this provision may
456 be fined by the association in accordance with s. 718.303. A
457 unit owner who needs assistance in casting the ballot for the
458 reasons stated in s. 101.051 may obtain such assistance. The
459 regular election must occur on the date of the annual meeting.
460 Notwithstanding this sub-subparagraph, an election is not
461 required unless more candidates file notices of intent to run or
462 are nominated than board vacancies exist.

463 b. Within 90 days after being elected or appointed to the
464 board of an association of a residential condominium, each newly
465 elected or appointed director shall certify in writing to the
466 secretary of the association that he or she has read the
467 association's declaration of condominium, articles of
468 incorporation, bylaws, and current written policies; that he or
469 she will work to uphold such documents and policies to the best
470 of his or her ability; and that he or she will faithfully
471 discharge his or her fiduciary responsibility to the
472 association's members. In lieu of this written certification,
473 within 90 days after being elected or appointed to the board,
474 the newly elected or appointed director may submit a certificate



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475 of having satisfactorily completed the educational curriculum
476 administered by a division-approved condominium education
477 provider within 1 year before or 90 days after the date of
478 election or appointment. The written certification or
479 educational certificate is valid and does not have to be
480 resubmitted as long as the director serves on the board without
481 interruption. A director of an association of a residential
482 condominium who fails to timely file the written certification
483 or educational certificate is suspended from service on the
484 board until he or she complies with this sub-subparagraph. The
485 board may temporarily fill the vacancy during the period of
486 suspension. The secretary shall cause the association to retain
487 a director's written certification or educational certificate
488 for inspection by the members for 5 years after a director's
489 election or the duration of the director's uninterrupted tenure,
490 whichever is longer. Failure to have such written certification
491 or educational certificate on file does not affect the validity
492 of any board action.

493 c. Any challenge to the election process must be commenced
494 within 60 days after the election results are announced.

495 5. Any approval by unit owners called for by this chapter
496 or the applicable declaration or bylaws, including, but not
497 limited to, the approval requirement in s. 718.111(8), must be
498 made at a duly noticed meeting of unit owners and is subject to
499 all requirements of this chapter or the applicable condominium
500 documents relating to unit owner decisionmaking, except that
501 unit owners may take action by written agreement, without
502 meetings, on matters for which action by written agreement
503 without meetings is expressly allowed by the applicable bylaws



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504 or declaration or any law that provides for such action.

505 6. Unit owners may waive notice of specific meetings if
506 allowed by the applicable bylaws or declaration or any law. If
507 authorized by the bylaws, notice of meetings of the board of
508 administration, unit owner meetings, except unit owner meetings
509 called to recall board members under paragraph (j), and
510 committee meetings may be given by electronic transmission to
511 unit owners who consent to receive notice by electronic
512 transmission.

513 7. Unit owners have the right to participate in meetings of
514 unit owners with reference to all designated agenda items.
515 However, the association may adopt reasonable rules governing
516 the frequency, duration, and manner of unit owner participation.

517 8. A unit owner may tape record or videotape a meeting of
518 the unit owners subject to reasonable rules adopted by the
519 division; however, a unit owner may not post the recording on
520 any website or other media that can readily be viewed by persons
521 who are not members of the association.

522 9. Unless otherwise provided in the bylaws, any vacancy
523 occurring on the board before the expiration of a term may be
524 filled by the affirmative vote of the majority of the remaining
525 directors, even if the remaining directors constitute less than
526 a quorum, or by the sole remaining director. In the alternative,
527 a board may hold an election to fill the vacancy, in which case
528 the election procedures must conform to sub-subparagraph 4.a.
529 unless the association governs 10 units or fewer and has opted
530 out of the statutory election process, in which case the bylaws
531 of the association control. Unless otherwise provided in the
532 bylaws, a board member appointed or elected under this section



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533 shall fill the vacancy for the unexpired term of the seat being
534 filled. Filling vacancies created by recall is governed by
535 paragraph (j) and rules adopted by the division.

536 10. This chapter does not limit the use of general or
537 limited proxies, require the use of general or limited proxies,
538 or require the use of a written ballot or voting machine for any
539 agenda item or election at any meeting of a timeshare
540 condominium association or nonresidential condominium
541 association.

542
543 Notwithstanding subparagraph (b)2. and sub-subparagraph 4.a., an
544 association of 10 or fewer units may, by affirmative vote of a
545 majority of the total voting interests, provide for different
546 voting and election procedures in its bylaws, which may be by a
547 proxy specifically delineating the different voting and election
548 procedures. The different voting and election procedures may
549 provide for elections to be conducted by limited or general
550 proxy.

551 (f) *Annual budget.*—

552 1. The proposed annual budget of estimated revenues and
553 expenses must be detailed and must show the amounts budgeted by
554 accounts and expense classifications, including, at a minimum,
555 any if applicable, ~~but not limited to,~~ those expenses listed in
556 s. 718.504(21). A multicondominium association shall adopt a
557 separate budget of common expenses for each condominium the
558 association operates and shall adopt a separate budget of common
559 expenses for the association. In addition, if the association
560 maintains limited common elements with the cost to be shared
561 only by those entitled to use the limited common elements as



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562 provided for in s. 718.113(1), the budget or a schedule attached
563 to it must show the amount budgeted for this maintenance. If,
564 after turnover of control of the association to the unit owners,
565 any of the expenses listed in s. 718.504(21) are not applicable,
566 they need not be listed.

567 2.a. In addition to annual operating expenses, the budget
568 must include reserve accounts for capital expenditures and
569 deferred maintenance. These accounts must include, but are not
570 limited to, roof replacement, building painting, and pavement
571 resurfacing, regardless of the amount of deferred maintenance
572 expense or replacement cost, and ~~for~~ any other item that has a
573 deferred maintenance expense or replacement cost that exceeds
574 \$10,000. The amount to be reserved must be computed using a
575 formula based upon estimated remaining useful life and estimated
576 replacement cost or deferred maintenance expense of each reserve
577 item. The association may adjust replacement reserve assessments
578 annually to take into account any changes in estimates or
579 extension of the useful life of a reserve item caused by
580 deferred maintenance. This subsection does not apply to an
581 adopted budget in which the members of an association have
582 determined, by a majority vote at a duly called meeting of the
583 association, to provide no reserves or less reserves than
584 required by this subsection.

585 b. Before ~~However, prior to~~ turnover of control of an
586 association by a developer to unit owners other than a developer
587 pursuant to s. 718.301, the developer may vote the voting
588 interests allocated to its units to waive the reserves or reduce
589 the funding of reserves through the period expiring at the end
590 of the second fiscal year after the fiscal year in which the



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591 certificate of a surveyor and mapper is recorded pursuant to s.
592 718.104(4)(e) or an instrument that transfers title to a unit in
593 the condominium which is not accompanied by a recorded
594 assignment of developer rights in favor of the grantee of such
595 unit is recorded, whichever occurs first, after which time
596 reserves may be waived or reduced only upon the vote of a
597 majority of all nondeveloper voting interests voting in person
598 or by limited proxy at a duly called meeting of the association.
599 If a meeting of the unit owners has been called to determine
600 whether to waive or reduce the funding of reserves, and no such
601 result is achieved or a quorum is not attained, the reserves
602 included in the budget shall go into effect. After the turnover,
603 the developer may vote its voting interest to waive or reduce
604 the funding of reserves.

605 3. Reserve funds and any interest accruing thereon shall
606 remain in the reserve account or accounts, and may be used only
607 for authorized reserve expenditures unless their use for other
608 purposes is approved in advance by a majority vote at a duly
609 called meeting of the association. Before ~~Prior to~~ turnover of
610 control of an association by a developer to unit owners other
611 than the developer pursuant to s. 718.301, the developer-
612 controlled association may ~~shall~~ not vote to use reserves for
613 purposes other than those ~~that~~ for which they were intended
614 without the approval of a majority of all nondeveloper voting
615 interests, voting in person or by limited proxy at a duly called
616 meeting of the association.

617 4. The only voting interests that are eligible to vote on
618 questions that involve waiving or reducing the funding of
619 reserves, or using existing reserve funds for purposes other



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620 than purposes for which the reserves were intended, are the
621 voting interests of the units subject to assessment to fund the
622 reserves in question. Proxy questions relating to waiving or
623 reducing the funding of reserves or using existing reserve funds
624 for purposes other than purposes for which the reserves were
625 intended must ~~shall~~ contain the following statement in
626 capitalized, bold letters in a font size larger than any other
627 used on the face of the proxy ballot: WAIVING OF RESERVES, IN
628 WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING
629 RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF
630 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

631 Section 6. Subsection (7) of section 718.113, Florida
632 Statutes, is amended to read:

633 718.113 Maintenance; limitation upon improvement; display
634 of flag; hurricane shutters and protection; display of religious
635 decorations.—

636 (7) Notwithstanding the provisions of this section or the
637 condominium governing documents of a condominium or a
638 multicondominium association, the board of administration may,
639 without any requirement for approval of the unit owners, install
640 upon or within the common elements or association property solar
641 collectors, clotheslines, or other energy-efficient devices
642 based on renewable resources for the benefit of the unit owners.

643 Section 7. Paragraphs (a) and (b) of subsection (1),
644 subsection (3), and paragraph (b) of subsection (5) of section
645 718.116, Florida Statutes, are amended to read:

646 718.116 Assessments; liability; lien and priority;
647 interest; collection.—

648 (1) (a) A unit owner, regardless of how the unit owner has



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649 acquired his or her title has been acquired, including, but not
650 limited to, by purchase at a foreclosure sale or by deed in lieu
651 of foreclosure, is liable for all assessments that which come
652 due while he or she is the unit owner, including any special
653 assessments or installments on special assessments coming due
654 during the period of ownership, regardless of when the special
655 assessment was levied. Additionally, a unit owner is jointly and
656 severally liable with the previous unit owner for all unpaid
657 monthly and special assessments, interest and late fees on both
658 unpaid assessments and unpaid special assessments, and costs and
659 reasonable attorney fees incurred by the association in an
660 attempt to collect all such amounts that came due up to the time
661 of transfer of title. This joint and several liability of a
662 subsequent unit owner does not apply to an owner who acquires
663 title through purchase of a tax deed and is without prejudice to
664 any right the present unit owner may have to recover from the
665 previous unit owner the amounts paid by the present unit owner.
666 For the purposes of this section paragraph, the term "previous
667 unit owner" does not include an association that acquires title
668 to a unit delinquent property through foreclosure or by deed in
669 lieu of foreclosure. A present unit owner's liability for unpaid
670 assessments, interest, late fees, and costs and reasonable
671 attorney fees is limited to any unpaid assessments, interest,
672 late fees, and costs and reasonable attorney fees that accrued
673 before the association acquired title to the unit delinquent
674 property through foreclosure or by deed in lieu of foreclosure.
675 (b)1. The liability of a first mortgagee or its successor
676 or assignees who acquire title to a unit by foreclosure or by
677 deed in lieu of foreclosure for the unpaid assessments,



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678 interest, late fees, costs and reasonable attorney fees, and any
679 other fee, cost, or expense incurred by or on behalf of the
680 association in the collection process which ~~that~~ became due
681 before the mortgagee's acquisition of title is limited to the
682 lesser of:

683 a. The unit's unpaid common expenses and regular periodic
684 assessments which accrued or came due during the 12 months
685 immediately preceding the acquisition of title and for which
686 payment in full has not been received by the association; or

687 b. One percent of the original mortgage debt. The
688 provisions of this paragraph apply only if the first mortgagee
689 joined the association as a defendant in the foreclosure action.
690 Joinder of the association is not required if, on the date the
691 complaint is filed, the association was dissolved or did not
692 maintain an office or agent for service of process at a location
693 which was known to or reasonably discoverable by the mortgagee.

694 2. An association, or its successor or assignee, that
695 acquires title to a unit through the foreclosure of its lien for
696 assessments is not liable for any unpaid assessments, late fees,
697 interest, or reasonable attorney ~~attorney's~~ fees and costs that
698 came due before the association's acquisition of title in favor
699 of any other association, as defined in s. 718.103(2) or s.
700 720.301(9), which holds a superior lien interest on the unit.
701 This subparagraph is intended to clarify existing law.

702 (3) Assessments and installments on assessments which are
703 not paid when due bear interest at the rate provided in the
704 declaration, from the due date until paid. The rate may not
705 exceed the rate allowed by law, and, if no rate is provided in
706 the declaration, interest accrues at the rate of 18 percent per



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707 year. If provided by the declaration or bylaws, the association
708 may, in addition to such interest, charge an administrative late
709 fee of up to the greater of \$25 or 5 percent of each delinquent
710 installment for which the payment is late. The association may
711 also recover from the unit owner any reasonable charges imposed
712 upon the association under a written contract with its
713 management or bookkeeping company or collection agent which are
714 incurred in connection with collecting a delinquent assessment.
715 Such charges must be in a liquidated and noncontingent amount
716 and must be based on the actual time expended performing
717 necessary, nonduplicative services. Fees for collection are not
718 recoverable for the period after referral of the matter to an
719 association's legal counsel. Any payment received by an
720 association must be applied first to any interest accrued by the
721 association, then to any administrative late fee, then to any
722 costs and reasonable attorney ~~attorney's~~ fees incurred in
723 collection, then to any reasonable costs for collection services
724 contracted by the association, and then to the delinquent
725 assessment. The foregoing is applicable notwithstanding s.
726 673.3111, any purported accord and satisfaction, or any
727 restrictive endorsement, designation, or instruction placed on
728 or accompanying a payment. The preceding sentence is intended to
729 clarify existing law. A late fee is not subject to chapter 687
730 or s. 718.303(4).

731 (5)

732 (b) To be valid, a claim of lien must state the description
733 of the condominium parcel, the name of the record owner, the
734 name and address of the association, the amount due, and the due
735 dates. It must be executed and acknowledged by an officer or



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736 authorized agent of the association. The lien is not effective 1
737 year after the claim of lien was recorded unless, within that
738 time, an action to enforce the lien is commenced. The 1-year
739 period is automatically extended for any length of time during
740 which the association is prevented from filing a foreclosure
741 action by an automatic stay resulting from a bankruptcy petition
742 filed by the parcel owner or any other person claiming an
743 interest in the parcel. The claim of lien secures all unpaid
744 assessments that are due and that may accrue after the claim of
745 lien is recorded and through the entry of a final judgment, as
746 well as interest, authorized administrative late fees, and all
747 reasonable costs and attorney ~~attorney's~~ fees incurred by the
748 association incident to the collection process, including, but
749 not limited to, any reasonable costs for collection services
750 contracted for by the association. Upon payment in full, the
751 person making the payment is entitled to a satisfaction of the
752 lien.

