**By** the Committees on Fiscal Policy; Judiciary; and Regulated Industries; and Senator Ring

	594-04427-15 2015748c3
1	A bill to be entitled
2	An act relating to residential properties; amending s.
3	617.0721, F.S.; authorizing the use of a copy,
4	facsimile transmission, or other reliable reproduction
5	of an original proxy vote for certain purposes;
6	amending s. 718.111, F.S.; revising liability of unit
7	owners under certain conditions; revising what
8	constitutes official records of an association;
9	amending s. 718.112, F.S.; revising provisions
10	relating to the voting process for providing reserves;
11	amending s. 718.116, F.S.; revising applicability;
12	revising effect of a claim of lien; creating s.
13	718.128, F.S.; authorizing condominium associations to
14	conduct votes of the membership by online voting under
15	certain conditions; providing requirements for online
16	voting; providing that a member voting electronically
17	is counted toward the determination of a quorum;
18	providing applicability; amending s. 718.303, F.S.;
19	providing that a fine may be levied by the board under
20	certain conditions; revising requirements for levying
21	a fine or suspension; amending s. 718.707, F.S.;
22	extending the time period for classification as bulk
23	assignee or bulk buyer; amending s. 719.104, F.S.;
24	revising what constitutes the official records of an
25	association; amending s. 719.108, F.S.; revising
26	applicability; revising effect of a claim of lien;
27	creating s. 719.129, F.S.; authorizing cooperative
28	associations to conduct votes of the membership by
29	online voting under certain conditions; providing

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30	requirements for online voting; providing that a
31	member voting electronically is counted toward the
32	determination of a quorum; providing applicability;
33	amending s. 719.303, F.S.; providing that a fine may
34	be levied by the board under certain conditions;
35	revising requirements for levying a fine or
36	suspension; amending s. 720.301, F.S.; revising the
37	definition of the term "governing documents"; creating
38	s. 720.3015, F.S.; providing a short title; amending
39	s. 720.305, F.S.; revising requirements for levying a
40	fine or suspension; revising application of certain
41	provisions; amending s. 720.306, F.S.; revising
42	requirements for the adoption of amendments to the
43	governing documents; revising requirements for the
44	election of directors; defining the term "any fee,
45	fine, or other monetary obligation"; creating s.
46	720.317, F.S.; authorizing homeowners' associations to
47	conduct votes of the membership by online voting under
48	certain conditions; providing requirements for online
49	voting; providing that a member voting electronically
50	is counted toward the determination of a quorum;
51	providing applicability; providing an effective date.
52	
53	Be It Enacted by the Legislature of the State of Florida:
54	
55	Section 1. Subsection (2) of section 617.0721, Florida
56	Statutes, is amended to read:
57	617.0721 Voting by members
58	(2) A member who is entitled to vote may vote in person or,
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594-04427-15 2015748c3 59 unless the articles of incorporation or the bylaws otherwise provide, may vote by proxy executed in writing by the member or 60 61 by his or her duly authorized attorney in fact. Notwithstanding any provision to the contrary in the articles of incorporation 62 63 or bylaws, any copy, facsimile transmission, or other reliable 64 reproduction of the original proxy may be substituted or used in 65 lieu of the original proxy for any purpose for which the 66 original proxy could be used if the copy, facsimile transmission, or other reproduction is a complete reproduction 67 68 of the entire proxy. An appointment of a proxy is not valid 69 after 11 months following the date of its execution unless 70 otherwise provided in the proxy.

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

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

Section 2. Paragraph (j) of subsection (11) and paragraph (a) of subsection (12) of section 718.111, Florida Statutes, are amended to read:

82

718.111 The association.-

(11) INSURANCE.-In order to protect the safety, health, and welfare of the people of the State of Florida and to ensure consistency in the provision of insurance coverage to condominiums and their unit owners, this subsection applies to every residential condominium in the state, regardless of the

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594-04427-152015748c388date of its declaration of condominium. It is the intent of the89Legislature to encourage lower or stable insurance premiums for90associations described in this subsection.

(j) Any portion of the condominium property that must be 91 92 insured by the association against property loss pursuant to paragraph (f) which is damaged by an insurable event shall be 93 94 reconstructed, repaired, or replaced as necessary by the 95 association as a common expense. In the absence of an insurable event, the association or the unit owners shall be responsible 96 97 for the reconstruction, repair, or replacement  $\tau$  as determined by the maintenance provisions of the declaration or bylaws. All 98 99 property insurance deductibles, uninsured losses, and other 100 damages in excess of property insurance coverage under the 101 property insurance policies maintained by the association are a 102 common expense of the condominium, except that:

103 1. A unit owner is responsible for the costs of repair or 104 replacement of any portion of the condominium property not paid 105 by insurance proceeds if such damage is caused by intentional 106 conduct, negligence, or failure to comply with the terms of the 107 declaration or the rules of the association by a unit owner, the 108 members of his or her family, unit occupants, tenants, guests, 109 or invitees, without compromise of the subrogation rights of the 110 insurer.

111 2. The provisions of subparagraph 1. regarding the 112 financial responsibility of a unit owner for the costs of 113 repairing or replacing other portions of the condominium 114 property also apply to the costs of repair or replacement of 115 personal property of other unit owners or the association, as 116 well as other property, whether real or personal, which the unit

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594-04427-15 2015748c3 117 owners are required to insure. 118 3. To the extent the cost of repair or reconstruction for 119 which the unit owner is responsible under this paragraph is 120 reimbursed to the association by insurance proceeds, and the 121 association has collected the cost of such repair or 122 reconstruction from the unit owner, the association shall 123 reimburse the unit owner without the waiver of any rights of 124 subrogation. 125 4. The association is not obligated to pay for 126 reconstruction or repairs of property losses as a common expense 127 if the property losses were known or should have been known to a 128 unit owner and were not reported to the association until after 129 the insurance claim of the association for that property was 130 settled or resolved with finality, or denied because it was 131 untimely filed. 132 (12) OFFICIAL RECORDS.-133 (a) From the inception of the association, the association 134 shall maintain each of the following items, if applicable, which 135 constitutes the official records of the association: 136 1. A copy of the plans, permits, warranties, and other 137 items provided by the developer pursuant to s. 718.301(4). 138 2. A photocopy of the recorded declaration of condominium 139 of each condominium operated by the association and each amendment to each declaration. 140 3. A photocopy of the recorded bylaws of the association 141 and each amendment to the bylaws. 142 143 4. A certified copy of the articles of incorporation of the 144 association, or other documents creating the association, and 145 each amendment thereto.

