

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Civil Justice Subcommittee
 2 Representative La Rosa offered the following:

Amendment (with title amendment)

Remove lines 386-471 and insert:

6 (g) ~~(f)~~ An outgoing board or committee member, or a board
 7 member who has been recalled pursuant to s. 718.112(2)(j), must
 8 relinquish all official records and property of the association
 9 in his or her possession or under his or her control, including
 10 administrative rights or controls of an association's website or
 11 other digital or electronic asset of the association, to the
 12 incoming board within 5 days after the election or, in the case
 13 of a recall, within 5 days after the recall is effective as
 14 provided in s. 718.112(2)(j). The division shall impose a civil
 15 penalty as set forth in s. 718.501(1)(d)6. against an outgoing
 16 board or committee member who willfully and knowingly fails to
 17 relinquish such records and property.

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18 Section 4. Subsection (3) of section 718.3026, Florida
19 Statutes, is renumbered as subsection (4), and a new subsection
20 (3) is added to that section, to read:

21 718.3026 Contracts for products and services; in writing;
22 bids; exceptions.—Associations with 10 or fewer units may opt
23 out of the provisions of this section if two-thirds of the unit
24 owners vote to do so, which opt-out may be accomplished by a
25 proxy specifically setting forth the exception from this
26 section.

27 (3) (a) Directors and officers of the board must disclose
28 to the board any activity that may reasonably be construed as a
29 conflict of interest. A rebuttable presumption of a conflict of
30 interest exists if any of the following occurs without prior
31 notice, as required in paragraph (b), or board approval taken at
32 a properly noticed meeting of the unit owners:

33 1. The director or officer, or a relative residing in the
34 same household as the director or officer, has entered into a
35 contract for goods or services with the association.

36 2. The director or officer, or a relative residing in the
37 same household as the director or officer, holds an interest of
38 35 percent or more in any corporation, limited liability
39 corporation, partnership, limited liability partnership, or
40 other business entity that conducts business with the
41 association or proposes to enter into a contract or other
42 transaction with the association.

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43 (b) If a director or officer intends to engage in an
44 activity that may reasonably be construed as a conflict of
45 interest, as described in paragraph (a), the director or officer
46 must place the issue on a meeting agenda, including any proposed
47 contract or transactional documents, and submit the issue to the
48 board to be considered and voted upon. If the board votes
49 against the action, the director or officer shall notify the
50 board in writing of his or her intention not to pursue the
51 action or to withdraw from the position as director or officer.
52 If the board finds that an officer or director has violated this
53 subsection, the board shall immediately remove the officer or
54 director from office. The vacancy shall be filled according to
55 general law until expiration of the director's term of office.

56 (c) A director or officer who is party to, or has an
57 interest in, the transaction or arrangement involving the
58 possible conflict of interest may attend the meeting at which
59 the transaction or arrangement is considered by the board. The
60 director or officer who is party to, or has an interest in, the
61 transaction or arrangement shall be allowed to make a
62 presentation to the board or committee regarding the transaction
63 or arrangement. After the presentation, the director or officer
64 must leave the meeting during the discussion of, and the vote
65 upon, the transaction or arrangement involving the possible
66 conflict of interest. Any director or officer who is party to or
67 has an interest in such transaction or arrangement shall recuse
68 himself or herself from the vote.

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69 (d)1. The board must provide notice to unit owners of any
70 possible conflict of interest described in paragraph (a). Any
71 related proposed contracts or proposed transactional documents
72 related to the conflict must be attached to the agenda and made
73 available with the meeting agenda. The notice and related
74 proposed contracts or proposed transactional documents must be
75 provided to unit owners at least 7 days before the meeting at
76 which the possible conflict of interest will be considered or
77 voted upon by the board.

78 2. An association with 7,500 or more units must place the
79 notice

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

82 Remove lines 9-12 and insert:
83 association's website; revising duties of an outgoing
84 or recalled board or committee member; amending s.
85 718.3026, F.S.; providing requirements
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