753 Section 8. Subsections (1) and (4) of section 718.301,
754 Florida Statutes, are amended to read:

755 718.301 Transfer of association control; claims of defect
756 by association.—

757 (1) If unit owners other than the developer own 15 percent
758 or more of the units ~~in a condominium~~ that ultimately will be
759 operated ~~ultimately~~ by an association, as provided in the
760 declaration, articles of incorporation, or bylaws as originally
761 recorded, the unit owners other than the developer are entitled
762 to elect at least one-third of the members of the board of
763 administration of the association. Unit owners other than the
764 developer are entitled to elect at least a majority of the



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765 members of the board of administration of an association~~7~~ upon
766 the first ~~to occur of any~~ of the following events that occur:

767 (a) Three years after 50 percent of the units that
768 ultimately will be operated ~~ultimately~~ by the association, as
769 provided in the declaration, articles of incorporation, or
770 bylaws as originally recorded, have been conveyed to
771 purchasers.~~7~~

772 (b) Three months after 90 percent of the units that
773 ultimately will be operated ~~ultimately~~ by the association, as
774 provided in the declaration, articles of incorporation, or
775 bylaws as originally recorded, have been conveyed to
776 purchasers.~~7~~

777 (c) When all the units that ultimately will be operated
778 ~~ultimately~~ by the association, as provided in the declaration,
779 articles of incorporation, or bylaws as originally recorded,
780 have been completed, some of them have been conveyed to
781 purchasers, and none of the others is ~~are~~ being offered for sale
782 by the developer in the ordinary course of business.~~7~~

783 (d) When some of the units have been conveyed to purchasers
784 and none of the others is ~~are~~ being constructed or offered for
785 sale by the developer in the ordinary course of business.~~7~~

786 (e) When the developer files a petition seeking protection
787 in bankruptcy.~~7~~

788 (f) When a bulk-unit purchaser who owns a majority of the
789 units that ultimately will be operated by the association, as
790 provided in the declaration, articles of incorporation, or
791 bylaws as originally recorded, files a petition seeking
792 protection in bankruptcy.

793 (g) ~~(f)~~ When a receiver for the developer is appointed by a



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794 circuit court and is not discharged within 30 days after such
795 appointment, unless the court determines within 30 days after
796 appointment of the receiver that transfer of control would be
797 detrimental to the association or its members. ~~798~~

798 (h) When a receiver for a bulk-unit purchaser who owns a
799 majority of the units that ultimately will be operated by the
800 association, as provided in the declaration, articles of
801 incorporation, or bylaws as originally recorded, is appointed by
802 a circuit court and is not discharged within 30 days after such
803 appointment, unless the court determines within 30 days after
804 appointment of the receiver that transfer of control would be
805 detrimental to the association or its members.

806 (i) Five years after the date of recording of the first
807 conveyance to a bulk-unit purchaser who owns a majority of the
808 units that ultimately will be operated by the association, as
809 provided in the declaration, articles of incorporation, or
810 bylaws as originally recorded. Notwithstanding that unit owners
811 other than the developer are entitled to elect a majority of the
812 members of the board of administration and notwithstanding s.
813 718.112(2)(f)2., 5 years after the date of recording of the
814 first conveyance of a unit to a bulk-unit purchaser who owns a
815 majority of the units, the bulk-unit purchaser may exercise the
816 right to vote for each unit owned by the bulk-unit purchaser in
817 the same manner as any other unit owner except for the purposes
818 of reacquiring control of the association or electing or
819 appointing a majority of the members of the board of
820 administration.

821 (j) ~~(g)~~ Seven years after the date of the recording of the
822 certificate of a surveyor and mapper pursuant to s.



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823 718.104(4) (e) or the recording of an instrument that transfers
824 title to a unit in the condominium which is not accompanied by a
825 recorded assignment of developer rights in favor of the grantee
826 of such unit, whichever occurs first; or, in the case of an
827 association that ~~may~~ ultimately may operate more than one
828 condominium, 7 years after the date of the recording of the
829 certificate of a surveyor and mapper pursuant to s.

830 718.104(4) (e) or the recording of an instrument that transfers
831 title to a unit which is not accompanied by a recorded
832 assignment of developer rights in favor of the grantee of such
833 unit, whichever occurs first, for the first condominium it
834 operates; or, in the case of an association operating a phase
835 condominium created pursuant to s. 718.403, 7 years after the
836 date of the recording of the certificate of a surveyor and
837 mapper pursuant to s. 718.104(4) (e) or the recording of an
838 instrument that transfers title to a unit which is not
839 accompanied by a recorded assignment of developer rights in
840 favor of the grantee of such unit, whichever occurs first.

841
842 The developer is entitled to elect at least one member of the
843 board of administration of an association as long as the
844 developer holds for sale in the ordinary course of business at
845 least 5 percent, in condominiums with fewer than 500 units, and
846 2 percent, in condominiums with more than 500 units, of the
847 units in a condominium operated by the association. After the
848 developer relinquishes control of the association, the developer
849 may exercise the right to vote any developer-owned units in the
850 same manner as any other unit owner except for purposes of
851 reacquiring control of the association or selecting a ~~the~~



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852 majority of the members of the board of administration.

853 (4) At the time that unit owners other than the developer
854 elect a majority of the members of the board of administration
855 of an association, the developer or bulk-unit purchaser shall
856 relinquish control of the association, and the unit owners shall
857 accept control. Simultaneously, or for the purposes of paragraph
858 (c) not more than 90 days thereafter, the developer or bulk-unit
859 purchaser shall deliver to the association, at the developer's
860 or bulk-unit purchaser's expense, all property of the unit
861 owners and of the association which is held or controlled by the
862 developer or bulk-unit purchaser, including, but not limited to,
863 the following items, if applicable, as to each condominium
864 operated by the association:

865 (a)1. The original or a photocopy of the recorded
866 declaration of condominium and all amendments thereto. If a
867 photocopy is provided, it must be certified by affidavit of the
868 developer, a bulk-unit purchaser, or an officer or agent of the
869 developer or bulk-unit purchaser as being a complete copy of the
870 actual recorded declaration.

871 2. A certified copy of the articles of incorporation of the
872 association or, if the association was created before ~~prior to~~
873 the effective date of this act and it is not incorporated,
874 copies of the documents creating the association.

875 3. A copy of the bylaws.

876 4. The minute books, including all minutes, and other books
877 and records of the association, if any.

878 5. Any house rules and regulations that have been adopted
879 ~~promulgated~~.

880 (b) Resignations of officers and members of the board of



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881 administration who are required to resign because the developer
882 or bulk-unit purchaser is required to relinquish control of the
883 association.

884 (c) The financial records, including financial statements
885 of the association, and source documents from the incorporation
886 of the association through the date of turnover. The records
887 must be audited for the period from the incorporation of the
888 association or from the period covered by the last audit, if an
889 audit has been performed for each fiscal year since
890 incorporation, by an independent certified public accountant.
891 All financial statements must be prepared in accordance with
892 generally accepted accounting principles and must be audited in
893 accordance with generally accepted auditing standards, as
894 prescribed by the Florida Board of Accountancy, pursuant to
895 chapter 473. The accountant performing the audit shall examine
896 to the extent necessary supporting documents and records,
897 including the cash disbursements and related paid invoices, to
898 determine whether ~~if~~ expenditures were for association purposes
899 and the billings, cash receipts, and related records to
900 determine whether ~~that~~ the developer or bulk-unit purchaser was
901 charged and paid the proper amounts of assessments.

902 (d) Association funds or control thereof.

903 (e) All tangible personal property that is property of the
904 association, which is represented by the developer or bulk-unit
905 purchaser to be part of the common elements or which is
906 ostensibly part of the common elements, and an inventory of that
907 property.

908 (f) A copy of the plans and specifications used ~~utilized~~ in
909 the construction or remodeling of improvements and the supplying



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910 of equipment to the condominium and in the construction and
911 installation of all mechanical components serving the
912 improvements and the site with a certificate in affidavit form
913 of the developer, the bulk-unit purchaser, or the developer's or
914 bulk-unit purchaser's agent or an architect or engineer
915 authorized to practice in this state that such plans and
916 specifications represent, to the best of his or her knowledge
917 and belief, the actual plans and specifications used ~~utilized~~ in
918 the construction and improvement of the condominium property and
919 for the construction and installation of the mechanical
920 components serving the improvements. If the condominium property
921 has been declared a condominium more than 3 years after the
922 completion of construction or remodeling of the improvements,
923 ~~the requirements of this paragraph~~ does ~~de~~ not apply.

924 (g) A list of the names and addresses of all contractors,
925 subcontractors, and suppliers used ~~utilized~~ in the construction
926 or remodeling of the improvements and in the landscaping of the
927 condominium or association property which the developer or bulk-
928 unit purchaser had knowledge of at any time in the development
929 of the condominium.

930 (h) Insurance policies.

931 (i) Copies of any certificates of occupancy that may have
932 been issued for the condominium property.

933 (j) Any other permits applicable to the condominium
934 property which have been issued by governmental bodies and are
935 in force or were issued within 1 year before ~~prior to~~ the date
936 the unit owners other than the developer or bulk-unit purchaser
937 took control of the association.

938 (k) All written warranties of the contractor,



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939 subcontractors, suppliers, and manufacturers, if any, that are
940 still effective.

941 (l) A roster of unit owners and their addresses and
942 telephone numbers, if known, as shown on the developer's or
943 bulk-unit purchaser's records.

944 (m) Leases of the common elements and other leases to which
945 the association is a party.

946 (n) Employment contracts or service contracts in which the
947 association is one of the contracting parties or service
948 contracts in which the association or the unit owners have an
949 obligation or responsibility, directly or indirectly, to pay
950 some or all of the fee or charge of the person or persons
951 performing the service.

952 (o) All other contracts to which the association is a
953 party.

954 (p) A report included in the official records, under seal
955 of an architect or engineer authorized to practice in this
956 state, attesting to required maintenance, useful life, and
957 replacement costs of the following applicable common elements
958 comprising a turnover inspection report:

- 959 1. Roof.
- 960 2. Structure.
- 961 3. Fireproofing and fire protection systems.
- 962 4. Elevators.
- 963 5. Heating and cooling systems.
- 964 6. Plumbing.
- 965 7. Electrical systems.
- 966 8. Swimming pool or spa and equipment.
- 967 9. Seawalls.



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968 10. Pavement and parking areas.

969 11. Drainage systems.

970 12. Painting.

971 13. Irrigation systems.

972 (q) A copy of the certificate of a surveyor and mapper
973 recorded pursuant to s. 718.104(4)(e) or the recorded instrument
974 that transfers title to a unit in the condominium which is not
975 accompanied by a recorded assignment of developer or bulk-unit
976 purchaser rights in favor of the grantee of such unit, whichever
977 occurred first.

978 Section 9. Subsections (1) through (4) of section 718.302,
979 Florida Statutes, are amended to read:

980 718.302 Agreements entered into by the association.—

981 (1) A ~~Any~~ grant or reservation made by a declaration,
982 lease, or other document, and a ~~any~~ contract made by an
983 association before ~~prior to~~ assumption of control of the
984 association by unit owners other than the developer, a bulk-unit
985 purchaser, or a lender-unit purchaser, which ~~that~~ provides for
986 operation, maintenance, or management of a condominium
987 association or property serving the unit owners of a condominium
988 must ~~shall~~ be fair and reasonable, and such grant, reservation,
989 or contract may be canceled by unit owners other than the
990 developer or a bulk-unit purchaser. A lender-unit purchaser may
991 not vote on cancellation of a grant, reservation, or contract
992 made by the association while the association is under control
993 of that lender-unit purchaser.÷

994 (a) If the association operates only one condominium and
995 the unit owners other than the developer, a bulk-unit purchaser,
996 or a lender-unit purchaser have assumed control of the



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997 association, or if the unit owners other than the developer, a
998 bulk-unit purchaser, or a lender-unit purchaser own at least ~~not~~
999 ~~less than~~ 75 percent of the voting interests in the condominium,
1000 the cancellation shall be by concurrence of the owners of at
1001 least ~~not less than~~ 75 percent of the voting interests other
1002 than the voting interests owned by the developer, a bulk-unit
1003 purchaser, or a lender-unit purchaser. If a grant, reservation,
1004 or contract is so canceled and the unit owners other than the
1005 developer or a bulk-unit purchaser have not assumed control of
1006 the association, the association shall make a new contract or
1007 otherwise provide for maintenance, management, or operation in
1008 lieu of the canceled obligation, at the direction of the owners
1009 of ~~not less than~~ a majority of the voting interests in the
1010 condominium other than the voting interests owned by the
1011 developer, a bulk-unit purchaser, or a lender-unit purchaser.

1012 (b) If the association operates more than one condominium
1013 and the unit owners other than the developer, a bulk-unit
1014 purchaser, or a lender-unit purchaser have not assumed control
1015 of the association, and if the unit owners other than the
1016 developer or a bulk-unit purchaser own at least 75 percent of
1017 the voting interests in a condominium operated by the
1018 association, any grant, reservation, or contract for
1019 maintenance, management, or operation of buildings containing
1020 the units in that condominium or of improvements used only by
1021 the unit owners of that condominium may be canceled by
1022 concurrence of the owners of at least 75 percent of the voting
1023 interests in the condominium other than the voting interests
1024 owned by the developer or a bulk-unit purchaser. A ~~Not~~ grant,
1025 reservation, or contract for maintenance, management, or



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1026 operation of recreational areas or any other property serving
1027 more than one condominium, and operated by more than one
1028 association, may not be canceled except pursuant to paragraph
1029 (d).

1030 (c) If the association operates more than one condominium
1031 and the unit owners other than the developer, a bulk-unit
1032 purchaser, or a lender-unit purchaser have assumed control of
1033 the association, the cancellation shall be by concurrence of the
1034 owners of at least ~~not less than~~ 75 percent of the total number
1035 of voting interests in all condominiums operated by the
1036 association other than the voting interests owned by the
1037 developer or a bulk-unit purchaser.

1038 (d) If the owners of units in a condominium have the right
1039 to use property in common with owners of units in other
1040 condominiums and those condominiums are operated by more than
1041 one association, a ~~no~~ grant, reservation, or contract for
1042 maintenance, management, or operation of the property serving
1043 more than one condominium may not be canceled until the unit
1044 owners other than the developer, a bulk-unit purchaser, or a
1045 lender-unit purchaser have assumed control of all of the
1046 associations operating the condominiums that are to be served by
1047 the recreational area or other property, after which
1048 cancellation may be effected by concurrence of the owners of at
1049 least ~~not less than~~ 75 percent of the total number of voting
1050 interests in those condominiums other than voting interests
1051 owned by the developer, a bulk-unit purchaser, or a lender-unit
1052 purchaser.