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594-04427-15 2015748c3 146 5. A copy of the current rules of the association. 147 6. A book or books that contain the minutes of all meetings of the association, the board of administration, and the unit 148 149 owners, which minutes must be retained for at least 7 years. 150 7. A current roster of all unit owners and their mailing 151 addresses, unit identifications, voting certifications, and, if 152 known, telephone numbers. The association shall also maintain 153 the electronic mailing addresses and facsimile numbers of unit 154 owners consenting to receive notice by electronic transmission. 155 The electronic mailing addresses and facsimile numbers are not 156 accessible to unit owners if consent to receive notice by 157 electronic transmission is not provided in accordance with 158 subparagraph (c)5. However, the association is not liable for an inadvertent disclosure of the electronic mail address or 159 160 facsimile number for receiving electronic transmission of 161 notices. 162 8. All current insurance policies of the association and 163 condominiums operated by the association. 164 9. A current copy of any management agreement, lease, or 165 other contract to which the association is a party or under 166 which the association or the unit owners have an obligation or 167 responsibility. 10. Bills of sale or transfer for all property owned by the 168

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association.

11. Accounting records for the association and separate 170 171 accounting records for each condominium that the association 172 operates. All accounting records must be maintained for at least 173 7 years. Any person who knowingly or intentionally defaces or 174 destroys such records, or who knowingly or intentionally fails

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175	to create or maintain such records, with the intent of causing
176	harm to the association or one or more of its members, is
177	personally subject to a civil penalty pursuant to s.
178	718.501(1)(d). The accounting records must include, but are not
179	limited to:
180	a. Accurate, itemized, and detailed records of all receipts
181	and expenditures.
182	b. A current account and a monthly, bimonthly, or quarterly
183	statement of the account for each unit designating the name of
184	the unit owner, the due date and amount of each assessment, the
185	amount paid on the account, and the balance due.
186	c. All audits, reviews, accounting statements, and
187	financial reports of the association or condominium.
188	d. All contracts for work to be performed. Bids for work to
189	be performed are also considered official records and must be
190	maintained by the association.
191	12. Ballots, sign-in sheets, voting proxies, and all other
192	papers relating to voting by unit owners, which must be
193	maintained for 1 year from the date of the election, vote, or
194	meeting to which the document relates, notwithstanding paragraph
195	(b).
196	13. All rental records if the association is acting as
197	agent for the rental of condominium units.
198	14. A copy of the current question and answer sheet as
199	described in s. 718.504.
200	15. All other <u>written</u> records of the association not
201	specifically included in the foregoing which are related to the
202	operation of the association.
203	16. A copy of the inspection report as described in s.

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204	718.301(4)(p).
205	Section 3. Paragraph (f) of subsection (2) of section
206	718.112, Florida Statutes, is amended to read:
207	718.112 Bylaws
208	(2) REQUIRED PROVISIONSThe bylaws shall provide for the
209	following and, if they do not do so, shall be deemed to include
210	the following:
211	(f) Annual budget.—
212	1. The proposed annual budget of estimated revenues and
213	expenses must be detailed and must show the amounts budgeted by
214	accounts and expense classifications, including, at a minimum,
215	any <del>if</del> applicable, but not limited to, those expenses listed in
216	s. 718.504(21). A multicondominium association shall adopt a
217	separate budget of common expenses for each condominium the
218	association operates and shall adopt a separate budget of common
219	expenses for the association. In addition, if the association
220	maintains limited common elements with the cost to be shared
221	only by those entitled to use the limited common elements as
222	provided for in s. 718.113(1), the budget or a schedule attached
223	to it must show the amount budgeted for this maintenance. If,
224	after turnover of control of the association to the unit owners,
225	any of the expenses listed in s. 718.504(21) are not applicable,
226	they need not be listed.
227	2 a In addition to annual operating expenses the hudget

227 2.<u>a.</u> In addition to annual operating expenses, the budget 228 must include reserve accounts for capital expenditures and 229 deferred maintenance. These accounts must include, but are not 230 limited to, roof replacement, building painting, and pavement 231 resurfacing, regardless of the amount of deferred maintenance 232 expense or replacement cost, and <del>for</del> any other item that has a

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233 deferred maintenance expense or replacement cost that exceeds 234 \$10,000. The amount to be reserved must be computed using a 235 formula based upon estimated remaining useful life and estimated 236 replacement cost or deferred maintenance expense of each reserve 237 item. The association may adjust replacement reserve assessments 238 annually to take into account any changes in estimates or 239 extension of the useful life of a reserve item caused by 240 deferred maintenance. This subsection does not apply to an adopted budget in which the members of an association have 241 242 determined, by a majority vote at a duly called meeting of the 243 association, to provide no reserves or less reserves than 244 required by this subsection.

245 b. Before However, prior to turnover of control of an 246 association by a developer to unit owners other than a developer 247 pursuant to s. 718.301, the developer may vote the voting 248 interests allocated to its units to waive the reserves or reduce 249 the funding of reserves through the period expiring at the end 250 of the second fiscal year after the fiscal year in which the 251 certificate of a surveyor and mapper is recorded pursuant to s. 252 718.104(4)(e) or an instrument that transfers title to a unit in 253 the condominium which is not accompanied by a recorded 254 assignment of developer rights in favor of the grantee of such 255 unit is recorded, whichever occurs first, after which time 256 reserves may be waived or reduced only upon the vote of a 257 majority of all nondeveloper voting interests voting in person 258 or by limited proxy at a duly called meeting of the association. 259 If a meeting of the unit owners has been called to determine 260 whether to waive or reduce the funding of reserves $_{\mathcal{T}}$  and no such 261 result is achieved or a quorum is not attained, the reserves

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594-04427-15 2015748c3 262 included in the budget shall go into effect. After the turnover, 263 the developer may vote its voting interest to waive or reduce 264 the funding of reserves.