1053 (2) A ~~Any~~ grant or reservation made by a declaration,
1054 lease, or other document, or a ~~any~~ contract made by the



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1055 developer or association before ~~prior to the time when~~ unit
1056 owners other than the developer or a bulk-unit purchaser elect a
1057 majority of the board of administration, which grant,
1058 reservation, or contract requires the association to purchase
1059 condominium property or to lease condominium property to another
1060 party, shall be deemed ratified unless rejected by a majority of
1061 the voting interests of the unit owners other than the developer
1062 or a bulk-unit purchaser within 18 months after the unit owners
1063 other than the developer or a bulk-unit purchaser elect a
1064 majority of the board of administration. A lender-unit purchaser
1065 may not vote on cancellation of a grant, reservation, or
1066 contract made by the association while the association is under
1067 control of that lender-unit purchaser. This subsection does not
1068 apply to a any grant or reservation made by a declaration under
1069 which ~~whereby~~ persons other than the developer or the
1070 developer's or bulk-unit purchaser's heirs, assigns, affiliates,
1071 directors, officers, or employees are granted the right to use
1072 the condominium property, if so long as such persons are
1073 obligated to pay at least, ~~at a minimum~~, a proportionate share
1074 of the cost associated with such property.

1075 (3) A ~~Any~~ grant or reservation made by a declaration,
1076 lease, or other document, and a ~~any~~ contract made by an
1077 association, whether before or after assumption of control of
1078 the association by unit owners other than the developer, a bulk-
1079 unit purchaser, or a lender-unit purchaser, which ~~that~~ provides
1080 for operation, maintenance, or management of a condominium
1081 association or property serving the unit owners of a condominium
1082 may ~~shall~~ not ~~be in~~ conflict with the powers and duties of the
1083 association or the rights of the unit owners as provided in this



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1084 chapter. This subsection is intended only as a clarification of
1085 existing law.

1086 (4) A ~~Any~~ grant or reservation made by a declaration,
1087 lease, or other document, and a ~~any~~ contract made by an
1088 association before ~~prior to~~ assumption of control of the
1089 association by unit owners other than the developer, a bulk-unit
1090 purchaser, or a lender-unit purchaser, must ~~shall~~ be fair and
1091 reasonable.

1092 Section 10. Subsections (3), (4), and (5) of section
1093 718.303, Florida Statutes, are amended, and subsection (7) is
1094 added to that section, to read:

1095 718.303 Obligations of owners and occupants; remedies.—

1096 (3) The association may levy reasonable fines for the
1097 failure of the owner of the unit or its occupant, licensee, or
1098 invitee to comply with any provision of the declaration, the
1099 association bylaws, or reasonable rules of the association. A
1100 fine may not become a lien against a unit. A fine may be levied
1101 by the board or its authorized designee on the basis of each day
1102 of a continuing violation, with a single notice and opportunity
1103 for hearing before an impartial committee as provided in
1104 paragraph (b). However, the fine may not exceed \$100 per
1105 violation, or \$1,000 in the aggregate.

1106 (a) An association may suspend, for a reasonable period of
1107 time, the right of a unit owner, or a unit owner's tenant,
1108 guest, or invitee, to use the common elements, common
1109 facilities, or any other association property for failure to
1110 comply with any provision of the declaration, the association
1111 bylaws, or reasonable rules of the association. This paragraph
1112 does not apply to limited common elements intended to be used



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1113 only by that unit, common elements needed to access the unit,
1114 utility services provided to the unit, parking spaces, or
1115 elevators.

1116 (b) A fine or suspension levied by the board of
1117 administration or its authorized designee may not be imposed
1118 unless the board association first provides at least 14 days'
1119 written notice and an opportunity for a hearing to the unit
1120 owner and, if applicable, its occupant, licensee, or invitee.
1121 The hearing must be held before an impartial a committee of
1122 other unit owners who are neither board members, ~~nor~~ persons
1123 residing in a board member's household, the board's authorized
1124 designee, nor persons residing in the household of the board's
1125 authorized designee. The role of the impartial committee is
1126 limited to determining whether to confirm or reject the fine or
1127 suspension levied by the board. If the impartial committee does
1128 not agree, the fine or suspension may not be imposed.

1129 (4) If a unit owner is more than 90 days delinquent in
1130 paying a fee, fine, or other monetary obligation due to the
1131 association, the association may suspend the right of the unit
1132 owner or the unit's occupant, licensee, or invitee to use common
1133 elements, common facilities, or any other association property
1134 until the fee, fine, or other monetary obligation is paid in
1135 full. This subsection does not apply to limited common elements
1136 intended to be used only by that unit, common elements needed to
1137 access the unit, utility services provided to the unit, parking
1138 spaces, or elevators. The notice and hearing requirements under
1139 subsection (3) do not apply to suspensions imposed under this
1140 subsection.

1141 (5) An association may suspend the voting rights of a unit



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1142 or member due to nonpayment of any fee, fine, or other monetary
1143 obligation due to the association which is more than 90 days
1144 delinquent. A voting interest or consent right allocated to a
1145 unit or member which has been suspended by the association shall
1146 be subtracted from ~~may not be counted towards~~ the total number
1147 of voting interests in the association, which shall be reduced
1148 by the number of suspended voting interests when calculating the
1149 total percentage or number of all voting interests available to
1150 take or approve any action, and the suspended voting interests
1151 may not be considered for any purpose, including, but not
1152 limited to, the percentage or number of voting interests
1153 necessary to constitute a quorum, the percentage or number of
1154 voting interests required to conduct an election, or the
1155 percentage or number of voting interests required to approve an
1156 action under this chapter or pursuant to the declaration,
1157 articles of incorporation, or bylaws. The suspension ends upon
1158 full payment of all obligations currently due or overdue the
1159 association. The notice and hearing requirements under
1160 subsection (3) do not apply to a suspension imposed under this
1161 subsection.

1162 (7) The suspensions permitted by paragraph (3) (a) and
1163 subsections (4) and (5) apply to a member and, when appropriate,
1164 the member's tenants, guests, or invitees, even if the
1165 delinquency or failure that resulted in the suspension arose
1166 from less than all of the multiple units owned by the member.

1167 Section 11. Subsection (1) of section 718.501, Florida
1168 Statutes, is amended to read:

1169 718.501 Authority, responsibility, and duties of Division
1170 of Florida Condominiums, Timeshares, and Mobile Homes.—



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1171 (1) The division may enforce and ensure compliance with ~~the~~
1172 ~~provisions of~~ this chapter and rules relating to the
1173 development, construction, sale, lease, ownership, operation,
1174 and management of residential condominium units. In performing
1175 its duties, the division has complete jurisdiction to
1176 investigate complaints and enforce compliance with respect to
1177 associations that are still under the control of the developer,
1178 the control of a bulk-unit purchaser or lender-unit purchaser,
1179 or the control of a bulk assignee or bulk buyer pursuant to part
1180 VII of this chapter and complaints against developers, bulk-unit
1181 purchasers, lender-unit purchasers, bulk assignees, or bulk
1182 buyers involving improper turnover or failure to turnover,
1183 pursuant to s. 718.301. However, after turnover has occurred,
1184 the division has jurisdiction to investigate only complaints
1185 related ~~only~~ to financial issues, elections, and unit owner
1186 access to association records pursuant to s. 718.111(12).

1187 (a)1. The division may make necessary public or private
1188 investigations within or outside this state to determine whether
1189 any person has violated this chapter or any rule or order
1190 hereunder, to aid in the enforcement of this chapter, or to aid
1191 in the adoption of rules or forms.

1192 2. The division may submit any official written report,
1193 worksheet, or other related paper, or a duly certified copy
1194 thereof, compiled, prepared, drafted, or otherwise made by and
1195 duly authenticated by a financial examiner or analyst to be
1196 admitted as competent evidence in any hearing in which the
1197 financial examiner or analyst is available for cross-examination
1198 and attests under oath that such documents were prepared as a
1199 result of an examination or inspection conducted pursuant to



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1200 this chapter.

1201 (b) The division may require or permit any person to file a
1202 statement in writing, under oath or otherwise, as the division
1203 determines, as to the facts and circumstances concerning a
1204 matter to be investigated.

1205 (c) For the purpose of any investigation under this
1206 chapter, the division director or any officer or employee
1207 designated by the division director may administer oaths or
1208 affirmations, subpoena witnesses and compel their attendance,
1209 take evidence, and require the production of any matter that
1210 ~~which~~ is relevant to the investigation, including the existence,
1211 description, nature, custody, condition, and location of any
1212 books, documents, or other tangible things and the identity and
1213 location of persons having knowledge of relevant facts or any
1214 other matter reasonably calculated to lead to the discovery of
1215 material evidence. Upon the failure of ~~by~~ a person to obey a
1216 subpoena or to answer questions propounded by the investigating
1217 officer and upon reasonable notice to all affected persons, the
1218 division may apply to the circuit court for an order compelling
1219 compliance.

1220 (d) Notwithstanding any remedies available to unit owners
1221 and associations, if the division has reasonable cause to
1222 believe that a violation of ~~any provision of~~ this chapter or a
1223 related rule has occurred, the division may institute
1224 enforcement proceedings in its own name against any developer,
1225 bulk-unit purchaser, lender-unit purchaser, bulk assignee, bulk
1226 buyer, association, officer, or member of the board of
1227 administration, or his or her ~~its~~ assignees or agents, as
1228 follows:



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1229 1. The division may permit a person whose conduct or
1230 actions may be under investigation to waive formal proceedings
1231 and enter into a consent proceeding under which ~~whereby~~ orders,
1232 rules, or letters of censure or warning, whether formal or
1233 informal, may be entered against the person.

1234 2. The division may issue an order requiring the developer,
1235 bulk-unit purchaser, lender-unit purchaser, bulk assignee, bulk
1236 buyer, association, developer-designated officer, or developer-
1237 designated member of the board of administration, or his or her
1238 ~~developer-designated~~ assignees or agents, the bulk assignee-
1239 ~~designated assignees or agents, bulk buyer-designated assignees~~
1240 ~~or agents,~~ community association manager, or the community
1241 ~~association~~ management firm to cease and desist from the
1242 unlawful practice and take such affirmative action as in the
1243 judgment of the division to carry out the purposes of this
1244 chapter. If the division finds that a developer, bulk-unit
1245 purchaser, lender-unit purchaser, bulk assignee, bulk buyer,
1246 association, officer, or member of the board of administration,
1247 or his or her ~~its~~ assignees or agents, is violating or is about
1248 to violate ~~any provision of~~ this chapter, any rule adopted or
1249 order issued by the division, or any written agreement entered
1250 into with the division, ~~and~~ the violation presents an immediate
1251 danger to the public requiring an immediate final order, it may
1252 issue an emergency cease and desist order reciting with
1253 particularity the facts underlying such findings. The emergency
1254 cease and desist order is effective for 90 days. If the division
1255 begins nonemergency cease and desist proceedings, the emergency
1256 cease and desist order remains effective until the conclusion of
1257 the proceedings under ss. 120.569 and 120.57.



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1258 3. If a developer, bulk-unit purchaser, lender-unit
1259 purchaser, bulk assignee, or bulk buyer, fails to pay ~~any~~
1260 restitution determined by the division to be owed and, ~~plus~~ any
1261 accrued interest charged at the highest rate permitted by law,
1262 within 30 days after expiration of any appellate time period of
1263 a final order requiring payment of restitution or the conclusion
1264 of any appeal thereof, whichever is later, the division shall
1265 ~~must~~ bring an action in circuit or county court on behalf of any
1266 association, class of unit owners, lessees, or purchasers for
1267 restitution, declaratory relief, injunctive relief, or any other
1268 available remedy. The division may also temporarily revoke its
1269 acceptance of the filing for the developer, bulk-unit purchaser,
1270 or lender-unit purchaser, to which the restitution relates until
1271 payment of restitution is made.

1272 4. The division may petition the court for appointment of a
1273 receiver or conservator who, ~~if appointed, the receiver or~~
1274 ~~conservator~~ may take action to implement the court order to
1275 ensure the performance of the order and to remedy any breach
1276 thereof. In addition to all other means provided by law for the
1277 enforcement of an injunction or temporary restraining order, the
1278 circuit court may impound or sequester the property of a party
1279 defendant, including books, papers, documents, and related
1280 records, and allow the examination and use of the property by
1281 the division and a court-appointed receiver or conservator.

1282 5. The division may apply to the circuit court for an order
1283 of restitution under which ~~whereby~~ the defendant in an action
1284 brought pursuant to subparagraph 4. is ordered to make
1285 restitution of those sums shown by the division to have been
1286 obtained by the defendant in violation of this chapter. At the



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1287 option of the court, such restitution is payable to the
1288 conservator or receiver appointed pursuant to subparagraph 4. or
1289 directly to the persons whose funds or assets were obtained in
1290 violation of this chapter.