265 3. Reserve funds and any interest accruing thereon shall 266 remain in the reserve account or accounts, and may be used only 267 for authorized reserve expenditures unless their use for other 268 purposes is approved in advance by a majority vote at a duly 269 called meeting of the association. Before Prior to turnover of 270 control of an association by a developer to unit owners other 271 than the developer pursuant to s. 718.301, the developer-272 controlled association may shall not vote to use reserves for 273 purposes other than those that for which they were intended 274 without the approval of a majority of all nondeveloper voting 275 interests, voting in person or by limited proxy at a duly called 276 meeting of the association.

277 4. The only voting interests that are eligible to vote on 278 questions that involve waiving or reducing the funding of 279 reserves, or using existing reserve funds for purposes other 280 than purposes for which the reserves were intended, are the 281 voting interests of the units subject to assessment to fund the 282 reserves in question. Proxy questions relating to waiving or 283 reducing the funding of reserves or using existing reserve funds 284 for purposes other than purposes for which the reserves were 285 intended must shall contain the following statement in 286 capitalized, bold letters in a font size larger than any other 287 used on the face of the proxy ballot: WAIVING OF RESERVES, IN 288 WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF 289 290 UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

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594-04427-15 2015748c3 291 Section 4. Subsection (3) and paragraph (b) of subsection 292 (5) of section 718.116, Florida Statutes, are amended to read: 293 718.116 Assessments; liability; lien and priority; 294 interest; collection.-295 (3) Assessments and installments on assessments which are 296 not paid when due bear interest at the rate provided in the 297 declaration, from the due date until paid. The rate may not exceed the rate allowed by law, and, if no rate is provided in 298 299 the declaration, interest accrues at the rate of 18 percent per 300 year. If provided by the declaration or bylaws, the association 301 may, in addition to such interest, charge an administrative late 302 fee of up to the greater of \$25 or 5 percent of each delinguent 303 installment for which the payment is late. Any payment received 304 by an association must be applied first to any interest accrued 305 by the association, then to any administrative late fee, then to 306 any costs and reasonable attorney attorney's fees incurred in 307 collection, and then to the delinquent assessment. The foregoing 308 is applicable notwithstanding s. 673.3111, any purported accord 309 and satisfaction, or any restrictive endorsement, designation, 310 or instruction placed on or accompanying a payment. The 311 preceding sentence is intended to clarify existing law. A late 312 fee is not subject to chapter 687 or s. 718.303(4). 313 (5)

(b) To be valid, a claim of lien must state the description of the condominium parcel, the name of the record owner, the name and address of the association, the amount due, and the due dates. It must be executed and acknowledged by an officer or authorized agent of the association. The lien is not effective 1 year after the claim of lien was recorded unless, within that

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320	time, an action to enforce the lien is commenced. The 1-year
321	period is automatically extended for any length of time during
322	which the association is prevented from filing a foreclosure
323	action by an automatic stay resulting from a bankruptcy petition
324	filed by the parcel owner or any other person claiming an
325	interest in the parcel. The claim of lien secures all unpaid
326	assessments that are due and that may accrue after the claim of
327	lien is recorded and through the entry of a final judgment, as
328	well as interest, administrative late fees, and all reasonable
329	costs and <u>attorney</u> attorney's fees incurred by the association
330	incident to the collection process. Upon payment in full, the
331	person making the payment is entitled to a satisfaction of the
332	lien.
333	Section 5. Section 718.128, Florida Statutes, is created to
334	read:
335	718.128 Electronic votingThe association may conduct
336	elections and other unit owner votes through an Internet-based
337	online voting system if a unit owner consents, in writing, to
338	online voting and if the following requirements are met:
339	(1) The association provides each unit owner with:
340	(a) A method to authenticate the unit owner's identity to
341	the online voting system.
342	(b) For elections of the board, a method to transmit an
343	electronic ballot to the online voting system that ensures the
344	secrecy and integrity of each ballot.
345	(c) A method to confirm, at least 14 days before the voting
346	deadline, that the unit owner's electronic device can
347	successfully communicate with the online voting system.
348	(2) The association uses an online voting system that can:

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349	(a) Authenticate the unit owner's identity.
350	(b) Authenticate the validity of each electronic vote to
351	ensure that the vote is not altered in transit.
352	(c) Transmit a receipt from the online voting system to
353	each unit owner who casts an electronic vote.
354	(d) Permanently separate any authentication or identifying
355	information from the electronic election ballot, rendering it
356	impossible to tie an election ballot to a specific unit owner.
357	This paragraph only applies to elections of the board of
358	administration.
359	(e) Store and keep electronic votes accessible to election
360	officials for recount, inspection, and review purposes.
361	(3) A unit owner voting electronically pursuant to this
362	section shall be counted as being in attendance at the meeting
363	for purposes of determining a quorum. A substantive vote of the
364	unit owners may not be taken on any issue other than the issues
365	specifically identified in the electronic vote when a quorum is
366	established based on unit owners voting electronically pursuant
367	to this section.
368	(4) This section applies to an association that provides
369	for and authorizes an online voting system pursuant to this
370	section by a board resolution. The board resolution must provide
371	that unit owners receive notice of the opportunity to vote
372	through an online voting system, must establish reasonable
373	procedures and deadlines for unit owners to consent, in writing,
374	to online voting, and must establish reasonable procedures and
375	deadlines for unit owners to opt out of online voting after
376	giving consent. Written notice of a meeting at which the
377	resolution will be considered must be mailed, delivered, or

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378	electronically transmitted to the unit owners and posted
379	conspicuously on the condominium property or association
380	property at least 14 days before the meeting. Evidence of
381	compliance with the 14-day notice requirement must be made by an
382	affidavit executed by the person providing the notice and filed
383	with the official records of the association.
384	(5) A unit owner's consent to online voting is valid until
385	the unit owner opts out of online voting according to the
386	procedures established by the board of administration pursuant
387	to subsection (4).
388	(6) Except for timeshare condominium associations, this
389	section may apply to any matter that requires a vote of the unit
390	owners.
391	Section 6. Subsections (3), (4), and (5) of section
392	718.303, Florida Statutes, are amended, and subsection (7) is
393	added to that section, to read:
394	718.303 Obligations of owners and occupants; remedies
395	(3) The association may levy reasonable fines for the
396	failure of the owner of the unit or its occupant, licensee, or
397	invitee to comply with any provision of the declaration, the
398	association bylaws, or reasonable rules of the association. A
399	fine may not become a lien against a unit. A fine may be levied
400	by the board on the basis of each day of a continuing violation,
401	with a single notice and opportunity for hearing <u>before a</u>
402	committee as provided in paragraph (b). However, the fine may
403	not exceed \$100 per violation, or \$1,000 in the aggregate.
404	(a) An association may suspend, for a reasonable period of
405	time, the right of a unit owner, or a unit owner's tenant,
406	guest, or invitee, to use the common elements, common

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594-04427-15 2015748c3 407 facilities, or any other association property for failure to 408 comply with any provision of the declaration, the association 409 bylaws, or reasonable rules of the association. This paragraph 410 does not apply to limited common elements intended to be used 411 only by that unit, common elements needed to access the unit, 412 utility services provided to the unit, parking spaces, or 413 elevators. 414 (b) A fine or suspension levied by the board of administration may not be imposed unless the board association 415 first provides at least 14 days' written notice and an 416 opportunity for a hearing to the unit owner and, if applicable, 417 418 its occupant, licensee, or invitee. The hearing must be held before a committee of other unit owners who are neither board 419 420 members nor persons residing in a board member's household. The 421 role of the committee is limited to determining whether to 422 confirm or reject the fine or suspension levied by the board. If 423 the committee does not agree, the fine or suspension may not be 424 imposed. 425 (4) If a unit owner is more than 90 days delinquent in 426 paying a fee, fine, or other monetary obligation due to the 427 association, the association may suspend the right of the unit 428 owner or the unit's occupant, licensee, or invitee to use common 429 elements, common facilities, or any other association property 430 until the fee, fine, or other monetary obligation is paid in 431 full. This subsection does not apply to limited common elements 432 intended to be used only by that unit, common elements needed to 433 access the unit, utility services provided to the unit, parking 434 spaces, or elevators. The notice and hearing requirements under subsection (3) do not apply to suspensions imposed under this 435

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594-04427-15 2015748c3 436 subsection. 437 (5) An association may suspend the voting rights of a unit 438 or member due to nonpayment of any fee, fine, or other monetary 439 obligation due to the association which is more than 90 days 440 delinquent. A voting interest or consent right allocated to a 441 unit or member which has been suspended by the association shall 442 be subtracted from may not be counted towards the total number of voting interests in the association, which shall be reduced 443 444 by the number of suspended voting interests when calculating the 445 total percentage or number of all voting interests available to 446 take or approve any action, and the suspended voting interests 447 may not be considered for any purpose, including, but not 448 limited to, the percentage or number of voting interests 449 necessary to constitute a quorum, the percentage or number of 450 voting interests required to conduct an election, or the 451 percentage or number of voting interests required to approve an 452 action under this chapter or pursuant to the declaration, 453 articles of incorporation, or bylaws. The suspension ends upon 454 full payment of all obligations currently due or overdue the 455 association. The notice and hearing requirements under 456 subsection (3) do not apply to a suspension imposed under this 457 subsection. 458 (7) The suspensions permitted by paragraph (3)(a) and 459 subsections (4) and (5) apply to a member and, when appropriate, 460 the member's tenants, guests, or invitees, even if the 461 delinquency or failure that resulted in the suspension arose 462 from fewer than all of the multiple units owned by a member. 463 Section 7. Section 718.707, Florida Statutes, is amended to

### 464 read:

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465	718.707 Time limitation for classification as bulk assignee
466	or bulk buyer.—A person acquiring condominium parcels may not be
467	classified as a bulk assignee or bulk buyer unless the
468	condominium parcels were acquired on or after July 1, 2010, but
469	before July 1, $2018$ $2016$ . The date of such acquisition shall be
470	determined by the date of recording a deed or other instrument
471	of conveyance for such parcels in the public records of the
472	county in which the condominium is located, or by the date of
473	issuing a certificate of title in a foreclosure proceeding with
474	respect to such condominium parcels.
475	Section 8. Paragraph (a) of subsection (2) of section
476	719.104, Florida Statutes, is amended to read:
477	719.104 Cooperatives; access to units; records; financial
478	reports; assessments; purchase of leases
479	(2) OFFICIAL RECORDS
480	(a) From the inception of the association, the association
481	shall maintain a copy of each of the following, where
482	applicable, which shall constitute the official records of the
483	association:
484	1. The plans, permits, warranties, and other items provided
485	by the developer pursuant to s. 719.301(4).
486	2. A photocopy of the cooperative documents.
487	3. A copy of the current rules of the association.
488	4. A book or books containing the minutes of all meetings
489	of the association, of the board of directors, and of the unit
490	owners, which minutes shall be retained for a period of not less
491	than 7 years.
492	5. A current roster of all unit owners and their mailing
493	addresses, unit identifications, voting certifications, and, if

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494 known, telephone numbers. The association shall also maintain 495 the electronic mailing addresses and the numbers designated by 496 unit owners for receiving notice sent by electronic transmission 497 of those unit owners consenting to receive notice by electronic 498 transmission. The electronic mailing addresses and numbers 499 provided by unit owners to receive notice by electronic 500 transmission shall be removed from association records when consent to receive notice by electronic transmission is revoked. 501 502 However, the association is not liable for an erroneous 503 disclosure of the electronic mail address or the number for 504 receiving electronic transmission of notices.

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6. All current insurance policies of the association.