1291 6. The division may impose a civil penalty against a
1292 developer, bulk-unit purchaser, lender-unit purchaser, bulk
1293 assignee, ~~or~~ bulk buyer, or association, or its assignee or
1294 agent, for a ~~any~~ violation of this chapter or a related rule.
1295 The division may impose a civil penalty individually against an
1296 officer or board member who willfully and knowingly violates ~~a~~
1297 ~~provision of~~ this chapter, an adopted rule, or a final order of
1298 the division; may order the removal of such individual as an
1299 officer or from the board of administration or as an officer of
1300 the association; and may prohibit such individual from serving
1301 as an officer or on the board of a community association for a
1302 period of time. The term "willfully and knowingly" means that
1303 the division informed the officer or board member that his or
1304 her action or intended action violates this chapter, a rule
1305 adopted under this chapter, or a final order of the division and
1306 that the officer or board member refused to comply with ~~the~~
1307 ~~requirements of~~ this chapter, a rule adopted under this chapter,
1308 or a final order of the division. ~~The division,~~ Before
1309 initiating formal agency action under chapter 120, the division
1310 must afford the officer or board member an opportunity to
1311 voluntarily comply, and an officer or board member who complies
1312 within 10 days is not subject to a civil penalty. A penalty may
1313 be imposed on the basis of each day of continuing violation, but
1314 the penalty for any offense may not exceed \$5,000. ~~By January 1,~~
1315 ~~1998,~~ The division shall adopt, by rule, penalty guidelines



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1316 applicable to possible violations or to categories of violations
1317 of this chapter or rules adopted by the division. The guidelines
1318 must specify a meaningful range of civil penalties for each such
1319 violation of the statute and rules and must be based upon the
1320 harm caused by the violation, the repetition of the violation,
1321 and upon such other factors deemed relevant by the division. ~~For~~
1322 ~~example,~~ The division may consider whether the violations were
1323 committed by a developer, bulk-unit purchaser, lender-unit
1324 purchaser, bulk assignee, or bulk buyer, or owner-controlled
1325 association, the size of the association, and other factors. The
1326 guidelines must designate the possible mitigating or aggravating
1327 circumstances that justify a departure from the range of
1328 penalties provided by the rules. It is the legislative intent
1329 that minor violations be distinguished from those that ~~which~~
1330 endanger the health, safety, or welfare of ~~the~~ condominium
1331 residents or other persons and that such guidelines provide
1332 reasonable and meaningful notice to the public of likely
1333 penalties that may be imposed for proscribed conduct. This
1334 subsection does not limit the ability of the division to
1335 informally dispose of administrative actions or complaints by
1336 stipulation, agreed settlement, or consent order. All amounts
1337 collected shall be deposited with the Chief Financial Officer to
1338 the credit of the Division of Florida Condominiums, Timeshares,
1339 and Mobile Homes Trust Fund. If a developer, bulk-unit
1340 purchaser, lender-unit purchaser, bulk assignee, or bulk buyer
1341 fails to pay the civil penalty and the amount deemed to be owed
1342 to the association, the division shall issue an order directing
1343 that such developer, bulk-unit purchaser, lender-unit purchaser,
1344 bulk assignee, or bulk buyer cease and desist from further



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1345 operation until such time as the civil penalty is paid or may
1346 pursue enforcement of the penalty in a court of competent
1347 jurisdiction. If an association fails to pay the civil penalty,
1348 the division shall pursue enforcement in a court of competent
1349 jurisdiction, and the order imposing the civil penalty or the
1350 cease and desist order is not effective until 20 days after the
1351 date of such order. Any action commenced by the division shall
1352 be brought in the county in which the division has its executive
1353 offices or in the county where the violation occurred.

1354 7. If a unit owner presents the division with proof that
1355 the unit owner has requested access to official records in
1356 writing by certified mail, and that after 10 days the unit owner
1357 again made the same request for access to official records in
1358 writing by certified mail, and that more than 10 days has
1359 elapsed since the second request and the association has still
1360 failed or refused to provide access to official records as
1361 required by this chapter, the division shall issue a subpoena
1362 requiring production of the requested records where the records
1363 are kept pursuant to s. 718.112.

1364 8. In addition to subparagraph 6., the division may seek
1365 the imposition of a civil penalty through the circuit court for
1366 any violation for which the division may issue a notice to show
1367 cause under paragraph (r). The civil penalty shall be at least
1368 \$500 but no more than \$5,000 for each violation. The court may
1369 also award to the prevailing party court costs and reasonable
1370 attorney ~~attorney's~~ fees and, if the division prevails, may also
1371 award reasonable costs of investigation.

1372 (e) The division may prepare and disseminate a prospectus
1373 and other information to assist prospective owners, purchasers,



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1374 lessees, and developers of residential condominiums in assessing
1375 the rights, privileges, and duties pertaining thereto.

1376 (f) The division may adopt rules to administer and enforce
1377 ~~the provisions of~~ this chapter.

1378 (g) The division shall establish procedures for providing
1379 notice to an association and the developer, bulk-unit purchaser,
1380 lender-unit purchaser, bulk assignee, or bulk buyer during the
1381 period in which the developer, bulk-unit purchaser, lender-unit
1382 purchaser, bulk assignee, or bulk buyer controls the association
1383 if the division is considering the issuance of a declaratory
1384 statement with respect to the declaration of condominium or any
1385 related document governing such condominium community.

1386 (h) The division shall furnish each association that pays
1387 the fees required by paragraph (2) (a) a copy of this chapter, as
1388 amended, and the rules adopted thereto on an annual basis.

1389 (i) The division shall annually provide each association
1390 with a summary of declaratory statements and formal legal
1391 opinions relating to the operations of condominiums which were
1392 rendered by the division during the previous year.

1393 (j) The division shall provide training and educational
1394 programs for condominium association board members and unit
1395 owners. The training may, at ~~in~~ the division's discretion,
1396 include web-based electronic media, and live training and
1397 seminars in various locations throughout the state. The division
1398 may review and approve education and training programs for board
1399 members and unit owners offered by providers, ~~and~~ and shall maintain
1400 a current list of approved programs and providers, and shall
1401 make such list available to board members and unit owners in a
1402 reasonable and cost-effective manner.



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1403 (k) The division shall maintain a toll-free telephone
1404 number accessible to condominium unit owners.

1405 (l) The division shall develop a program to certify both
1406 volunteer and paid mediators to provide mediation of condominium
1407 disputes. Upon request, the division shall provide, ~~upon~~
1408 ~~request~~, a list of such mediators to any association, unit
1409 owner, or other participant in arbitration proceedings under s.
1410 718.1255 requesting a copy of the list. The division shall
1411 include on the list of volunteer mediators only the names of
1412 individuals ~~persons~~ who have received at least 20 hours of
1413 training in mediation techniques or who have mediated at least
1414 20 disputes. In order to become initially certified by the
1415 division, paid mediators must be certified by the Supreme Court
1416 to mediate court cases in county or circuit courts. However, the
1417 division may adopt, by rule, additional factors for the
1418 certification of paid mediators, which must be related to
1419 experience, education, or background. In order to continue to be
1420 certified, an individual ~~Any person~~ initially certified as a
1421 paid mediator by the division must, ~~in order to continue to be~~
1422 ~~certified~~, comply with the factors or requirements adopted by
1423 rule.

1424 (m) If a complaint is made, the division shall ~~must~~ conduct
1425 its inquiry with due regard for the interests of the affected
1426 parties. Within 30 days after receipt of a complaint, the
1427 division shall acknowledge the complaint in writing and notify
1428 the complainant as to whether the complaint is within the
1429 jurisdiction of the division and whether additional information
1430 is needed by the division from the complainant. The division
1431 shall conduct its investigation and, within 90 days after



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1432 receipt of the original complaint or of timely requested
1433 additional information, take action upon the complaint. However,
1434 the failure to complete the investigation within 90 days does
1435 not prevent the division from continuing the investigation,
1436 accepting or considering evidence obtained or received after 90
1437 days, or taking administrative action if reasonable cause exists
1438 to believe that a violation of this chapter or a rule has
1439 occurred. If an investigation is not completed within the time
1440 limits established in this paragraph, the division shall, on a
1441 monthly basis, notify the complainant in writing of the status
1442 of the investigation. When reporting its action to the
1443 complainant, the division shall inform the complainant of any
1444 right to a hearing pursuant to ss. 120.569 and 120.57.

1445 (n) Condominium association directors, officers, and
1446 employees; condominium developers; bulk-unit purchasers, lender-
1447 unit purchasers, bulk assignees, bulk buyers, and community
1448 association managers; and community association management firms
1449 have an ongoing duty to reasonably cooperate with the division
1450 in any investigation pursuant to this section. The division
1451 shall refer to local law enforcement authorities any person who
1452 ~~whom~~ the division believes has altered, destroyed, concealed, or
1453 removed any record, document, or thing required to be kept or
1454 maintained by this chapter with the purpose to impair its verity
1455 or availability in the department's investigation.

1456 (o) The division may:

- 1457 1. Contract with agencies in this state or other
1458 jurisdictions to perform investigative functions; or
1459 2. Accept grants-in-aid from any source.

1460 (p) The division shall cooperate with similar agencies in



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1461 other jurisdictions to establish uniform filing procedures and
1462 forms, public offering statements, advertising standards, and
1463 rules and common administrative practices.

1464 (q) The division shall consider notice to a developer,
1465 bulk-unit purchaser, lender-unit purchaser, bulk assignee, or
1466 bulk buyer to be complete when it is delivered to the address of
1467 the developer, bulk-unit purchaser, lender-unit purchaser, bulk
1468 assignee, or bulk buyer currently on file with the division.

1469 (r) In addition to its enforcement authority, the division
1470 may issue a notice to show cause, which must provide for a
1471 hearing, upon written request, in accordance with chapter 120.

1472 (s) The division shall submit to the Governor, the
1473 President of the Senate, the Speaker of the House of
1474 Representatives, and the chairs of the legislative
1475 appropriations committees an annual report that includes, but
1476 need not be limited to, the number of training programs provided
1477 for condominium association board members and unit owners;; the
1478 number of complaints received, by type; the number and percent
1479 of complaints acknowledged in writing within 30 days and the
1480 number and percent of investigations acted upon within 90 days
1481 in accordance with paragraph (m);; and the number of
1482 investigations exceeding the 90-day requirement. The annual
1483 report must also include an evaluation of the division's core
1484 business processes and make recommendations for improvements,
1485 including statutory changes. The report shall be submitted by
1486 September 30 following the end of the fiscal year.

1487 Section 12. Section 718.709, Florida Statutes, is created
1488 to read:

1489 718.709 Applicability.—Sections 718.701-718.708, relating



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1490 to the Distressed Condominium Relief Act, apply to title to
1491 units acquired on or after July 1, 2010, but before July 1,
1492 2016.

1493 Section 13. Part VIII of chapter 718, Florida Statutes,
1494 consisting of sections 718.801-718.813, is created to read:

1495 PART VIII

1496 BULK-UNIT PURCHASERS AND LENDER-UNIT PURCHASERS

1497 718.801 Legislative intent.—The Legislature declares that
1498 it is the public policy of this state to protect the interests
1499 of developers, lenders, unit owners, and condominium
1500 associations with regard to bulk-unit purchasers or lender-unit
1501 purchasers of condominium units and that there is a need to
1502 balance such interests by limiting the applicability of the
1503 Distressed Condominium Relief Act. Notwithstanding the
1504 limitation, the Distressed Condominium Relief Act applies to
1505 title acquired on or after July 1, 2010, but before July 1,
1506 2016.

1507 718.802 Definitions.—As used in this part, the term:

1508 (1) "Bulk assignee" means a person who is not a bulk buyer
1509 and who:

1510 (a) Acquires more than seven condominium parcels in a
1511 single condominium;

1512 (b) Receives an assignment of any of the developer rights,
1513 other than or in addition to those rights described in
1514 subsection (3), as set forth in the declaration of condominium
1515 or this chapter:

1516 1. By a written instrument recorded as part of or as an
1517 exhibit of the deed;

1518 2. By a separate instrument recorded in the public records



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1519 of the county in which the condominium is located; or
1520 3. Pursuant to a final judgment or certificate of title
1521 issued in favor of a purchaser at a foreclosure sale; and
1522 (c) Acquired condominium parcels on or after July 1, 2010,
1523 but before July 1, 2016. The date of such acquisition shall be
1524 determined by the date of recording a deed or other instrument
1525 of conveyance for such parcels in the public records of the
1526 county in which the condominium is located, or by the date of
1527 issuing a certificate of title in a foreclosure proceeding with
1528 respect to such condominium parcels.
1529
1530 A mortgagee or its assignee may not be deemed a bulk assignee or
1531 developer by reason of the acquisition of condominium units and
1532 receipt of an assignment of some or all of a developer's rights
1533 unless the mortgage or its assignee exercises any of the
1534 developer rights other than those described in subsection (3).
1535 (2) "Bulk-unit purchaser" means a person who acquires title
1536 to the greater of at least eight units or 20 percent of the
1537 units that ultimately will be operated by the same association,
1538 as provided in the declaration, articles of incorporation, or
1539 bylaws as originally recorded. Multiple bulk-unit purchasers may
1540 be members of an association simultaneously or successively.
1541 There may be one or more bulk-unit purchasers while the
1542 developer still owns units operated by the association. A person
1543 who acquires title to units or timeshare interests in a
1544 condominium, which units or timeshare interests are or
1545 ultimately will be included in a timeshare plan governed by
1546 chapter 721, may elect to be a bulk-unit purchaser pursuant to
1547 s. 718.813. The term does not include a lender-unit purchaser.



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1548 Further, the term does not include an acquirer of units if any
1549 transfer of title to the acquirer is made:

1550 (a) With intent to defraud or materially harm a purchaser,
1551 a unit owner, or the association;

1552 (b) Where the acquirer is a person or limited liability
1553 company that would be an insider, as defined in s. 726.102, of
1554 the bulk-unit purchaser or of the developer; or

1555 (c) As a fraudulent transfer under chapter 726.

1556 (3) "Bulk buyer" means a person who acquired condominium
1557 parcels on or after July 1, 2010, but before July 1, 2016, and
1558 the date of acquisition shall be determined in the same manner
1559 as in subsection (1). Further, the term means a person who
1560 acquires more than seven condominium parcels in a single
1561 condominium but who does not receive an assignment of any
1562 developer rights or receives only some or all of the following
1563 rights:

1564 (a) The right to conduct sales, leasing, and marketing
1565 activities within the condominium.

1566 (b) The right to be exempt from the payment of working
1567 capital contributions to the condominium association arising out
1568 of, or in connection with, the bulk buyer's acquisition of the
1569 units.

1570 (c) The right to be exempt from any rights of first refusal
1571 which may be held by the condominium association and would
1572 otherwise be applicable to subsequent transfers of title from
1573 the bulk buyer to a third-party purchaser concerning one or more
1574 units.

1575 (4) "Lender-unit purchaser" means a person, or the person's
1576 successors, assigns, or wholly owned subsidiaries, who holds a



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1577 mortgage from a developer or from a bulk-unit purchaser on the
1578 greater of at least eight units or 20 percent of the units that,
1579 as provided in the declaration, articles of incorporation, or
1580 bylaws as originally recorded, ultimately will be operated by
1581 the same association; who subsequently obtains title to such
1582 units through foreclosure or deed in lieu of foreclosure; and
1583 who makes the election to become a lender-unit purchaser
1584 pursuant to 718.808(4). However, a mortgagee or its wholly owned
1585 subsidiary that acquires and sells units to one or more bulk-
1586 unit purchasers is not a developer or a lender-unit purchaser
1587 with respect to the sale.

1588 718.803 Exercise of rights.-

1589 (1) A bulk-unit purchaser may exercise only the following
1590 developer rights, provided such rights are contained in the
1591 declaration:

1592 (a) The right to conduct sales, leasing, and marketing
1593 activities within the condominium, including the use of the
1594 sales and leasing office.

1595 (b) The right to assign limited common elements and use
1596 rights to common elements and association property which were
1597 not assigned before the bulk-unit purchaser acquired title to
1598 the units. Such rights may include, without limitation, the
1599 rights to garages, parking spaces, storage areas, and cabanas.
1600 If there is more than one bulk-unit purchaser, this right must
1601 be established in a written assignment from the developer which
1602 specifies the bulk-unit purchaser who has such a right as to
1603 specified limited common elements, common elements, and
1604 association property.

1605 (c) For a phase condominium, the right to add phases.



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1606 (2) If the initial purchaser of a unit from the developer
1607 is required to make a working capital contribution to the
1608 association, a bulk-unit purchaser shall pay a working capital
1609 contribution to the association, which must be calculated in the
1610 same manner for each unit acquired, upon the earlier of:

1611 (a) Sale of a unit by the bulk-unit purchaser to a third
1612 party other than the bulk-unit purchaser; or

1613 (b) Five years from the date of acquisition of title to a
1614 unit by the bulk-unit purchaser.

1615 (3) If a bulk-unit purchaser exercises developer rights
1616 other than those specified in subsection (1), he or she is no
1617 longer deemed to be a bulk-unit purchaser, and this part does
1618 not apply to such person.

1619 (4) Except as set forth in this part, a lender-unit
1620 purchaser may exercise any developer rights that the lender-unit
1621 purchaser acquires.

1622 718.804 Compliance.—A bulk-unit purchaser and a lender-unit
1623 purchaser shall comply with all applicable requirements of s.
1624 718.202 and part V of this chapter in connection with any units
1625 that they own or sell.

1626 718.805 Voting rights.—

1627 (1) For the first 2 fiscal years following the first
1628 conveyance of a unit to a bulk-unit purchaser or lender-unit
1629 purchaser, the bulk-unit purchaser or lender-unit purchaser may
1630 vote the voting interests allocated to his or her units to waive
1631 reserves or reduce the funding of reserves. After these 2 fiscal
1632 years, the bulk-unit purchaser or lender-unit purchaser may not
1633 vote his or her voting interests to waive reserves or reduce the
1634 funding of reserves until the bulk-unit purchaser or lender-unit



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1635 purchaser holds less than a majority of the voting interests in
1636 the association.

1637 (2) A bulk-unit purchaser or lender-unit purchaser may not
1638 transfer his or her right to vote to waive reserves or reduce
1639 the funding of reserves to other bulk-unit purchasers or lender-
1640 unit purchasers to extend the time period in subsection (1).

1641 718.806 Assessment liability; election of directors.-

1642 (1) BULK-UNIT PURCHASER ASSESSMENT LIABILITY.-A bulk-unit
1643 purchaser is liable for all assessments on his or her units
1644 which become due while the bulk-unit purchaser holds title to
1645 such units. Additionally, the bulk-unit purchaser is jointly and
1646 severally liable with the previous owner for all unpaid regular
1647 periodic assessments and special assessments that became due
1648 before the acquisition of title, for all other monetary
1649 obligations accrued which are secured by the association's lien,
1650 and for all costs advanced by the association for the
1651 maintenance and repair of the units acquired by the bulk-unit
1652 purchaser.

1653 (2) LENDER-UNIT PURCHASER ASSESSMENT LIABILITY.-The
1654 liability of a lender-unit purchaser or his or her successors or
1655 assignees for the units that the lender-unit purchaser owns is
1656 limited to the lesser of:

1657 (a) The units' unpaid common expenses and the regular
1658 periodic assessments that accrued or became due during the 12
1659 months immediately preceding the lender-unit purchaser's
1660 acquisition of title and for which payment in full has not been
1661 received by the association; or

1662 (b) One percent of the original mortgage debt.
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1664 The lender-unit purchaser acquiring title must comply with s.
1665 718.116(1) (c) .

1666 (3) DIRECTOR ELECTED BY BULK-UNIT PURCHASER.—A director who
1667 has been elected or appointed by a bulk-unit purchaser is
1668 automatically suspended from board service for 30 days following
1669 the failure of the bulk-unit purchaser to timely pay monetary
1670 obligations on a unit the bulk-unit purchaser owns. The
1671 remaining directors may temporarily fill the vacancy created by
1672 the suspension. Once the bulk-unit purchaser has cured all
1673 outstanding delinquencies on the unit, the suspended director
1674 shall replace the temporary appointee and resume service on the
1675 board for the unexpired term.

1676 718.807 Amendments and material alterations.—

1677 (1) The following amendments or alterations may not go into
1678 effect unless approved by a majority vote of unit owners other
1679 than the developer, a bulk-unit purchaser, or a lender-unit
1680 purchaser:

1681 (a) An amendment described in s. 718.110(4) or (8) .

1682 (b) An amendment creating, changing, or terminating leasing
1683 restrictions.

1684 (c) An amendment of the declaration pertaining to the
1685 condominium's status as housing for older persons.

1686 (d) An amendment pursuant to s. 718.110(14) or an amendment
1687 that otherwise reclassifies a portion of the common elements as
1688 a limited common element or that authorizes the association to
1689 change the limited common elements assigned to any unit.

1690 (e) Material alterations or substantial additions to the
1691 common elements or association property any time one of the
1692 following owns a percentage of voting interests equal to or



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1693 greater than the percentage required to approve the amendment:
1694 1. A bulk-unit purchaser;
1695 2. A lender-unit purchaser;
1696 3. The developer and a bulk-unit purchaser;
1697 4. The developer and a lender-unit purchaser; or
1698 5. A bulk-unit purchaser and a lender-unit purchaser.
1699 (2) Notwithstanding subsection (1), consent of the
1700 developer, a bulk-unit purchaser, or a lender-unit purchaser is
1701 required for an amendment that would otherwise require the
1702 approval of such voting interests based upon the requirements of
1703 the declaration, articles of incorporation, or bylaws or s.
1704 718.110 or s. 718.113.
1705 718.808 Warranties and disclosures.—
1706 (1) As the seller, a bulk-unit purchaser or lender-unit
1707 purchaser is deemed to have granted an implied warranty of
1708 fitness and merchantability to a purchaser of each unit sold for
1709 a period of 3 years, which begins on the date of the completion
1710 of repairs or improvements that the bulk-unit purchaser or
1711 lender-unit purchaser makes to the unit, common elements, or
1712 limited common elements. The bulk-unit purchaser or lender-unit
1713 purchaser is not deemed to have granted a warranty on
1714 improvements, repairs, or alterations to the condominium which
1715 he or she did not undertake.
1716 (2) The statute of limitations in s. 718.203 is tolled
1717 while the bulk-unit purchaser begins the process of appointing
1718 or electing a majority of the board of administration.
1719 (3) As the seller, the bulk-unit purchaser shall include
1720 the following disclosure to purchasers in conspicuous type on
1721 the first page of the sales contract:



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SELLER IS A BULK-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
UNDER THE CONDOMINIUM ACT.

(4) A mortgagee who acquires units may elect to become a
lender-unit purchaser by providing written notice of the
election to the association addressed to the registered agent at
the address specified in the records of the Department of State.
The notice shall be delivered within the time period ending upon
the earliest of:

(a) The date on which the mortgagee exercises any developer
rights other than the developer rights described in s.
718.803(1) (a);

(b) Before the sale of a unit by the mortgagee; or

(c) One hundred eighty days after the recording of the
certificate of title or of the deed in lieu of foreclosure if
the mortgagee acquired the units by foreclosure or by deed in
lieu of foreclosure.

(5) As the seller, the lender-unit purchaser shall include
the following disclosure to purchasers in conspicuous type on
the first page of the sales contract:

SELLER IS A LENDER-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
UNDER THE CONDOMINIUM ACT. SELLER TOOK TITLE TO THE UNIT(S)
BEING SOLD TO PURCHASER BY FORECLOSURE OR DEED IN LIEU OF
FORECLOSURE.



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1751 (6) (a) At or before the signing of a contract to sell a
1752 unit, the bulk-unit purchaser and the lender-unit purchaser must
1753 provide a condition report that complies with s. 718.616(2) and
1754 (3) and this section to the prospective purchaser and must
1755 obtain verification of delivery of such condition report. A
1756 condition report is not required in connection with a sale to a
1757 bulk-unit purchaser or in connection with a deed in lieu of
1758 foreclosure to a lender-unit purchaser. A mortgagee is not
1759 required to deliver to a bulk-unit purchaser a condition report
1760 even if the mortgagee acquires and transfers developer rights to
1761 such bulk-unit purchaser.

1762 (b) The condition report must include a reasonably detailed
1763 description of the repairs or replacements necessary to cure
1764 defective construction identified in the condition report.

1765 (c) If, during the course of preparing the condition
1766 report, the architect or engineer becomes aware of a component
1767 that violates an applicable building code or federal or state
1768 law or that deviates from the building plans approved by the
1769 permitting authority, the architect or engineer shall disclose
1770 such information in the condition report. The architect or
1771 engineer shall make written inquiry to the applicable local
1772 government authority of any building code violations and shall
1773 include in the condition report any of the authority's responses
1774 or its failure to respond.

1775 (d) The condition report shall be prepared before the bulk-
1776 unit purchaser or the lender-unit purchaser enters into his or
1777 her first sales contract, but the condition report may not be
1778 prepared more than 6 months before the first sales contract is
1779 agreed upon. If the bulk-unit purchaser or lender-unit purchaser



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1780 remains engaged in selling units, the condition report shall be
1781 updated no later than 1 year after the closing of the first
1782 sales contract and each year thereafter.

1783 (e) If a bulk-unit purchaser or lender-unit purchaser fails
1784 to provide the condition report in accordance with this section,
1785 the bulk-unit purchaser or lender-unit purchaser is deemed to
1786 grant implied warranties of fitness and merchantability which
1787 are not limited to the construction, improvements, or repairs
1788 that he or she undertakes to the units, common elements, or
1789 limited common elements.

1790 718.809 Joint and several liability.—For purposes of this
1791 chapter, if there are multiple bulk-unit purchasers within the
1792 same association, the units owned by the multiple bulk-unit
1793 purchasers and the rights of the bulk-unit purchasers shall be
1794 aggregated as if there were only one bulk-unit purchaser. Each
1795 bulk-unit purchaser is jointly and severally liable with his or
1796 her predecessor bulk-unit purchasers for compliance with this
1797 chapter.

1798 718.810 Construction disputes.—A board of administration
1799 composed of a majority of directors elected or appointed by a
1800 bulk-unit purchaser may not resolve a construction dispute that
1801 is subject to chapter 558 unless such resolution is approved by
1802 a majority of the voting interests of the unit owners other than
1803 the developer and a bulk-unit purchaser.

1804 718.811 Noncompliance.—A bulk-unit purchaser or a lender-
1805 unit purchaser who fails to substantially comply with the
1806 requirements of this chapter pertaining to the obligations and
1807 rights of bulk-unit purchasers and lender-unit purchasers
1808 forfeits all protections or exemptions provided under the



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1809 Condominium Act.

1810 718.812 Documents to be delivered upon turnover.—If a bulk-
1811 unit purchaser elects a majority of the board of administration
1812 and the unit owners other than the bulk-unit purchaser elect a
1813 majority, the bulk-unit purchaser must deliver all of the items
1814 specified in s. 718.301(4) to the association. However, the
1815 bulk-unit purchaser is not required to deliver items that were
1816 never in the possession of the bulk-unit purchaser. In
1817 conjunction with the acquisition of units, the bulk-unit
1818 purchaser shall undertake a good faith effort to obtain the
1819 items specified in s. 718.301(4) which must be delivered to the
1820 association. If the bulk-unit purchaser cannot obtain such
1821 items, the bulk-unit purchaser must deliver a certificate in
1822 writing to the association which names or describes items that
1823 were not obtainable by the bulk-unit purchaser and which
1824 describes the good faith efforts that were undertaken to obtain
1825 the items. Delivery of the certificate relieves the bulk-unit
1826 purchaser of his or her responsibility under s. 718.301 to
1827 deliver the documents and materials referenced in the
1828 certificate. The responsibility of the bulk-unit purchaser to
1829 conduct the audit required by s. 718.301(4)(c) begins on the
1830 date the bulk-unit purchaser elects or appoints a majority of
1831 the members of the board of administration and ends on the date
1832 the bulk-unit purchaser no longer controls the board.

1833 718.813 Timeshare Condominiums.—With respect to the
1834 acquisition of title to units or timeshare interests in a
1835 condominium, which units or timeshare interests are or
1836 ultimately will be included in a timeshare plan governed by
1837 chapter 721:



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1838 (1) Any person otherwise qualified to be a bulk-unit
1839 purchaser pursuant to s. 718.802 is not a bulk-unit purchaser
1840 unless that person makes an election to become a bulk-unit
1841 purchaser by providing notice to the association addressed to
1842 the registered agent at the address specified in the records of
1843 the Department of State. The notice shall be delivered within
1844 the time period ending upon the earliest of:

1845 (a) The date on which the person exercises any developer
1846 rights other than the developer rights described in s.
1847 718.803(1) (a);

1848 (b) The sale of any unit or timeshare interest by the
1849 person; or

1850 (c) One hundred eighty days after the recording of the deed
1851 or other instrument of conveyance by which the person acquired
1852 the units or timeshare interests.

1853 (2) If a person has made an election to be a bulk-unit
1854 purchaser pursuant to subsection (1), the bulk-unit purchaser,
1855 when selling units or timeshare interests, shall include the
1856 following disclosure to purchasers in conspicuous type on the
1857 first page of the contract for sale of units or timeshare
1858 interests:

1859 SELLER IS A BULK-UNIT PURCHASER UNDER THE CONDOMINIUM ACT.
1860 SELLER IS NOT THE DEVELOPER OF THE CONDOMINIUM FOR ANY PURPOSE
1861 UNDER THE CONDOMINIUM.

1862 Section 14. Paragraph (a) of subsection (2) of section
1863 719.104, Florida Statutes, is amended to read:

1864 719.104 Cooperatives; access to units; records; financial
1865 reports; assessments; purchase of leases.-

1866 (2) OFFICIAL RECORDS.-



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1867 (a) From the inception of the association, the association
1868 shall maintain a copy of each of the following, where
1869 applicable, which shall constitute the official records of the
1870 association:

1871 1. The plans, permits, warranties, and other items provided
1872 by the developer pursuant to s. 719.301(4).

1873 2. A photocopy of the cooperative documents.

1874 3. A copy of the current rules of the association.

1875 4. A book or books containing the minutes of all meetings
1876 of the association, of the board of directors, and of the unit
1877 owners, which minutes shall be retained for a period of not less
1878 than 7 years.

1879 5. A current roster of all unit owners and their mailing
1880 addresses, unit identifications, voting certifications, and, if
1881 known, telephone numbers. The association shall also maintain
1882 the electronic mailing addresses and the numbers designated by
1883 unit owners for receiving notice sent by electronic transmission
1884 of those unit owners consenting to receive notice by electronic
1885 transmission. The electronic mailing addresses and numbers
1886 provided by unit owners to receive notice by electronic
1887 transmission shall be removed from association records when
1888 consent to receive notice by electronic transmission is revoked.
1889 However, the association is not liable for an erroneous
1890 disclosure of the electronic mail address or the number for
1891 receiving electronic transmission of notices.