506 7. A current copy of any management agreement, lease, or 507 other contract to which the association is a party or under 508 which the association or the unit owners have an obligation or 509 responsibility.

510 8. Bills of sale or transfer for all property owned by the 511 association.

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

517 a. Accurate, itemized, and detailed records of all receipts 518 and expenditures.

519 b. A current account and a monthly, bimonthly, or quarterly 520 statement of the account for each unit designating the name of 521 the unit owner, the due date and amount of each assessment, the 522 amount paid upon the account, and the balance due.

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523	c. All audits, reviews, accounting statements, and
524	financial reports of the association.
525	d. All contracts for work to be performed. Bids for work to
526	be performed shall also be considered official records and shall
527	be maintained for a period of 1 year.
528	10. Ballots, sign-in sheets, voting proxies, and all other
529	papers relating to voting by unit owners, which shall be
530	maintained for a period of 1 year after the date of the
531	election, vote, or meeting to which the document relates.
532	11. All rental records where the association is acting as
533	agent for the rental of units.
534	12. A copy of the current question and answer sheet as
535	described in s. 719.504.
536	13. All other written records of the association not
537	specifically included in the foregoing which are related to the
538	operation of the association.
539	Section 9. Subsections (3) and (4) of section 719.108,
540	Florida Statutes, are amended to read:
541	719.108 Rents and assessments; liability; lien and
542	priority; interest; collection; cooperative ownership
543	(3) Rents and assessments, and installments on them, not
544	paid when due bear interest at the rate provided in the
545	cooperative documents from the date due until paid. This rate
546	may not exceed the rate allowed by law and, if a rate is not
547	provided in the cooperative documents, accrues at 18 percent per
548	annum. If the cooperative documents or bylaws so provide, the
549	association may charge an administrative late fee in addition to
550	such interest, not to exceed the greater of \$25 or 5 percent of
551	each installment of the assessment for each delinquent

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579 580

594-04427-15 2015748c3 552 installment that the payment is late. Any payment received by an 553 association must be applied first to any interest accrued by the 554 association, then to any administrative late fee, then to any 555 costs and reasonable attorney fees incurred in collection, and 556 then to the delinquent assessment. The foregoing applies 557 notwithstanding s. 673.3111, any purported accord and 558 satisfaction, or any restrictive endorsement, designation, or 559 instruction placed on or accompanying a payment. The preceding 560 sentence is intended to clarify existing law. A late fee is not 561 subject to chapter 687 or s. 719.303(4). (4) The association has a lien on each cooperative parcel 562 563 for any unpaid rents and assessments, plus interest, and any

564 authorized administrative late fees. If authorized by the 565 cooperative documents, the lien also secures reasonable attorney 566 fees incurred by the association incident to the collection of 567 the rents and assessments or enforcement of such lien. The lien 568 is effective from and after recording a claim of lien in the 569 public records in the county in which the cooperative parcel is 570 located which states the description of the cooperative parcel, 571 the name of the unit owner, the amount due, and the due dates. 572 Except as otherwise provided in this chapter, a lien may not be 573 filed by the association against a cooperative parcel until 30 574 days after the date on which a notice of intent to file a lien 575 has been delivered to the owner.

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

### NOTICE OF INTENT

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581	TO RECORD A CLAIM OF LIEN
582	
583	RE: Unit (unit number) of (name of
584	cooperative)
585	
586	The following amounts are currently due on your
587	account to(name of association), and must be
588	paid within 30 days after your receipt of this letter.
589	This letter shall serve as the association's notice of
590	intent to record a Claim of Lien against your property
591	no sooner than 30 days after your receipt of this
592	letter, unless you pay in full the amounts set forth
593	below:
594	
595	Maintenance due(dates) \$
596	Late fee, if applicable \$
597	Interest through (dates)* \$
598	Certified mail charges \$
599	Other costs \$
600	TOTAL OUTSTANDING \$
601	
602	*Interest accrues at the rate of percent per
603	annum.
604	1. If the most recent address of the unit owner on the
605	records of the association is the address of the unit, the
606	notice must be sent by certified mail, return receipt requested,
607	to the unit owner at the address of the unit.
608	2. If the most recent address of the unit owner on the
609	records of the association is in the United States, but is not

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594-04427-15 2015748c3 610 the address of the unit, the notice must be sent by certified 611 mail, return receipt requested, to the unit owner at his or her 612 most recent address. 613 3. If the most recent address of the unit owner on the 614 records of the association is not in the United States, the 615 notice must be sent by first-class United States mail to the 616 unit owner at his or her most recent address. 617 (b) A notice that is sent pursuant to this subsection is deemed delivered upon mailing. A claim of lien must be executed 618 619 and acknowledged by an officer or authorized agent of the 620 association. The lien is not effective 1 year after the claim of 621 lien was recorded unless, within that time, an action to enforce 622 the lien is commenced. The 1-year period is automatically 623 extended for any length of time during which the association is 624 prevented from filing a foreclosure action by an automatic stay 625 resulting from a bankruptcy petition filed by the parcel owner 626 or any other person claiming an interest in the parcel. The 627 claim of lien secures all unpaid rents and assessments that are 628 due and that may accrue after the claim of lien is recorded and 629 through the entry of a final judgment, as well as interest and 630 all reasonable costs and attorney fees incurred by the 631 association incident to the collection process. Upon payment in 632 full, the person making the payment is entitled to a satisfaction of the lien. 633

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

#### 638

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639	NOTICE OF CONTEST OF LIEN
640	
641	TO: (Name and address of association):
642	
643	You are notified that the undersigned contests the
644	claim of lien filed by you on,(year), and
645	recorded in Official Records Book at Page,
646	of the public records of County, Florida, and
647	that the time within which you may file suit to
648	enforce your lien is limited to 90 days from the date
649	of service of this notice. Executed this day of
650	,(year)
651	Signed:(Owner or Attorney)
652	
653	After notice of contest of lien has been recorded, the clerk of
654	the circuit court shall mail a copy of the recorded notice to
655	the association by certified mail, return receipt requested, at
656	the address shown in the claim of lien or most recent amendment
657	to it and shall certify to the service on the face of the
658	notice. Service is complete upon mailing. After service, the
659	association has 90 days in which to file an action to enforce
660	the lien. If the action is not filed within the 90-day period,
661	the lien is void. However, the 90-day period shall be extended
662	for any length of time during which the association is prevented
663	from filing its action because of an automatic stay resulting
664	from the filing of a bankruptcy petition by the unit owner or by
665	any other person claiming an interest in the parcel.