1892 6. All current insurance policies of the association.

1893 7. A current copy of any management agreement, lease, or
1894 other contract to which the association is a party or under
1895 which the association or the unit owners have an obligation or



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1896 responsibility.

1897 8. Bills of sale or transfer for all property owned by the
1898 association.

1899 9. Accounting records for the association and separate
1900 accounting records for each unit it operates, according to good
1901 accounting practices. All accounting records shall be maintained
1902 for a period of not less than 7 years. The accounting records
1903 shall include, but not be limited to:

1904 a. Accurate, itemized, and detailed records of all receipts
1905 and expenditures.

1906 b. A current account and a monthly, bimonthly, or quarterly
1907 statement of the account for each unit designating the name of
1908 the unit owner, the due date and amount of each assessment, the
1909 amount paid upon the account, and the balance due.

1910 c. All audits, reviews, accounting statements, and
1911 financial reports of the association.

1912 d. All contracts for work to be performed. Bids for work to
1913 be performed shall also be considered official records and shall
1914 be maintained for a period of 1 year.

1915 10. Ballots, sign-in sheets, voting proxies, and all other
1916 papers relating to voting by unit owners, which shall be
1917 maintained for a period of 1 year after the date of the
1918 election, vote, or meeting to which the document relates.

1919 11. All rental records where the association is acting as
1920 agent for the rental of units.

1921 12. A copy of the current question and answer sheet as
1922 described in s. 719.504.

1923 13. All other written records of the association not
1924 specifically included in the foregoing which are related to the



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1925 operation of the association.

1926 Section 15. Paragraphs (c) and (d) of subsection (1) of
1927 section 719.106, Florida Statutes, are amended to read:

1928 719.106 Bylaws; cooperative ownership.-

1929 (1) MANDATORY PROVISIONS.-The bylaws or other cooperative
1930 documents shall provide for the following, and if they do not,
1931 they shall be deemed to include the following:

1932 (c) *Board of administration meetings.*-Meetings of the board
1933 of administration at which a quorum of the members is present
1934 shall be open to all unit owners. Any unit owner may tape record
1935 or videotape meetings of the board of administration; however, a
1936 unit owner may not post the recordings on any website or other
1937 media that can readily be viewed by persons who are not members
1938 of the association. The right to attend such meetings includes
1939 the right to speak at such meetings with reference to all
1940 designated agenda items. The division shall adopt reasonable
1941 rules governing the tape recording and videotaping of the
1942 meeting. The association may adopt reasonable written rules
1943 governing the frequency, duration, and manner of unit owner
1944 statements. Adequate notice of all meetings shall be posted in a
1945 conspicuous place upon the cooperative property at least 48
1946 continuous hours preceding the meeting, except in an emergency.
1947 Any item not included on the notice may be taken up on an
1948 emergency basis by at least a majority plus one of the members
1949 of the board. Such emergency action shall be noticed and
1950 ratified at the next regular meeting of the board. However,
1951 written notice of any meeting at which nonemergency special
1952 assessments, or at which amendment to rules regarding unit use,
1953 will be considered shall be mailed, delivered, or electronically



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1954 transmitted to the unit owners and posted conspicuously on the
1955 cooperative property not less than 14 days before the meeting.
1956 Evidence of compliance with this 14-day notice shall be made by
1957 an affidavit executed by the person providing the notice and
1958 filed among the official records of the association. Upon notice
1959 to the unit owners, the board shall by duly adopted rule
1960 designate a specific location on the cooperative property upon
1961 which all notices of board meetings shall be posted. In lieu of
1962 or in addition to the physical posting of notice of any meeting
1963 of the board of administration on the cooperative property, the
1964 association may, by reasonable rule, adopt a procedure for
1965 conspicuously posting and repeatedly broadcasting the notice and
1966 the agenda on a closed-circuit cable television system serving
1967 the cooperative association. However, if broadcast notice is
1968 used in lieu of a notice posted physically on the cooperative
1969 property, the notice and agenda must be broadcast at least four
1970 times every broadcast hour of each day that a posted notice is
1971 otherwise required under this section. When broadcast notice is
1972 provided, the notice and agenda must be broadcast in a manner
1973 and for a sufficient continuous length of time so as to allow an
1974 average reader to observe the notice and read and comprehend the
1975 entire content of the notice and the agenda. Notice of any
1976 meeting in which regular assessments against unit owners are to
1977 be considered for any reason shall specifically contain a
1978 statement that assessments will be considered and the nature of
1979 any such assessments. Meetings of a committee to take final
1980 action on behalf of the board or to make recommendations to the
1981 board regarding the association budget are subject to the
1982 provisions of this paragraph. Meetings of a committee that does



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1983 not take final action on behalf of the board or make
1984 recommendations to the board regarding the association budget
1985 are subject to the provisions of this section, unless those
1986 meetings are exempted from this section by the bylaws of the
1987 association. Notwithstanding any other law to the contrary, the
1988 requirement that board meetings and committee meetings be open
1989 to the unit owners does not apply to board or committee meetings
1990 held for the purpose of discussing personnel matters or meetings
1991 between the board or a committee and the association's attorney,
1992 with respect to proposed or pending litigation, if the meeting
1993 is held for the purpose of seeking or rendering legal advice.

1994 (d) *Shareholder meetings.*—There shall be an annual meeting
1995 of the shareholders. All members of the board of administration
1996 shall be elected at the annual meeting unless the bylaws provide
1997 for staggered election terms or for their election at another
1998 meeting. Any unit owner desiring to be a candidate for board
1999 membership must comply with subparagraph 1. The bylaws must
2000 provide the method for calling meetings, including annual
2001 meetings. Written notice, which must incorporate an
2002 identification of agenda items, shall be given to each unit
2003 owner at least 14 days before the annual meeting and posted in a
2004 conspicuous place on the cooperative property at least 14
2005 continuous days preceding the annual meeting. Upon notice to the
2006 unit owners, the board must by duly adopted rule designate a
2007 specific location on the cooperative property upon which all
2008 notice of unit owner meetings are posted. In lieu of or in
2009 addition to the physical posting of the meeting notice, the
2010 association may, by reasonable rule, adopt a procedure for
2011 conspicuously posting and repeatedly broadcasting the notice and



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2012 the agenda on a closed-circuit cable television system serving
2013 the cooperative association. However, if broadcast notice is
2014 used in lieu of a posted notice, the notice and agenda must be
2015 broadcast at least four times every broadcast hour of each day
2016 that a posted notice is otherwise required under this section.
2017 If broadcast notice is provided, the notice and agenda must be
2018 broadcast in a manner and for a sufficient continuous length of
2019 time to allow an average reader to observe the notice and read
2020 and comprehend the entire content of the notice and the agenda.
2021 Unless a unit owner waives in writing the right to receive
2022 notice of the annual meeting, the notice of the annual meeting
2023 must be sent by mail, hand delivered, or electronically
2024 transmitted to each unit owner. An officer of the association
2025 must provide an affidavit or United States Postal Service
2026 certificate of mailing, to be included in the official records
2027 of the association, affirming that notices of the association
2028 meeting were mailed, hand delivered, or electronically
2029 transmitted, in accordance with this provision, to each unit
2030 owner at the address last furnished to the association.

2031 1. The board of administration shall be elected by written
2032 ballot or voting machine. A proxy may not be used in electing
2033 the board of administration in general elections or elections to
2034 fill vacancies caused by recall, resignation, or otherwise
2035 unless otherwise provided in this chapter.

2036 a. At least 60 days before a scheduled election, the
2037 association shall mail, deliver, or transmit, whether by
2038 separate association mailing, delivery, or electronic
2039 transmission or included in another association mailing,
2040 delivery, or electronic transmission, including regularly



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2041 published newsletters, to each unit owner entitled to vote, a
2042 first notice of the date of the election. Any unit owner or
2043 other eligible person desiring to be a candidate for the board
2044 of administration must give written notice to the association at
2045 least 40 days before a scheduled election. Together with the
2046 written notice and agenda as set forth in this section, the
2047 association shall mail, deliver, or electronically transmit a
2048 second notice of election to all unit owners entitled to vote,
2049 together with a ballot that lists all candidates. Upon request
2050 of a candidate, the association shall include an information
2051 sheet, no larger than 8 1/2 inches by 11 inches, which must be
2052 furnished by the candidate at least 35 days before the election,
2053 to be included with the mailing, delivery, or electronic
2054 transmission of the ballot, with the costs of mailing, delivery,
2055 or transmission and copying to be borne by the association. The
2056 association is not liable for the contents of the information
2057 sheets provided by the candidates. In order to reduce costs, the
2058 association may print or duplicate the information sheets on
2059 both sides of the paper. The division shall by rule establish
2060 voting procedures consistent with this subparagraph, including
2061 rules establishing procedures for giving notice by electronic
2062 transmission and rules providing for the secrecy of ballots.
2063 Elections shall be decided by a plurality of those ballots cast.
2064 There is no quorum requirement. However, at least 20 percent of
2065 the eligible voters must cast a ballot in order to have a valid
2066 election. A unit owner may not permit any other person to vote
2067 his or her ballot, and any such ballots improperly cast are
2068 invalid. A unit owner who needs assistance in casting the ballot
2069 for the reasons stated in s. 101.051 may obtain assistance in



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2070 casting the ballot. Any unit owner violating this provision may
2071 be fined by the association in accordance with s. 719.303. The
2072 regular election must occur on the date of the annual meeting.
2073 This subparagraph does not apply to timeshare cooperatives.
2074 Notwithstanding this subparagraph, an election and balloting are
2075 not required unless more candidates file a notice of intent to
2076 run or are nominated than vacancies exist on the board. Any
2077 challenge to the election process must be commenced within 60
2078 days after the election results are announced.

2079 b. Within 90 days after being elected or appointed to the
2080 board, each new director shall certify in writing to the
2081 secretary of the association that he or she has read the
2082 association's bylaws, articles of incorporation, proprietary
2083 lease, and current written policies; that he or she will work to
2084 uphold such documents and policies to the best of his or her
2085 ability; and that he or she will faithfully discharge his or her
2086 fiduciary responsibility to the association's members. Within 90
2087 days after being elected or appointed to the board, in lieu of
2088 this written certification, the newly elected or appointed
2089 director may submit a certificate of having satisfactorily
2090 completed the educational curriculum administered by an
2091 education provider as approved by the division pursuant to the
2092 requirements established in chapter 718 within 1 year before or
2093 90 days after the date of election or appointment. The
2094 educational certificate is valid and does not have to be
2095 resubmitted as long as the director serves on the board without
2096 interruption. A director who fails to timely file the written
2097 certification or educational certificate is suspended from
2098 service on the board until he or she complies with this sub-



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2099 subparagraph. The board may temporarily fill the vacancy during
2100 the period of suspension. The secretary of the association shall
2101 cause the association to retain a director's written
2102 certification or educational certificate for inspection by the
2103 members for 5 years after a director's election or the duration
2104 of the director's uninterrupted tenure, whichever is longer.
2105 Failure to have such written certification or educational
2106 certificate on file does not affect the validity of any board
2107 action.

2108 2. Any approval by unit owners called for by this chapter,
2109 or the applicable cooperative documents, must be made at a duly
2110 noticed meeting of unit owners and is subject to this chapter or
2111 the applicable cooperative documents relating to unit owner
2112 decisionmaking, except that unit owners may take action by
2113 written agreement, without meetings, on matters for which action
2114 by written agreement without meetings is expressly allowed by
2115 the applicable cooperative documents or law which provides for
2116 the unit owner action.

2117 3. Unit owners may waive notice of specific meetings if
2118 allowed by the applicable cooperative documents or law. If
2119 authorized by the bylaws, notice of meetings of the board of
2120 administration, shareholder meetings, except shareholder
2121 meetings called to recall board members under paragraph (f), and
2122 committee meetings may be given by electronic transmission to
2123 unit owners who consent to receive notice by electronic
2124 transmission.

2125 4. Unit owners have the right to participate in meetings of
2126 unit owners with reference to all designated agenda items.
2127 However, the association may adopt reasonable rules governing



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2128 the frequency, duration, and manner of unit owner participation.

2129 5. Any unit owner may tape record or videotape meetings of
2130 the unit owners subject to reasonable rules adopted by the
2131 division; however, a unit owner may not post the recordings on
2132 any website or other media that can readily be viewed by persons
2133 who are not members of the association.

2134 6. Unless otherwise provided in the bylaws, a vacancy
2135 occurring on the board before the expiration of a term may be
2136 filled by the affirmative vote of the majority of the remaining
2137 directors, even if the remaining directors constitute less than
2138 a quorum, or by the sole remaining director. In the alternative,
2139 a board may hold an election to fill the vacancy, in which case
2140 the election procedures must conform to the requirements of
2141 subparagraph 1. unless the association has opted out of the
2142 statutory election process, in which case the bylaws of the
2143 association control. Unless otherwise provided in the bylaws, a
2144 board member appointed or elected under this subparagraph shall
2145 fill the vacancy for the unexpired term of the seat being
2146 filled. Filling vacancies created by recall is governed by
2147 paragraph (f) and rules adopted by the division.

2148
2149 Notwithstanding subparagraphs (b)2. and (d)1., an association
2150 may, by the affirmative vote of a majority of the total voting
2151 interests, provide for a different voting and election procedure
2152 in its bylaws, which vote may be by a proxy specifically
2153 delineating the different voting and election procedures. The
2154 different voting and election procedures may provide for
2155 elections to be conducted by limited or general proxy.

2156 Section 16. Subsections (3) and (4) of section 719.108,



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2157 Florida Statutes, are amended to read:

2158 719.108 Rents and assessments; liability; lien and
2159 priority; interest; collection; cooperative ownership.—

2160 (3) Rents and assessments, and installments on them, not
2161 paid when due bear interest at the rate provided in the
2162 cooperative documents from the date due until paid. This rate
2163 may not exceed the rate allowed by law and, if a rate is not
2164 provided in the cooperative documents, accrues at 18 percent per
2165 annum. If the cooperative documents or bylaws so provide, the
2166 association may charge an administrative late fee in addition to
2167 such interest, not to exceed the greater of \$25 or 5 percent of
2168 each installment of the assessment for each delinquent
2169 installment that the payment is late. The association may also
2170 recover from the unit owner any reasonable charges imposed upon
2171 the association under a written contract with its management or
2172 bookkeeping company or collection agent which are incurred in
2173 connection with collecting a delinquent assessment. Such charges
2174 must be in a liquidated and noncontingent amount and must be
2175 based on the actual time expended performing necessary,
2176 nonduplicative services. Fees for collection are not recoverable
2177 for the period after referral of the matter to an association's
2178 legal counsel. Any payment received by an association must be
2179 applied first to any interest accrued by the association, then
2180 to any administrative late fee, then to any costs and reasonable
2181 attorney fees incurred in collection, then to any reasonable
2182 costs for collection services contracted for by the association,
2183 and then to the delinquent assessment. The foregoing applies
2184 notwithstanding s. 673.3111, any purported accord and
2185 satisfaction, or any restrictive endorsement, designation, or



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2186 instruction placed on or accompanying a payment. The preceding
2187 sentence is intended to clarify existing law. A late fee is not
2188 subject to chapter 687 or s. 719.303(4).

2189 (4) The association has a lien on each cooperative parcel
2190 for any unpaid rents and assessments, plus interest, any
2191 reasonable costs for collection services contracted for by the
2192 association, and any ~~authorized~~ administrative late fees. If
2193 authorized by the cooperative documents, the lien also secures
2194 reasonable attorney fees incurred by the association incident to
2195 the collection of the rents and assessments or enforcement of
2196 such lien. The lien is effective from and after recording a
2197 claim of lien in the public records in the county in which the
2198 cooperative parcel is located which states the description of
2199 the cooperative parcel, the name of the unit owner, the amount
2200 due, and the due dates. Except as otherwise provided in this
2201 chapter, a lien may not be filed by the association against a
2202 cooperative parcel until 30 days after the date on which a
2203 notice of intent to file a lien has been delivered to the owner.

2204 (a) The notice must be sent to the unit owner at the
2205 address of the unit by first-class United States mail, and the
2206 notice must be in substantially the following form:

2207 NOTICE OF INTENT

2208 TO RECORD A CLAIM OF LIEN

2209 RE: Unit ...(unit number)... of ...(name of cooperative)..
2210 The following amounts are currently due on your account to
2211 ...(name of association)..., and must be paid within 30 days
2212 after your receipt of this letter. This letter shall serve as
2213 the association's notice of intent to record a Claim of Lien
2214 against your property no sooner than 30 days after your receipt



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2215 of this letter, unless you pay in full the amounts set forth
2216 below:

2217 Maintenance due ...(dates)... \$.

2218 Late fee, if applicable \$.

2219 Interest through ...(dates)...* \$.

2220 Certified mail charges \$.

2221 Other costs \$.

2222 TOTAL OUTSTANDING \$.

2223 *Interest accrues at the rate of percent per annum.

2224 1. If the most recent address of the unit owner on the
2225 records of the association is the address of the unit, the
2226 notice must be sent by certified mail, return receipt requested,
2227 to the unit owner at the address of the unit.

2228 2. If the most recent address of the unit owner on the
2229 records of the association is in the United States, but is not
2230 the address of the unit, the notice must be sent by certified
2231 mail, return receipt requested, to the unit owner at his or her
2232 most recent address.

2233 3. If the most recent address of the unit owner on the
2234 records of the association is not in the United States, the
2235 notice must be sent by first-class United States mail to the
2236 unit owner at his or her most recent address.

2237 (b) A notice that is sent pursuant to this subsection is
2238 deemed delivered upon mailing. A claim of lien must be executed
2239 and acknowledged by an officer or authorized agent of the
2240 association. The lien is not effective 1 year after the claim of
2241 lien was recorded unless, within that time, an action to enforce
2242 the lien is commenced. The 1-year period is automatically
2243 extended for any length of time during which the association is



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2244 prevented from filing a foreclosure action by an automatic stay
2245 resulting from a bankruptcy petition filed by the parcel owner
2246 or any other person claiming an interest in the parcel. The
2247 claim of lien secures all unpaid rents and assessments that are
2248 due and that may accrue after the claim of lien is recorded and
2249 through the entry of a final judgment, as well as interest and
2250 all reasonable costs and attorney fees incurred by the
2251 association incident to the collection process. Upon payment in
2252 full, the person making the payment is entitled to a
2253 satisfaction of the lien.

2254 (c) By recording a notice in substantially the following
2255 form, a unit owner or the unit owner's agent or attorney may
2256 require the association to enforce a recorded claim of lien
2257 against his or her cooperative parcel:

2258 NOTICE OF CONTEST OF LIEN

2259 TO: ...(Name and address of association)...:

2260 You are notified that the undersigned contests the claim of lien
2261 filed by you on, ...(year)..., and recorded in Official
2262 Records Book at Page, of the public records of
2263 County, Florida, and that the time within which you may file
2264 suit to enforce your lien is limited to 90 days from the date of
2265 service of this notice. Executed this day of,
2266 ...(year)....

2267 Signed: ...(Owner or Attorney)...

2268 After notice of contest of lien has been recorded, the clerk of
2269 the circuit court shall mail a copy of the recorded notice to
2270 the association by certified mail, return receipt requested, at
2271 the address shown in the claim of lien or most recent amendment
2272 to it and shall certify to the service on the face of the



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2273 notice. Service is complete upon mailing. After service, the
2274 association has 90 days in which to file an action to enforce
2275 the lien. If the action is not filed within the 90-day period,
2276 the lien is void. However, the 90-day period shall be extended
2277 for any length of time during which the association is prevented
2278 from filing its action because of an automatic stay resulting
2279 from the filing of a bankruptcy petition by the unit owner or by
2280 any other person claiming an interest in the parcel.

2281 (d) A release of lien must be in substantially the
2282 following form:

2283 RELEASE OF LIEN

2284 The undersigned lienor, in consideration of the final payment in
2285 the amount of \$...., hereby waives and releases its lien and
2286 right to claim a lien for unpaid assessments through,
2287 ...(year)..., recorded in the Official Records Book at Page
2288, of the public records of County, Florida, for the
2289 following described real property:

2290 THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO. OF ... (NAME
2291 OF COOPERATIVE)..., A COOPERATIVE AS SET FORTH IN THE
2292 COOPERATIVE DOCUMENTS AND THE EXHIBITS ANNEXED THERETO AND
2293 FORMING A PART THEREOF, RECORDED IN OFFICIAL RECORDS BOOK,
2294 PAGE, OF THE PUBLIC RECORDS OF COUNTY, FLORIDA.

2295 ...(Signature of Authorized Agent)... ...(Signature of
2296 Witness) ...
2297 ...(Print Name)... ...(Print Name) ...

2298 ... (Signature of Witness) ...
2299 ... (Print Name) ...

2300 Sworn to (or affirmed) and subscribed before me this day of
2301, ...(year)..., by ...(name of person making statement)....



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2302 ... (Signature of Notary Public) ...
2303 ... (Print, type, or stamp commissioned name of Notary Public) ...
2304 Personally Known OR Produced as identification.

2305 Section 17. Subsection (3) of section 719.303, Florida
2306 Statutes, is amended to read:

2307 719.303 Obligations of owners.—

2308 (3) The association may levy reasonable fines for failure
2309 of the unit owner or the unit's occupant, licensee, or invitee
2310 to comply with any provision of the cooperative documents or
2311 reasonable rules of the association. A fine may not become a
2312 lien against a unit. A fine may be levied by the board of
2313 administration or its authorized designee on the basis of each
2314 day of a continuing violation, with a single notice and
2315 opportunity for hearing before an impartial committee as
2316 provided in paragraph (b). However, the fine may not exceed \$100
2317 per violation, or \$1,000 in the aggregate.

2318 (a) An association may suspend, for a reasonable period of
2319 time, the right of a unit owner, or a unit owner's tenant,
2320 guest, or invitee, to use the common elements, common
2321 facilities, or any other association property for failure to
2322 comply with any provision of the cooperative documents or
2323 reasonable rules of the association. This paragraph does not
2324 apply to limited common elements intended to be used only by
2325 that unit, common elements needed to access the unit, utility
2326 services provided to the unit, parking spaces, or elevators.

2327 (b) A fine or suspension levied by the board of
2328 administration or its authorized designee may not be imposed
2329 unless the board first provides at least 14 days' written ~~except~~
2330 ~~after giving reasonable~~ notice and an opportunity for a hearing



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2331 to the unit owner and, if applicable, its occupant, the unit's
2332 licensee, or invitee. The hearing must be held before an
2333 impartial a committee of other unit owners who are neither board
2334 members, persons residing in a board member's household, nor the
2335 authorized designee or members of the authorized designee's
2336 household. The role of the impartial committee is limited to
2337 determining whether to confirm or reject the fine or suspension
2338 levied by the board or its authorized designee. If the impartial
2339 committee does not agree with the fine or suspension, it may not
2340 be imposed.

2341 Section 18. Subsection (8) of section 720.301, Florida
2342 Statutes, is amended to read:

2343 720.301 Definitions.—As used in this chapter, the term:

2344 (8) "Governing documents" means:

2345 (a) The recorded declaration of covenants for a community,
2346 and all duly adopted and recorded amendments, supplements, and
2347 recorded exhibits thereto; ~~and~~

2348 (b) The articles of incorporation and bylaws of the
2349 homeowners' association, and any duly adopted amendments
2350 thereto; and

2351 (c) Rules and regulations adopted under the authority of
2352 the recorded declaration, articles of incorporation, or bylaws
2353 and duly adopted amendments thereto.

2354 Section 19. Section 720.3015, Florida Statutes, is created
2355 to read:

2356 720.3015 Short title.—This chapter may be cited as the
2357 "Homeowners' Association Act."

2358 Section 20. Section 720.305, Florida Statutes, is amended
2359 to read:



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2360 720.305 Obligations of members; remedies at law or in
2361 equity; levy of fines and suspension of use rights.—

2362 (1) Each member and the member's tenants, guests, and
2363 invitees, and each association, are governed by, and must comply
2364 with, this chapter, the governing documents of the community,
2365 and the rules of the association. Actions at law or in equity,
2366 or both, to redress alleged failure or refusal to comply with
2367 these provisions may be brought by the association or by any
2368 member against:

2369 (a) The association;

2370 (b) A member;

2371 (c) Any director or officer of an association who willfully
2372 and knowingly fails to comply with these provisions; and

2373 (d) Any tenants, guests, or invitees occupying a parcel or
2374 using the common areas.

2375

2376 The prevailing party in any such litigation is entitled to
2377 recover reasonable attorney ~~attorney's~~ fees and costs. A member
2378 prevailing in an action between the association and the member
2379 under this section, in addition to recovering his or her
2380 reasonable attorney ~~attorney's~~ fees, may recover additional
2381 amounts as determined by the court to be necessary to reimburse
2382 the member for his or her share of assessments levied by the
2383 association to fund its expenses of the litigation. This relief
2384 does not exclude other remedies provided by law. This section
2385 does not deprive any person of any other available right or
2386 remedy.

2387 (2) The association may levy reasonable fines. A fine may
2388 not exceed ~~of up to~~ \$100 per violation against any member or any



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2389 member's tenant, guest, or invitee for the failure of the owner
2390 of the parcel or its occupant, licensee, or invitee to comply
2391 with any provision of the declaration, the association bylaws,
2392 or reasonable rules of the association unless otherwise provided
2393 in the governing documents. A fine may be levied by the board or
2394 its authorized designee for each day of a continuing violation,
2395 with a single notice and opportunity for hearing, except that
2396 the fine may not exceed \$1,000 in the aggregate unless otherwise
2397 provided in the governing documents. A fine of less than \$1,000
2398 may not become a lien against a parcel. In any action to recover
2399 a fine, the prevailing party is entitled to reasonable attorney
2400 fees and costs from the nonprevailing party as determined by the
2401 court.

2402 (a) An association may suspend, for a reasonable period of
2403 time, the right of a member, or a member's tenant, guest, or
2404 invitee, to use common areas and facilities for the failure of
2405 the owner of the parcel or its occupant, licensee, or invitee to
2406 comply with any provision of the declaration, the association
2407 bylaws, or reasonable rules of the association. This paragraph
2408 does not apply to that portion of common areas used to provide
2409 access or utility services to the parcel. A suspension may not
2410 prohibit ~~impair the right of~~ an owner or tenant of a parcel from
2411 having to have vehicular and pedestrian ingress to and egress
2412 from the parcel, including, but not limited to, the right to
2413 park.

2414 (b) A fine or suspension may not be imposed by the board of
2415 administration or its authorized designee without at least 14
2416 days' notice to the person sought to be fined or suspended and
2417 an opportunity for a hearing before an impartial ~~a~~ committee of



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2418 at least three members appointed by the board who are not
2419 officers, directors, or employees of the association, or the
2420 spouse, parent, child, brother, or sister of an officer,
2421 director, ~~or~~ employee, or the board's designee or the designee's
2422 family. If the committee, by majority vote, does not approve a
2423 proposed fine or suspension, it may not be imposed. The role of
2424 the impartial committee is limited to determining whether to
2425 confirm or reject the fine or suspension levied by the board or
2426 its authorized designee. If the board of administration or its
2427 authorized designee ~~association~~ imposes a fine or suspension,
2428 the association must provide written notice of such fine or
2429 suspension by mail or hand delivery to the parcel owner and, if
2430 applicable, to any tenant, licensee, or invitee of the parcel
2431 owner.

2432 (3) If a member is more than 90 days delinquent in paying
2433 any fee, fine, or other ~~a~~ monetary obligation due to the
2434 association, the association may suspend the rights of the
2435 member, or the member's tenant, guest, or invitee, to use common
2436 areas and facilities until the fee, fine, or other monetary
2437 obligation is paid in full. This subsection does not apply to
2438 that portion of common areas used to provide access or utility
2439 services to the parcel. A suspension may ~~does~~ not prohibit
2440 ~~impair the right of~~ an owner or tenant of a parcel from having
2441 ~~to have~~ vehicular and pedestrian ingress to and egress from the
2442 parcel, including, but not limited to, the right to park. The
2443 notice and hearing requirements under subsection (2) do not
2444 apply to a suspension imposed under this subsection.

2445 (4) An association may suspend the voting rights of a
2446 parcel or member for the nonpayment of any fee, fine, or other



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2447 monetary obligation due to the association which ~~that~~ is more
2448 than 90 days delinquent. A voting interest or consent right
2449 allocated to a parcel or member which has been suspended by the
2450 association shall be subtracted from ~~may not be counted towards~~
2451 the total number of voting interests in the association, which
2452 shall be reduced by the number of suspended voting interests
2453 when calculating the total percentage or number of all voting
2454 interests available to take or approve any action, and the
2455 suspended voting interests may not be considered for any
2456 purpose, including, but not limited to, the percentage or number
2457 of voting interests necessary to constitute a quorum, the
2458 percentage or number of voting interests required to conduct an
2459 election, or the percentage or number of voting interests
2460 required to approve an action under this chapter or pursuant to
2461 the governing documents. The notice and hearing requirements
2462 under subsection (2) do not apply to a suspension imposed under
2463 this subsection. The suspension ends upon full payment of all
2464 obligations currently due or overdue to the association.