666 (d) A release of lien must be in substantially the667 following form:

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668	
669	RELEASE OF LIEN
670	
671	The undersigned lienor, in consideration of the final payment in
672	the amount of $\$\ldots$ , hereby waives and releases its lien and
673	right to claim a lien for unpaid assessments through $\ldots$ ,
674	$\ldots$ (year) $\ldots$ , recorded in the Official Records Book $\ldots$ at Page
675	, of the public records of County, Florida, for the
676	following described real property:
677	
678	THAT COOPERATIVE PARCEL WHICH INCLUDES UNIT NO
679	OF (NAME OF COOPERATIVE), A COOPERATIVE AS SET
680	FORTH IN THE COOPERATIVE DOCUMENTS AND THE EXHIBITS
681	ANNEXED THERETO AND FORMING A PART THEREOF, RECORDED
682	IN OFFICIAL RECORDS BOOK, PAGE, OF THE
683	PUBLIC RECORDS OF COUNTY, FLORIDA.
684	
685	(Signature of Authorized Agent)(Signature of
686	Witness)
687	(Print Name) (Print Name)
688	
689	(Signature of Witness)
690	(Print Name)
691	
692	Sworn to (or affirmed) and subscribed before me this day of
693	,(year), by(name of person making statement)
694	(Signature of Notary Public)
695	(Print, type, or stamp commissioned name of Notary Public)
696	Personally Known OR Produced as identification.

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697	Section 10. Section 719.129, Florida Statutes, is created
698	to read:
699	719.129 Electronic votingThe association may conduct
700	elections and other unit owner votes through an Internet-based
701	online voting system if a unit owner consents, in writing, to
702	online voting and if the following requirements are met:
703	(1) The association provides each unit owner with:
704	(a) A method to authenticate the unit owner's identity to
705	the online voting system.
706	(b) For elections of the board, a method to transmit an
707	electronic ballot to the online voting system that ensures the
708	secrecy and integrity of each ballot.
709	(c) A method to confirm, at least 14 days before the voting
710	deadline, that the unit owner's electronic device can
711	successfully communicate with the online voting system.
712	(2) The association uses an online voting system that can:
713	(a) Authenticate the unit owner's identity.
714	(b) Authenticate the validity of each electronic vote to
715	ensure that the vote is not altered in transit.
716	(c) Transmit a receipt from the online voting system to
717	each unit owner who casts an electronic vote.
718	(d) Permanently separate any authentication or identifying
719	information from the electronic election ballot, rendering it
720	impossible to tie an election ballot to a specific unit owner.
721	This paragraph only applies to elections of the board of
722	administration.
723	(e) Store and keep electronic votes accessible to election
724	officials for recount, inspection, and review purposes.
725	(3) A unit owner voting electronically pursuant to this

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726	section shall be counted as being in attendance at the meeting
727	for purposes of determining a quorum. A substantive vote of the
728	unit owners may not be taken on any issue other than the issues
729	specifically identified in the electronic vote when a quorum is
730	established based on unit owners voting electronically pursuant
731	to this section.
732	(4) This section applies to an association that provides
733	for and authorizes an online voting system pursuant to this
734	section by a board resolution. The board resolution must provide
735	that unit owners receive notice of the opportunity to vote
736	through an online voting system, must establish reasonable
737	procedures and deadlines for unit owners to consent, in writing,
738	to online voting, and must establish reasonable procedures and
739	deadlines for unit owners to opt out of online voting after
740	giving consent. Written notice of a meeting at which the
741	resolution will be considered must be mailed, delivered, or
742	electronically transmitted to the unit owners and posted
743	conspicuously on the condominium property or association
744	property at least 14 days before the meeting. Evidence of
745	compliance with the 14-day notice requirement must be made by an
746	affidavit executed by the person providing the notice and filed
747	with the official records of the association.
748	(5) A unit owner's consent to online voting is valid until
749	the unit owner opts out of online voting pursuant to the
750	procedures established by the board of administration pursuant
751	to subsection (4).
752	(6) Except for timeshare cooperative associations, this
753	section may apply to any matter that requires a vote of the unit
754	owners.

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594-04427-15 2015748c3 755 Section 11. Subsection (3) of section 719.303, Florida 756 Statutes, is amended to read: 757 719.303 Obligations of owners.-758 (3) The association may levy reasonable fines for failure 759 of the unit owner or the unit's occupant, licensee, or invitee 760 to comply with any provision of the cooperative documents or 761 reasonable rules of the association. A fine may not become a 762 lien against a unit. A fine may be levied by the board on the 763 basis of each day of a continuing violation, with a single notice and opportunity for hearing before a committee as 764 provided in paragraph (b). However, the fine may not exceed \$100 765 766 per violation, or \$1,000 in the aggregate. 767 (a) An association may suspend, for a reasonable period of 768 time, the right of a unit owner, or a unit owner's tenant, 769 guest, or invitee, to use the common elements, common 770 facilities, or any other association property for failure to 771 comply with any provision of the cooperative documents or 772 reasonable rules of the association. This paragraph does not 773 apply to limited common elements intended to be used only by 774 that unit, common elements needed to access the unit, utility 775 services provided to the unit, parking spaces, or elevators. 776 (b) A fine or suspension levied by the board of 777 administration may not be imposed unless the board first 778 provides at least 14 days' written except after giving 779 reasonable notice and an opportunity for a hearing to the unit 780 owner and, if applicable, its occupant, the unit's licensee, or 781 invitee. The hearing must be held before a committee of other 782 unit owners who are neither board members nor persons residing in a board member's household. The role of the committee is 783