2465 (5) All suspensions imposed pursuant to subsection (3) or
2466 subsection (4) must be approved at a properly noticed board
2467 meeting. Upon approval, the association must notify the parcel
2468 owner and, if applicable, the parcel's occupant, licensee, or
2469 invitee by mail or hand delivery.

2470 (6) The suspensions permitted by paragraph (2) (a) and
2471 subsections (3) and (4) apply to a member and, when appropriate,
2472 the member's tenants, guests, or invitees, even if the
2473 delinquency or failure that resulted in the suspension arose
2474 from less than all of the multiple parcels owned by the member.

2475 Section 21. Paragraph (b) of subsection (1) and subsections



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2476 (9) and (10) of section 720.306, Florida Statutes, are amended
2477 to read:

2478 720.306 Meetings of members; voting and election
2479 procedures; amendments.—

2480 (1) QUORUM; AMENDMENTS.—

2481 (b) Unless otherwise provided in the governing documents or
2482 required by law, and other than those matters set forth in
2483 paragraph (c), any governing document of an association may be
2484 amended by the affirmative vote of two-thirds of the voting
2485 interests of the association. Within 30 days after recording an
2486 amendment to the governing documents, the association shall
2487 provide copies of the amendment to the members. However, if a
2488 copy of the proposed amendment is provided to the members before
2489 they vote on the amendment ~~and the proposed amendment is not~~
2490 ~~changed before the vote~~, the association, in lieu of providing a
2491 copy of the amendment, may provide notice to the members that
2492 the amendment was adopted, identifying the official book and
2493 page number or instrument number of the recorded amendment and
2494 that a copy of the amendment is available at no charge to the
2495 member upon written request to the association. The copies and
2496 notice described in this paragraph may be provided
2497 electronically to those owners who previously consented to
2498 receive notice electronically. The failure to timely provide
2499 notice of the recording of the amendment does not affect the
2500 validity or enforceability of the amendment.

2501 (9) ELECTIONS AND BOARD VACANCIES.—

2502 (a) Elections of directors must be conducted in accordance
2503 with the procedures set forth in the governing documents of the
2504 association. Except as provided in paragraph (b), all members of



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2505 the association are eligible to serve on the board of directors,
2506 and a member may nominate himself or herself as a candidate for
2507 the board at a meeting where the election is to be held;
2508 provided, however, that if the election process allows
2509 candidates to be nominated in advance of the meeting, the
2510 association is not required to allow nominations at the meeting.
2511 An election is not required unless more candidates are nominated
2512 than vacancies exist. Except as otherwise provided in the
2513 governing documents, boards of directors must be elected by a
2514 plurality of the votes cast by eligible voters. Any challenge to
2515 the election process must be commenced within 60 days after the
2516 election results are announced.

2517 (b) A person who is delinquent in the payment of any fee,
2518 fine, or other monetary obligation to the association on the day
2519 that he or she could last nominate himself or herself or be
2520 nominated for the board may not seek election to the board, and
2521 his or her name may not be listed on the ballot. A person
2522 -serving as a board member who becomes more than 90 days
2523 delinquent in the payment of any fee, fine, or other monetary
2524 obligation to the association shall be deemed to have abandoned
2525 his or her seat on the board, creating a vacancy on the board to
2526 be filled according to law. For purposes of this paragraph, the
2527 term "any fee, fine, or other monetary obligation" means any
2528 delinquency to the association with respect to any parcel ~~for~~
2529 ~~more than 90 days is not eligible for board membership.~~ A person
2530 who has been convicted of any felony in this state or in a
2531 United States District or Territorial Court, or has been
2532 convicted of any offense in another jurisdiction which would be
2533 considered a felony if committed in this state, may not seek



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2534 election to the board and is not eligible for board membership
2535 unless such felon's civil rights have been restored for at least
2536 5 years as of the date on which such person seeks election to
2537 the board. The validity of any action by the board is not
2538 affected if it is later determined that a person was ineligible
2539 to seek election to the board or that a member of the board is
2540 ineligible for board membership.

2541 (c) Any election dispute between a member and an
2542 association must be submitted to mandatory binding arbitration
2543 with the division. Such proceedings must be conducted in the
2544 manner provided by s. 718.1255 and the procedural rules adopted
2545 by the division. Unless otherwise provided in the bylaws, any
2546 vacancy occurring on the board before the expiration of a term
2547 may be filled by an affirmative vote of the majority of the
2548 remaining directors, even if the remaining directors constitute
2549 less than a quorum, or by the sole remaining director. In the
2550 alternative, a board may hold an election to fill the vacancy,
2551 in which case the election procedures must conform to the
2552 requirements of the governing documents. Unless otherwise
2553 provided in the bylaws, a board member appointed or elected
2554 under this section is appointed for the unexpired term of the
2555 seat being filled. Filling vacancies created by recall is
2556 governed by s. 720.303(10) and rules adopted by the division.

2557 (10) RECORDING.—Any parcel owner may tape record or
2558 videotape meetings of the board of directors and meetings of the
2559 members; however, a parcel owner may not post the recordings on
2560 any website or other media that can readily be viewed by persons
2561 who are not members of the association. The board of directors
2562 of the association may adopt reasonable rules governing the



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2563 taping of meetings of the board and the membership.

2564 Section 22. Paragraph (a) of subsection (1) and subsection
2565 (3) of section 720.3085, Florida Statutes, are amended to read:

2566 720.3085 Payment for assessments; lien claims.—

2567 (1) When authorized by the governing documents, the
2568 association has a lien on each parcel to secure the payment of
2569 assessments and other amounts provided for by this section.
2570 Except as otherwise set forth in this section, the lien is
2571 effective from and shall relate back to the date on which the
2572 original declaration of the community was recorded. However, as
2573 to first mortgages of record, the lien is effective from and
2574 after recording of a claim of lien in the public records of the
2575 county in which the parcel is located. This subsection does not
2576 bestow upon any lien, mortgage, or certified judgment of record
2577 on July 1, 2008, including the lien for unpaid assessments
2578 created in this section, a priority that, by law, the lien,
2579 mortgage, or judgment did not have before July 1, 2008.

2580 (a) To be valid, a claim of lien must state the description
2581 of the parcel, the name of the record owner, the name and
2582 address of the association, the assessment amount due, and the
2583 due date. The claim of lien secures all unpaid assessments that
2584 are due and that may accrue subsequent to the recording of the
2585 claim of lien and before entry of a certificate of title, as
2586 well as interest, late charges, and reasonable collection costs
2587 and attorney fees incurred by the association incident to the
2588 collection process. The person making payment is entitled to a
2589 satisfaction of the lien upon payment in full.

2590 (3) Assessments and installments on assessments that are
2591 not paid when due bear interest from the due date until paid at



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2592 the rate provided in the declaration of covenants or the bylaws
2593 of the association, which rate may not exceed the rate allowed
2594 by law. If no rate is provided in the declaration or bylaws,
2595 interest accrues at the rate of 18 percent per year.

2596 (a) If the declaration or bylaws so provide, the
2597 association may also charge an administrative late fee not to
2598 exceed the greater of \$25 or 5 percent of the amount of each
2599 installment that is paid past the due date. The association may
2600 also recover from the parcel owner any reasonable charges
2601 imposed upon the association under a written contract with its
2602 management or bookkeeping company or collection agent which are
2603 incurred in connection with collecting a delinquent assessment.
2604 Such charges must be in a liquidated and noncontingent amount
2605 and must be based on the actual time expended performing
2606 necessary, nonduplicative services. Fees for collection are not
2607 recoverable for the period after referral of the matter to an
2608 association's legal counsel.

2609 (b) Any payment received by an association and accepted
2610 shall be applied first to any interest accrued, then to any
2611 administrative late fee, then to any costs and reasonable
2612 attorney fees incurred in collection, then to any reasonable
2613 costs for collection services contracted for by the association,
2614 and then to the delinquent assessment. This paragraph applies
2615 notwithstanding any restrictive endorsement, designation, or
2616 instruction placed on or accompanying a payment. A late fee is
2617 not subject to the provisions of chapter 687 and is not a fine.

2618 Section 23. This act shall take effect July 1, 2015.

2619
2620 ===== T I T L E A M E N D M E N T =====



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2621 And the title is amended as follows:

2622 Delete everything before the enacting clause
2623 and insert:

2624 A bill to be entitled

2625 An act relating to residential properties; amending s.
2626 201.02, F.S.; providing that a certain deed, transfer,
2627 or conveyance from an owner of property is subject to
2628 certain taxes; amending s. 617.0721, F.S.; authorizing
2629 the use of a copy, facsimile transmission, or other
2630 reliable reproduction of an original proxy vote for
2631 certain purposes; amending s. 718.103, F.S.; revising
2632 and providing definitions; amending s. 718.111, F.S.;
2633 providing that the vote necessary to charge use fees
2634 for the use of the common elements or association
2635 property may be approved by a majority of the voting
2636 interests present, in person or by proxy, at a meeting
2637 of the association if a quorum has been established;
2638 revising the liability of unit owners under certain
2639 conditions; revising what constitutes official records
2640 of an association; amending s. 718.112, F.S.; revising
2641 the requirements for board of administration and unit
2642 owner meetings; clarifying the voting process for
2643 providing reserves; amending s. 718.113, F.S.;
2644 revising the powers of the board relating to the
2645 installation of solar collectors, clotheslines, or
2646 other energy-efficient devices; amending s. 718.116,
2647 F.S.; revising the provisions relating to the
2648 liability of condominium unit owners and mortgagees;
2649 revising applicability; revising effect of a claim of



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2650 lien; amending s. 718.301, F.S.; adding conditions
2651 under which certain unit owners are entitled to elect
2652 at least a majority of the members of the board of
2653 administration of an association; requiring a bulk-
2654 unit purchaser to relinquish control of the
2655 association under certain circumstances; requiring a
2656 bulk-unit purchaser to deliver certain items, at the
2657 bulk-unit purchaser's expense, during the transfer of
2658 association control from the bulk-unit purchaser;
2659 amending s. 718.302, F.S.; revising the conditions
2660 under which certain grants, reservations, or contracts
2661 made by an association may be cancelled; prohibiting a
2662 lender-unit purchaser from voting on cancellation of
2663 certain grants, reservations, or contracts while the
2664 association is under control of that lender-unit
2665 purchaser; amending s. 718.303, F.S.; providing that a
2666 fine may be levied by the board or its authorized
2667 designee under certain conditions; revising the
2668 requirements for levying a fine or suspension;
2669 amending s. 718.501, F.S.; conforming provisions of
2670 chapter 718, F.S., relating to the enforcement powers
2671 of the Division of Florida Condominiums, Timeshares,
2672 and Mobile Homes; creating s. 718.709, F.S.; providing
2673 applicability of the provisions relating to the
2674 Distressed Condominium Relief Act; creating part VIII
2675 of ch. 718, F.S.; providing legislative intent;
2676 providing definitions; authorizing a bulk-unit
2677 purchaser to exercise certain developer rights;
2678 requiring a bulk-unit purchaser to pay a working



2679 capital contribution under certain circumstances;
2680 providing applicability; authorizing a lender-unit
2681 purchaser to exercise any developer rights he or she
2682 acquires; requiring a bulk-unit purchaser and a
2683 lender-unit purchaser to comply with specified
2684 provisions under ch. 718, F.S.; limiting the rights of
2685 bulk-unit purchasers and lender-unit purchasers to
2686 vote on reserves or funding of reserves; prohibiting
2687 the transfer of such voting rights; providing
2688 assessment liability for bulk-unit purchasers and
2689 lender-unit purchasers; providing for suspension of a
2690 director who has been elected or appointed by a bulk-
2691 unit purchaser in certain circumstances; specifying
2692 amendments and alterations for which a majority
2693 approval of unit owners is required; requiring consent
2694 of a bulk-unit purchaser, lender-unit purchaser, or
2695 developer to certain amendments; requiring certain
2696 warranties and disclosures; requiring an architect or
2697 engineer to disclose specified information in a
2698 condition report under certain circumstances;
2699 subjecting multiple bulk-unit purchasers to joint and
2700 several liability; prohibiting a board of
2701 administration, a majority of which is elected by a
2702 bulk-unit purchaser, from resolving certain
2703 construction disputes unless other conditions are
2704 satisfied; providing that a bulk-unit purchaser or
2705 lender-unit purchaser who does not comply with ch.
2706 718, F.S., forfeits all protections or exemptions
2707 under ch. 718, F.S.; clarifying conditions under which



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2708 a bulk-unit purchaser must deliver certain items
2709 during the transfer of association control from the
2710 bulk-unit purchaser; providing conditions by which a
2711 person may become a bulk-unit purchaser following
2712 acquisition of title to timeshare interests that are
2713 or ultimately will be included in a timeshare plan;
2714 requiring disclosure to purchasers by certain bulk-
2715 unit purchasers of timeshare interests; amending s.
2716 719.104, F.S.; revising what constitutes the official
2717 records of an association; amending s. 719.106, F.S.;
2718 revising the requirements for board of administration
2719 and shareholder meetings; amending s. 719.108, F.S.;
2720 revising applicability; revising the effect of a claim
2721 of lien; amending s. 719.303, F.S.; providing that a
2722 fine may be levied by the board or its authorized
2723 designee under certain conditions; revising the
2724 requirements for levying a fine or suspension;
2725 amending s. 720.301, F.S.; revising the definition of
2726 the term "governing documents"; creating s. 720.3015,
2727 F.S.; providing a short title; amending s. 720.305,
2728 F.S.; revising the requirements for levying a fine or
2729 suspension; revising the application of certain
2730 provisions; amending s. 720.306, F.S.; revising the
2731 requirements for the adoption of amendments to the
2732 governing documents; revising the requirements for the
2733 election of directors; revising the requirements for
2734 board of director and member meetings; amending s.
2735 720.3085, F.S.; providing that the association may
2736 recover from the parcel owner a reasonable charge



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2737 imposed by a management or bookkeeping company or a
2738 collection agent which are incurred in connection with
2739 a delinquent assessment; providing that such charges
2740 must be liquidated, noncontingent, and based upon
2741 actual time expended; providing that fees for
2742 collection are not recoverable in a certain
2743 circumstance; specifying the hierarchy for the
2744 application of payments received for collection
2745 services contracted for by the association; providing
2746 an effective date.