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784	limited to determining whether to confirm or reject the fine or
785	suspension levied by the board. If the committee does not agree
786	with the fine or suspension, it may not be imposed.
787	Section 12. Subsection (8) of section 720.301, Florida
788	Statutes, is amended to read:
789	720.301 DefinitionsAs used in this chapter, the term:
790	(8) "Governing documents" means:
791	(a) The recorded declaration of covenants for a community $_{m  au}$
792	and all duly adopted and recorded amendments, supplements, and
793	recorded exhibits thereto; and
794	(b) The articles of incorporation and bylaws of the
795	homeowners' association, and any duly adopted amendments
796	thereto; and
797	(c) Rules and regulations adopted under the authority of
798	the recorded declaration, articles of incorporation, or bylaws
799	and duly adopted amendments thereto.
800	Section 13. Section 720.3015, Florida Statutes, is created
801	to read:
802	720.3015 Short titleThis chapter may be cited as the
803	"Homeowners' Association Act."
804	Section 14. Section 720.305, Florida Statutes, is amended
805	to read:
806	720.305 Obligations of members; remedies at law or in
807	equity; levy of fines and suspension of use rights
808	(1) Each member and the member's tenants, guests, and
809	invitees, and each association, are governed by, and must comply
810	with, this chapter, the governing documents of the community,
811	and the rules of the association. Actions at law or in equity,
812	or both, to redress alleged failure or refusal to comply with

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594-04427-15 2015748c3 813 these provisions may be brought by the association or by any 814 member against: 815 (a) The association; (b) A member; 816 817 (c) Any director or officer of an association who willfully 818 and knowingly fails to comply with these provisions; and 819 (d) Any tenants, guests, or invitees occupying a parcel or using the common areas. 820 821 822 The prevailing party in any such litigation is entitled to 823 recover reasonable attorney attorney's fees and costs. A member 824 prevailing in an action between the association and the member 825 under this section, in addition to recovering his or her 826 reasonable attorney attorney's fees, may recover additional 827 amounts as determined by the court to be necessary to reimburse 828 the member for his or her share of assessments levied by the 829 association to fund its expenses of the litigation. This relief 830 does not exclude other remedies provided by law. This section 831 does not deprive any person of any other available right or 832 remedy. 833 (2) The association may levy reasonable fines. A fine may 834 not exceed of up to \$100 per violation against any member or any 835 member's tenant, guest, or invitee for the failure of the owner 836 of the parcel or its occupant, licensee, or invitee to comply with any provision of the declaration, the association bylaws, 837

or reasonable rules of the association <u>unless otherwise provided</u>
<u>in the governing documents</u>. A fine may be levied <u>by the board</u>
for each day of a continuing violation, with a single notice and
opportunity for hearing, except that the fine may not exceed

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594-04427-15 2015748c3 842 \$1,000 in the aggregate unless otherwise provided in the 843 governing documents. A fine of less than \$1,000 may not become a 844 lien against a parcel. In any action to recover a fine, the 845 prevailing party is entitled to reasonable attorney fees and 846 costs from the nonprevailing party as determined by the court. 847 (a) An association may suspend, for a reasonable period of 848 time, the right of a member, or a member's tenant, guest, or 849 invitee, to use common areas and facilities for the failure of 850 the owner of the parcel or its occupant, licensee, or invitee to 851 comply with any provision of the declaration, the association 852 bylaws, or reasonable rules of the association. This paragraph 853 does not apply to that portion of common areas used to provide 854 access or utility services to the parcel. A suspension may not 855 prohibit impair the right of an owner or tenant of a parcel from 856 having to have vehicular and pedestrian ingress to and egress 857 from the parcel, including, but not limited to, the right to 858 park. 859 (b) A fine or suspension may not be imposed by the board of 860 administration without at least 14 days' notice to the person 861 sought to be fined or suspended and an opportunity for a hearing 862 before a committee of at least three members appointed by the 863 board who are not officers, directors, or employees of the 864 association, or the spouse, parent, child, brother, or sister of 865 an officer, director, or employee. If the committee, by majority 866 vote, does not approve a proposed fine or suspension, it may not 867 be imposed. The role of the committee is limited to determining 868 whether to confirm or reject the fine or suspension levied by 869 the board. If the board of directors association imposes a fine 870 or suspension, the association must provide written notice of

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594-04427-15 2015748c3 871 such fine or suspension by mail or hand delivery to the parcel 872 owner and, if applicable, to any tenant, licensee, or invitee of 873 the parcel owner.

874 (3) If a member is more than 90 days delinquent in paying 875 any fee, fine, or other a monetary obligation due to the 876 association, the association may suspend the rights of the 877 member, or the member's tenant, guest, or invitee, to use common areas and facilities until the fee, fine, or other monetary 878 879 obligation is paid in full. This subsection does not apply to 880 that portion of common areas used to provide access or utility 881 services to the parcel. A suspension may does not prohibit 882 impair the right of an owner or tenant of a parcel from having 883 to have vehicular and pedestrian ingress to and egress from the 884 parcel, including, but not limited to, the right to park. The notice and hearing requirements under subsection (2) do not 885 886 apply to a suspension imposed under this subsection.

887 (4) An association may suspend the voting rights of a 888 parcel or member for the nonpayment of any fee, fine, or other 889 monetary obligation due to the association that is more than 90 890 days delinquent. A voting interest or consent right allocated to 891 a parcel or member which has been suspended by the association 892 shall be subtracted from may not be counted towards the total 893 number of voting interests in the association, which shall be 894 reduced by the number of suspended voting interests when 895 calculating the total percentage or number of all voting 896 interests available to take or approve any action, and the 897 suspended voting interests may not be considered for any 898 purpose, including, but not limited to, the percentage or number 899 of voting interests necessary to constitute a quorum, the

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594-04427-15 2015748c3 900 percentage or number of voting interests required to conduct an 901 election, or the percentage or number of voting interests 902 required to approve an action under this chapter or pursuant to 903 the governing documents. The notice and hearing requirements 904 under subsection (2) do not apply to a suspension imposed under 905 this subsection. The suspension ends upon full payment of all 906 obligations currently due or overdue to the association. 907 (5) All suspensions imposed pursuant to subsection (3) or 908 subsection (4) must be approved at a properly noticed board 909 meeting. Upon approval, the association must notify the parcel 910 owner and, if applicable, the parcel's occupant, licensee, or 911 invitee by mail or hand delivery. 912 (6) The suspensions permitted by paragraph (2)(a) and 913 subsections (3) and (4) apply to a member and, when appropriate, the member's tenants, guests, or invitees, even if the 914 915 delinquency or failure that resulted in the suspension arose 916 from less than all of the multiple parcels owned by a member. 917 Section 15. Paragraph (b) of subsection (1) and subsection 918 (9) of section 720.306, Florida Statutes, are amended to read: 919 720.306 Meetings of members; voting and election 920 procedures; amendments.-921 (1) QUORUM; AMENDMENTS.-922 (b) Unless otherwise provided in the governing documents or 923 required by law, and other than those matters set forth in 924 paragraph (c), any governing document of an association may be 925 amended by the affirmative vote of two-thirds of the voting 926 interests of the association. Within 30 days after recording an 927 amendment to the governing documents, the association shall 928 provide copies of the amendment to the members. However, if a

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594-04427-15 2015748c3 929 copy of the proposed amendment is provided to the members before 930 they vote on the amendment and the proposed amendment is not 931 changed before the vote, the association, in lieu of providing a 932 copy of the amendment, may provide notice to the members that 933 the amendment was adopted, identifying the official book and 934 page number or instrument number of the recorded amendment and 935 that a copy of the amendment is available at no charge to the 936 member upon written request to the association. The copies and 937 notice described in this paragraph may be provided 938 electronically to those owners who previously consented to 939 receive notice electronically. The failure to timely provide 940 notice of the recording of the amendment does not affect the 941 validity or enforceability of the amendment. 942 (9) ELECTIONS AND BOARD VACANCIES.-

(a) Elections of directors must be conducted in accordance 943 944 with the procedures set forth in the governing documents of the 945 association. Except as provided in paragraph (b), all members of 946 the association are eligible to serve on the board of directors, 947 and a member may nominate himself or herself as a candidate for 948 the board at a meeting where the election is to be held; 949 provided, however, that if the election process allows 950 candidates to be nominated in advance of the meeting, the 951 association is not required to allow nominations at the meeting. 952 An election is not required unless more candidates are nominated 953 than vacancies exist. Except as otherwise provided in the 954 governing documents, boards of directors must be elected by a 955 plurality of the votes cast by eligible voters. Any challenge to 956 the election process must be commenced within 60 days after the 957 election results are announced.

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594-04427-15 2015748c3 958 (b) A person who is delinquent in the payment of any fee, 959 fine, or other monetary obligation to the association on the day 960 that he or she could last nominate himself or herself or be 961 nominated for the board may not seek election to the board, and 962 his or her name shall not be listed on the ballot. A person 963 serving as a board member who becomes more than 90 days 964 delinquent in the payment of any fee, fine, or other monetary obligation to the association shall be deemed to have abandoned 965 966 his or her seat on the board, creating a vacancy on the board to 967 be filled according to law. For purposes of this paragraph, the 968 term "any fee, fine, or other monetary obligation" means any 969 delinquency to the association with respect to any parcel for 970 more than 90 days is not eligible for board membership. A person 971 who has been convicted of any felony in this state or in a 972 United States District or Territorial Court, or has been 973 convicted of any offense in another jurisdiction which would be 974 considered a felony if committed in this state, may not seek 975 election to the board and is not eligible for board membership 976 unless such felon's civil rights have been restored for at least 977 5 years as of the date on which such person seeks election to 978 the board. The validity of any action by the board is not 979 affected if it is later determined that a person was ineligible 980 to seek election to the board or that a member of the board is 981 ineligible for board membership.

982 (c) Any election dispute between a member and an 983 association must be submitted to mandatory binding arbitration 984 with the division. Such proceedings must be conducted in the 985 manner provided by s. 718.1255 and the procedural rules adopted 986 by the division. Unless otherwise provided in the bylaws, any

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1016	(c) Transmit a receipt from the online voting system to
1017	each member who casts an electronic vote.
1018	(d) Permanently separate any authentication or identifying
1019	information from the electronic election ballot, rendering it
1020	impossible to tie an election ballot to a specific member. This
1021	paragraph only applies if the association's bylaws provide for
1022	secret ballots for the election of directors.
1023	(e) Store and keep electronic ballots accessible to
1024	election officials for recount, inspection, and review purposes.
1025	(3) A member voting electronically pursuant to this section
1026	shall be counted as being in attendance at the meeting for
1027	purposes of determining a quorum. A substantive vote of the
1028	membership may not be taken on any issue other than the issues
1029	specifically identified in the electronic vote when a quorum is
1030	established based on members voting electronically pursuant to
1031	this section.
1032	(4) This section applies to an association that provides
1033	for and authorizes an online voting system pursuant to this
1034	section by a board resolution. The board resolution must provide
1035	that members receive notice of the opportunity to vote through
1036	an online voting system, must establish reasonable procedures
1037	and deadlines for members to consent, in writing, to online
1038	voting, and must establish reasonable procedures and deadlines
1039	for members to opt out of online voting after giving consent.
1040	Written notice of a meeting at which the board resolution
1041	regarding online voting will be considered must be mailed,
1042	delivered, or electronically transmitted to the unit owners and
1043	posted conspicuously on the condominium property or association
1044	property at least 14 days before the meeting. Evidence of

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compliance with the 14-day notice requirement must be made by an
affidavit executed by the person providing the notice and filed
with the official records of the association.
(5) A member's consent to online voting is valid until the
member opts out of online voting pursuant to the procedures
established by the board of administration pursuant to
subsection (4).
(6) This section may apply to any matter that requires a
vote of the members.
Section 17. This act shall take effect July 1, 2015.

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